

West German Unions Raise Wage Demands as Rocky Guts Economy

August 26 (IPS) — Union wage demands for this fall's negotiations in West Germany are being raised amidst bank failures, rumors of factories either closing or laying off major portions of their workforces and debates over whether unemployment will exceed the one million in West Germany's "full employment" economy by the end of the year. At the same time that the huge I.G. Metall reports recruitment rates to its union of 1,000 workers per day, I.G. Metall and I.G. Chemie are both demanding wage increases of 16 per cent. The Public Employees Union is demanding 12.5 per cent, the Civil Service Employees Union and German Salaried Employees Union 14 per cent. Indicating their recognition that the demands potentially signify much more than an economic issue, the bureaucracies of these unions are not bothering to go through the process of whittling percentage points on the way to the negotiating table,

fearing rank-and-file pressure.

The rightwing of the SPD behind Helmut Schmidt reiterates its resolute intention to let consumer-oriented industry collapse, despite pleas for government aid. The leftwing SPD has gotten word not to have anything to do with possible "increased radicalization" in the labor movement; there will certainly be no talk of solutions to unemployment in SPD electoral programs.

Despite growing ferment in West Germany's working class as it faces the final collapse of the nation's economy, "militant" trade-union wage demands represent only a dead-end for West German workers. The employers, now being bankrupted by Rockefeller's criminal international monetary policies, cannot pay. The only basis for working-class victory in West Germany is the class fight to stop Rockefeller and establish workers governments worldwide — not the "mindless militancy" of trade-union-only forms.

German Bank Threatens Suit Against IPS

FRANKFURT, August 20 (IPS) — In a letter received yesterday at the Wiesbaden, West Germany, office of the International Press Service, legal representatives of the Bayerische Hypotheken-und-Wechsel Bank threatened a libel suit against IPS for publishing reports of the bank's financial difficulties — unless IPS gave immediate assurances that it would refrain from publishing such reports in the future.

According to newspaper accounts, 30 such letters have been sent out by the bank's lawyers to newspapers which carried stories about large-scale withdrawals of deposits and special measures by the German Federal Bank to ease the bank's liquidity situation.

With DM25 billion in assets, the Munich-based "Hypo-Bank" is the fourth largest commercial bank in West Germany.

By claiming damages from publications in the context of an international banking crisis, the bank's manage-

ment is displaying an ignorance of financial matters that would embarrass the lowliest clerk in the old banking houses of Bardi, Medici, or Fugger.

An IPS spokesman said: "*While we have no cause to impugn in any way the management of the 'Hypo-Bank,' it should be noted that a member of its board of directors, Franz-Josef Strauss, head of the rightwing Christian Social Union, made the decision for West Germany's purchase of the F-106 Starfighter, a notably expensive failure in military aviation.*"

In a letter to the law firm representing the "Hypo-Bank" the Frankfurt office of IPS said: "*We recommend to your client that instead of opening paranoid legal fire on, for example, the European Labor Committee and its publications, it would be better to focus its attention on exposing the financial powers which are responsible for the life-and-death crisis of the private banking sector in the BRD: the Rockefeller-controlled multinational banks.*"