

# German trade unions and employers' associations renew their pact against the working class

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Last week, Federal President Frank-Walter Steinmeier (Social Democrats, SPD) invited top representatives of business organisations and trade unions to a round of talks at Bellevue Palace, his official residence. In addition to Yasmin Fahimi (leader of the German Union Confederation, DGB), Daniela Cavallo and Michael Häberle (chairs of the VW and Mercedes-Benz Works Councils respectively), the presidents of the various employers' industry and trade associations also took part.

Following the talks, the president said: "We are meeting in turbulent times. My dialogue partners today from business and trade unions feel this every day in their companies." Steinmeier emphasised that there was "uncertainty and concern in our country." At the same time, "political extremists" were systematically fuelling these fears in order to misuse them for their "irresponsible plans."

On the surface, the meeting in the magnificent setting of Bellevue Palace centered on the demonstrations against the far-right Alternative for Germany (AfD). Ever since the announcement of a secret fascist gathering in Potsdam, where plans for the mass deportations of immigrants were discussed, hundreds of thousands have taken to the streets across Germany to protest against the far-right party. Under the heading "Together against right-wing extremism," the DGB and employers' associations published a short joint statement saying: "We clearly reject the current remigration plans of the right-wing extremists."

However, the president and his guests were not primarily concerned about the AfD, whose leader Steinmeier himself has received for talks at Bellevue Palace. In their joint statement, the DGB and the BDA employers' association warned of a threat to "social peace" and emphasised that they were aware of "the enormous importance of social peace for Germany." They fear that the mass protests against the AfD would combine with the ongoing strike movement against falling real wages and resistance to cuts in social spending while massive sums are disbursed on armaments, and could develop into a rebellion against the government, war and capitalism.

In the preceding days and weeks, strikes had paralysed rail, air and public transport and farmers' protests had blocked roads and cities. The trade unions only just managed to prevent an indefinite strike in the public sector. Resistance to mass redundancies is growing in the automotive, supplier, chemical and steel industries.

Steinmeier called on the trade unions and employers' organisations to get more involved in the demonstrations against the AfD and keep them under control. Under the slogan "Together for Democracy," the government's right-wing policies that are putting the AfD's

programme into practice are to be covered up.

The claim by employers' organisations and unions that they are taking "joint action against right-wing extremism" is a farce. Ever since Hitler's Nazi terror it has been known that fascism and capitalism belong together. When the crisis of the capitalist system exceeds normal levels, and extreme forms of exploitation can only be enforced through dictatorship and the crushing of workers' resistance, the capitalists finance fascist gangs and parties. That is how it was a hundred years ago and that is how it is today.

It has not been forgotten that the rise of the AfD was financed by large donations from the entrepreneur August von Finck, in addition to receiving state funding and extensive media coverage. Finck's father had once financed Hitler and increased his fortune by "aryanising" Jewish property. The party is now trying to better disguise its large donations from the business world. However, its main support comes from the state. According to the most recently published official report on party finances, the AfD received state funding totalling €11.8 million in 2020.

The fact that President Steinmeier is calling for an alliance against the AfD is part of the campaign of confusion. Ten years ago, as foreign minister he played a key role in ushering in the return of German great power politics and the rise of German militarism. He was personally in Kiev in February 2014 when paramilitary fascist militias chased out the elected president Viktor Yanukovych, who had refused to sign an association agreement with the EU. Steinmeier had prepared and facilitated this right-wing coup. He worked closely with Oleh Tyahnybok's fascist Svoboda, a party that uses neo-fascist symbols, agitates against foreigners and Jews, and maintains close ties with far-right parties in Europe.

As far as the trade unions are concerned, there are many AfD members and officials in their ranks who support the nationalist perspective of defending "German production" and the demand for protective tariffs. Six years ago, the then head of IG Metall in eastern Saxony, Jan Otto (who now heads the IG Metall Berlin), welcomed the AfD member of parliament Tino Chrupalla (now AfD chairman) at a trade union demonstration in Görlitz. At the time, Otto justified his collaboration with the AfD official by saying that all parties had to stand together in the fight against redundancies.

The trade unions play their main role in promoting fascism by suppressing any serious struggle against capitalism and the government. The great lesson of history is that only one social force can stop fascism: the international working class in the struggle to overthrow capitalism, which is the source of fascism and war. But the

unions are doing the exact opposite. They are sealing a pact with the government and capital and supporting the pro-war policy.

The main aim of the talks at Bellevue Palace was to strengthen this pact in order to suppress opposition to the military build-up, the arms supplies to Ukraine and Israel and the drastic social cuts.

