

German State Election Could Decide Schröder's Fate

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On May 22, Germany's most populous state, North Rhine-Westphalia, will hold legislative elections. If the Social Democratic Party (SPD), which currently governs there in a coalition with the Green party, loses this election—and at the moment they have 35% of the vote, according to the polls, 10% behind the Christian Democratic Union (CDU)—then the situation for Social Democratic Chancellor Gerhard Schröder's national government in Berlin will become critical. Lately, perhaps not too late, the SPD has begun, just four weeks before Election Day, to respond to the topics which the BüSo had already incorporated into its own election campaign since last Autumn. Examples of this are the recent speeches and interviews by SPD Chairman Franz Müntefering, who began a clear change of direction, by denouncing the excrescences of predatory capitalism, by comparing its behavior to that of a plague of locusts that is attacking businesses. Furthermore he stressed the meaning of Articles 14 and 20 of the German Constitution, which establish the character of Germany as a social state, and the indispensable role of the state in defending the public interest.

As explosive as Müntefering's baby steps are, as moves in the right direction (which have meanwhile been supported by the entire SPD), the hysterical reaction of the neo-conservative elements of the opposition, as well as the liberals and other organizations, is even more telling. What readers of *EIR* in the United States perhaps do not know, which makes this debate so riveting, is the fact that the German economy is in a rapid spiral downward. Unemployment has reached more than 9 million people—1 million in North Rhine-Westphalia alone. That represents 3 million more than in 1933, the year Hitler came to power.

The BüSo Sets the Tone

In October 2004, this author wrote a memorandum with the title "Pilot Project for Germany: The New Industrialization of the Ruhr Region," for the forthcoming election campaign, in which it was noted: "During the course of 2004, the world economy has reached the final phase of a new global depression. Under the conditions of the [European Union's] Maastricht Treaty, this new world depression has already caused North Rhine-Westphalia more damage than the Depression of the '30s, which ended, as is well known, with the Second World War. The qualitative change in economic and financial policy since 1971-72, away from the original Bretton Woods system and to the floating-exchange-rate system, has finally led to a modern-day variant of the Morgenthau Plan, and those policies of 'structural change' continue to strengthen this tendency even more. Worse still, by means of the corset of the 'Stability Pact,' the same repressive austerity policy as existed under Brüning and von Papen, is again threatening democratic rights and the public welfare.

"In view of the circumstances under which the coming elections for the legislature of North Rhine-Westphalia are taking place, decisions must be made which will determine whether Germany will continue to exist at all, as an industrial nation and as a real nation. The entire world must steady itself for a titanic revolution during the coming year 2005. Therefore, the legislative election in North Rhine-Westphalia in the Spring will not be an ordinary one, but it will be, to a certain extent, the battleground upon which the fight for the further existence of Germany is carried out."

In three subsequent open letters to the voters of North Rhine-Westphalia, which were distributed by mass leafleting, the BüSo presented the crucial topics on the agenda: 1) the absolute necessity to rescind the Stability Pact of the Maastricht Treaty; 2) instead of austerity, an FDR New Deal-ori-

ented national investment program to end unemployment; 3) the [German] Constitution, above all its second paragraph, which defends against neo-conservative subversion; 4) the role of the sovereign nation-state as the defender of the public welfare against the so-called “independent” central banks; and above all, 5) a New Bretton Woods system, as an answer to the systemic collapse of the global financial system.

Dump the Agenda 2010, Hartz IV ‘Reforms’

Now, one needs to know that the notorious Agenda 2010 of the Schröder government, which was already a relatively brutal savings program, represented the conformance of the German government to the European Union’s guidelines for “harmonization” of job markets. These guidelines correspond to the spirit of the Maastricht Treaty, and above all to the plan, after reunification of Germany and the fall of the Soviet Union, to merge Germany into the European Union structure, and thereby to weaken it economically. Indeed Agenda 2010 meant a total attack on Germany as a state concerned with social welfare, as it had been developed after 1945.

