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Germany

After the German election

- IV Online magazine - 2017 - IV513 - October 2017 -

Publication date: Wednesday 4 October 2017

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The federal election of 2017 marks a break in the political history of the Federal Republic of Germany. It means the end of the relatively stable political conditions in the dominant and economically strongest country of the European Union.

Both parts of the governing grand coalition have plummeted in popularity among voters. With 26.8 per cent the conservative CDU/CSU got the worst result of its history; it lost 2.5 million votes. The social democratic SPD reached its historical low as well; it got 20.5 per cent and lost 1.75 million votes. This is a clear rejection of a renewal of the grand coalition (with a higher turnout of 76.2 per cent – 2013: 71.5 per cent). The CDU/CSU has a net balance of 1.3 million votes that it lost to the liberal FDP and almost one million votes that it lost to the extreme right-wing AfD. The almost 2 million votes the SPD lost split more or less equally (400,000 to 450,000 votes) between the FDP, the LINKE (Left Party), the AfD and the Greens. The Greens profited least from the SPD losses.

The break-up of the grand coalition triggered a political swing to the right. The far right AfD, which marginally missed entry into the federal parliament (Bundestag) four years ago, triumphed with 12.6 per cent of the votes. It gained 1.8 million votes from former non-voters and from various small right-wing parties, but also almost one million votes from the CDU/CSU and some 400,000 votes each from the SPD and the Left Party respectively. The AfD is the third strongest force in the new Bundestag.

But also the FDP's return into the federal parliament is part of the political swing to the right. The FDP wants to set a time limit for the protection of refugees and to create an immigration law which follows the Canadian model. It wants to change the EU treaties so that countries like Greece can be expelled from the monetary union, and †in the long run' it wants to abolish the European Stability Mechanism (ESM). The FDP is also against the energy turnaround. Thus in relation to both issues there is a race for right-wing positions between the Bavarian CSU, the FDP, and the AfD.

With 8.9 per cent of the vote the Greens are the smallest parliamentary group in the Bundestag.

Because the SPD announced already on election night that it did not want to continue the current grand coalition government and because all parties exclude a coalition with the AfD there is numerically only a possibility of a so-called Jamaica coalition, i.e. black-green-yellow (CDU/CSU-Greens-FDP). It can be anticipated that the Greens will suffer the most losses in such a coalition. Presently they behave rather statesmanlike presenting themselves as guarantors of a stable government.

The AfD

The AfD was founded as a conservative opposition to the former CDU/CSU-FDP coalition's policy on Europe during the financial crisis. Yet during the †summer of refugees' it was able to establish itself as the political voice of the racist Pegida movement. Since then, its main topics are a walls-up policy against refugees and its hatred against muslims. The founders of the AfD left the party long ago. The AfD is now led by a coalition of right-wing currents tolerating openly fascist and antisemitic positions within the party's ranks.

Before the election the party was able to keep the inner-party conflicts under wraps. But after the election these conflicts came into the open. They are mainly over the question whether the AfD should be prepared for a opposition

role for some time gathering the discontented around far right and fascist positions until it is strong enough to set the course of a government – or whether it should aim for an entry into a government coalition as soon as possible.

The former party president Frauke Petry is for the latter alternative; she wants to realize a †conservative turn' in Germany until 2021. Immediately after the election she announced that she will not be a member of the AfD parliamentary group in the Bundestag and that she will leave the party. Probably she aims to form a new party. In light of the experiences of her predecessor and founder of the AfD, Bernd Lucke, the chances of success for such a new party seem to be very limited. Whether the extreme right-wing current of the AfD can survive a party split is also not clear.

The AfD acheived 10 per cent of the votes or more in the federal states in the former GDR, in Berlin, and even in Bavaria and Baden-Württemberg; in Saxony it has become the strongest party. In East Germany there is a deep resentment above all against the CDU: the party that during the fall of the GDR promised East Germans blooming landscapes took care that 27 years after German re-unification wages and pensions in the east remain lower than those in the west – including the public sector – and that 90 per cent of assets are in western hands. Even a starting point for an independent industrial development in the east like the solar industry has been destroyed because of a cheaper competition from China. However, these reasons hold not true for the two southern federal states which are among the richest in the republic.

