German unions and business: what the crisis is about and how to solve it

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Introduction

The general idea:

- crisis as a decision situation
- actor's definitions of crisis
- the social construction of crisis

→ How did actors try to strategically use the crisis by framing it according to their interests?
### Sample

**Number of press releases containing “crisis” (organization/year)**

<table>
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<th>Organization</th>
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</table>
How did actors try to strategically use the crisis by framing it according to their interests?

Coding according to:

- significatory framing of the crisis
- diagnostic framing of the crisis
- prognostic framing of the crisis
Findings: significatory framing

- Both sector trade unions and the construction sector business organization downplayed the crisis: two tried to boost their position in wage conflicts (trade unions) and to reestablish the significance of the industry
- Gesamtmetall was cautious-pessimistic throughout the time span
- The DGB was very ambitious about the crisis, but: in 2011 the tide had changed and the crisis is not a chance for change anymore, but a vehicle for neoliberal policies
- The BDA was upholding the demand for increased retirement age despite the threat of unemployment – from late 2011 the crisis was externalized as not being a German problem (neo-liberal reforms in Germany were right, others have to do the same)
For the IG BAU the causes of the crisis clearly were 25 years of market radicalism and shifting towards shareholder value based capitalism (IG BAU 2009-35) - later austerity measures were themselves fueling the crisis (IG BAU 2012-57)

- Construction business was appreciating state interventions and pointing at their strength in building “real values” – but not caring about Europe (domestic industry)

- Fundamental differences in the metal sector: the IG Metall emphasized until 2013 that the crisis was not caused by European workers – whereas Gesamtmetall only in 2011 started to really name causes: the “misguided fiscal policy” of the “crisis countries”

- The BDA from late 2011 was externalizing the crisis as not being a German problem (neo-liberal reforms in Germany were right, others have to do the same) – the DGB was still insisting on bankers having caused the crisis but solidarity notes became more and more defensive
Findings: prognostic framing

- Both construction sector organizations want to see more (domestic) investment in “real values” as solution to the crisis
- The strong IG Metall was advocating further change of the national economy (more state intervention) and later deeper European integration as solution to the debt crises
- For Gesamtmetall lower wages and more flexibilization and not state intervention were good solutions – but they agreed to the German STW scheme (internal instead of external labour market flexibility)
- The DGB clearly tried to use the crisis as a critical juncture and it also tried to Europeanize the search for solutions very early: instead of competition, wage decreases in the crisis countries, and austerity - a Marshall-Plan would have overcome the crisis
- The second growth package 2009 included a debt brake and thus reflects the BDA's prognostic framing: some initial state intervention at the peak of the crisis may have been inevitable, but the best solution to the crisis is tight budgets and lower taxes
Conclusion

- Differences in crisis framing
  - between actors and level of organization
  - between capital and labour
  - supposedly between varieties of capitalism

- The crisis was an opportunity to intensify the conflict on the European project's future shape rather than a sign of defeat. Furthermore, the actors also tried to use the crisis in the conflict on the national models of capitalism. However, in the German case, not much has happened – which shows not least in this chapter's analysis of the externalization of the crisis as a crisis of the others.
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