XIII. Power and impotence of the trade unions in the crisis of the 1970s and 1980s

The oil crisis following the Yom Kippur War between Egypt and Israel in autumn 1973 marked the onset of a worldwide recession that affected all the industrialized nations of the West. The effects of the slump on the employment situation were exacerbated by the structural problems of specific industries (for example, ship-building, steel and textiles) and the consequences of the third industrial revolution, the advance of microelectronics. From the end of the 1970s on, mass employment was a dominant part of the picture. Time and again the growing power of the employers and a government that was increasingly resolute in sticking to its objectives threatened to force the trade unions on to the defensive.

1. *Cyclical and structural crises, mass unemployment and organizational stagnation*

The upturn in the economy of 1972–3 was rudely interrupted by the oil crisis of 1973, which culminated in the slump of 1974–5. Economic growth, as high as 4.7 per cent in 1973, fell to 0.4 per cent in 1974 and –1.4 per cent in 1975. Business activity soon picked up again, with the economy growing by 5.6 per cent in 1976. But the recovery did not have the vigour of earlier years and turned back into recession in 1981–2, following the second oil crisis in 1979, with growth rates of 0 and –1 per cent. The transition from the 1970s to the 1980s was dominated by high inflation and growing unemployment.

There were a number of reasons why the upturns in the economy had been growing constantly weaker since the 1960s. First of all, the normalization of need: after the reconstruction phase, which lasted until the end of the 1950s, the domestic market started to show obvious signs of saturation. To meet this, exports were stepped up; developing economic co-operation between the European countries and the expansion of world trade increasingly took the place of German domestic sales. This trend entailed export and balance of payments surpluses on the one hand, and dependence on trends in foreign trade on the other. Changes in the structure of production were another factor. As an example we may point to the crisis in coal-mining, the importance of which diminished as coal was

overtaken by other sources of power (oil, gas and nuclear power). There were also crises in shipbuilding and steel, triggered off by new materials (plastics) and international competition. Finally, there was the increased use of new production techniques; their effects in terms of rationalization in industry and the service sector were far in excess of their ability to create jobs. From the mid-1970s on, microelectronics prompted a fresh wave of rationalization – including the service sector, which was thus unable to absorb people who had lost their jobs in manufacturing, as it had done following earlier spates of rationalization.

In conditions of higher raw material costs and stagnating world trade almost all Western countries suffered cyclical and, above all, structural problems, which were initially given the name "stagflation" – meaning that economic growth was nil (or minimal) while unemployment and prices rose. In West Germany inflation rose from 1.9 per cent in 1969 to 5.5 in 1972, 6.9 in 1973 and 7 per cent in 1974; after that it fell to 3.7 per cent (1977) and 2.7 per cent (1978), only to resume its upward climb in 1979–82 (4.1, 5.5, 5.9 and 5.3 per cent). From 1972 on, unemployment grew steadily worse, increasing in leaps and bounds in the second half of the 1970s: from 1.1 per cent in 1972 it was up to 4.7 per cent by 1975; in 1979 and 1980 it levelled out at 3.8 per cent, but subsequently rose to 5.5 (1981), reaching 7.5 per cent in 1982 (Table 5b).

Shortly after the political watershed of autumn 1982 a new economic upturn commenced, with growth rates of 2–3 per cent. This was accompanied by a clear trend towards price stabilization: in the years that followed, the rate of inflation reverted to 1–2 per cent (1987–8). Yet despite steady economic growth, which neither the crash on the New York stock exchange on 19 October 1987 nor the international debt crisis has (so far) seriously disrupted, unemployment rose again, reaching more than 8 per cent in 1983 and staying at this high level (Table 5b). Excluding the "silent reserves", the number of registered unemployed has exceeded 2 million every year since 1983. Since the start of the employment crisis in 1974, almost one worker in three has at some time been out of work, at least temporarily. Unemployment has become an experience familiar to the mass of working people.

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Since the beginning of the 1970s, the membership of the DGB-affiliated unions (including, since 1978, the Police Union) had been growing, reaching 7.9 m in 1981. But then for three successive years membership fell: in 1984 the DGB unions were down to "only" little over 7.6 m. From 1985 membership stabilized and then rose slightly, remaining at just over 7.6 m

in 1986–8. The trend was the same in the DAG: with small fluctuations their members increased from roughly 470,000 in 1974–7 to 501,000 in 1982. The 1982–3 fall to 497,000 was contained and soon, from 1985 on, turned into an upward trend once again (Table 1c). The membership of the Christian Trade Union Federation was a steady 300,000 throughout the 1980s. There are several reasons for the decline in membership of the DGB unions in the first half of the 1980s. Foremost among them was the crisis of confidence in the unions, which the "Neue Heimat" affairs in early 1982 and 1986 may not have actually triggered off but certainly aggravated. Other major factors affecting the unions were the structural crises and the permanent decline of certain industries: the loss of members in the construction, mining and textiles unions, for instance, reflected the problems in the industries for which they cater.

In one area, at least, the unions responded to the shift in emphasis due to the structural economic change with the beginnings of organizational reform. After months of discussion, the transitional rules for the future industrial union Media, Printing and Paper, Journalism and Art (IG Medien) were submitted in summer 1985. Finally set up in 1989, IG Medien was an amalgam of the Printing and Paper Union, the Art Union and the Radio, Television and Film Union.

It is noticeable how the predominantly white-collar union Commerce, Banking and Insurance continued to grow even during the crisis on the labour market. That also applies to the two largest unions, the Engineering Union and Public Services, Transport and Communications; increases in growth were also recorded – even in the lean years of 1986–7 – by the Chemicals Union, Printing and Paper, and Food, Beverage and Allied Workers' Union.

In contrast to earlier periods, the economic crisis and mass unemployment of the 1970s and 1980s did not cause a breakdown in trade union organization, though improving the degree of organization was out of the question in this period. After a slow climb to 34.2 per cent in 1978, it declined steadily – levelling out at 32.9 per cent in 1984 and 1985.

The organizational problems that had dogged the unions in the past were not resolved in the 1970s or 80s, either.

Foremost among them, as in the Depression of the 1930s, was the problem of the unemployed. There was and is no uniform arrangement enabling the unions to accept the unemployed as members, even if they have never worked before. What is more, the offers open to the jobless – such as the benefits provided by some unions after more than a year's continuous unemployment and the jobless schemes mostly organized at local level – are not widely known.

The proportion of white-collar workers to union members overall (22.8 per cent in 1987) remained a long way behind their proportion of the total workforce (44 per cent). The membership structure of the DGB trade unions was still geared to the employment patterns of the 1950s. It should also be pointed out that the proportion of male white-collar workers belonging to unions changed little in the 1980s, so that the increase in white-collar workers must be attributed to the growing union activity of female employees. Even though the growth in membership of the 1970s was chiefly due to women, the degree of organization among women (23 per cent in 1987) was still much lower than their proportion of all employed persons (38 per cent in 1987). Apart from gender-specific handicaps of a more general nature, one reason for women's reluctance to join the trade unions may have been the small numbers of women in elected posts and leading positions. Even at the DGB congress of 1986, only 79 of the 516 union delegates (or 15.3 per cent) were women. Of the nine seats on the DGB's federal executive only two were occupied by women – Irmgard Blättel and Ilse Brusis. Only one woman is chairman of an industrial union – Monika Wulf-Mathies of the ÖTV – and none of the nine DGB regions is headed by a woman. These figures illustrate how career patterns for men and women within the trade unions continue to differ.

The figures for young trade union members reflected the problem of an ageing membership with which the unions were faced, reinforcing demographic trends in the the population at large. This problem was rendered even more acute by the fact that young members figured prominently among those who left the unions in 1982–3. The reasons for this may be the oft-quoted "change in values", an aversion to "large, anonymous machineries" or the credibility crisis brought to a head by the "Neue Heimat" affair.

Finally, the changes in production techniques and structures in recent years have posed a number of organizational problems for the trade unions. The increase in part-time and home working and the increasing flexibility of working hours have swelled the categories that had always been reluctant to join. At the same time, the number and importance of the traditional industrial workers have declined, with the result that the trade unions' established social basis has been shrinking steadily. In addition, redundancy has forced a large number of workers out of the sort of jobs that are covered by collective agreements – or they have left voluntarily. But there never has been any place for the trade unions in the underground economy or in the self-employed small business world where self-realization often verges on self-exploitation.

The charge has often been levelled at the unions that because of the re-

cession they were tending to cater exclusively for "job holders". The internal discussion of the aims and strategies of trade union policy, which had been stepped up since the mid-1980s, and plans to match members' aspirations more closely with the action taken by the executives, showed that the erosion of solidarity caused by the employment situation and the trade unions' loss of credibility had been recognized but not overcome. The main ways put forward for getting out of this crisis were organizing the unemployed, strengthening internal democracy, revitalizing union work at company and local level and increased targeting of specific categories – such as foreign workers, young people, women and white-collar workers.[1] The future will show whether these proposals are genuinely heeded and put into effect.

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Among the most important changes in the field of trade union policy proper was the sale of public utility enterprises triggered by the "Neue Heimat" scandal. Both inflicted severe damage on trade union credibility which was difficult to repair. As early as the beginning of 1982, the magazine "Der Spiegel" had exposed the inadequacies of the Neue Heimat management under Albert Vietor. Although changes of staff were rapidly undertaken as a result, the awkward question of the unions' monitoring role left the trade union leaders with egg on their faces – after all, they did have representatives on the supervisory board of Neue Heimat.

Unfavourable trends in the construction and property business made it more difficult to carry out a thorough rehabilitation of Neue Heimat, which had clearly overstretched itself with its many foreign and domestic ventures. The sale of Neue Heimat in September 1986 to a hitherto unknown Berlin bread manufacturer, Horst Schiesser, for the nominal price of one Mark was a panic reaction difficult to comprehend. Mismanagement, the sale and then the repurchase of Neue Heimat and its placing in the hands of a trustee all cost the trade union movement a great deal of prestige and pushed it to the verge of an identity crisis.

