

Report from Bonn by Rainer Apel

Left-wing corporatism on the march

The German Social Democrats, after some squawking by labor, voted up the "Swedish model" of austerity policy.

The debate on economics was at the center of the party congress of Germany's Social Democrats (SPD) in Münster from Aug. 30 to Sept. 2. Because of the traditionally close links between the SPD and the labor movement, many expected the party to come up with remedies for the high jobless rate (8.5% nationally, over 16% in the Ruhr industrial heartland) with a program for industrial recovery.

The party organization, however, has long been conquered by "yuppies" and post-industrial ideologues, at the expense of labor's influence. Since the early 1980s, the SPD leaders have been telling the labor movement that traditional industry (steel, coal, textiles, construction, shipbuilding) is "out," that technetronics are "in."

Especially the nuclear power sector should be replaced by "alternative energy sources" like solar and wind energy, the SPD ideologues told the workers. This would cost 50,000 jobs in the nuclear sector, plus 80,000 in coal mining. New jobs would be created in the conservation and anti-pollution branches of the future. But while old jobs have been destroyed, new jobs are not being provided. Most regions with the highest jobless rates in Germany are, by the way, governed by Social Democrats.

The division of labor in German politics seems to be that while the Christian-Free Democratic government in Bonn drafts the austerity policy, the ideologues of the opposition Social Democrats keep boycotting industrial reemployment.

One of the ideologues' mouthpieces in the early 1980s was Oskar

Lafontaine, the state governor of the Saarland, who has meanwhile moved up into the national executive as one of two party vice-chairmen. Giving the keynote address on economics at the Münster party congress on Aug. 31, Lafontaine endorsed the "Swedish model" of labor and investment redistribution, excessive taxation, and "alternative production." He called for virtual wage cuts for the broad mass of the employed, to build funds for the creation of new jobs.

Lafontaine's speech sparked hefty protest from the labor union chairmen, most of whom were attending the SPD party congress as members of the party's "council on labor affairs." It was not Lafontaine's reference to the Swedish model of corporatism that was attacked, though, but single points of his speech, like bringing back seven-day and weekend work.

The only appropriate, half-competent critique came from Hermann Rappe, chairman of the German chemical workers (the third-largest union with 640,000 members), who said that Lafontaine's proposals stand in the tradition of the "Brüning economic policy by emergency decrees, and its ensuing [political] movements." This referred to the drastic austerity policy of pre-war German Chancellor Hermann Brüning, a staunch corporatist who was in office at the peak of the economic depression from 1930 to late spring 1932, and laid the ground for the accession to power by Hitler's National Socialists in early 1933. Brüning was inspired by long-time German Reichsbank director Hjalmar Schacht, who became Hit-

ler's first economics minister in 1933.

Rappe's remark was to the point, but was not picked up by the congress delegates. Lafontaine took note of the critique that one delegate after the other voiced against his views, but appeared totally unmoved and even told the congress: "I know I'm challenging you very much, but it must be done that way."

The secret behind Lafontaine's performance was that he is generally backed by the party executive, which allows him to launch trial balloons on corporatist ideas, see what the reaction of the public is, and try the same again with reformulated proposals. After all, he got a lot of applause from the delegates in Münster for his remarks, and he was reelected as party vice chairman with more than 68% of the votes.

Even the "labor critics" of his views are conspiring for the same basic corporatist model. Franz Steinkühler for example, chairman of the metal workers (Germany's largest with 2.6 million members) declared in Münster that he "shares the same final goal with Oskar."

And just a few days before the congress in Münster, a high-powered delegation of SPD party officials toured Sweden to study the infamous "Swedish model." This included party manager Anke Fuchs and economic policy spokesman Wolfgang Roth, who were all "deeply impressed" by what they saw in Sweden.

In spite of the harsh, but impotent attacks on Lafontaine, the SPD party congress passed a platform calling for higher taxation under the guise of "fighting pollution," for replacing nuclear power by "alternative energies," and for a "new work ethic." In principle, this was all Lafontaine wanted: a majority vote for left-wing corporatism.