

Germany: A political balance sheet of the Berlin transport strike

By Marius Heuser
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The nearly two-month-long strike by Berlin public transit workers has ended in a bitter defeat.

Some 85 percent of the existing staff will receive about a 2.7 percent wage increase in the current year, with an additional 1 percent from August next year. This will mean an average annual wage increase of less than 1.6 percent. With inflation of at least 3 percent, and even higher increases in food and energy prices, this adds up to a substantial cut in real wages. New employees, who earn a third less than their colleagues, will receive a slightly higher increase.

The significance of this new contract goes far beyond public transit and Berlin. In collaboration with the Verdi union, Berlin's Social Democratic Party (SPD)-Left Party coalition in the city legislature has succeeded in isolating a particularly combative section of the working class, pushing through a substantial cut in real wages. This makes it all the more urgent that a political balance sheet of the events is drawn up in order to discuss the lessons and prevent further defeats.

From the very start, the strike was more than a simple wages dispute. Essentially, it was directed against a social principle that is embodied above all in the Berlin Senate: all spheres of society and the lives of millions of people are to be subordinated to the profit drive of a tiny minority.

One of the first official acts in 2001 of the so-called "red-red" city government was to underwrite a state-backed guarantee of €21.6 billion for the ailing Berlin Bankgesellschaft, one of the largest banks in Germany. The money was raised through massive public spending cuts. In 2001, the city began destroying some 15,000 public service jobs. At the same time, 34,000 so-called "one euro jobs" were created. These positions, paid at a rate of just one euro above the unemployment benefit, often replace regular jobs.

A 10 percent wage cut followed the decision by the Berlin city authorities to pull out of the local government employers association. Financial support for universities was cut by €75 million, and finally the city sold off 65,000 publicly owned homes to the US investor Cerberus. The list could be extended almost endlessly.

The cuts that were made in the Berlin city public transit authority (BVG) were particularly harsh. While fares continue to rise, working conditions have worsened and wages have been substantially cut. Whereas personnel costs were €885 million in 1997, they have now shrunk to €482 million. Three years ago, the SPD and Left Party introduced a far worse public transit contract in direct cooperation with Verdi and its leader Frank Bsirske. This contract, which was only pushed through by using dirty tricks against the workforce, contained pay cuts of up to 12 percent.

The discontent among BVG employees with their sinking standard of living and Verdi's devastating policies became the starting point for the dispute this year. Workers were no longer prepared to let the trade union prescribe one wage cut after another. Many regarded the dispute as Verdi's last chance. At least 500 BVG workers had already transferred

into the GDL (German train drivers union).

Again and again during the dispute, protest actions took place outside the control of the union. On April 10, 700 tram drivers launched a spontaneous strike without Verdi's knowledge, and on April 24, furious workers occupied the approach roads to six bus depots. Workers from the Müller Strasse depot held a spontaneous demonstration, which was sharply attacked by Verdi.

From the outset, Verdi's role was to undermine the initiative of the workers and push through the requirements of the Senate. The union only called a strike because otherwise it feared completely losing control over the rank-and-file movement. It did everything in its power to ensure that the dispute was conducted as ineffectively as possible and to limit the strike to purely economic questions.

Following a ballot at the end of February, when 96.9 percent of workers supported a strike and the Senate simultaneously launched one provocation after another, Verdi felt it was forced to blow off steam and called a strike. At that time it demanded a wage increase of up to 12 percent plus at least €250 more for each employee. But at the same time, Verdi refused to organise any protests or seek any form of public support. During the entire strike there was not one demonstration held in front of Berlin's Rote Rathaus (city hall) or the party headquarters of the SPD and the Left Party.

Moreover, the strike was kept completely separate from all other pay disputes and social movements. With so many wage disputes taking place, it was a considerable logistical achievement of the union bureaucracy to ensure that never more than a section of the membership went on strike at the same time. Only after the dispute involving federal workers was over did Verdi call the strike at BVG, and only after that dispute was settled did Verdi then call for strike action by other public sector workers.

In parallel with the public service wages dispute, numerous other initiatives developed against the policies of the Berlin Senate. The last months have witnessed protests by high school and college students, opponents of water utility privatization, and many others. The widespread popular support for the BVG can be attributed directly to this common opposition to the "red-red" Senate. But Verdi used all its powers to prevent any serious movement developing against the Senate.