The unions tried to cope with the financial consequences of the Neue Heimat débâcle by selling off most of the Bank for Co-operative Economy, reorganizing and finally selling the Coop Group as a limited company and drawing up plans to sell other public utility enterprises such as Volksfürsorge insurance. At the same time they dropped a number of

1 See Ernst Breit, Fortschritt – gegen, ohne oder durch die Gewerkschaften, in Gewerkschaftliche Monatshefte I, 1985, pp. 1–19

trade union activities that were often seen as something of a liability because of their internal contradictions. At the conference on "Trade Unions and the Co-operative Economy" held on 14 October 1987, Franz Steinkühler (chairman of IG Metall since October 1986) called for the curtain to be rung down on this chapter of trade union history. It was not possible, he said, for trade unions to "run public utility enterprises in a capitalist environment". The only possible conclusion that could be drawn from developments to date was to get out of the "co-operative economy" – no matter how painful it might be. The trade unions could not afford critical headlines over the issue again. But Hans Matthöfer, the chairman of the Finance Company for Co-operative Economy (BGAG) was opposed to "making any premature commitments for the future [. . .] now, out of disappointment", referring to the need for hard-hitting adjustments. And Walter Hesselbach, the "father of the co-operative economy", advised the movement not to sever all links with its history despite the prevalent mood of anger.[2]

The question of the future of the co-operative economy in a capitalist setting is quite justified, especially as the specific hallmarks of public utility enterprises were hard to detect. Throughout the 1980s, however, people continually asked whether an attempt should not be made to revive the co-operative tradition – before the trade unions completely abandoned it. If such an attempt were to be made, a flair for business and a monitoring system, both guided by the right values, a clear-cut co-operative economic philosophy, an organizational culture and individual economic morality would all be vital elements.[3]

2. *On to the political defensive*

The unions were badly hit by the cyclical and structural problems of the 1970s and 80s; even during Helmut Schmidt's chancellorship they felt as though they (like the "social state") were fighting an uphill struggle[4], and this was before they suffered a drastic loss of influence on government

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[2] According to Frankfurter Rundschau of 15 October 1987

[3] Klaus Novy, Wieviel ist verloren – "Neue Heimat", Gemeinwirtschaft oder mehr?, in WohnBund 10, 1986, p. 4; also Wilhelm Kaltenborn, Wie die Theorie der Gemeinwirtschaft auf die Praxis kam – und was sie vorfand, in Gewerkschaftliche Monatshefte 3, 1987, pp. 186–90

[4] Friedhelm Hengsbach, Der Sozialstaat im Gegenwind – eine Bilanz der 13 Jahre SPD/FDP-Regierung, in Gewerkschaftliche Monatshefte 1, 1983, p. 1

policy after the "watershed" of 1982. In addition, there was the appearance of new social movements – from the peace movement and women's movement to the environmental groups – which rather put the trade unions (and the SPD) on the political sidelines at first. They sought escape from this predicament by attempting to overhaul their political programme.

The "Schmidt Era": the start of an uphill struggle

1974 marked a political turning point: in May of that year Willy Brandt resigned in the wake of the Günter Guillaume "spy in the chancellery" affair. The era of reform that had started with such high hopes thus came to an end. But the change of policy that accompanied Helmut Schmidt's appointment to the chancellorship should not be turned into a question of personalities. The espionage affair was the reason given for Brandt's resignation not the real cause. In the early 1970s it had already started to become clear that demands and expectations with regard to the extension of the "social state" were conflicting with the limited scope for fulfilling these hopes. The Schmidt government tried to take the appropriate action in its economic and financial policy, allowing for the limitations imposed by the recession on the government's freedom of action; this inevitably brought it into conflict with the trade unions' objectives.

From 1974 onwards the limits of state anticyclical economic policy became obvious. The comprehensive controls financed by debt proved quite incapable of giving a lasting boost to the economy and curbing unemployment. In view of the increasing national debt and inflationary price trends, the government henceforth sought to enforce a restrictive monetary and credit policy. The first sign of this new course was the Cabinet decision of 10 September 1975 to introduce spending cuts to improve the budgetary position from 1 January 1976. Spending under the Law to Promote Employment, pension funding and public services were cut and employee contributions to the unemployment insurance scheme increased. Further steps were taken to cut welfare benefits in the shape of the Law to Moderate the Cost of Health Insurance and the Twentieth Pensions Adjustment Law of March 1978, upping contributions and introducing health insurance contributions for pensioners from 1982.

In tandem with this policy of retrenchment in the field of social welfare the Schmidt government pursued a costly plan to deal with employment problems. In March 1977 the government agreed on an investment programme to make DM 16 bn available for action to improve the environ-

ment, water supply and distribution, and energy conservation. In November 1977 the government also agreed a federal programme worth DM 190 m to encourage urban renewal in accordance with the Law to Promote Urban Development; in May 1978 the programme was supplemented by an amendment to the Housing Modernization Law involving a total outlay of DM 4.35 bn.

The DGB welcomed the federal government's investment programmes, while criticizing them for providing too little too late.[5] In fact, the Schmidt government's measures in the field of labour market policy were largely in accord with the ideas contained in the DGB's "Proposals for restoring full employment" of July 1977 and reiterated on numerous occasions. It demanded action to promote qualitative growth in selected areas of the economy, to "humanize" work and, above all, to reduce working hours. The principle demand, however, was for an active employment policy, that is, for more and bigger public job creation programmes.

Demands for safeguarding or creating jobs were also given a key position in the fifth action programme of June 1979. In March 1981 trade union plans for combating the crisis were augmented by the demand for an "investment programme to safeguard employment[6] by means of qualitative growth" to a tune of DM 10 bn. The money was supposed to come from a general labour market tax levied on those in high and very high income tax brackets. The programme set out a list of measures for energy saving, housing renewal and urban redevelopment, the expansion of public transport, the upgrading of waste disposal systems (sewage works, etc.) and improvements in education and research.

The longer the jobs crisis lasted and the more widely its effects were felt, the more the business community and the FDP opposed a state job creation policy that had not only proved ineffective – as the rising unemployment figures appeared to prove – but was rocking public budgets and hence the whole credit system. More than anything it was the growing national debt that triggered this rethink. As the employment crisis worsened, net federal borrowing soared from DM 2.7 bn in 1973 to DM 9.5 bn in 1974 and almost DM 30 bn in 1975. Annual new federal borrowing remained at roughly this level, fluctuating between DM 22 and 27 bn, until 1980, before rising once again to DM 37 bn in 1981 and 1982.

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5 DGB (ed), Das Programm für Zukunftsinvestitionen der Bundesregierung vom Frühjahr 1977 (Düsseldorf, 1978)

6 DGB (ed), Vorschläge zur Wiederherstellung der Vollbeschäftigung (Düsseldorf, 1977)

The growing national debt was increasingly laid at the door of the SPD and the unions by the employers, the FDP and the CDU/CSU. It was a common complaint that their policies were encouraging the "outmoded expectations" of citizens gently swaying in the "hammock of the social safety net". In the late 1970s, the employers were pressing more urgently than ever before for a political "change" to put the unions in their place. The slogan about the "trade union state" was dusted off. A "federation law" would tame the unions and with a "list of taboos" the employers limited the scope for negotiating issues and compromises with the trade unions. Further proof of the employers' "roll-back strategy" was the attempt by the Mannesmann AG in June 1980 to get round co-determination on the coal and steel model by incorporating the iron and steel works into the pipe works. This question acted like a canker within the SPD-FDP coalition; not until 1981 were they able to reach a compromise safeguarding co-determination until 1987, which was admittedly not likely to satisfy the trade unions.

Furthermore, in 1978–9 the trade unions' self-confidence and ability to act were badly hit by the campaign against "backscratching" in relations between the unions and the SPD. Proposals by sections of the CSU to form party political groups in the DGB unions or to consider strengthening the Christian Trade Union Federation, were firmly rejected by the DGB unions.[7] Charges of alleged Communist subversion[8] in some unions were considered by many unions as without foundation – especially as at the end of the 1960s and beginning of the 1970s they had passed incompatibility decisions to protect themselves against the influx of new members from the ranks of the extraparliamentary opposition and the DKP (Communist Party), set up in 1968 to replace the KPD banned in 1956.[9]

The conflicts between the employers, the FDP and CDU/CSU on the one hand and the SPD and the trade unions on the other became more acrimonious in the early 1980s, particularly over budget discussions. It also emerged that even the ruling Social Democrats and the unions were not always in agreement on the basic principles of policy. The 1982 budget consultations were very much dominated by a policy of entrenchment – at

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7 IG Metall (ed), Spalte und herrsche: F.J. Strauss und die Einheitsgewerkschaft (Frankfurt, undated); Frank Deppe, Detlef Hensche, Mechthild Jansen and Witich Rossmann, Strauss und die Gewerkschaften. Texte, Materialien, Dokumente (Cologne, 1980)

8 Ernst Günter Vetter, Die Roten sind auf dem Vormarsch, in Frankfurter Allgemeine Zeitung of 21 April 1979

9 Rotbuch zu den Gewerkschaftsausschlüssen (Hamburg, 1978)

the expense of the social security system. In more detail, "Operation 82" laid down: curbs on the right to claim unemployment benefit, a rise in contributions (from 3 to 4 per cent) and cuts in benefit; cuts in child benefit for the second and third children by DM 20 each; an contributory element in medical costs; deletion of the educational requirement in the basic vocational training year; and a cut in federal life assurance subsidies.

The protests of the trade unions were of little avail. On 8 November 1981 there was a demonstration of 70,000 workers in Stuttgart. Franz Steinkühler, then regional head of IG Metall, called for "resistance to the rundown of the welfare system" and recalled the lessons to be learned from Brüning's mistaken policy of retrenchment.[10] Partly as a result of union pressure, a front in favour of a job creation policy was once again set up within the SPD. In response the federal government decided in February 1982 to create a "common initiative for jobs, growth and stability", which took up, for example, the trade union demand for combating youth unemployment by means of a DM 400 m programme; the centrepiece, however, was a temporary investment allowance, intended to stimulate total investment of DM 40 bn by means of budget expenditure in the region of DM 4 bn.