But above all, there is the further “reform,” the so-called “Hartz IV,” which equated welfare recipients with the unemployed. The de facto “decoupling” of long-term unemployed people from state assistance—which, with 9 million unemployed, is no small number—signalled the end of the social welfare state. This “reform,” which has been in place since the beginning of the year, has led to increasing bitterness and rage against the Schröder government in the population. What could bring an SPD government to turn away from all the traditions of their history and to commit such obvious political suicide? The SPD has lost members and elections, and after an ominous election controversy in the state of Schleswig-Holstein, in which Social Democratic Gov. Heide Simonis was brutally crushed, it was clear that the election in North Rhine-Westphalia would seal the fate of the Berlin government.

However, Chancellor Schröder again proved that he is capable of responding to the public voice. One such example was his famous turnabout against the Iraq War in August 2002, shortly before the last election to the Bundestag (the national parliament). The BüSo had warned since the previous February, that the Bush Administration had prepared a war against Iraq which was based on lies, and had mobilized the fight against this war, leading up to election of the Bundestag from February to August. Then, at the beginning of August, and also only one month before Election Day, Schröder suddenly turned against the Iraq War, and because this corresponded to the views of the German population, which fortunately does not see war as a means of problem-solving anymore, won the the elections in September. French President Jacques Chirac followed Schröder’s example. And when the full account of the deception campaign upon which the war was justified was exposed, the title of “old Europe” came to be a badge of honor.

Under the pressure of the ever-increasing economic crisis,

Germany, France, Spain, and even Italy prevailed some weeks ago at the EU conference in Brussels against Great Britain, the Netherlands, and Austria, in freezing the notorious Stability Pact, to a certain extent. Thus one of the demands of the BüSo was fulfilled. But what is still completely missing, is a working national investment program of at least 200 billion euros per year, which would eventual create 10 million new productive jobs.

Rebuild the Ruhr Industrial Region

By means of a very active intervention into the election campaign, the BüSo, and above all representatives of the LaRouche Youth Movement (LYM), denounced the fact that the leading CDU opposition candidate and political lightweight, Jürgen Rüttgers, tried to increase his candidacy’s stature by supporting the neo-con Arnold Schwarzenegger. Rüttgers was the first German politician to visit the “Governator” after his gubernatorial election victory in California, and accordingly came out in support of still more brutal budget cuts, in case of his own election victory in North Rhine-Westphalia. In the meantime, it might dawn on Rüttgers that this support for the ever-more-unpopular Schwarzenegger might have been a very stupid political move.

The BüSo has brought the question of the economic reconstruction of the Ruhr region onto the political agenda through numerous rallies and interventions, through open letters, articles in the the newspaper *Neue Solidarität*, and by the aforementioned memorandum. Even if, in the context of the structural reform of the past decades, much of its industrial substance has decreased, the Ruhr region, with its complex infrastructure, still offers ideal conditions for modernization and new settlement of industries. The so-called “Cargo Cape,” an underground network of tunnels for bulk transport, could offer urgently necessary relief for the completely insufficient highways; Duisburg, as the largest inland port of Europe, presents excellent conditions for so-called rolling factories, by means of which whole production units, with the assistance of platforms, could be shipped anywhere in the world. These represent only a few future projects of a much more extensive program.

The situation is particularly explosive because of the Opel factory in Bochum, upon which a number of supplier firms are dependent. It represents a large percentage of the jobs in the Ruhr region. Opel, like its parent company General Motors, is in crisis, and its employees have the Sword of Damocles hanging over their heads. One can assume that the GM crisis, just like the crisis of the global financial system which is based on the dollar, will dramatically increase in the next weeks, and this gives reason for optimism that the BüSo will not only successfully advance its own campaign, but will also convince other forces, like the SPD, trade unions, and the parts of the CDU that oriented toward Pope John Paul II and not Schwarzenegger, that a way out of the present crisis situation is only possible with policies in the tradition of FDR: the New Deal and a New Bretton Woods.