

Learning From Defeat

German-U.S. Labor

In a special 2003 trade union issue of *Junge Welt* – (an independent left-wing daily newspaper published in Berlin), editor Klaus Fischer noted that, “An essential part of the problem [facing German labor] is made by the unions themselves as an almost inevitable result of German labor leadership having long departed from class struggle. In their self-understanding, they want to advocate on behalf of employees, but at the same time, safeguard and stabilize the system. Out of this contradictions emerge that the unions are not capable of resolving.” This outlook is a product of long years of German (and other continental European) labor seeing itself as a social partner of business and government in constructing a new Europe. Management has, however, used years of relative social peace and the expansion of the European Union to strengthen its position relative to labor, this reflected in the steep decline of German union membership – the Deutsche Gewerkschaft Bund (DGB), Germany’s central labor organization, lost nearly four million members in the 1990s. Loss of union members, persistently high unemployment, an outlook that puts a premium on social peace led to weakness for all to see in a failed metal workers strike three years ago that had attempted to equalize wages between the former East Germany and the rest of the country. Since then the problem has become more pronounced

Thus, last September at the Frankfurt auto show, Daimler Chrysler Chief Executive Dieter Zetsche stated that German industry has “to learn to do the same with less, or even more with less,” the “we” referring to the workers who do the labor of manufacturing cars and other products, not the owners who grow rich off the profits thereby made. This recipe for speed-up and cut-backs has already been put in place as both lay-offs and union concessions grow. An ominous sign of this trend at the time of Zetsche’s statement was the announcement that Volkswagen had agreed to rescind a threat to move production from its German plant in the

town of Walsburg to Portugal only after workers agreed to a 20 percent wage cut. A form of blackmail familiar to U.S. labor as our unions have been under continuous assault for nearly 30 years. An attack which began not in 1980 when Ronald Reagan fired 13,000 air traffic controllers for striking, but rather two years earlier when Chrysler used the threat of bankruptcy to extract concessions from the United Auto Workers (UAW). What followed in industry after industry were further demands for concessions in the name of competitiveness – a process designed to make union workers compete against each other and against non-union workers.

Resistance grew as it became evident that what former UAW President Doug Fraser called a “one-sided class-war” of business against labor showed no sign of ending – as witnessed by massive strikes and lockouts, some lasting years, that took place in the 1980s and mid-1990s. Although in a couple of these disputes the union emerged victorious, and in others the union (and sometimes the company) was destroyed, most often a compromise was reached in which management gained most of its demands. Win or lose, labor remained on the defensive, unable to take the initiative or rebuild industry standards.

The U.S. experience has been that concessions don't save jobs, they invite demands for more concessions, while management imposition of disparate wages and benefits for workers doing the same job serves only to weaken solidarity. As for union rebuilding, it begins with membership workplace action, without which labor has no strength. Strike action alone, however, has proved insufficient, union activism needs a political dimension that makes an equal priority of all other social justice battles. Critical too in today's global economy is building mutual support with immigrant labor and workers across national borders on an ongoing basis (not only in times of crisis) – which in turn means challenging the structure and ideology of corporate globalization.

Speaking for management, Volkswagen executive Wolfgang Bernhard said in reference to one round of concessions: “This is just the first step on a long way. We cannot be complacent.” Neither can labor, complacency in the 1950s - 1970s means that now a long struggle lies ahead to regain what was lost, let alone move forward. One hopes that labor in Germany and elsewhere can learn from our defeats in the face of similar challenges today.

Based on their own experience, German unionists are already some coming to this conclusion. Bernd Riexinger, a local union leader of Verdi, (a German union with jurisdiction similar in respects to SEIU and UFCW) explained in an interview from that same issue of *Junge Welt* that it is an illusion to think “... that the relationship between capital and labor can take the form of a social partnership as in the past; unions will be buried if they confine their demands to the least of what is possible. Unions will only maintain or expand their position in society if they operate independently and stay on the offensive as advocates for workers, the unemployed and other social groups.”

Verdi conducted a successful strike earlier this year which is a sign of the deepening struggle in Germany over attempts to reduce social benefits; an ongoing strike of doctors speaks to this as well. Labor struggles and the nature of the issues being confronted from one country to the next are too little discussed and analyzed in union circles, increasing the isolation that each country’s unions defend themselves. Just as management trades experiences from country to country on how to expand profits at workers’ expense, so too do unions need to learn better from each others victories and defeats in order to better assert the rights of labor over capital.

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Sources:

1. *Junge Welt*, August 13, 2003, Number 187, from special section “Gewerkschaften.”

The quote from Klaus Fischer is from an article entitled “Geht noch was?” and the original reads as follows: “Ein wesentlicher Teil der Probleme ist hausgemacht und resultiert fast zwangsläufig daraus, dass sich die deutschen Gewerkschaftsführer lange schon vom Klassenkampf verabschiedet haben. In ihrem Selbstverständnis, zwar die Interessen der Beschäftigten zu vertreten, aber gleichzeitig alles zur Stabilisierung und Sicherung des Systems zu tun, sind die Gewerkschaften nicht mehr fähig, den Spagat, der aus diesem Widerspruch resultiert, auszuhalten.”

Bernd Riexinger’s quote is from an interview with the title, “Initiative zurückgewinnen” and the original reads as follows: “Zu dieser politischen Neuformierung gehört, dass man alle Illusionen, man konnte die Beziehungen zwischen Kapital und Arbeit wieder wie früher sozialpartnerschaftlich gestalten, wann man nur bereit ist, das auf einer niedrigeren Ebene zu machen, begraben werden müssen. Es wird diese Zeit nicht mehr geben. Und die Gewerkschaften werden ihre Stellung in der Gesellschaft nur halten oder ausbauen können, wenn sie eigenständig operieren und wenn sie offensiv die Interessen der Arbeitnehmer, der Arbeitslosen und anderer gesellschaftlicher Gruppen vertreten.”

Other relevant articles in this issue of *Junge Welt* include “In einem Boot” by Mag Wompel and “Wiederholung erwünscht” by Ursel Beck.

2. The quotes from Dieter Zetsche and Wolfgang Bernhard are from “New Austerity for German Car Industry” by Mark Lander, September 29, 2005, *New York Times*.

Also consulted was “German Labor’s New Reality” by Mark Lander, October 26, 2005, *New York Times*.