In the same week, Defence Minister Boris Pistorius (SPD) stated in several interviews that Germany must prepare for a direct war with the nuclear power Russia. A few weeks earlier, he had called for Germany to become “fit for war” and “capable of defence” again, and for the Bundeswehr (Armed Forces) and society as a whole to be prepared accordingly.

At the same time, the 2024 federal budget was passed that provides for a huge increase in military spending and implements austerity measures in all social areas. Defence spending for 2024 amounts to a total of €85.5 billion if all relevant budget items and funds are included. This means it has more than doubled since 2017. By contrast, the healthcare budget has been slashed from €64.4 billion in 2022 to €16.7 billion.

Added to this are the continuing price increases for food, energy and rents and the effects of the restructuring of the automotive and supplier industry, which is being used by corporations to drastically increase profits. According to official figures, 40 percent of the almost 800,000 jobs in this sector alone are under threat.

In view of this situation, the federal coalition government of the SPD, Liberal Democrats (FDP) and Greens relies on the close collaboration of the trade unions and is increasingly integrating their leadership into government policy. The unions are to prevent resistance and use their bloated bureaucracy to force through the most extensive wage and social cuts since the 1930s. IG Metall alone has over 50,000 works council reps and 80,000 shop stewards in the various companies. Around 1,700 IG Metall representatives sit on corporate supervisory boards, where they are paid handsomely and work closely with management.

Just a few months after the start of the war in Ukraine, Chancellor Olaf Scholz invited the social partners to a meeting at the Chancellery in the summer of 2022 and revitalised the “Concerted Action.” This institution goes back to SPD Economics Minister Karl Schiller, who responded to the first recession in the Federal Republic of Germany in 1967, in which 500,000 workers lost their jobs, by convening a corporatist “Concerted Action,” bringing together the unions, employers and government, that agreed on low wage settlements. In the following two years, average real wages fell by 1.6 percent and 1 percent, respectively.

Scholz built on this policy. Offering a tax-free “inflation compensation payment” of a maximum of €3,000, he enabled the unions to agree wage settlements far below the rate of inflation and temporarily mitigate the fall in real wages. This pact has now been tightened. In view of the budget crisis, there will be no more tax-free payments of this kind in future.

The fact that the trade unions support the government’s pro-war policy is nothing new. They already did so in 1914, when they concluded a truce with the employers and the government at the beginning of the First World War, renounced wage struggles and supported Germany’s war aims.

Ten years ago, when Steinmeier—then still foreign minister—called for a return to a German great power policy and the assumption of more international military responsibility, the trade unions also agreed. Reiner Hoffmann, then head of the DGB, wrote an article for the Review 2014 website, which Steinmeier had set up to promote this

policy. Hoffmann unreservedly favoured military rearmament.

Hoffmann’s predecessor Michael Sommer had already cultivated close contacts with the Bundeswehr (Armed Forces). Under him, in a joint declaration, the DGB and the Bundeswehr had claimed in all seriousness that they were both part of the peace movement. A short time later, the DGB took part in the celebrations to mark the 60th anniversary of the founding of the Bundeswehr.

The current DGB chairwoman Yasmin Fahimi epitomises the merging of the trade unions with the government and the state. Previously, she was SPD general secretary, state secretary in the Federal Ministry of Labour and a member of parliament.

The incorporation of the trade unions into the government and their support for rearmament and a pro-war policy have deep objective causes, which are closely linked to the globalisation of production. The global integration of the economy and transnational production processes have deprived the trade unions of the national ground upon which they could exert pressure for limited social reforms in the past. Support for rearmament and war to secure the supply of raw materials, sales markets and access to cheap labour is the logical continuation of this nationalist policy.

However, workers are increasingly seeing the trade unions for what they really are: bureaucratic apparatuses funded by the government and corporations that suppress the class struggle by any means necessary. More and more workers are voting with their feet and resigning. At the turn of the millennium, the DGB still had 7.7 million members. Today there are over 2 million fewer.

The meeting with President Steinmeier makes it clear that the control of the trade unions over the working class is relevant to the ability of the ruling class to conduct war.

The struggle against war therefore requires breaking through the control of the nationalist trade unions and their bureaucratic apparatuses. The building of independent rank-and-file action committees is now of great importance in order to link the growing resistance against social attacks and the danger of a third world war and to initiate a global counter-offensive.

The Sozialistische Gleichheitspartei (Socialist Equality Party) and the International Committee of the Fourth International have launched the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to support the building of action committees and coordinate them internationally.



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