

LaRouche Sparks Anti-Austerity Demonstrations in Germany

by Rainer Apel

The European LaRouche Youth Movement (LYM) held its fourth Monday Rally in Leipzig on Aug. 2, to protest the German government's planned new brutal round of budget cuts (the infamous Hartz IV package), and to propose instead a complete reorientation of economic policy away from monetarism. Protest events that were not directly organized by the LYM, but inspired by the Leipzig rallies, also took place in several other cities in eastern Germany.

One week later, the situation in Germany changed abruptly, when Monday rallies were held in at least 33 cities, predominantly in the five eastern states of Germany, at the same time as the fifth LYM rally was held in Leipzig. Significantly more than 40,000 Germans took to the streets, using slogans like "We are the people, we want jobs" or "Away with Hartz IV; give us jobs"—slogans that resembled those of the protests in the Autumn of 1989 that brought down the East German regime and its ruinous economic policy. Although the demonstrations on Aug. 9 resembled the demonstrations of 1989, most of the demonstrators had not taken part in any public protests since then. That they did so on Aug. 9, had to do with the notion that it was time to take to the streets, once again—as many of them said, when interviewed by the news media.

The rally participants were not the usual left-wing or right-wing radicals that take to the streets against the government. The vast majority of those who marched peacefully through the streets of at least 34 cities, were representative of the average 70-80% of the population in the lower income categories, some still with a job, and many of them without a job for quite some time.

The German Chancellor responded to this situation instantly, convening the heads of the two coalition parties (Social Democrats and Greens), and the cabinet ministers of economics and finance, for an emergency crisis session at the

Chancellor's office in Berlin on the evening of Aug. 11. They decided to make concessions on the Hartz IV package, although the core of the package was left untouched. These concessions were announced at a press briefing with the expectation that this would calm down the protest wave.

But this is not expected to happen: Leading organizers of Monday rallies in several cities responded with critical remarks, saying that the concessions were totally insufficient. Andreas Ehrholdt, the initiator of the Magdeburg Monday rally movement, which mobilized about 12,000 citizens on Aug. 9, said on Aug. 12 that the protests would continue until Hartz IV was replaced by a policy that created new jobs. Protesting citizens did not want the government "to just throw a bone in front of them, like placating a beaten-up dog," Ehrholdt said. Not only were none of the rallies planned for Monday, Aug. 16, called off, but even more cities announced rallies for that Monday. The protest wave has taken on a dynamic of its own, and the pressure on politicians to change is increasing rapidly—and, the LaRouche movement is playing the role of a programmatic catalyst in that ferment, providing crucial input for making the transformation from the usual mass discontent and protest, into a movement calling for a real economic and political alternative.

It all began with a leaflet that Helga Zepp-LaRouche, national party chairwoman of the BüSo (Bürgerrechtsbewegung Solidarität), wrote for the LYM organizing in the election campaign in Saxony, which will elect its new State Parliament on Sept. 19. The leaflet, distributed in 150,000 copies in numerous cities of Saxony for three weeks, stated, "In Saxony, the economy must grow." Such growth would necessarily have to start with the abolishment of Hartz IV, and would foremost have to involve a positive economic alternative in the New Deal tradition of Franklin D. Roosevelt. The leaflet stated that in order to reach full employment, Germany



Helga Zepp-LaRouche addresses the Leipzig Monday Rally on Aug. 9. The national chairwoman of the Civil Rights Movement Solidarity party (BüSo), she launched the current movement of protest against the government's Hartz IV austerity program, with a leaflet issued in July. Her slogan, on the banner shown here, is "Economic Growth Must Start in Saxony!"

would have to spend 200 billion euros annually, through state credits issued by the Reconstruction Bank, (Kreditanstalt für Wiederaufbau), in Frankfurt, for infrastructure and industry development in the overall framework of developing the Eurasian Land-Bridge. The leaflet also called for the revitalization of the historic Monday rallies in Leipzig, which exploded from a participation of a few hundred in early September 1989 to about 400,000 in early November.

On July 12, the first Leipzig rally was held by the LYM's Saxony task force of 40 organizers from France, Germany, Sweden, Denmark, and Poland. By July 26, already 200-250 supporters had been recruited for the third such rally. At that time, the LYM was still the only organization holding rallies—none of the other organizations or opposition groups was active throughout the first three weeks of this mobilization. But several hundred thousand citizens of Saxony, along with their relatives and friends in the other four eastern states of Germany, became familiar with the LYM organizing, be it through contacts in the street, leaflets distributed in their mailboxes, or the LYM's sound-cars driving through residential areas of Leipzig and other Saxony cities.

Demonstrating a completely different approach from the way other parties and groups usually organize, the LYM kept singing songs of the German Classics (Bach, Beethoven) and the American civil rights movement of Martin Luther King. Combined with the leaflet, the singing demonstrated to the people that something really new was intervening on the political scene, and that this new movement was about to revitalize

the Monday rallies as a way of peaceful, but powerful protest against the government's policy of austerity in response to the economic crisis.

The BüSo election campaign center in Dresden, the state capital of Saxony, received many phone calls, e-mails, and letters from citizens who wanted to contribute, help distribute leaflets in their neighborhoods, join the Leipzig rally, or organize rallies of their own in other cities. Calling for the Monday rallies to be revived, was the right idea at the right time. The ferment then became visible throughout Germany on Aug. 9, when the Monday rallies in at least 34 cities were the number-one news item on all the media.