The trade unions hardly recognized their demands in the government's economic measures – even less in its social measures. Disappointment in the late 1970s and early 1980s at the government's economy programme were now followed by bitter protests. Their basic mood was indicated by the slogan "Enough is enough".[11] Though the unions stressed that they wanted "no other government, we want another policy" (Leonard Mahlein, chairman of the Printing Union[12]), in fact the ruling Social Democrats and the trade unions drifted apart at this time, under the pressure of the compromises necessary to keep the coalition with the FDP going and the CDU/CSU majority in the *Bundesrat.*

While, despite all the economies, the SPD clung on to the idea of state job creation through economic policy programmes financed by budgetary deficits, the FDP – under the ideological leadership of Otto Graf Lambsdorff – demanded a political "about-turn". An end to state control of the

10 According to Hans-Joachim Schabedoth, Bittsteller oder Gegenmacht? Perspektiven gewerkschaftlicher Politik nach der Wende (Marburg, 1985), p. 81

11 Karl-Heinz Janzen, Das Mass an Zumutungen ist voll. Zu den Haushaltsbeschlüssen 1983, in Neue Gesellschaft 8, 1982, pp. 774–7; Claus Schäfer, Verteilungs- und Beschäftigungswirkungen von Operation '82, Gemeinschaftsinitiative und Operation '83, in WSI-Mitteilungen 10, 1982, pp. 579–87

12 According to Klaus Bohnsack, Die Koalitionskrise 1981/82 und der Regierungswechsel 1982, in Zeitschrift für Parlamentsfragen 1, 1983, p. 11

Ernst Breit, chairman of the DGB, making his speech on general principles at the thirteenth DGB congress in 1986

economy and cuts in production costs, taxes and social expenditure – with goals such as these the FDP was on a collision course with the SPD, while the rumblings of discontent at various government measures, from the NATO twin-track decision to the rundown of the social security system, grew louder and louder within the SPD itself, as the 1982 Munich party conference showed.

The coalition finally broke down over the 1983 budget consultations. Although the thinking of both ruling parties was broadly in line with the 1982 budget decisions, the proposed economies did not go far enough for the FDP's liking. "Denationalization", "deregulation" and "relaxation" of the economy and the employment market were the new slogans with which the FDP under Hans-Dietrich Genscher sought to initiate a "spiritual and moral watershed" together with the CDU/CSU under Helmut Kohl.

After the "watershed" of autumn 1982: on the sidelines

For Ernst Breit, who was elected chairman of the DGB in May 1982, his new job was no sinecure, even though in him the DGB had chosen a highly experienced trade unionist to lead it. Born the son of a toolmaker in Rickelshof, Kreis Dithmarschen in 1924, he attended technical school and in 1941 became a trainee inspector in the post office. After serving in the army and a period as a prisoner of war, he returned to the post office and gradually rose to a senior position. In 1946 he joined the German Post Office Union, joining the executive in 1953 and heading the union from 1971 on. His level-headed approach to his work and his sense of realism obviously recommended him to the vast majority of delegates as a suitable man to tackle the problems looming up in the early 1980s.

The previous year the DGB had adopted a new basic programme that was to serve as a pointer in the foreseeable conflicts over social and economic policy, the peace issue and the environment. But in the final years of the Social-Liberal coalition it had become evident how difficult it was for the trade unions to find a united and consistent political line on such contentious issues that satisfied the increasingly urgent wishes of the membership without being disloyal to the ruling Social Democrats. Furthermore, the unions' credibility was badly damaged by the "Neue Heimat" scandal, the first part of which – Albert Vietor's mismanagement – became public knowledge early in 1982 and overshadowed the departure of Heinz Oskar Vetter.

Then, in September 1982, the trade unions were faced with a new government coalition, comprising the CDU/CSU and FDP under Helmut Kohl, who could certainly not be suspected of excessive friendliness to the unions. As supporters of the supply-side economics of Margaret Thatcher and Ronald Reagan, the politicians responsible for economic and social affairs in the new government relied on giving a boost to investment by relieving business of some of the burden of taxes, social insurance contributuions and wage-costs as well as legal obligations that were felt to be a hindrance. These new forces for growth would, it was hoped, also reduce unemployment.

The trade unions by no means stood back idly and watched this political "watershed" and the rundown of the social services. As planned before the change of government, the DGB arranged a series of rallies in the autumn of 1982 in Frankfurt, Nuremberg, Dortmund, Stuttgart, Hanover, Hamburg and Saarbrücken, at which more than half a million workers gathered to protest at the policies of the (new) government. It was certainly no premature move: this much was evident from the various plans, ideas, proposals and projects floated by the government camp in months that followed.

The critical, indeed at times anti-union, thrust of "watershed politics" could not escape anyone reading the various policy documents in circulation in 1982–3.[13] First there was the memorandum of March 1982 from the Federal Association of German Employers' Federations on "Social security in the future", with its calls to redefine the "social state". These ideas were taken up by Lambsdorff in September 1982 and, after the 1983 elections, by the CDU parliamentary party's spokesman on social affairs, Heimo George, who in July 1983 presented "Proposals for stemming unemployment", which advocated freeing the private economy from all the dictates and fetters restricting it. His solution was to make labour cheaper, and to this end he recommended "limited undercutting of scheduled wage rates". He considered laws protecting the disabled and young people an obstacle to recruitment and held that they should therefore be abolished. In August 1983 Ernst Albrecht, the Christian Democrat Prime Minister of Lower Saxony, followed up with "Ten theses on the problem of unemployment", which gave priority to removing the tax burden from companies and stripping away the "ossified husk encasing the economic and social system' by relaxing laws on dismissal, the protection of youth and co-determination. The long-term aims of Christian Democratic eco-

13 According to Schabedoth, op. cit., pp. 89 and 113 f.

nomic and social policy were gathered together at the end of 1983 by the CDU's economic council and published in a policy document entitled "Freedom and performance as a strategy for the future". Lastly, Helmut Haussmann, the FDP secretary general again pinned down the thrust of the "new politics" in an interview in the magazine "Der Spiegel" when he said, "Collective agreements must become much more flexible, not only upwards but also downwards."[14] The FDP backed its secretary-general, for "what we need are wages adjusted to meet specific market conditions, differentiation by work, industry, region".[15] The Minister for Economic Affairs, Martin Bangemann (FDP), hastened to come out in favour of greater flexibility and differentiation in pay policy by industry and region.[16] Since in fact pay policy already makes precisely this sort of differentiation, the trade unions not unreasonably suspected that such statements concealed an attack not only on the level of wages but also on the collective agreement qua institution.

The trade unions saw these programmatic statements on the "future of the social state"[17] as an assault on the very basis of their policies. Behind the eulogy in praise of individual responsibility they detected the intention to dismantle the social security system. The plaint about dwindling entrepreneurial freedom they regarded as a full frontal onslaught on the co-determination arrangements and industrial safety laws. They interpreted the new buzzwords of "relaxation" and "deregulation" as attacks on the system of collective bargaining for settling wages, working hours and conditions; and the slogan "Hard work must pay once again!" appeared to hark back to the ruthless old "dog-eat-dog" society.

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The trade unions continually attempted to show that the price of such a "watershed" policy was high, and that it was paid by wage earners, pensioners, the unemployed and the sick. The economies announced by the Kohl government in autumn 1982 cut unemployment benefit, imposed charges under the health insurance scheme and scrapped scholarships for school pupils. The budgets of the following years were entirely in line with the initial decisions of autumn 1982: social retrenchment with the aim of

14 Der Spiegel of 15 April 1985, p. 21 ff.
15 Freie demokratische Korrespondenz, Pressedienst der FDP, Ausgabe (press release) 116 of 23 April 1985
16 General-Anzeiger (Bonn) of 19 April 1985, p. 1
17 Kurt Biedenkopf, Die Zukunft des Sozialstaates, in Gewerkschaftliche Monatshefte 8, 1984, pp. 494–500

consolidating the public budgets and redistribution to encourage businesses to invest. But it soon turned out that the repayment of the national debt could not be maintained in the face of constant new demands. Net federal borrowing was reduced from DM 31.5 bn in 1983 to DM 28.3 bn in 1984 and roughly DM 22 bn in 1985 and 1986; but the following year it rose to DM 26.3 bn and in 1988 exceeded DM 30 bn.

The programme of economies was accompanied by a series of laws designed to "denationalize" or "deregulate" employment conditions, and thus at the same time weaken the position of the unions. Let us recall the Law to Promote Employment of 19 April 1985. In the face of strong union protests, this law made it easier to employ staff on temporary contracts. The trade unions feared that temporary appointments, limited to 18 months, would create a "two-class" set of laws for employees – which could be used by the employer as an "effective means of discipline".

The slogan about the "state's retreat from the economy" also covers measures planned or already implemented to privatize public enterprises, ranging from the part-sale of federal holdings in Lufthansa and Volkswagen to the restructuring of the post office. All these measures met with strong protests from the unions, which denounced this policy – to no avail – as a wanton waste of public resources.[18]

In this connexion we should also mention the plans to amend the Company Statute Law to strengthen the protection of minorities at the expense of the DGB unions. The idea is to change the rule requiring all candidatures in the works council elections to be endorsed by a list of names so as to allow any trade union represented in the company to submit candidates. This would make it easier for members of the smaller unions – such as the Christian trade unions and the DAG – to get on to the works councils. The same idea is behind the FDP's proposal to set up legally recognized "mouthpiece committees" (Sprecherausschüsse) for senior employees. In a conversation with Chancellor Kohl, Ernst Breit stressed that the laboriously forged contacts between government and unions might be strained past breaking point, should such plans go ahead.[19]

In these conditions it seemed (almost) futile for the DGB to announce in 1982 a new offensive over co-determination.[20] In view of government plans, this assessment certainly applies to the co-determination drive of

18 See Rudolf Kuda, Wirtschaft, in Michael Kittner (ed.), Gewerkschaftsjahrbuch 1985. Daten, Fakten, Analysen (Cologne, 1985), p.178 f.

