Germany: A Government That Will Not Govern

by Rainer Apel

The new Grand Coalition government is expected to take office in late November, shortly after the designated Chancellor, Angela Merkel, is sworn in on Nov. 22. The week before that, the three parties that form the coalition—the Christian Democrats (CDU), the Christian Social Union (CSU), and the Social Democrats (SPD)—are expected to give the go-ahead for the government at special party conventions, barring unforeseen developments. The coalition, with a more than two-thirds majority in the national parliament, will, however, be stable only on paper, because frictions are being exacerbated in all three coalition parties, while they ignore the reality of the global economic depression.

On Oct. 31, a combination of primarily single-issue opposition currents in the party were roped into a vote against Kajo Wasserhövel, the candidate backed by SPD party chairman for the labor union of the transport workers, Transnet, told exasperated in all three coalition parties, while they ignore the reality of the global economic depression.

The primary problem, which the established parties of Germany are ignoring, is the global depression. The Grand Coalition, which in six weeks of coalition talks has not found time to discuss the labor market situation, will begin its work in late November with a big list of new budget cuts that are supposed to compensate for decreasing tax revenues in the range of 35 billion euros, by the end of 2006. A spokesman for the labor union of the transport workers, Transnet, told this author that the obsession of the Grand Coalition with budget cuts was at the expense of labor interests, and added that the government should give up the idea of privatizing the state-controlled railway, and return to its chief responsibilities for preserving the common good, such as the functioning of a modern, efficient mass transport system.

Moreover, a public sector investment program should be launched on a national scale, and here, the proposal by the metal workers that the Maastricht budgeting rules of the European Union that ban state investment programs must be changed, is being supported also by the transport workers. The metal workers have called for annual state investment programs in public infrastructure, in the range of 40 billion euros. The service sector union has also called for a similar program.

But organized labor does not expect much out of the SPD, the traditional interlocutor with labor. “In the SPD, generally,” an official at the economics department of the DGB, the national labor federation, told this author, “there is almost nobody to talk to. People there are accustomed to working at small construction sites, they are not prepared to deal with any bigger problems.” Even without major new disruptions on the global financial markets, the economic situation of Germany will worsen this coming winter, and unemployment will increase. The German labor movement is hesitant to undertake a nationwide mobilization for a change of government policy, because it could play into the hands of the new, disruptive Linkspartei, a leftwing-synarchist split-off from the SPD that got into the new parliament with 8.4% of the vote.

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