The best results for the AfD correspond to the biggest losses of the CDU/CSU. In the three eastern federal states Saxony, Saxony-Anhalt and Thuringia as well as in Bavaria and Baden-Württemberg of southern Germany the CDU/CSU suffered their biggest losses. In particular it is a bitter defeat for the CSU in Bavaria (losing 10 percentage points) because it had tried to limit its losses to the AfD by a hard-line policy against refugees.

Taken all in all the grand coalition was successful for the bourgeoisie. But in recent years Angela Merkel, Chancellor and CDU president, has been criticized within her own party: She is supposed to have social-democratized the CDU beyond recognition and to have abandoned basic conservative values (e.g. the opposition to same-sex marriages).

The SPD: unswerving loyalty does not pay

The SPD's losses result from the fact that it did not bring into play any other government option other than the grand coalition. When Martin Schulz was chosen as the leading candidate of his party he, for a short time, created the impression that he would distance himself from the Agenda 2010 policy by choosing $\hat{a} \in \tilde{s}$ social justice' as his battle cry. Immediately the SPD surged in the polls by 10 percentage points – with an immense hype around Schulz's candidacy. But soon he backed down. He did not want to risk a break with the Agenda 2010 and his concretizations of the $\hat{a} \in \tilde{s}$ social justice' issue were rather poor. At the end, during the TV duel, he appeared more as Merkel's partner than as her opponent. From the moment the grand coalition fell into disfavour with public opinion.

The leaders of the trade unions wanted a continuation of the grand coalition. Yet, what the SPD could get accepted within the coalition was meagre: Most important was the introduction of a statutory minimum wage – for the first time in German history. Its structural significance for the stabilization of wages in the sectors of precarious jobs can hardly be overestimated. The federal government disregarded the massive protests of the employers. But the level of the minimum wage is ridiculous – presently 8.84 euros – and its observance is insuffiently controlled.

The successes of the SPD in the pension issue were equivocal. Only the core workforces of big enterprises with an uninterrupted employment biography can enjoy a retirement age of 63 after 45 insurance years, which has also been fought by the employers. Simultaneously the resistance of the unions against the raising of the retirement age to 67

was bought off and company pension schemes as a second privately financed pillar of the pension system have been developed by SPD labour minister Andrea Nahles. The trade unions are now, together with the employers, involved in the administration of those pension funds reducing most probably their willingness to fight for a statutory pension insurance based on solidarity.

The strategic weakening of working people and their trade unions becomes even clearer through the bargaining unity legislation introduced by the grand coalition with the support of the big trade unions. With more than one trade union in a firm or factory (e.g. at airports or in hospitals) the collective agreement bargained with the biggest union will be effective. This is directed against $\hat{a} \in \hat{c}$ occupational' unions organizing employees with high qualifications like train drivers and doctors who are very combative due to their strong position in operating procedures. In recent years they have been able to prevent the loss of their $\hat{a} \in \hat{c}$ privileges' on several occasions.

Thus the participation of the SPD in the grand coalition has led to a stronger integration of the trade unions into the co-management of the long-term neoliberal restructuring of social security systems.

Die Linke

Die Linke was able to increase its share of the vote slightly to 9.2 per cent. In all western federal states it surpassed 5 per cent and it was especially successful in the city states of Hamburg and Bremen as well as in the Saarland with over 12 per cent each. In Berlin it became even the second strongest party with 19 per cent. Among voters under 30 years it got 11 per cent. But in the eastern federal states the party suffered heavy losses, the biggest in Thuringia and Brandenburg. In both states die Linke is in a government coalition with the SPD. Obviously in those regions it is no longer seen as an †eastern' party that especially takes up the cause of the East German population.