19 Der Spiegel No. 50, 1984

20 Ernst Breit, Mitbestimmungsinitiative: Abbau der Arbeitslosigkeit – Demokratisierung der Wirtschaft, in Gewerkschaftliche Monatshefte 10, 1982

1985, launched in March by a conference on "full employment, co-determination and the shaping of technology" in Cologne. The fact that co-determination became one of the stock themes of trade union congresses did little or nothing to achieve the desired end. And the same, incidentally, must be said of the need (which the unions were rather slow to see) to press for improvements in workplace co-determination rights, especially when it comes to the introduction of new technology.[21] Chances of achieving the continually voiced call for the introduction of national economic co-determination arrangements – with economic and social councils and bipartite participation (involving the trade unions) in chambers of commerce and industry and trade corporations – were probably just as remote.[22]

With resolutions and policy pamphlets, academic conferences and rallies, the trade unions tried to draw public attention to their plans for the economy and society. The issues covered ranged from the education conference "Education for all – encouragement not selection" in November 1983 to the IG Metall conference entitled "The Other Future. Solidarity and Freedom" in October 1988. And after the protests of autumn 1982, the DGB arranged a whole "week of protest" from 14 to 20 October 1985 against the policies of the Kohl-Genscher government. Under the slogan "Solidarity is our strength", the DGB took issue with government policy. "Freedom through flexibility?" it asked, and supplied the answer, "Only for employers! For wage earners the edifice of reliable industrial relations will collapse."[23]

But not all government measures were unanimously opposed by the trade unions. While some, notably IG Metall, were aiming at the introduction of the 35-hour week by demanding cuts in working hours, others such as the Chemicals Union and Food, Beverage and Allied Workers' Union accepted the plans of the Federal Ministry of Labour to introduce new arrangements for early retirement to shorten employees' working lives and make the pensionable age flexible.[24] The unions that had initially rejected this scheme as an obstacle to achieving a cut in the working week had obviously been persuaded by the facts that both methods of securing a

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21 DGB (ed.), Konzeption zur Mitbestimmung am Arbeitsplatz (Schriftenreihe Mitbestimmung, No. 7, Düsseldorf, March 1985); cf. IG Metall (ed.), Aktionsprogramm: Arbeit und Technik – "Der Mensch muss bleiben!", November 1984

22 DGB (ed.), Gesamtwirtschaftliche Mitbestimmung – unverzichtbarer Bestandteil einer Politik zur Lösung der wirtschaftlichen und gesellschaftlichen Krise (Schriftenreihe Mitbestimmung, No. 6, Düsseldorf, December 1984)

23 DGB (ed.), Solidarität ist unsere Stärke (Düsseldorf, 1985)

24 Bundesminister für Arbeit und Sozialordnung (ed.), Vorruhestand (Bonn, May 1984)

reduction in working time made sense. At any rate, when the government wished to allow the early retirement scheme to lapse in 1988, there were broad-based protests from the unions, particularly over the implications for employment. The protests received the backing of the CDU's social committees, and the outcome was the renewal of the law in a slightly altered form.

There was by no means agreement between the DGB unions on all major topics; this was evident from the way the NATO twin-track decision was handled. Whereas as recently as 1981 the trade unions in general had found it hard to co-operate with the peace movement and had distanced themselves from the "Krefeld appeal", in particular, by passing a resolution of their own[25], many trade unionists took part in the 1982 Easter marches and the Bonn peace demonstration of June 1982. The rallies on Anti-War Day, 1 September 1982, also helped bring the unions and the peace movement closer together. With the end of Schmidt's term of office, the SPD's change of direction and the missile deployments of 1983–4, the unions became fully committed to opposing increases in nuclear arsenals. IG Metall wanted to hold a general strike of 10–15 minutes to protest against "modernization"; the Chemicals Union, IG Chemie, also came out against an increase in arms but regarded a political strike of that type as an impermissible attempt to put pressure on parliament. So the DGB federal executive finally decided to call on union members to down tools for five minutes in support of disarmament. In addition, the DGB staged numerous rallies every year on Anti-War Day, 1 September; the 1988 rally, for instance, focused on the slogan "Money from arms for the social services" and made the following demands: an end to the arms race, the scrapping of nuclear weapons, a freeze on the development of new missile systems, mutual reductions in troop strengths, a ban on chemical and biological weapons, and a ban on arms exports to the Third World.

One of the long-running disputes over economic and financial policy between the government and the unions was the tax reform announced amid great publicity in 1985 – the one that the government claimed would make hard work pay again. Quite apart from the problems of detail that kept on cropping up – from tax exemption for aviation spirit to the introduction of a tax on gas – the unions held that the thinking behind the tax reform was fundamentally flawed. The trade unions demanded that the planned tax relief worth roughly DM 20 bn should be divided into two

25 Reprinted in Leminsky and Otto, op. cit., p. 73 ff.

parts. Half the sum should go to help families with children and those on low and average incomes; the other half should be spent on job creation measures.

The clash between the government and the unions came to a – temporary – head early in 1986 during the debate on the amendment of Paragraph 116 of the Law to Promote Employment (AFG).[26] The impetus for a change in the law had been provided by the 1984 dispute in the engineering industry. The government, with the Labour Minister Norbert Blüm (CDU) at the forefront, stated that the purpose of the amendment was to ensure the neutrality of the Federal Institute of Labour in the event of an industrial dispute. But the unions discerned a desire to prevent the payment of benefit to those not directly involved in a pay dispute, thus encouraging the employers to go ahead with their tactics of the "cold lockout" (that is, locking out workers not engaged in industrial action), which were designed to bring the unions quickly to their knees.

Contrary to expectations, the unions managed to conduct a campaign on this apparently rather flimsy issue and mobilize large numbers of wage earners at rallies and demonstrations. On 6 March alone, more than one million workers attended 200 DGB rallies to protest against the amendment of Paragraph 116 of the AFG. And in an "employees' opinion poll" conducted by the DGB, 7.6 m ballot papers were handed in, of which 95 per cent were against the government proposal. The "reform of AFG 116" was obviously seen as a pointer to government policy, though the trade unions were not agreed about which road to take. While some, notably IG Metall, advocated "warning strikes", IG Chemie, headed by Hermann Rappe, rejected any attempt to put pressure on parliament. Despite the unions' protests, the amendment was adopted – with insignificant concessions to the unions – on 10 March 1986 by the governing majority in a roll call vote. It came into force on 1 May the same year.

Thus on virtually all economic and social policy decisions there were serious disagreements between the unions and the government. At the end of the first full legislative period of the "watershed government" it was evident that the unions had been shunted aside, their demands and protests ignored. This trend was reflected in the list of demands that the DGB published along with its "election acid test"[27] for the general elections of 25 January 1987.

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26 See Michael Kittner (ed.), Gewerkschaftsjahrbuch 1986 (Cologne, 1986), p. 403 ff., and ditto 1987 (Cologne, 1987), p. 360 ff.

27 Wahlprüfsteine vom Oktober 1986, in ötv-magazin 11, 1986, p. 7

Chief among union demands was the call for "more public initiatives for work, the environment and the quality of life", including investment programmes worth DM 100 bn over a five-year period; to fund all this the tax reform scheduled for 1988 and 1990 should be dropped. They demanded the immediate repeal of the provisions of the Law to Promote Labour that encroached on workers' rights, and the same for the changes in protection for the disabled and young people. Under the rubric "The expansion of co-determination at all levels of the economy", the DGB called for the withdrawal of draft amendments to the Company Statute Law and the Staff Representation Law, improved rights of co-determination in connexion with rationalization and the introduction of new technologies, the safeguarding of co-determination in the coal and steel industry, the extension of bipartite co-determination to cover all large companies and the introduction of national economic co-determination with economic and social councils. Finally they wanted the unions' ability to take strike action to be guaranteed by the repeal of the amendment to Paragraph 116 of the Law to Promote Labour and a ban on lockouts.

The ruling coalition of CDU/CSU and FDP emerged victorious from the *Bundestag* elections of 25 January 1987, though they polled fewer votes than at the previous general election. This was considered to be due to the fact that the Christian Democrats had forfeited "the votes of many wage earners" who "did not agree with the pro-employer and anti-union government policies of the tenth legislative period" from 1983 to 1986.[28] Admittedly, the trade unions suffered a clear drop in the proportion of unionized deputies, principally due to the SPD's electoral losses. This may not have been such a hard blow, however, as the unions had often had occasion to note that union membership was no guarantee that the deputy in question would champion trade union interests in parliament.

The problem of the "acid test" (which expressly avoided recommending which way to vote) caused the issue of the unions' party political neutrality or independence to flare up again and again. The unions' political commitment remained a controversial point. However plausible the DGB's position that the unified union was "independent of political parties but neither politically neutral nor non-political", it was, and is, difficult to put this claim into practice. It was little use Dieter Wunder, chairman of the

28 Klaus Richter, Gewerkschafter im Elften Deutschen Bundestag, in Gewerkschaftliche Monatshefte 3, 1987, pp. 182–5

Education and Science Union, stressing that the unions were "not opponents of the CDU or CSU but are combating the present employment and social policies of the government that comprises these parties".[29] After the "heated debate" of 1978–9 CDU/CSU politicians had constantly condemned any critical comments on government policy since 1982 – such as the "protest weeks" of October 1985 and 1988 – as a breach of the unions' commitment to "party political neutrality".

Reservations of this kind received a boost by controversial personnel decisions, as when the delegates at the eleventh congress of the ÖTV union in Hamburg in June 1988 refused to vote a CDU member on to the executive because of his views on the reform of Paragraph 218, which differed from that of the majority of delegates. Ulf Fink, then chairman of the Christian Democratic Wage Earners and elected vice-chairman of the DGB in 1990, interpreted the congress's decision as "a danger to the unified trade union". The vote had not merely been directed against the candidate as an individual but was an affront to all CDU members in the organization, he claimed.[30]

In fact, the unions and the SPD are tightly interwoven. Of the 193 members of the SPD parliamentary party following the 1987 elections, 188 are members of trade unions, as are all 42 members of the party executive. Looked at from another angle, 16 of the 17 trade union chairmen are Social Democrats, as are 7 of the 9 members of the DGB federal executive; of the DAG's 9 federal executive members, 7 including the chairman are Social Democrats.

