

# “100 years of social partnership”—a sinister celebration of trade unions, employers’ associations and the state in Germany

Wolfgang Weber  
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*100 years ago, on November 9, 1918, the German Revolution, which had begun a few weeks earlier with mass uprisings of workers and soldiers, forced the Kaiser (Emperor) to abdicate the throne. Shortly thereafter, Germany had to withdraw from the First World War. Inspired by the October Revolution of 1917 in Russia, German workers and soldiers formed councils (Soldaten — und Arbeiterräte) throughout the country. However, the revolution was bloodily suppressed by the German Social Democratic Party (SPD) working in alliance with the Supreme Army Command. SPD leaders were also complicit in the murder of Germany’s main revolutionary leaders at the time, Rosa Luxemburg and Karl Liebknecht, who had just proceeded to form the German Communist Party (KPD).*

*The first mass socialist party in the European working class, the SPD commanded enormous authority in the German working class and the international revolutionary movement. However, in 1914, after a protracted process of opportunist degeneration, the SPD leadership agreed to grant war credits to the German government, thus enabling the German bourgeoisie to wage a war of conquest for its economic and geopolitical interests. Throughout the war years, the SPD and the German trade union bureaucracy played a critical role in suppressing workers’ opposition to the war. This article discusses how the German trade unions and bourgeoisie today glorify the traditions of the murderous role played by the SPD and trade union bureaucracies in 1918/19 in preparation for mass upheavals by the working class today against capitalism and war.*

On October 16, an event of a very peculiar kind took place in the Schlüterhof of the German Historical Museum. Leading members of trade unions and employers’ associations celebrated “100 years of Social Partnership.” The key-note was delivered by the first representative of the state, President Frank-Walter Steinmeier.

Ingo Kramer, President of the Federation of German Employers (BDA), and Reiner Hoffmann, Chairman of the German Confederation of Trade Unions (DGB), had invited to the ceremony.

What is particularly noteworthy is the date which the organisers declared to be the origin of the “Social Partnership”: the Stinnes-Legien-Agreement of November 15, 1918. They could have chosen any number of events of the post-war period for such an assignation, for example, the “Concerted Action” [1], which was founded in 1967 to maintain control over the then emerging labour struggles and youth revolts. It would have been possible by referring to the wage increases and social reforms that were granted at the time to evoke a few pale memories of a rising standard of living. But the organizers were not interested in such memories. They opted for an event that had devastating consequences for the working class and that made clear the reactionary goals that the “Social Partnership” is pursuing today.

The Stinnes-Legien-Agreement set the course for the bloody

suppression of the revolutionary uprisings, which did not want to settle for the overthrow of the emperor and aspired to a socialist society. It helped set into motion developments and forces that in 1933 culminated in the reign of Nazi barbarism. The celebration at Schlüterhof is an unmistakable signal that trade unions, employers’ associations and the state are preparing to once again take the same brutal action against the working class.

The Stinnes-Legien-Agreement was signed 10 days after the Kiel Sailors’ Uprising, which marked the beginning of the German November Revolution of 1918/19, by 21 employers’ associations and seven trade unions in Mühlheim/Ruhr. Its task was to break the revolutionary wave’s lead and fend off the demand for the expropriation of the capitalist class that was widespread in the working class.

Millions of workers had flocked from the factories to the streets of large and small towns in the preceding days. After four years of bloody slaughter for the war aims of the German banks and big industrialists, they blamed capitalism for the two million dead, four million wounded and one million civilian victims of war-related famines and epidemics. They demanded the expropriation of the corporations, the control of the workers in the factories and the transfer of political power to the newly formed Workers and Soldiers Councils.

The leaders of the trade unions and industry who had rushed to Mühlheim/Ruhr to sign the treaty shared the common goal of nipping this revolutionary movement in the bud. The trade unions assured the lords of capital fearing for their riches that they would vigorously oppose all socialist aspirations in the working class and defend private ownership of the means of production. In return they were given paltry concessions—the recognition of the trade unions as representatives of the workforce, the introduction of works councils in large companies and the eight-hour day. And even these concessions were bound with so many restrictions in the treaty that they did not oblige anything. [2]

From the point of view of the entrepreneurs, the treaty was, when it was signed, “a colossal achievement,” and its conditions were “much more favourable than expected.” [3] Over the next few weeks, this assessment was confirmed in a terrible way. The Social Democratic Reich Chancellor Friedrich Ebert, who had taken the helm after the uprising of November 1918 to stifle the revolution, and the Minister of the Reich’s Armed Forces Gustav Noske (SPD), unleashed the murderous *Freikorps*—paramilitary formations based on far-right, anti-revolutionary nationalists—upon the revolutionary masses and they indeed did their bloody work. Ten years later, the *Freikorps* who had participated in the bloody suppression of the November Revolution were to form the core of Hitler’s Storm Division (SA) against the working class.

