

Report from Bonn by Rainer Apel

Government's popularity sinking fast

Some German Social Democrats are clinging to a ship that is already sinking: Tony Blair's "Third Way."

For understandable reasons, German politics in the last 10 weeks has largely been occupied with containing of the Balkans war and seeking a cease-fire. But, on the "home front," the problems of the economy just won't go away. For example, the high unemployment level, which the "red-green" government of Social Democrats and Greens inherited from the Christian Democrats and Free Democrats, has not been reduced since the change of power nine months ago, and is headed toward the alarming levels of last autumn.

An opinion poll published just before the European Parliament elections on June 13, revealed that 72% of voters consider the fight against unemployment the top priority, and that there is deep discontent with the government's policies. Indeed, the popularity of this government has been on a constant decline since the beginning of the year: The Greens have been hardest hit, losing about one-third of their vote in Hesse (Feb. 7), Bremen (June 6), and in the European Parliament elections.

The Greens are suffering from a rapid erosion on two fronts. First, the traditional anti-war current is abandoning the party because of the Green leadership's support for the NATO air war in the Balkans. Second, many Social Democrats who have voted for the Greens in the past, think they can no longer afford to do so, at a time of persistent mass unemployment—which cries out for extraordinary investments in industry, infrastructure, and productive (tax-paying) jobs. Over recent months, many Green voters went back to the Social Democrats.

This has enabled the SPD to com-

pensate for some of the other votes which it has lost over the same period, which has to do with the deep disillusionment about the future of the European Monetary Union and its "wonder weapon," the new single currency, the euro. The euro's value has continuously dropped from its inauguration on Jan. 1, from 1.18 against the dollar, to 1.02-1.04 at present. The discontent over the bad performance of the euro is also hitting the other parties, notably the two coalition parties of the previous government, the Christian Democratic Union (CDU) and Free Democrats, which signed the EMU agreements last spring. The discontent is, ironically, strengthening the Christian Social Union (CSU), the Bavarian state section of the CDU which has voiced strong, though often rather populist, sentiments against the EMU.

But, generally, voter participation on June 13 was the lowest in 20 years, with 45.2% in Germany, which is more than 15% below the 60.7% who voted in the 1995 elections. No less than 8 million Germans decided not to vote for "Europe," on June 13. No such rates of voter abstention have ever occurred in postwar Germany.

The Social Democrats have especially suffered from following the "Third Way" of Britain's "new Labour" Party over the last two years: first, because of their support for the ill-conceived design of the EMU; second, their support of the British view that the existing monetarist institutions need not be replaced, but only modified (if at all); and third, their support of the ill-conceived NATO air war against the Serbs, over Kosovo.

The puzzling thing is that the SPD leaders have been unable or unwilling

to draw any meaningful lessons from these policy disasters, which are openly debated in the German media. On June 9, only a few days before the European Parliament elections, SPD party chairman and Chancellor Gerhard Schröder went to London, to join Labour Party chairman and Prime Minister Tony Blair for a press event to present a new manifesto, entitled "Europe: The Third Way." The neo-liberal manifesto has nothing to do with traditional values of the socialist left. Instead, it pushes for capital markets and state enterprises to open up, deregulation of labor markets, "welfare reforms" (budget cuts, that is), and the like.

Whatever the deluded Social Democrats might think about this manifesto, which Schröder said will shape the next century, including in Germany, British Labour Party voters apparently dislike it profoundly. Labour suffered the biggest defeat on June 13, losing 50% of its seats in the European Parliament. There is no mystery behind this disaster: There is "old Labour" resistance against Blair's "new Labour" policy in the party, and there were swing voters from the Conservative (Tory) Party, who voted Blair into office in May 1997, because they had grown discontented with the disastrous economic and social policies of their own Tory Prime Ministers Margaret Thatcher and John Major.

Since May 1997, Blair's "new Labour" has lost votes in numerous local and regional elections. The June 13 election was the first test on a national level, and Blair's "Third Way" failed miserably. Had there been national elections in Britain on June 13, Blair would have been voted out. The handwriting is on the wall for Schröder's "new" Social Democrats, too: The "Third Way" has a future—namely, oblivion.