Nevertheless, the relationship between the unions and the SPD was (and is) not free of conflict. Let us recall the disagreements over the economy programme introduced under Chancellor Schmidt in 1981–2; or the irritation aroused by the "Neue Heimat" affair, which was seen by the Social Democrats as a millstone in the election campaigns of 1982–3 and 1986–7; or the proposal floated by the Prime Minister of Saarland and vice-chairman of the SPD, Oskar Lafontaine, for a reduction in working hours without full compensation (at least for higher earners) – right in the middle of the confrontation in the pay negotiations for the public services early in 1988. After a top-level discussion on 25 April 1988 it was possible to calm things down, but the dispute between the party and the unions over each side's claim to independence went on seething under the surface, and erupted once again at the Münster SPD party conference at the

29 ötv-magazin 11, 1986, p. 7. Dieter Wunder, Gewerkschaften – eine Kraft der Vergangenheit?, in Gewerkschaftliche Monatshefte 2, 1985, pp. 65–73; this quot. p. 71
30 General-Anzeiger (Bonn) of 22 June 1988, p. 1

end of August and beginning of September 1988 with "fresh vehemence". Against this background it is not hard to understand the plea of the party chairman, Hans-Jochen Vogel, for ways of resolving conflicts that do not lose sight of the need for future co-operation, especially as "to weaken one is as a rule to weaken the other, and thus to strengthen the conservative, if not reactionary, forces".[31]

However often the trade unions felt left in the lurch by the SPD, there was no alternative to co-operation over policy and strategy with the Social Democrats, nor does it seem likely that there ever will be. Despite the many irritants in relations between the two, they have never prompted the unions to consider proclaiming themselves a "replacement worker's party". One key factor behind this reserve is no doubt the danger of factions forming inside the unions along party political dividing lines; another is certainly the limitations any such move would immediately impose on their political influence in parliament.

In 1987–8, then, the CDU/CSU had suffered a big drop in electoral support – not only in the *Bundestag* but also in a series of regional parliamentary elections. This may well have given them food for thought, along with the realization that the economic and financial policy pursued hitherto, owing to unused capacity in individual industries and the speeding-up of technological change, had not taken the pressure off the employment situation. Early in 1988 the government and the trade unions started to close the gap between them. This was, in part, a reaction by the government to the widespread criticism manifested in the election results and the growing pressure of problems building up. The government was no doubt also worried by the mobilization, in certain regions, of workers and their families threatened or actually affected by factory closures and mass redundancies, a phenomenon that was at first spontaneous and then orchestrated by the trade unions. The self-healing powers of the market, on which the government had pinned its hopes, had obviously not been sufficient to solve the structural problems of the shipyards, the steel industry and mining. Entire regions – the coastal *Länder,* the Ruhr district, the Saarland – had been badly hit by the consequences of restructur-

31 Hans-Jochen Vogel, SPD und Gewerkschaften (slightly abridged version of an address given to the "Trade Unions and Politics" discussion group of the Friedrich Ebert Foundation political club in Bonn on 5 May 1988) in Gewerkschaftliche Monatshefte 7, 1988, pp. 385–98; this quot. p. 389 f.

ing. It was only following the protests staged by workers at the Krupp steelworks at Duisburg-Rheinhausen threatened by mass redundancy that the federal government decided to agree a joint approach with the two sides of industry and the governments of the *Länder*. The Ruhr district conference early in 1988 and the coal and steel conference of July the same year, which also agreed to earmark financial resources for structural aid, harked back to the old "concerted action" idea. Whether or not such conferences will bear any practical political fruit (unlike their failed predecessor) we shall find out sooner or later. On one point, though, a lesson had been learned from the errors committed by "concerted action": the number of participants and the agenda are tightly controlled. And what is more, there are signs of a change of course most welcome to the unions: a move away from welfare planning towards planning alternative jobs for those affected by works closures.

Anyone who suspected that corporatist crisis strategies were being revived at the conferences of government and trade union representatives in the first half of 1988, was soon undeceived. The DGB's "week of action" in October 1988 – which Chancellor Kohl construed in advance as a sign of the "enmity" with which the unions regarded the government – demonstrated that the unions were sticking to forms of protest and mobilization designed to focus maximum attention on the divergent positions of government and unions. A spin-off that may not have been entirely unwelcome was the fact that a number of disagreements between individual trade unions – for example, between H. Rappe (IG Chemie) and F. Steinkühler (IG Metall) over the issue of weekend working – were thrust into the background in the process.

3. *The unions fall back on their own strength: collective bargaining on a collision course*

The more the trade unions' influence on economic policy diminished, the more they concentrated once again on collective bargaining. "In assessing the political trend and political action, trade union work in the years ahead will no longer be standing in the lee of a state reform policy. A return to the independent power of the trade union movement and "help to self help" are the basis on which wage earners' interests [. . .] will have to be defended."[32] Though since the second half of the 1970s the unions

32 Siegfried Bleicher, Ergebnisse und Aussichten der Technologiepolitik und der Humanisierung der Arbeit nach einem Jahr Regierung Kohl/Genscher, in Gewerkschaftliche Monatshefte 3, 1984, pp. 166–75; this quot. p. 175

had not succeeded in putting their ideas on economic and social policy into effect – they had suffered bruising defeats in these areas during the "Schmidt Era" – the shrinking scope for distribution of wealth put employers and trade unions in a state of readiness. Since the 1970s there had been three main problem areas: raising and safeguarding wage levels, protection against rationalization and the reduction of working hours.

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Let us first look at pay policy. It is no matter for surprise that the trade unions came up against bitter resistance from the employers in the years of recession. Once again the employers blamed high wages, causing high wage incidentals and hence insufficient profits, for lack of investment, poor growth and high unemployment. Wage restraint (implying a voluntary cut in income) was considered the best means of curbing unemployment.[33]

The trade unions had been forced on to the defensive over wages, at least; this was seen most clearly in the fact that since the second half of the 1970s strikes in support of wage claims had become a rarity. An exception to this trend was the industrial dispute in the printing industry in 1976.

What touched off this dispute was a wage claim by the Printing and Paper Union seeking a 9 per cent rise and a minimum of DM 140; the employers' offer was 4.7 per cent. The latter clearly influenced the arbitration proposal of 5.4 per cent put forward on 2 March 1976; understandably it was rejected by the printers' executive committee. The union position was supported by an initial spate of warning strikes from 31 March to 2 April, affecting some 40 companies. After the arbitration process had failed to result in agreement at the Supreme Arbitration Office in Munich, it was decided to hold a strike ballot. On 27 April, the membership was ballotted and 88.2 per cent voted in favour of a strike. The start of the strike was set for the next day.

The Printing Union opted for "selective" strikes, concentrating initially on certain large, highly profitable newspaper companies where the union had a high level of membership and, in view of the healthy profit situation, it would be reasonable to take industrial action to secure wage rises. This staggered approach also saved the union money. As the second

33 "Für mehr Beschäftigung". Zwanzig-Punkte-Programm der Bundesvereinigung der Deutschen Arbeitgeberverbände (Cologne, 1985), especially p. 16: Innovationen für mehr Wachstum und Beschäftigung. Ein wirtschaftliches Konzept des Bundesverbandes der Deutschen Industrie (Cologne, 1986), esp. p. 33

stage it was planned to extend the strike to the intaglio (magazine) printing presses, and in the third stage to all companies.The first stage affected 48 companies, where roughly 16,000 workers downed tools. A few hours after the start of the strike the employers announced an official lockout. This action, which lasted from 30 April to 3 May, ended up affecting some 69,000 workers in more than 700 printing works, or nearly half the country's 145,000 printing workers. The lockout was fully observed only by the major newspaper and magazine publishers with their own printing works, which were involved in the strike. Small and medium-sized companies, on the other hand, were by and large reluctant to take part in the lockout.

On 3 May the lockout was lifted, and the next day fresh talks were held, leading to a 5.9 per cent offer – which was, however, rejected by the Joint Working Party on Pay (Tarifkommission) on 5 May. The Printing Union decided to go ahead with the second stage of the strike. On 6 May some 68,000 workers came out on strike, and by the following day it was 69,000. In a press statement of 8 May, however, the union announced that from 10 May the scope of the strike would be slowly reduced out of consideration for the financial plight of small businesses and local newspapers. At the same time there was a fresh attempt to reach a settlement on 12 May, this time chaired by Friedhelm Farthmann, the Labour and Social Minister of North Rhine-Westphalia. The proposal worked out on this occasion provided for an average pay rise of 6 per cent spread over 10 months; the other two months would be covered by an across-the-board lump sum payment of DM 245. In the second ballot held on 18 May, 55.7 per cent of the union's members voted for acceptance of this offer.

A particular bone of contention was the refusal of workers on the "Frankfurter Neue Press" and the Hanover edition of "Bild" to type-set or print leaders arguing against the strike; they refused after their demand for the simultaneous insertion of an article presenting the opposing view was turned down. So both newspapers appeared with blank spaces on 4 May to draw attention to the "censorship" of content by the workers. While some people saw the action of the printers and compositors as an attack on the freedom of the press, others viewed the planned editorials as weapons in the dispute, the effect of which on public opinion at least ought to have been balanced by the publication of an article supporting the strikers.

Pay policy demonstrated more graphically than anything else that the unions had been forced on to the back foot by economic recession and mass unemployment. They continually called for wages to be raised to help increase purchasing power and thus get the economy moving, but such unions as IG Metall, IG Chemie and the ÖTV actually confined themselves to catching up with price rises. The safeguarding of living stan-

dards became the key phrase in the confrontations over pay in the 1970s. Yet it is obvious that this policy could never increase the purchasing power of the great majority; and the way in which some unions commended the pay deals they reached as moderate and responsible reveals contradictions in union reasoning on pay levels.