After 12 days Verdi broke off the strike without an offer from the Senate. At the same time, it scaled back the wage demand from 12 percent to 3 to 9 percent and completely dropped its demand for a minimum payment of €250 for each worker. On this basis, it began official negotiations with the local government employers' association, and a €25.8 million increase in personnel costs was agreed. Senate Finance Minister Thilo Sarrazin (SPD), who was certain of Verdi's support, rejected this agreement, saying costs could not rise by more than €25 million. After Verdi then accepted that costs would rise by only €23 million, Sarrazin announced this was still too much. The final result is even lower.

Since Verdi knew the agreement would meet substantial resistance from

the workers, it spread lies about the deal, claiming it would produce an average wage increase of 4.6 percent. This figure was produced by blurring the difference between the deal negotiated for existing staff and that for new employees. In reality, however, the majority of staff would have to accept a wage increase far below inflation.

The union's assertion that every employee would receive an additional one-off payment of €500 was also deceitful. In actuality there is nothing "additional" about this payment—the €500 simply covers the period from January to July, when the contract was not operating and during which time workers did not receive any pay increase. Thus Verdi fabricates an annual wage increase of "4.6 percent plus €500" out of what is really a 1 to 2 percent rise.

Despite this substantial campaign of disinformation, Verdi members voted by 65.7 percent for a continuation of the strike. However, the union leadership ignored this clear oppositional vote and declared wage negotiations to be concluded, against the expressed will of the majority of the workforce.

The transformation of the trade unions

The latest sell-out of BVG workers organized by Verdi was so blatant that even the left-wing defenders of the union, such as the daily *Junge Welt* and Socialist Alternative, were forced to speak of a "home-grown defeat." They accuse the Verdi leadership of "lacking any conception" of how to proceed, and of failing to exert enough pressure on an unyielding Senate.

This criticism is a sham. In reality, Verdi directly cooperated with the Senate from the outset in order to break the resistance of the workers. Not only were there secret negotiations between the employers' representatives and Verdi, but the government and union enjoy the closest links. The majority of Verdi functionaries are members of one of the two government parties, and BVG personnel chief Lothar Zweiniger was for years employed by Verdi. In 2005, substantial wage cuts were agreed by economics minister Harald Wolf (Left Party) and Verdi leader Bsirske.

But such personnel overlaps are not enough to explain the close partnership between Verdi and the Senate. They are an expression of more fundamental tendencies. Since the 1980s, there is nowhere in the world where the unions have been able to achieve serious improvements for working people. Instead, they have participated in wage cuts, mass redundancies and reduced benefits. The enormous social polarization internationally would not have been possible without the active assistance of the union bureaucracy.

The transformation of the unions arises from fundamental economic changes. The rise of militarism, the continuous credit crisis and the threatening global recession show how far the crisis of capitalism has already progressed. Social polarization is again being seriously heightened by horrendous inflation affecting food and energy prices.

Under such intensified conditions, a purely union perspective is doomed to failure. Every struggle between workers and employers essentially becomes a political struggle, since it concerns the question of which principle should determine society—the profit maximization of a tiny minority or the rational planning of the economy in the interest of all. Since the function of the unions is to seek to increase the price of labour power within the framework of capitalism, in times of crisis they align themselves on the side of capital. That was the case in Germany in 1914, when the unions supported the First World War and agreed an industrial truce with capital, and in 1933, when they tried in vain to seek reconciliation with Hitler, holding labour rallies on May 1 under the swastika.

Today, the globalization of production has to a large extent undermined the national regulation of the market. This makes the *international* unity of the working class a pressing necessity in order to combat corporations that can shift production over the border at short notice.

In contrast, the very essence of the unions is their close connection to the nation state. In the past, their aim was to see workers received a larger slice of the national pie and thus to moderate the contradictions between capital and labour. Even as the capacity for national regulation has been undermined, the union bureaucracy has moved closer to the state. Instead of defending workers' rights they defend "Germany as an industrial location," thus fuelling the endless downward spiral of international welfare cuts.

Globalization has long dominated in the public sector, or what were formerly public services, such as urban transit. The corporations react to the crisis of capitalism by subordinating every aspect of social life to the principle of profit maximization. The treaties establishing the EEC (the forerunner of the European Union) already enshrined the principle that public services and private operators should be treated similarly. This forces public services to be subjected to the same market forces as private companies and to bow to international competition.

At first, however, there were still some exceptions contained in the regulations. But in 1991, a revised version of regulation 1191/69 established new rules for local public transit. Since then, these services have been subject to an open tender process, with the contract awarded to the best bid. In July 2003, the European Court of Justice ruled that the only exception permitted to this process is where the workforce is directly employed by the federal, state or municipal government.