Economic situation

The economic situation of Germany is contradictory. On the one hand GDP has been rising slightly but steadily since 2010. There has been an upturn on the labour market as well: For three or four years real wages are rising again after their constant sinking or stagnation between 2000 and 2013. But the rise is more due to the very low inflation rate than to significantly higher real wage increases, which are still the lowest in the EU.

The official unemployment rate of less than 6 per cent is the lowest since 1990; the employment rate is on the historically highest level. But it is bought with a growing share of people earning less than 10 euros per hour: they represent 20 per cent of the active population in Germany, in East Germany over 30 per cent. The national household budget and those of some federal states are full, even the social funds record surpluses. But some federal states like North Rhine-Westphalia, Bremen and the Saarland are highly indebted.

Exports account for half of GDP; in 2016 export surpluses rose to obscene 256 billion euros – a figure named $\hat{a} \in \hat{a}$ dangerous' even by the BDI, the German employers' federation. It's a dance on a volcano.

At the same time 25 years of privatization have left their mark. The infrastructure is increasingly desolate. The railway shines with its new high-speed route between Hamburg and Munich, but the regional trains for the daily commuter traffic are overpriced and overcrowded and often cancelled. 6,000 road bridges are desolate (among them 78 motorway bridges) – the concrete is crumbling. School buildings deteriorate; the country lacks 5,000 teachers; every seventh adult is a functional illiterate.

The trade union Ver.di threatens to strike because the hospitals chronically lack nursing staff. There is a lack of 150,000 apartments, especially of affordable housing, because the public sector is no longer funding social housing. At the same time rents in major cities have been moved upwards to record levels; a mechanism against unhindered rent increases that was introduced by the government does not work.

The public treasury is full but the government cedes the development of infrastructure to private companies which would go bankrupt and want to hold the government liable if their profits do not correspond to their expectations. Therefore the development of intelligent power grids, the infrastructure for electric cars and the construction of fibre-optic networks for a faster internet transmission donâ€⁻t make progress.

Social inequality has increased in Germany since the SPD-Green coalition came to power in 1998. Germany is, together with Greece and Portugal, the EU country with the largest income disparities before taxes and social transfers – and it is the country with the largest income gap between men and women. Wealth inequality is even larger: 10 per cent of private households own more than half of the assets. Those at the risk of poverty total 16 per cent; the rate of child poverty is 19 per cent, in East Germany 25 per cent. The status is passed on. Long-term unemployment represents 36 per cent of all unemployment and remains roughly constant for the last eight years despite good economic performance.

The sum of these factors produces divisions that make the formulation of common class interests difficult – above all between the decreasing group of well-paid workers with permanent contracts doing everything to keep their jobs and the new and growing layer of low-wage workers. The latter often have several mini-jobs and work overlong hours and nevertheless they often have to apply for welfare benefits in order to make ends meet (this affects almost 600,000 persons).

But these factors also produce a mood characterized by a mixture between a withdrawal to the coping with the personal everyday life, a passive discontent with everything $\hat{a} \in \tilde{t}$ that goes wrong', anxiety about the future and a vague hope that $\hat{a} \in \tilde{t}$ we will make it' due to the strength of exports and the high-tech orientation of Germany's industry. For most Germans – including workers – to keep Germany's top position within the international competition is the only way not to share the fate of the southern European countries.

No †carry on as before' – but what else?

Chancellor Merkel's slogan during the election campaign was essentially †Carry on as before!' She emphasized that the Germans are well off compared to people in other countries and regions. Like Hillary Clinton she was forced to conclude that such a reasoning is dangerous since it is no longer true for a growing number of people. In East Germany she was often received with hatred during her election campaign.

But there will be no †carry on' after the election. The phase of a rather good economic performance will not last for ever especially since none of the structural economic problems have been solved: industrial overcapacity, insufficient control of the finance markets, lack of productive investment opportunities for capital, structural shortage of secure jobs, etc.

At the same time there are the first signs that the German industrial model, based above all on the automobile industry, has no future. Dieselgate is far more than a large-scale fraud. It is the prove that diesel is no alternative to petrol because there is no such thing as clean diesel. Petrol is above all responsible for the high carbon dioxide emissions, diesel for the fine dust pollution through nitrogen oxide in major cities.