The reactionary character of the “ceremonial act” in the Schlüterhof becomes particularly clear when one takes a look at the biography of the

eponyms of the Stinnes-Legien-Agreement.

*Carl Legien* (1861–1920) had been chairman of the General Commission of the German Trade Unions (comparable to today's DGB) since the fall of the Socialist Laws in 1890. In this capacity, he was primarily responsible for the unconditional support of the trade unions for the First World War. On August 2, 1914, two days before the declaration of war by the German Reich government, they had already announced their truce with capital and two weeks later formally promised to suppress every strike and all other forms of class struggle and political opposition for the duration of the war.

In the last years of the war, as resistance, open protest and strikes against the war spread, the trade union officers worked closely with the police and military authorities as company policemen. In the factories they identified participants and leaders of this resistance who were then immediately sent to the front. They forced the war aims of the Supreme Army Command (Oberste Heeresleitung OHL) down workers' throats presenting them as the national goals of the labor movement.

Under the military dictatorship of Field Marshal Paul Hindenburg, General Erich Ludendorff and General Groener from 1916, trade union leaders held positions of responsibility in the central offices of warfare, including in the War Economics Office, in the War Food Office and even in the highest, purely military War Office of the Supreme Army Command (OHL). [4] Thus, they ensured that every aspect of the daily life of workers and their families was subordinated to the war aims of German imperialism.

Legien was already working closely with General Groener and representatives of industry at that time. At all levels of industry, the trade unions and their officials, who were recognized by the state for the first time by the Emergency Service Act, worked together with the Supreme Army Command and the entrepreneurs in war committees and arbitration boards in order to ensure an efficient distribution of labour between trenches and workbenches and a smooth supply of ammunition and food to the front.

*Hugo Stinnes* (1870–1924) was one of the most important industrial magnates of the sinking empire. As a war profiteer and warmonger, he personified the unrestrained greed of capital stopping at nothing. With his numerous, closely interwoven companies in the coal, steel, heavy metal and metal processing industries and energy production, he had risen to become the army's most important supplier immediately after the start of the war. He supported the far-reaching plans to annex the iron and coal regions in Belgium, Luxembourg and French Lorraine, but also areas in Eastern Europe, the Baltic States and the Ukraine, as Fritz Fischer documented in his work "Griff nach der Weltmacht" (literally: Grab for World Power). [5]

Given the unexpectedly long duration of the war without the hoped-for final victory, Stinnes vigorously demanded the deportation of tens of thousands of male workers and youth from occupied Belgium to Germany for exploitation in his factories—and he got it!

Four weeks after signing the agreement with Legien, Stinnes received Waldemar Pabst, commander of the Guard Cavalry Shooting Division (GKSD), for a personal discussion at his villa in Mülheim/Ruhr, a traditional coal mining and working class region in Germany. He assured him of generous financing for his brutal troop. Another month later, on January 15, 1919, Pabst and his paramilitary group murdered the leaders of the newly formed German Communist Party (KPD), Rosa Luxemburg and Karl Liebknecht.

Stinnes' General Director Friedrich Minoux also later kept in constant contact with Pabst and ensured the financial support for his activities—in the right-wing Kapp Putsch of 1920, in the Organisation Consul (OC) as well as in the murder of the centre politician Matthias Erzberger and the Foreign Minister Walther Rathenau. In all these bloody events Pabst had his hands in the game. [6]

But the other Freikorps, called to Berlin by Reich Chancellor Friedrich Ebert (SPD) and Reich Armed Forces Minister Gustav Noske (also SPD) for the bloody suppression of the revolution, also needed to be financed. On January 10, 1919, Stinnes founded the "Anti-Bolshevist Fund" to the tune of 500 million Reichsmarks with top representatives of the German economy. At the same time, he contributed millions to the financing of Alfred Hugenberg's media group, which incited its readers with nationalist and fascist ideology. Only a decade later, this propaganda machine was to be fully at the disposal of Hitler and the NSDAP.