Moreover, the crisis of the 1970s and 80s focused attention on the problems that are built into trade union pay policy. They did not succeed in getting real wages incorporated into collective agreements, nor did they achieve full equality between men's and women's wages. Controversy still surrounded the introduction of a basic flat-rate payment as part of pay deals, to prevent wage differentials widenening still further as a result of rises being calculated solely in percentages.

On one issue, however, there was a breakthrough. In July 1988 a settlement came into force in the chemical industry which was hailed as the "agreement of the century", in which the difference between wages and salaries was abolished in favour of a graduated pay scale with 13 steps applying to all manual and white-collar workers. The other unions, including the Engineering, Post Office and Construction Unions, recognized that this pay agreement pointed the way ahead.

The inflation rates of the 1970s demonstrated how companies could pass on increased costs in the form of higher prices, at least in the short term. This allowed the employers to be relatively generous in wage negotiations, provided pay deals did not exceed the limits set by productivity and price increases. Thanks to this pay policy, until the early 1980s the trade unions were able to prevent a sharp fall in the wage and salary ratio, that is, the ratio of total earned income to national income as a whole.

But what did wage and income trends mean for the distribution of national income? Even during the 1970s it was found that gross income from business activities and wealth grew faster than income from paid employment. According to the government's annual economic reports, the former increased from 1975 to 1978 by 9–11 per cent per year – in 1976 by as much as 12–14 per cent; income from paid employment, on the other hand, rose by only 6.5–8.5 per cent annually over the same period – in 1978 by only 5.8 per cent.[34] And comparing trends in net wages and net profits, we find that total net wages tripled between 1965 and 1986, while net profits increased more than fourfold.

34 According to Otto Jacobi, Gewerkschaftliche Lohnpolitik unter dem Druck antikeynesianischer Wirtschaftspolitik, in Bergmann, op. cit., pp. 326–362; these data p. 342

It is the logical consequence of this trend that net wages diminish as a proportion of national income in favour of net profits. Income from paid employment fell as a proportion of national income from 70–71 per cent in 1981–2 to around 65 per cent in 1987; gross entrepreneurial income and income from wealth, on the other hand, rose as a proportion of national income from 29.5 to 35 per cent. The wages and profits ratios were thus broadly the same in 1986 as they had been in the early 1960s. These figures proved, the unions stressed, that wage levels, at any rate, were not to blame for unemployment. They could not be, if the wages and salaries ratio was the same in the early 1960s, when there was full employment, as it was in the late 1980s, with mass unemployment in excess of two million.[35]

Industrial disputes grew undeniably tougher during the 1970s. They were mainly centred on the engineering and printing industries. Two factors combined to bring conflict to these two industries. The first was the traditionally assertive policies of these unions; the second, and more important, was the attempted introduction of new technologies in these industries, leading to job losses.

Both the Printing Union, IG Druck und Papier, and the Engineering Union, IG Metall, had to wage punishing disputes in 1978. IG Druck und Papier was engaged in a dispute from 27 February to 19 March, involving 19,000 strikers and 53,000 workers locked out, over the introduction and use of computer-based word processing systems, with serious implications for skills and the number of jobs, which the union sought to mitigate as far as possible. In 1976 the union had already had to pay out DM 33 m in benefits, spent in roughly equal proportions on strikes and lockouts. In 1978 the cost of the dispute amounted to DM 15 m, 81.5 per cent of which went on lockouts and only 18.5 per cent on the strike. This exhausted the union's industrial funds, and in future it had to rely on the aid of the DGB and some individual unions.

The industrial dispute in the Baden-Württemberg engineering industry assumed even greater dimensions, being concerned not only with pay rises but also and most importantly with protection against regrading

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35 Hartmut Görgens, Zur Entwicklung von Löhnen, Gewinnen und Kapitalrendite in der Bundesrepublik Deutschland, in Gewerkschaftliche Monatshefte 6, 1987, pp. 353–61; this information p. 354. Cf. Michael Kittner (ed.), Gewerkschaftsjahrbuch 1988 (Cologne, 1988), pp. 107 and 135

(on lower pay scales) for workers affected by the introduction of new technologies. This dispute, which lasted from 15 March to 7 April 1978, saw 80,000 engineering workers out on strike and 200,000 locked out. Once again, the employers made free use of the "cold" lockout. Daimler-Benz for example, put 3,000 workers on short time from 20 March and another 14,000 the next day; just as swiftly the number dropped to zero once the strike was over. At the peak of the conflict – on 5 April – 77,000 workers were affected by cuts or halts in production, so that owing to the use of the "cold" lockout more than 500,000 working days were lost. Five large companies alone – Daimler-Benz, Bosch, Ford, Audi-NSU and BMW – accounted for roughly 80 per cent of the short time. This dispute cost IG Metall DM 130 m; the next one was to swallow another DM 120 m.

Since the mid-1970s all industrial disputes had been overshadowed by the high rate of unemployment, which lay behind the trade unions' refusal to countenance precipitate rationalization measures and their demands for safeguards for jobs. The call for a reduction in working hours, which also gave rise to clashes from the late 1970s on, was very much in the same vein.

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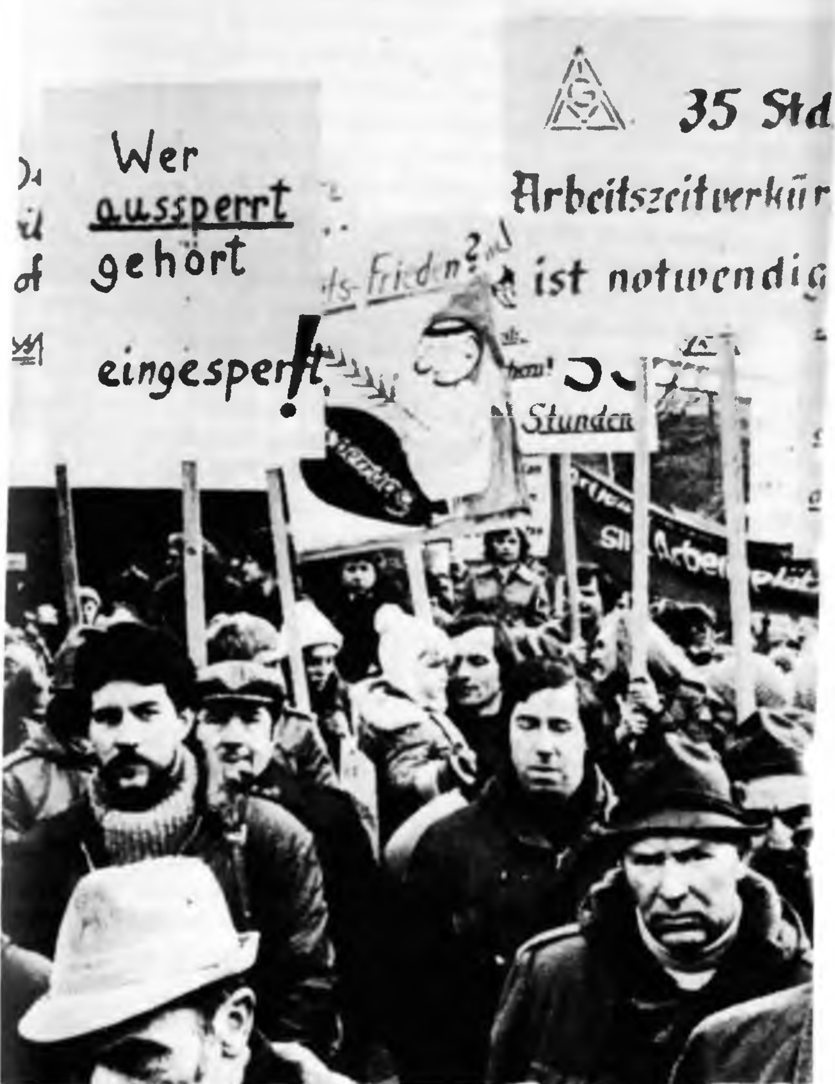
While a shorter working week and longer holidays were initially promoted by the trade unions as steps towards the "humanization of working life" and a better "quality of life", with the growth in unemployment their arguments came to focus more on the beneficial effects on employment.

After successes in getting longer annual holidays and rest break arrangements regulated by collective agreement and a flexible retirement age laid down by law (1972), public interest once again focused on the working week. Again it was IG Metall that paved the way over the reduction of working hours. At its 1977 Düsseldorf congress, the first calls were heard for the "introduction of the 35-hour week". The increase in unemployment gave extra impact to the union argument; but the poor economic growth since the end of the 1970s contributed to a hardening of the employers' position – after all, there was no scope for wealth distribution on the scale of the 1950s. The 1978 list of "non-negotiable topics" and the 1978-9 dispute in the iron and steel industry of North Rhine-Westphalia were a clear indication of the employers' dismissive attitude towards any reduction in the working week to less than 40 hours.

The dispute of 1978-9 was sparked off when the Large Working Party on Pay (*Grosse Tarifkommission*) for the iron and steel industry of North Rhine-Westphalia gave notice that it was terminating the covering wage agreement as from 30 June 1978. Its main demand was a cut in the sche-



DGB solidarity demonstration on 12 December 1978 during the 1978-9 dispute in the iron and steel industry in North Rhine-Westphalia over the introduction of the 35-hour week

duled working week, with no cut in pay, leading to the 35-hour week. The unions justified the demand by citing the particularly heavy nature of work in the industry (the humanitarian aspect) and also the employment benefits (the safeguarding of jobs). In negotiations on 22 August, 13 September and 16 October 1978, the employers rejected any reduction in working hours – for financial reasons, and also because they claimed it would pose a threat to jobs rather than safeguard them.