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Fine dust concentration has increased massively so that mayors see a driving ban as the only possible solution – a disaster for the automobile industry. Though the latter has realized that the electric car is inevitable it envisages long transitional periods and is firmly committed to increase the production of private passenger cars. But in public there are already many considerations about mobility without private automobiles. For the carbon balance the model $\hat{a} \in \hat{c}$ continuation of the mass production of private cars, but with electric motor' is a catastrophe because the required electricity can no longer be served exclusively with renewable energy. Thus a pressure is built up to run the lignite plants beyond the presently set time limit of 2050.

In its present form the industrial site Germany is definitely called into question.

Starting points for a system change

If one adds to this the impending massive job cuts due to the digitalization of production we see that there is a systemic crisis. This crisis must be concomitant with a social system change if the climate targets are to be reached and the social needs of the population are to be met. The combination of both aspects allows to react against the capitalist crisis management in a manner that is not exclusively defensive manner and to introduce ecosocialist alternatives into current struggles. The focal point is the issue of industrial conversion with the creation of jobs in new sectors.

It is an issue that is no longer only theoretically but also practically put on the agenda. Thus actions of civil disobedience against the exploitation of lignite mines in Brandenburg and in the Rhineland led to conflicts with trade unions like Ver.di (public services) and the IGBCE (energy). In particular the latter tried to mobilize workers against environmentalists. But during the conflict there were also common debates with great participation by the local population. Within Ver.di an initiative of trade-union activists has been formed that turns to the employees of electric plants and to municipal administrations that are shareholders of the electric utilities company RWE and use the dividends as a part of their local budgets. The protest movements against the fine dust pollution in some major cities have a similar potential.

A further area in which labour conflicts are must be combined with social alternatives in order to be successful is the struggle against the nursing crisis in the hospitals. The trade union Ver.di tries to force new employment through labour contracts, but a first attempt at the Berlin Charité did not lead to significant improvements. In Hamburg a coalition has been formed taking to the streets together with patients and scientists. Only individual locals of Ver.di are part of that coalition. The trade union does not pursue the line of combining labour conflicts with social mobilizations. They fear being accused of launching political strikes, which, however, are illegal in Germany.

The nursing crisis is an issue that moves the public very much. It is an opportunity for the women's movement – or what remains of it – to fight, together with nurses, childcare workers etc., for a radical revaluation of reproductive work.

Most struggles are defensive struggles though they are sometimes successful. This is above all the case with struggles against the privatization of public services like electricity and water. In some cities privatizations could be annulled with the help of local referendums. The very broad mobilization against TTIP is one of those defensive struggles.

Labour conflicts – above all those against miserable working conditions and low wages or against the harassment of works councils – remain often isolated even if public opinion is on the side of the workers. Poverty wages are not socially accepted, but the employers often succeed in mobilizing the media against pilots, flight controllers, train drivers etc., depicting them as mere defenders of $\hat{a} \in \tilde{c}$ their privileges'.

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Social justice is still the dominating issue. Those who can offer a credible strategy for a break with the Agenda 2010 will be met with great approval. If the SPD had followed this line during the recent election campaign it would have gained a lot of votes having been able to supersede the CDU/CSU – at least as opinion leader. Although Die Linke is clearly against the antisocial labour market reforms (known as $\hat{a} \in Hartz IV$) with good proposals for the restoration of more social justice, it has a problem: There is no mood for a red-red-green coalition; the experience gained from the participation of the Die Linke in government coalitions of federal states like Thuringia or Berlin is not good. There Die Linke quickly forgot its great promises, instead pursuing realpolitik.

That the way out to the left is being blocked and at the same time the objective situation is crying out for change paves the way for a lasting rise of the far right. There were strong mobilizations against the AfD during the election campaign. But that did not prevent the party's electoral success. The AfD will not be got rid of if the left is limiting itself to challenge the far right in the public space or to question its political legitimacy, essential as this is. The left must undermine it by showing which other solutions can be imposed.

(29 September 2017)