

German trade union federation defends Hartz IV

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Faced with falling poll numbers, Andrea Nahles, leader of the German Social Democratic Party (SPD), has raised the issue of reforming Germany's Hartz IV labour laws. At a so-called SPD "debate camp," which dealt with the large loss of votes in the previous state election, she declared in mid-November, "We will leave Hartz IV behind us."

What exactly should be changed in the Hartz laws remains completely unclear. Nahles spoke vaguely of "civil insurance," while Green Party leader Robert Habeck alluded to "basic security for the needy." With Agenda 2010, which includes the Hartz laws, an extensive low-wage sector has been created over the past decade-and-a-half. Several social scientists have long held that Agenda 2010 has put so much pressure on workers to accept low-wage jobs that some of the bureaucratic coercive measures are no longer needed.

However, several members of the SPD executive committee have stressed that the Hartz principle of "promoting and demanding" shall be maintained.

The SPD is concerned only with cosmetics and a possible change of name, because Hartz IV is now associated with mass poverty, state harassment, cheap wages and social inequality. The Hartz laws have become the focus of growing social outrage within the population.

One of the first to speak up to defend the hated Hartz laws against such a token change is Reiner Hoffmann, president of the German Trade Union Confederation (DGB). He told the Funke-Mediengruppe that he could not comprehend the "hyperventilating" around Hartz IV.

It is "not a good idea" to end the coercion of unemployed people, he said, because work is "participatory and important for social cohesion." Hartz IV, according to Hoffmann, contributed significantly to reducing unemployment and increasing the number of employees.

Reading this, one could easily mistake the chairman of the German Trade Union Confederation for the head of the German Labor Front (DAF), founded in 1935 by the Nazis. The DAF leader and Reichsleiter of the Nazi Party Robert Ley similarly spoke of the "people's community" and the necessary coercion of workers.

The fact that Hoffmann defends the Hartz laws and justifies the associated coercive measures is proof that the unions no longer have anything to do with the defense of workers' interests. These are bureaucratic apparatuses that enforce massive wage and social cuts in the interests of the government and the ruling capitalist class.

There is not sufficient space here to describe the social decline that has taken place since the introduction of the Hartz laws in January 2005 by the then-SPD-Green federal government. However, a few citations from a labour market report published this month by the DGB itself provide an indication.

The report explains that normal job positions have been massively reduced in favor of precarious employment. The number of full-time employees covered by social insurance has stagnated since 2003. At the same time, so-called "atypical employment" has risen from 14.1 million to 22.2 million. The atypical employment group consists of part-time workers, fixed-term workers, marginal workers and self-employed and subcontract workers.

This has vast repercussions for those who fall under the category of so-called "typical employment." They are "being pressured by the fear of job loss to make concessions to their employers," the DGB notes.

The DGB study states the following regarding the atypical group: "Precarious work has led to a drastic increase in the low-wage sector. In Germany it is larger than in all other countries of Western Europe. Some 1.2 million workers earn so little that they depend on Hartz IV."

"Many people are poor, even though they are gainfully employed. The sanction threat in the Hartz IV relationship has a disciplining effect on all jobseekers ... Jobseekers know that they will be sanctioned if they turn down a job (e.g., because it is under-paid) and therefore cannot freely and confidently negotiate wages and working conditions with employers. The obligation to accept practically any job also acts as an engine of precarious employment."

In 2016, 22.7 percent of all employees in Germany worked for hourly wages that fell short of the minimum wage (10.50

euros). “Many employees are shuttling from job to job,” the report states. “Fixed-term employment can persist for years.” The number of fixed-term contracts rose from 1.66 million before the Hartz IV reform to 3.15 million last year.

“In 2017, temporary work in Germany reached a peak of over one million employees... The probability of switching to regular employment even after five years of temporary employment is only 35 percent.”

So much for Hoffmann’s talk of participatory work!

In particular, work contracts entail a “high risk of exploitation for low-income workers ... easily replaceable jobs are outsourced by contract work. This will further create an additional pay gap.”

According to the DGB study, the largest precariously employed group is the “mini-job sector, with 7.5 million current employees.” The report continues: “4.7 million mini-job seekers are only marginally employed, including 2.7 million between the standard working ages of 25 to 64.” In addition, there is a “massive expansion of part-time workers.”

The study is silent on the fact that it was the unions that largely drafted the Hartz laws. Union representatives sat alongside those from business and the federal government in a commission headed by Peter Hartz, after whom the laws were named.

Members of the commission included Peter Gasse (SPD), then district manager of the IG Metall union (IGM) in North Rhine-Westphalia (NRW); his predecessor Harald Schartau (SPD), who was minister of labor and social affairs in NRW; and Isolde Kunkel-Weber from the federal executive of the Verdi union.

Peter Hartz himself was and still is an IGM and SPD member. He subsequently became the personnel manager of Volkswagen. He remained in this post until 2005, when a corruption scandal surfaced that implicated him in embezzlement and favoritism involving works councils. He received a two-year prison sentence and a fine of 576,000 euros.

Under the SPD-Green coalition government headed by Chancellor Gerhard Schroeder, the unions merged completely with the state and implemented Agenda 2010’s social attacks against the resistance of many workers. It was therefore no coincidence that the then-chairman of IG Metall, Berthold Huber, celebrated his 60th birthday in 2010 in the Berlin Chancellery, at the invitation of the head of government.

Since then, cooperation between the unions and the federal government has become even closer. The DGB had argued long before the formation of the current government for a continuation of the grand coalition, although this government pursues the most right-wing domestic and

foreign policies since the Nazi era. Hoffmann and the DGB leadership support military rearmament, the associated social cuts, and all measures to strengthen the competitiveness of the German economy against its international rivals.

Formerly an IGBe official, Hoffman studied economics at the expense of the union before becoming director of the European Trade Union Institute (EGI) in Brussels. A particularly repulsive trade union bureaucrat, he speaks for a social layer that fully identifies with the interests of German imperialism and hates and fears the working class.

His predecessor, Michael Sommer, supported the return of German superpower politics and maintained close contact with the German military (Bundeswehr). At that time, the DGB, in a joint declaration with the Bundeswehr, claimed that the unions and the Bundeswehr were both part of the peace movement. A short time later, the DGB participated in celebrations marking the 60th anniversary of the founding of the Bundeswehr.

The more the resistance grows to the ruling class’s war policy and social attacks, the more openly the unions act as a force for law-and-order, while strengthening their alliance with big business and the state. This same is true for France, where protests against the gasoline tax are rapidly turning into a movement against the Macron government.

Six weeks ago, Hoffmann celebrated the centenary of the Stinnes-Legien Agreement, which established the so-called “social partnership” between the unions and the bourgeoisie. In November 1918, this pact between the capitalists, the government and the trade unions paved the way for the bloody suppression of the workers’ revolutionary uprisings, which refused to settle for the overthrow of the Kaiser and fought for workers’ power and socialism. The agreement set in motion the catastrophic process that culminated in the coming to power of the Nazis in 1933.

Today the unions are returning to this tradition. They are determined to use the same brutality against the working class.

Hence the latest statement from DGB headquarters, declaring that the trade union federation will no longer tolerate anti-fascist events on its premises. “We are not Antifa and will not rent DGB premises to Antifa in the future,” said Hoffmann on Tuesday, speaking before the congress of the police union (GdP) in Berlin. Hoffmann made it clear: the enemy is on the left.



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