In 1923 Stinnes became notorious as the "inflation king." While the broad masses of the population were pushed into poverty and misery by inflation overnight, he gathered together enormous riches in the form of shares in corporations and real estate with huge loans, which he paid back shortly afterwards with money that had become worthless in the meantime. One year later he was involved in more than 4,500 companies in mechanical engineering, shipbuilding, vehicle construction, newspaper publishing and power supply. Large cartels of mining and heavy industry were under his leadership.

These are the sinister figures that were celebrated by the "society leaders" gathered in the Schlüterhof. In his speech, President Steinmeier presented Stinnes and Legien as shining examples. "What began with the Stinnes-Legien-Agreement 100 years ago is historically neither done nor exhausted," he said. He called on industrialists and trade union officials to "make the cooperation they had begun strong for the future."

Indeed, it is this worldwide, insoluble crisis of capitalism that again has driven together the representatives of industrialists, trade unions and the state of Germany to pledge joint counterrevolutionary action. Since the financial crisis of 2008, the conflicts between the imperialist superpowers have dramatically increased worldwide; within Europe, too, the conflicts are intensifying. The ruling circles of Germany are once again arming for the next "grab for world power." Frank-Walter Steinmeier, former Federal Foreign Minister, is one of the architects of the return of German militarism.

He called on entrepreneurs and trade unions to "make the cooperation they had begun strong for the future". This was absolutely necessary, and not simply because of an "abstract theory", he explained: "Just think of the biggest economic crisis of recent years, from the collapse of the investment bank Lehman Brothers in America to the drama of the sovereign debt crisis in Europe. This crisis also had an enormous impact on the German economy, from banks and service providers to small and medium-sized enterprises and traditional industry."

This belligerent foreign policy is inseparably bound up with an intensification of the class war at home. The social reforms conceded in the post-war period must be destroyed and a police state regime must be established again. And once again there are revolutionary class struggles or, as Steinmeier put it, "the danger of expropriation and nationalization is very concretely" on the table. Mankind is thus again faced with the alternative of socialism or barbarism.

#### Notes

[1] The Concerted Action was a corporatist institution where trade-union leaders, employers' federations, the Federal Minister of Economy and Finances and the German Bundesbank (Federal Reserve Bank) were supposed to sit together and agree on binding concerted actions to revive and stabilize the economy. Yet the only side which implemented such actions were the trade unions—by restraining wage increases to such an extent that in 1969 and 1973 huge waves of wild-cat strikes erupted and led to wage increases of up to 20 and 25 percent. Hence, rather despite than because of this corporatist collaboration this period is widely remembered as a period of rising standards of living.

[2] The eight-hour day should only be introduced in the various branches of industry "according to the circumstances of the trade concerned." An unpublished secret protocol of the treaty even stipulated

that the eight-hour day should only apply if Germany's neighbouring countries also agreed to its introduction (see Gerald D. Feldmann, *Armee, Industrie und Arbeiterschaft in Deutschland 1914 bis 1918* [Army, Industry and Working Class in Germany from 1914 to 1918], Berlin/Bonn 1985, p. 418 f.). It was never realized until after the Second World War.

[3] Mine director Privy Councillor Ewald Hilger at the consultations of the Association of Iron and Steel Industrialists (VdESI) one day before signing the agreement, quoted after Gerald D. Feldmann, *ibid.*

Until that day Hilger had been a bitter opponent of the recognition of trade unions as official representatives of the working class. He explained in the same consultation: "Gentlemen. I stand before you today as a Paul converted from Saul. Today we cannot get any further without the negotiations with the trade unions. Yes, gentlemen, let us be happy that the trade unions are still willing to negotiate with us in the way they have done, because only through the negotiations specifically with the trade unions, through our agreement with the trade unions can we prevent anarchy, Bolshevism, Spartacist rule and chaos—however one wants to call it." (quoted from *ibid.*)

[4] Alexander Schlick, Chairman of the Metalworkers' Union of Berlin, worked in the War Office in a high-up position.

[5] Fritz Fischer, *Griff nach der Weltmacht—Die Kriegszielpolitik des kaiserlichen Deutschland 1914–1918*. Düsseldorf 1961, new edition 2013, p. 143 ff. In English this work had been published under the title *Germany's Aims in the First World War*.

[6] See in detail Klaus Gietinger, *Der Konterrevolutionär. Waldemar Pabst—eine deutsche Karriere*. [The Counterrevolutionary: Waldemar Pabst—a German Career] Hamburg 2009.



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