After terminating the agreements on wages, salaries and training allowances, the Large Working Party agreed the following demands on 19 October: a 5 per cent rise in scheduled wages and salaries, a DM 40 rise in training allowances in the first and second years of training and DM 30 in the third and fourth years. After the talks of 7 November had failed to bring the two sides any closer together, the employers declared a deadlock over working hours, whereupon the unions responded by declaring the talks on wage levels deadlocked. The Engineering Union set the strike ballot for 18-21 November. After a huge rally on 17 November, at which some 120,000 workers backed the call for the introduction of the 35-hour week, 86.9 per cent of members voted in the ballot for a strike. The strike was scheduled to begin on 28 November, with 40,000 engineering workers at Thyssen, Mannesmann, Hoesch, Krupp and other companies being called out. On 27 November the employers in the iron and steel industry had already decided to respond to the strike with a lockout of the strikers and a further 30,000 workers starting on 1 December. On 30 November IG Metall held a rally in the Ruhrland Hall, Bochum, to protest against the employers' use of the lockout. Approximately 145,000 people took part in other similar protests – accompanied by sympathy strikes – on 8 and 12 December. Meanwhile, lockouts at nine companies targeted for strike action had affected 40,000 strikers, and some 30,000 workers were locked out at another eight companies, making 70,000 in all. At this, IG Metall announced on 22 December that it intended to call out another three plants with roughly 20,000 employees from the beginning of 1979.

With the threat of escalation in the background, a compromise was reached on 6 January 1979 after tough negotiations. Including the free shifts agreed for those on night shift and older workers, the outcome was, for two-thirds to three-quarters of workers employed in the iron and steel industry, an average working week of 38.5 hours. This (and the longer annual holidays) was a long way removed from IG Metall's goal of a 35-hour week. This is also reflected in the rather high level of dissatisfaction with the outcome of the negotiations among the workers concerned: in the second ballot of 8-10 January 1979, the result was approved by 54.4 per cent, but turned down by 45 per cent.

It is hardly surprising that the trade unions had been pressing since 1971 for restrictions on the employers' use of the lockout, in view of the frequency with which they had exercised this weapon in the 1970s. In 1955 and 1971 the Federal Labour Court had recognized the lockout as a means of ensuring "parity" between the unions and employers, ruling that a lockout did not cancel the employment contract but simply suspended it. The trade unions now launched a campaign of mass petitions and demonstrations aimed at getting lockouts banned. This was to gain support for the struggle against the lockout and to politicize the confrontation. But the judgment announced by the Federal Labour Court in June 1980 upheld the right to stage a lockout, though stressing the fact that it merely suspended the contract of employment and laid down a number of restrictions. The lockout was not to be employed against trade union members only; it must be confined to one area of collective bargaining; it must only be employed in response to a strike, and must be commensurate with it. The judgment's practical significance was soon to become apparent.

In time for the next round of pay talks in the engineering and printing industries, the employers launched their campaign for greater flexibility in working hours, which was designed to forestall the union demand for a general reduction.[36] In fact, the call for a 35-hour week in 1983-4 was not particularly popular, either in the media or with working people. The government also rejected the demand, the Chancellor denigrating it at the Young Union's Germany Day on 12-13 November 1983 as "absurd, stupid and foolish". Moreover, the DGB unions were not all in agreement over the correct strategy for achieving a cut in working hours: should it be counted over a lifetime – or over a week? None the less, IG Metall managed to achieve a change of mood in many working people through a comprehensive publicity and propaganda drive, in keeping with the idea of the "new mobility".* They were aided by the employers' stubborn refusal to contemplate any sort of compromise agreement; indeed, in 70 meetings spread over three months of negotiations they had not proved the slightest bit accommodating. And the talks in the printing industry also

36 Institut der Deutschen Wirtschaft in Zusammenarbeit mit der Bundesvereinigung der Deutschen Arbeitgeberverbände (ed.), Auf dem Prüfstand: Die Verkürzung der Arbeitszeit (Cologne, 1983); Bundesvereinigung der Deutschen Arbeitgeberverbände (ed.), Flexibilisierung der Arbeitszeit. Neue Tarifregelungen als Chance (Cologne, 1984); Bundesvereinigung der Deutschen Arbeitgeberverbände (ed.), Mehr Beschäftigung durch flexible Teilzeitarbeit (Cologne, 1984)

* Translator's note: the use of short, selective strikes and other forms of industrial action.

stalled over the employers' insistence on linkage between a new wage structure and formal recognition of the 40-hour week.

The printing and engineering unions were struggling more or less simultaneously for a reduction in the working week. The printers' strike, which lasted from 12 April to 6 July 1984, was based around selective strikes of limited duration, in which a total of 46,000 workers in 563 companies took part for at least one day. The negotiations conducted concurrently with the strike finally went to arbitration. But the arbitration offer was turned down by the employers – probably because no end was in sight to the dispute in the engineering industry.

IG Metall conducted its dispute in two areas at once – Hesse and North Württemberg-North Baden. Strikes were initially aimed selectively at suppliers to the car industry, but then regional strike centres were set up. After warning strikes on 11 March, 33,000 manual and white-collar workers came out in the administrative districts of Kassel, Darmstadt, Frankfurt and Hanau on 21 March 1984. In North Württemberg-North Baden 11,500 employees at the Daimler-Benz works in Sindelfingen were brought into the strike on 16 May, two days after it started. The employers contributed to the spread of the dispute by making use of the lockout. Hundreds of thousands of workers outside the areas to which the dispute applied were affected by "cold" lockouts. On 18 May the Federal Institute for Labour issued the "Franke Decree", refusing any financial assistance to those affected by "cold" lockouts. After several Social Courts had condemned this decision as unlawful, the Federal Institute paid out short-time benefit "with reservations". On 28 May IG Metall arranged a big rally, "For labour and the law – against lockouts and breaches of the law", in Bonn. Meanwhile the industrial dispute continued, at the same time as arbitration talks for the engineering industry of North Württemberg-North Baden, which began on 20 June. Only when the Federal Government called for moderation, did the employers' association, Gesamtmetall, accept Georg Leber's arbitration proposal, which provided for a reduction of the working week by 1.5 hours. From 3 July work was resumed in the North Württemberg-North Baden engineering industry and on 5-6 July work in Hesse and in the printing industry. Under the impact of the dispute, the 38-hour week was also introduced in the steel industry in October 1984.

The next round in the fight for the 35-hour week was fought in 1987. Though the employers had retracted their blank "no" since the 1984 dispute, the trade unions, with IG Metall again at the forefront, were faced with the amended Paragraph 116 of the Law to Promote Employment, which raised the financial risk of a strike for the unions overall. The scan-

dal over "Neue Heimat" had caused the unions a considerable loss of credibility. IG Metall therefore sought from the outset to tie the dispute over the reduction of working hours to a mass movement against mass unemployment, the rundown of the social welfare system and curbs on wage earners' rights.

After initial warning strikes in the engineering industry in early to mid-March 1987, representatives of IG Metall and Gesamtmetall met for top-level talks in Bad Homburg on 22-3 April 1987. The most important results were: wages and salaries to be raised by 4 per cent from 1 April 1987; the working week to be cut to 37.5 hours and pay to go up by 2 per cent from 1 April 1988; the working week to be cut to 37 hours and pay to increase by 2.5 per cent from 1 April 1989. The key points of the engineering agreement were taken over by the printing industry in an arbitration deal on 6 May 1987.

Lastly, the public service union ÖTV scored another success in pushing through a cut in the working week in the 1988 pay round, which was marked by the confrontational strategy of the public employers, headed by the Federal Minister for the Interior, Friedrich Zimmermann (CSU), and the "ideas" of the SPD vice-chairman and Prime Minister of Saarland, Oskar Lafontaine, on a reduction in working hours *without* full compensation for wage earners. The ÖTV and the DGB federal executive rejected this firmly as an attack on autonomy in negotiating wage claims. Against the opposition of large sections of public opinion, the ÖTV managed to force the employers to accept the arbitration proposal put forward by Hermann Höcherl (CSU), which laid down a very cautious transition to the 35-hour week in two stages: by 1990 the 38.5-hour week would be arrived at in two stages. At the same time wage increases were fixed: 2.4 per cent from 1 March 1988; 1.4 per cent from 1 January 1989 and 1.7 per cent from 1 January 1990. This marked the breakthrough of the 35-hour week in another industry.

The Textile and Clothing Union trod the same path in June 1988, securing reductions in the working week of one hour from 1 May 1989 and a further half-hour from 1 May 1990 in the Baden-Württemberg textile industry. IG Chemie also concluded a new collective agreement in July 1988 providing for a one-hour cut in the working week from summer 1989; employees over 58 years of age would then only have to work 35 (instead of 36) hours; from 1990, the 35-hour week was extended to 57-year-olds. This made the construction industry the only major industry that had failed to agree on a working week less than 40 hours by mid-1988.

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To sum up, since the mid-1970s the trade unions had been confronted by an increasingly tough employers' policy. Indications of this change were the appeal to the Federal Constitutional Court against the Co-determination Law of 1976 (which the unions anyway considered inadequate), the 1978 list of proscribed topics and, above all, the free use of lockouts, which had increased the cost of industrial action to the unions immeasurably.

The unions responded to this hardening of employer attitudes with a readiness to engage in industrial action hitherto not experienced in times of recession and mass unemployment, principally in order to secure acceptance of the demand for cuts in working hours. Strikes peaked in 1978, 1981, 1984 and 1986 (Table 2d); they took the form of a "new mobility", that is, they were selective and of short duration, so as to make it more difficult for the employers to respond by, for example, moving production or staging lockouts. The lockouts of 1978–9 and 1984 had a major impact on the statistics for industrial action, almost doubling the number of working days lost owing to strikes in 1978–9 and more than doubling them in 1984.[37]

With this aggressive bargaining policy the trade unions achieved considerable success in stabilizing wage levels and especially in cutting working hours – without, however, making any significant inroads on mass unemployment. The protection of the living standards and jobs of those in work may not have been the primary objective of the trade unions – but that was, in fact, their main achievement in the field of collective bargaining. It is not surprising that a policy of this kind did not meet with the approval of the unemployed.