By restructuring BVG, the Berlin Senate has ensured that it is no longer the direct employer, preparing the ground for privatisation. Now Finance Minister Sarrazin is arguing that BVG must remain competitive—so that it does not have to be privatised! Once again the "red-red" Senate is spearheading a development that subordinates all areas of society to the drive for profits of the private owners of capital; in this, the trade unions are their allies.

The left-wing defenders of the unions completely ignore these connections. In their publications, they write that all the Verdi leadership lacks is militancy and resolve. Thus, in the end, they push responsibility for the defeat onto the workers themselves. They call on workers to remain members of Verdi and to transform it into a fighting union.

The workers themselves are somewhat more advanced and have turned their backs on Verdi in droves, and the GDL has witnessed a rapid growth. However, merely moving to another union is no solution. Already at the beginning of the strike, the engine drivers union (GDL) stabbed BVG workers in the back. By buckling under the pressure of the railway management at the last minute and calling off the train drivers strike, the GDL ensured that Berlin's S-Bahn (suburban trains) were running on the very day the U-Bahn (underground) workers and bus drivers downed tools. During the BVG strike, the GDL leadership limited itself to criticizing Verdi's strike tactics and rejected any joint all-out action.

Political struggle

It is necessary to draw the lessons from the BVG fiasco, to break with the bureaucratic union apparatuses and prepare for a political struggle.

The defeat of BVG workers joins a long line of attacks on workers worldwide. Workers must counterpose their own international strategy to the global integration of the corporations. It is not enough to simply call for more militancy or to support other unions. It is necessary to fight for a socialist perspective, which challenges the capitalist system and seeks the rational planning of the economy in the interest of all. Only in this way can the constantly growing social polarization be effectively opposed.

This was the standpoint of the *World Socialist Web Site* and the Partei für Soziale Gleichheit (PSG, Socialist Equality Party) during the BVG strike. In a flyer dated May 15, the WSWS called for a break with Verdi. It urged workers to make the strike the starting point of a political movement against the Senate. "The widespread opposition against the contract can and must be transformed into a conscious movement aimed

at breaking out of the union straitjacket,” the statement read. It called for extraordinary workforce meetings to withdraw the mandate of the Verdi contract negotiation team and for workers to elect a new and reliable strike committee leadership.

“The broad opposition to the Verdi sell-out of the transport strike must break free of the trade union bureaucracy to become the centre of a broad movement against the Senate,” the flyer continued. “This immediately raises political demands and requires a political programme, which is diametrically opposed to the SPD and Left Party.

“Both parties in the Senate, to which most Verdi functionaries belong, are part of a ruling elite determined to maintain and defend the capitalist system at the expense of the population. The struggle against such parties requires the building of a new party, which does not beg for alms but instead strives to replace capitalism with a form of society that places the needs of the working population above the profit interests of a financial oligarchy and the greed of company executives, politicians and trade union bureaucrats.” (See “Berlin transport workers vote on contract: How should workers proceed?”)

Verdi reacted extremely aggressively to the intervention of the WSWs and PSG. Strike leaders tried to prevent WSWs reporters from speaking to rank-and-file workers. Those distributing flyers were confronted. Finally, Verdi representatives engaged in mudslinging. In a letter to BVG workers, Verdi shop steward Rainer Sommer accused the WSWs of spreading lies, without supplying any proof to support his claim. He derided WSWs articles as “Trotskyist twaddle,” which “conducts a demagogic polemic from a definite political direction.”

The fact that Sommer uses the term “Trotskyist” in a pejorative manner is characteristic of the alliance of the Left Party and SPD in Berlin. As apparently hostile as the Stalinists and Social Democrats were for many decades in this divided city, they were always agreed on their enmity towards Trotskyism. In the east of the city, they threw Trotskyists into jail, and in the west they were barred from working in the public sector. The reason: The Trotskyist movement defended genuine Marxism against both Stalinism and social democracy. Now, Social Democrats and ex-Stalinists sit side by side in Berlin, but nothing has altered their hostility towards Trotskyism.

Workers can draw their own conclusions regarding which “political direction” in the present situation is telling the truth about the new BVG contract and the role of Verdi: that advocated by Verdi functionaries, who are politically linked to the SPD and Left Party, or the perspective of the WSWs, which stands in the tradition of the Fourth International and fights for an international socialist perspective.

To contact the WSWs and the
Socialist Equality Party visit:

<http://www.wsws.org>