

As unionists demonstrate:

New policy needed to fight Schröder's social cuts

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On Saturday May 17 the trade union *Ver.di* called a national demonstration in Berlin to protest against the German government's "Agenda 2010". See "10,000 demonstrate in Berlin against attack on social conditions" for a report on the demonstration. The following text was distributed in leaflet form at the demonstration.

Chancellor Gerhard Schröder's "Agenda 2010" is the most violent attack on the social rights and gains of the German people in the history of the German Republic. Confronted with a huge budget crisis, a stagnating economy and record unemployment the SPD (German Social Democratic Party)-Green Party coalition government has reacted by demanding that those who have very little anyway should foot the bill.

The drastic reduction of unemployment benefits not only condemns additional millions of working class families to abject poverty, it is also aimed at forcing the jobless to take up any and every form of low-wage employment—in turn putting pressure on established wage rates and encouraging a general downward trend in wages and social welfare.

A quarter of the nearly one and a half million long term unemployed in Germany will be deprived of any form of support. Those who have worked for 30 or 35 years will be forced to use up all their savings before they can qualify for any sort of welfare assistance. In addition, the government's agenda envisages that costs associated with care for the elderly and sick will be increasingly passed on to workers, many of whom will simply not be able to pay.

At the same time the Schröder government has undertaken tax-cutting measures to generously reimburse employers and the rich. Thanks to the reduction of the top level of income tax, those making a million or more in income will now receive an additional 100,000 euros per year. Capital and stock holding companies, which paid 24 billion euros in company tax in 2000, were actually reimbursed with funds in 2001. In many localities dog owners now pay more annual tax than local companies.

The enormous and provocative redistribution of wealth that has taken place over the past few years is without precedent in post-war Germany—including under the right-wing government of Helmut Kohl (CDU-Christian Democratic Party).

It is not just welfare payments which are being wiped out, but the entire social and political consensus that has formed the

framework of the German Republic for the past 50 years.

In its latest edition, the magazine *Der Spiegel* openly called for an offensive against the constitution and its definition of the German state as a "democratic and social federal state." The constitution is old fashioned and an obstacle to reform, the magazine comments, and then poses the question: "Federalism, parliament, legally constitutional state: are they all outmoded?" The magazine goes on to cite the highest authorities—constitutional judges in Karlsruhe—who are quoted as follows: "Consensus is nothing other than lavishly organised irresponsibility"; politics necessarily means "pain and having to cause pain."

Other media outlets have taken up the theme and are conducting a veritable offensive against the welfare state and democratic consensus politics. In its latest lead article *Die Zeit* describes "Agenda 2010" as a "half-hearted consolidation package," which must give way to much more radical measures. "Schröder and Fischer now have to go as far as they possibly can, or as quickly as possible," the paper demands.

Die Welt calls upon the government "to ensure that a socially cushioned population learns to tighten its belts. There is only one way possible: persistent tax reductions at all levels together with decisive cuts in welfare payments."

Since the American government carried out its brutal—and successful—war against a defenceless Iraqi people, these well paid hacks now feel motivated to advocate an equally ruthless approach to the German people.

In the meantime, it has become clear why the initial criticism of the war by the German government has evaporated so rapidly—it is moving in the same direction as the government of George W. Bush.

Bush swept aside international law, the UN Security Council and world public opinion in order to subjugate a defenceless country at the behest of American oil companies. Schröder now ignores all of his election promises and constitutional requirements in order to fulfil the demands of big business. In this respect, *Die Zeit* commented: "Whereas only a little while ago the breaking of election promises was regarded as a sacrilege, now it operates as a benchmark."

After considerable hesitation, *Ver.di* pulled itself together and has organised a demonstration in the capital city against "Agenda 2010." The trade union concluded that it would otherwise prove

impossible to withstand the pressure emerging in its ranks. The demonstration should be welcomed. But the question remains: does Ver.di have an alternative to the attacks being carried out by the government?