The ferment was visible also to the pro-monetarist political establishment. In retrospect, one can say that the arrogant, and even insulting remarks that German Economics Minister Wolfgang Clement made about the protests over the weekend, just before Aug. 9, ignited even more outrage among the population, and provoked even more people to join the Monday rallies than the rally organizers might have expected. Clement, whose office is in charge of implementing Hartz IV, in interviews with the *Leipziger Volkszeitung* daily and the national public radio station Deutschlandfunk on Aug. 6, called the idea of new Monday rallies "totally ill-placed," and any reference to the 1989 rallies an "embarrassment," and even an "insult to the historic Monday rallies." "Sometimes, I ask myself what country we are actually living in. . . . Whoever calls for civil unrest now, I have to tell him that that is totally ill-placed," Clement said.

Clement's question as to what country he was living in was given the appropriate answer with the mass protests on Aug. 9. Although a number of leading news dailies, such as the *Frankfurter Allgemeine Zeitung* tried to drum up support for Clement with distorted coverage on the rallies, including an attempt to dismiss the Leipzig rally ferment as "just another election campaign tactic of Helga Zepp-LaRouche," the media belied deep establishment fears that the Monday rally movement might succeed in polarizing leading politicians and forcing a state intervention into the German economy. The lead editorial of the *Frankfurter Allgemeine Zeitung* on Aug. 11 stated that "the state cannot create jobs," and attacked Saxon State Governor Georg Milbradt for remarks in an Aug. 9 radio interview that he would not rule out participation by himself or another member of his Saxon state cabinet in such Monday rallies, if they were invited. Just the day before, Milbradt had been confronted by a member of the LYM, in a popular television talk show, to comment on the new Monday rallies and on the BüSo economic program. Milbradt was sending out the wrong signal, with his pro-rally interview remarks, wrote the *Frankfurter Allgemeine Zeitung* and numerous other German dailies.

In a statement issued on Aug. 11, Helga Zepp-LaRouche responded to the *Frankfurter Allgemeine Zeitung's* anti-state editorial, saying: "This is exactly the critical point, which differentiates us from neo-liberal ideology. The state *can* create productive full employment. That is exactly what F.D. Roosevelt did with his New Deal policy in the 1930s, and how he overcame the depression in America—while we in Germany were stupid enough to go from Brüning to Hitler." Mrs. Zepp-LaRouche also denounced the *Frankfurter Allgemeine Zeitung's* allegation on Aug. 11, that she had jumped on the rally idea only to boost her popularity in the context of the Saxony election campaign: "This view is absurd. The global financial system is really facing a systemic crash, that is no election campaign trick, but it is reality. I am concerned to protect the population from great damage, by putting into practice a different economic policy, in time."

"Furthermore, parties do have a constitutional task," her statement continued. "If one considers how much it cost the civil rights movement of Martin Luther King to win the right to vote, and how many non-voters are thoughtlessly giving up this right today, then one should not slander parties if they campaign for elections, because they are convinced that they have better ideas. That is the essence of democracy."

And the essence of democracy is also to protest publicly against wrong policies. Like the BüSo and the LYM, many other citizens and groups, including influential currents in other political parties, are convinced that having Monday rallies is a good way of organizing support for a profound political change. And that is the reason why Monday rallies will continue—at least until election day in Saxony, Sept. 19. The BüSo and the LYM are fully committed to it.

Great Projects To Reindustrialize Saxony

by Lothar Komp

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Fifteen years after the fall of the Berlin Wall, the unfinished job of rebuilding the eastern German economy is about to be abandoned altogether. Capital investments into industry and infrastructure had already peaked in the mid-1990s. Since then, the volume of orders and employment in the construction sector has imploded. The density of industrial jobs per capita is still extremely low; and official unemployment remains at a very high level. Right now, there is much talk in the large political parties concerning a possible reshaping of the reconstruction policies that have failed. Special committees are being set up and they are presenting all kinds of proposals. However, they are all just calling for somehow redistributing a shrinking volume of financial resources, and are otherwise bound to the existing economic axioms.

Is there no way out? Will the new German states forever be dependent on enormous transfer payments from the West, of roughly 100 billion euros a year? Certainly not! What has been achieved so far, is just the maximum of what could be expected by sticking to the neo-liberal rules of the free-trade game. Had the reconstruction of the Western German economy after the war been based on nothing but the forces of "the market," the so-called "economic miracle" would never have happened. In particular, western German politicians have completely forgotten that it was the very dirigistic approach of the Kreditanstalt für Wiederaufbau (Reconstruction Finance Agency, KfW), which made sure that the rather limited amount of available Marshall Plan funds was used with maximum effect. The main problem today is not money, but the blocked minds of the people responsible for politics and economics. As soon as this dogmatism is overcome, it will be possible to recognize that for Germany in general and for the eastern state of Saxony in particular, the chance of the century for another "economic miracle" is right now opening up. This chance must not be missed.

Saxony's Economic Strength

Traditionally, Saxony (**Figure 1**) was among the leading industrial regions in Europe. Innumerable discoveries, technological breakthroughs, and industrial pioneer projects were achieved in that part of Germany in recent centuries. In the first half of the 19th Century, Saxony was an important engine