Germany

Mass movement against social "reform"

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During August 2004 a movement against reform of unemployment benefits exploded across Germany. Between August 2 and August 30 the number of demonstrators grew from 600 (in one town) to 140,000 (in nearly 200 towns).

According to the minister of the economy, social reform would save 4.6 billion euros and any change to the measures decided on by the "grand coalition" (as we call the cartel of the SPD and CDU parties, sometimes with the FDP) would endanger the EU stability pact. No mention of the fact that the most recent tax cuts for the rich cost 4 billion euro -economies of this type are traditionally made at the expense of the working class.

According to the "Financial Times Deutschland" of August 16, 2004 employers will save 9-10 billion euros over two years (2005-6) through this social reform. Meanwhile, the government's proposed labour market reforms will accelerate the lowering of wages across the board.

As all these measures come on top of 15 years of "transformation" in eastern Germany (with a permanent unemployment rate of 20%) anger has reached an explosive level. Every Monday since August 2 the masses have been on the streets. At the end of August there were 120,000 to 140,000 demonstrators in eastern Germany and 5,000 in the west.

Two factors worry "cabinet and capital" - the anger of the demonstrators (reflected in the shouts, the slogans chanted, the banners raised) and the fact that neoliberal axioms are increasingly being questioned, at least by a significant minority of the population. The conviction that "TINA" ("there is no alternative") which is supposed to make us immediately is for the first time being shaken at a mass level.

This is also reflected at the electoral level where the rate of abstention is climbing, the parties of the "grand coalition" are losing support and the reformist PDS party is gaining considerably in the polls. The results in the communal and regional elections (in some Länder) this autumn confirm this tendency.

First reactions

The concessions made by the government in response to pressure are illuminating:

- The long term unemployed will not have to wait until the end of January 2005 to have benefits paid at the new level under the reform
- The savings of minors under the age of 14 will only be counted as wealth to be offset against unemployment benefit when they exceed 4,100 euros (the threshold was originally set at 750 euros).
- The introduction of a new kind of insurance - paid solely by employees - for dentures has been put off.

All in all, 1.2 billion euros less than envisaged will now be cut from government expenditure. Although the essence of the reforms has not been affected, the experience has shown that self-defence pays off.
The political forces in the movement

The fact that there is no revolutionary force which is at least partly credible at a mass level is a serious problem in several ways: Spontaneous expressions during the demonstrations are often mixed with naÃ¯ve sentiments and resentments which sometimes take a xenophobic form. In eastern Germany in particular the radical left is extremely weak.

At the electoral level no credible radical left force is able to make an overall critique and sketch an alternative. So the votes go to the PDS, although this party is already quite discredited, or to the fascists (see below). The PDS participates in government in the Länder of Berlin and Mecklenburg-Vorpomern and - in line with the internal logic of parliamentary cretinism - applies neoliberal austerity policies. In Berlin in particular trades unionists have demonstrated several times in their thousands against the austerity policies of the SPD-PDS government. But for now the PDS is the only one of the known parties that has explicitly come out against Hartz IV.

There is another political formation that will benefit from this "climate of change", namely the WASG ("electoral alternative for social justice") which will constitute itself as a party in the coming months. [1] It is a formation that could be characterized as the "new old" social democracy. Some cadres from the trade union apparatus (in particular IG Metall) with other traditionally reformist forces (from the newspaper "Sozialismus" and some intellectuals) took the initiative some months ago of calling for the formation of an "electoral alternative" (since they are disillusioned with the policies followed by Schröder).

The programmatic texts preparatory to the official foundation in winter 2004-2005 indicate the orientation: these forces wish to have - a traditional reformist social democracy, seeking to eradicate neoliberal deformations and reestablish a social "equilibrium" such as existed in their view under the Brandt government at the beginning of the 1970s.

The former head of the SPD, Oskar Lafontaine, is orientating towards this proto-party and wants to be expelled from the SPD. But the SPD - reluctant to create a martyr - has no intention (at least for the moment) of obliging him. The new formation, desirous of reconstituting a "true social democracy" (a reformist but not anti-capitalist party), could become a real competitor for the SPD and gain between 5% and 10% of the votes.

The forces of the far right will definitely also benefit from the current situation. Already, they participate in the demonstrations. In most cases the left has succeeded in throwing them out. But it remains a problem; at least as long as greater victories aren't achieved. If things drag and the movement stagnates, the far right could convince many that the solution is "work for Germans!" (i.e. "foreigners out")

The role of the unions

The trade union leaderships are very ill at ease. They have suffered defeat after defeat (the fight for the 35 hour week in Eastern Germany ended in catastrophe in 2003, while in a number of workplaces the length of the working day has been increased, sometimes even without payment) and if they don't like the "social reforms", neither do they like mobilize against their traditional "partner", the SPD.

Now the movement against the Hartz law has proved it is possible to fight and win (at least partially). The passivity of the trade union leaderships (and their links to a neoliberal party) has accelerated the loss of members in recent days.
The debate on the introduction of a minimum wage is illuminating. The social movement supports this demand but the union leaderships are against: on the grounds that it will remove their function of negotiating collective agreements. In reality only 70% of people in western Germany and 55% in the east work on the basis of a wage contract negotiated with the unions. The government's attempt to force the long term unemployed to work for one euro an hour (over this amount, their pay is deducted from the 345 euros per month of social aid they receive) will lower the general level of wages.

As the head of the commission for social reform, Rürup, has put it, the introduction of a minimum wage will reverse any reform of the "labour market". He is right, and it is precisely for that reason that revolutionaries do not fight only for the abolition of Hartz IV and all the other laws and measures of Agenda 2010 but also for the introduction of a decent minimum wage. The slogan that unites us with a growing part of the social movement is: "Here are the terms of our agenda: 30-10; 30 hours a week without loss of pay and with proportional hiring as well as a minimum wage of 10 euros per hour".