Schröder has posed an ultimatum to his own party. Either they agree to “Agenda 2010” or he will resign. The response of those in opposition inside the SPD has been to collapse like a house of cards. This comes as no surprise for a party which has consistently given way to pressure from the right during the last 90 years of its 140-year history.

What, however, has been the response to Schröder’s ultimatum by the trade unions, Ver.di or IG Metall, which has also declared its opposition to “Agenda 2010”?

They emphasise at every possible opportunity that they are not looking for another government, merely another policy. What happens, however, when Schröder refuses to compromise and the eventuality arises that the SPD-Green Party coalition will collapse and right-wing politicians such as Merkel, Merz, Stoiber and Westerwelle come to power? For this the trade unions have no answer.

The last time they mobilised against a social democratic government was in 1982. The SPD chancellor at that time, Helmut Schmidt, was forced to resign and the CDU government led by Helmut Kohl took power for a total of 16 years. The trade unions adapted to the new relation of forces, worked together with Kohl and consoled their members with the prospect of a return to power by the SPD. Now, however, Schröder has been in power for five years, and his attacks on workers leave everything undertaken by Schmidt and Kohl in the shade. What can be done?

The fact is that the political orientation of Ver.di and the other trade unions is not fundamentally different from that of the SPD.

Like the SPD, they also regard a strengthening of “Germany as an industrial base” as the answer to the economic crisis. They are also in favour of “reforms” which, they argue, should be carried out in a fairer fashion. The demonstration planned for Saturday has even adopted as its motto: “Courageous reforms instead of the dismantling of the welfare state.” For decades the trade unions have been working closely together with the government and big business in the destruction of jobs and workers’ rights. They are more interested in preventing social confrontation than defending their members’ own interests.

It is therefore entirely predictable that the leadership of Ver.di will give way to the combined pressure from the government, the employers’ organisations and the media.

The struggle against “Agenda 2010” demands a completely different political perspective from that defended by the representatives of the social democratic trade unions. In the epoch of globalisation it is impossible to defend social and democratic rights within a national framework.

In the last week alone, millions took to the streets in France and Austria to defend their pensions. Over the past few months there have been similar mass mobilisations in Italy, Spain and other European countries. Social tensions are especially aggravated in Eastern Europe, where a thin layer of criminal elements, together with former Stalinist bureaucrats, have been able to enrich themselves in obscene fashion while living standards for the broad

masses are in continual decline.

The most deeply divided society is that of the United States. The aggressive foreign policy of the Bush government is its answer to insoluble domestic problems. The permanent “war against terror” serves to divert attention from the enormous social tensions wracking American society.

The resistance mounted by broad layers of the population against these intolerable conditions represents a new political factor which must be consolidated and organised. This requires the building of a new international workers’ party that fights for a socialist perspective.

“Agenda 2010” means that the profit interests of business dominate and terrorise society as a whole. For years the SPD has preached that a socialist perspective is unnecessary because capitalism can be subdued and reformed in the interests of working people. Today, with the aim of sustaining the capitalist system, the same party is in the process of sacrificing all the social gains of the working class on the altar of profit.

A socialist perspective is directed against the power of the big companies and banks. It affirms the priority of society as a whole against the profit interests of the rich and the speculators. It is based on the lessons arising from the degeneration and the decline of the Soviet Union and the GDR. The Stalinist bureaucracy which governed in these countries, suppressed two fundamental principles without which a socialist society is unthinkable—internationalism and workers’ democracy.

The turn to the right and the bankruptcy of the social democratic parties on the one side and the worldwide mass demonstrations against war and the dismantling of the welfare state on the other, show that the time has arrived for the construction of a new international workers’ party. The working class must take up the challenge which has been thrown down by the German government.

The *World Socialist Web Site*, the daily Internet newspaper of the International Committee of the Fourth International and the Socialist Equality Party, serves as the means for the building of such a party. We call upon all participants at today’s demonstration to read the WSWS, establish contact with the editorial board, and contribute to the development of our work.



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