4. *A phase of reorganization: problem areas in trade union policy*

Industrial society has entered a phase of accelerating change. New technologies, particularly microelectronics, are changing working life and living conditions in general. The destruction of the natural environment has reached such proportions that a radical rethink and change of direction are urgently required. What we need are ideas for the social and ecological conversion of industrial society – into the post-industrial society.

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37 Ingrid Kurz-Scher, Tarifpolitik und Arbeitskämpfe, in Michael Kittner (ed.), Gewerkschaftsjahrbuch 1987. Daten, Fakten, Analysen (Cologne, 1987), pp. 69–120; this information p. 120

It is not easy in the present circumstances to confront this challenge. With the economy in the doldrums, forces capable of engendering a resurgence have been given high priority, since the problems of restructuring and redistribution are more easily dealt with if the GNP is rising. Mass unemployment also prevents a change of direction in industrial policy, owing to the false contradiction between environmental protection and job security.

It is also a challenge to the trade unions, which have been concerned with the problems of the future of industrialized society ever since the 1970s. But like industrial society itself, the trade unions are not well equipped in times of recession to meet this challenge. Organizational problems, loss of political credibility and internal differences within and between the unions all make it difficult for them to formulate the overdue realignment of their policies.

One fundamental problem, as far as trade union policy-making is concerned, is the loss of their earlier uncritical belief in progress, which took far too optimistic a view of future technological and economic developments, seeing them as contributing to the upward trend in social welfare. The visible and tangible "limits of growth" and the less pleasant concomitants of technological change, fostered the spread of an apocalyptic mood from the mid-1970s on. And since in times of crisis the trade unions – as Ernst Breit admitted – "tend to defend existing conditions of work, [they] now arouse in superficial observers the suspicion that they have developed into a conservative force".[38] In fact, the trade unions made heavy weather of reaching a definitive position on the advance of new technologies, from the computer and microelectronics to biotechnology and genetic engineering. Traditionally, the unions have been favourably inclined towards technical progress; but in recent years – unlike earlier periods of rapid rationalization – they have turned their attention more to the undesirable side-effects and consequences: the increased intensification of labour, the pressure to adjust flexible working hours to meet the requirements of production and, most importantly, the loss of jobs – all factors which the unions would like to see included in the discussion. As a result, they left themselves open to the charge of being enemies of progress – which makes it more difficult for them to push through rules and arrangements to temper the social consequences of new production technology – as is no doubt the intention.

With their integration into the status quo the unions appear to many younger people, in particular, to have taken leave of their own history.

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38 Ernst Breit (1985), op. cit.

The DGB has tried to compensate for this oft-criticized lack of historical awareness by arranging several historical conferences[39], thus recalling the trade union movement's tradition as a liberation and human rights movement.

The debate about the "programme of principle" of 1981 also showed an effort to make up for the loss of history, and hence a real utopia. Or was the intention to seek in history the self-assurance that the future did not (any longer) hold in store? At any rate, it seemed necessary to redefine the movement's own ties with tradition. For one thing, the unions had to try and take the steam out of the 1979–80 attacks by Christian Social politicians on the DGN unions' "party political bias"; and for another – partly in view of the "History of the German Trade Union Movement", a book first published in 1977[40] – they had to decide what part the Communists had played in the development of the trade unions. The first problem was solved by a willingness to make concessions. The second was solved by avoidance, on the lines proposed by Heinz Oskar Vetter at the start of the programme debate: members of the German Communist Party would be accepted as trade union members, provided they did not attempt to form a cadre or indulge in cadre politics.[41] Against this background it is understandable that the preamble of the "programme of principle" professed more clearly than before allegiance to the unions' libertarian-socialist and Christian-social tradition. With its historical perspective and analysis of the present position, the programme, which was adopted im March 1981 at the Fourth Extraordinary Congress in Düsseldorf, made an important contribution to the review of union policy in circumstances of recession and mass unemployment, the environmental crisis and the arms race.[42] It also addressed a number of matters directly for the first time, such as the policy of full employment, the position of the Basic Law in and with regard to the "social state", the implementation of new technologies, and environmental protection. At the same time, traditional demands – the

39 Heinz Oskar Vetter (ed.). Aus der Geschichte lernen Zukunft gestalten. Dreissig Jahre DGB. Protokoll der wissenschaftlichen Konferenz zur Geschichte der Gewerkschaften vom 12. und 13. Oktober 1979 in München (Cologne, 1980); Ernst Breit (ed.), Aufstieg des Nationalsozialismus. Untergang der Republik. Zerschlagung der Gewerkschaften. Dokumentation der historisch-politischen Konferenz des DGB im Mai 1983 in Dortmund (Cologne, 1984)

40 Frank Deppe, Georg Fülberth and Jürgen Harrer (eds.). Geschichte der deutschen Gewerkschaftsbewegung (Cologne, 1977)

41 Heinz Oskar Vetter, Zum Beginn der Diskussion um ein neues Grundsatzprogramm, in Gewerkschaftliche Monatshefte 1, 1980, pp. 1-12

42 DGB-Bundesvorstand (ed.), Grundsatzprogramm des Deutschen Gewerkschaftsbundes (Düsseldorf, 1981)

right to work, the humanization of working life, the fair distribution of income and wealth, checks on economic power, education policy – retained their places as key issues of trade union policy.

Because of the attempts by the employers and their political allies at a "roll-back" policy described above, the 1981 "programme of principle" was an attempt to define precisely and realistically the goal of the "social state" as set out in the Basic Law and the function of the trade unions in the social state based on private capitalism. The trade unions could not and should not allow themselves to be reduced to one of the alternatives, a regulatory factor or a counterbalance. Instead – as the preamble stated – they had a twin thrust: both a protective and a creative function.

The "programme of principle" was the trade unions' attempt to set out their views on the urgent problems of current concern. This effort also left its mark on the DGB action programme, which Ernst Breit presented to the press on 7 September 1988.[43] Combating unemployment with a five-year investment programme costing DM 100 bn on the one hand, activating environmental policy on the other – these were the two vital areas of the programme, which also included the most important demands contained in the "programme of principle" in updated form.

Neither of these programmes marks the end of the trade unions' policy debate, of course – especially as, to some of the issues addressed in the programmes, there are no clear answers in sight that are acceptable to all the individual unions. This is particularly true of environmental protection: the unions stressed the need for it early on, but it has proved difficult for them to set about it in a realistic way. As organizations representing the interests of employees in all industries – including the chemical and power industries – it was not easy for them to square environmental points of view with the economic and social interests of the employees concerned. The plan entitled "Environmental Protection and Qualitative Growth" adopted by the DGB federal executive in March 1985 attempted to combine economic and ecological objectives, the realistic nature of which still had to be put to the test in actual cases of conflicting interests. The way the environmental programme is worded, however, is a clear indication of the ponderousness of DGB policy during the review phase. The goal of environmental protection was embedded in thoroughly traditional ways of thought – from creating employment through (qualitative) growth to bipartite co-determination as one way of ensuring that "false

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43 DGB-Bundesvorstand (ed.), Aktionsprogramm des Deutschen Gewerkschaftsbundes (Düsseldorf, October 1988)

confrontations between employment and environmental problems do not arise in the first place".[44]

One acid test of the seriousness of the unions' desire for a change of course is undoubtedly their attitude to the continued use of nuclear power. The unions are in danger of making themselves political pariahs by employing verbal compromises to dodge the issue. It will soon be apparaent whether, or to what extent, this danger was avoided by the decisions taken at the DGB's 1986 congress in Hamburg and the 1987 DAG congress in Hanover to end reliance on nuclear power.

It is hard to see any solutions to the dilemma of choosing between the possible risk to jobs and the rundown of the arms industry. The question of alternatives to a policy of economic growth through increasing arms spending and arms exports requires a concrete answer.

Meanwhile, the challenge of the 1990s is to resolve the partition of Germany and of Europe. It is now one of the major tasks of the DGB unions – headed since May 1990 by Heinz-Werner Meyer, Ursula Engelen-Kefer and Ulf Fink – to support the formation of independent trade unions, to work to ensure the welfare of working people and to assist in the development of pluralist democracies in the countries of central and eastern Europe.

The issue of human rights must also remain a central concern of trade union policy. It is not simply a matter of safeguarding and extending democratic and social rights in the Federal Republic, and championing the rights of foreign workers and asylum seekers; it is also necessary, in this context, to show a commitment to the struggle for a decent life in other countries of the world, from Chile to South Africa.

One area that has been little explored to date is international trade union co-operation and the possibilities it offers of getting to grips with worldwide economic and employment problems and the political dilution of national decision-making in favour of supraregional and international bodies, and also of counteracting the power of the multinationals. In the International Confederation of Free Trade Unions and the European Trade Union Confederation, founded in 1973, we have two international organizations; but their political effectiveness is very limited. In view of the steady progress of European integration – that is, the creation of the common internal market in 1992 – and the political changes in central and eastern Europe, it is essential to step up European trade union co-

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44 DGB-Bundesvorstand (ed.), Umweltschutz und qualitatives Wachstum. Bekämpfung der Arbeitlosigkeit und Beschleunigung des qualitativen Wachstums durch mehr Umweltschutz (Düsseldorf, March 1985)

Heinz-Werner Meyer, chairman of the DGB since May 1990

operation. Many German trade unionists view the attempt to bring the European sister unions together "under one roof" as a Sisyphean task as it is.[45] It should be added, however, that since the 1970s the German trade unions have been more inclined to acknowledge that the question of European unity is no longer just one problem of international politics among others but a task that affects virtually all areas of union activity.

The commitment of trade union policy to the European arena and the unions' concentration on the struggle against the rundown of the welfare system and unemployment must not, however, result in other issues being pushed aside – issues such as the involvement of the unions in East-West and North-South relations, the international problems of economic power, violations of human rights, the threat to peace and the worldwide destruction of the environment. Only time will tell if this plethora of national and international tasks proves too much for the trade unions. But a look back at their own history may encourage the unions to face the problems of the modern world with self-assurance.

45 Hermann Rappe, according to the General-Anzeiger (Bonn), 27-28 August 1988