In runup to key state elections

German Green Party proposes drastic cuts in Frankfurt

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In its "proposals for a sustainable urban policy" published in December, the Green Party has outlined hundreds of drastic social cuts it wants carried through in Frankfurt am Main.

The party wants to reduce municipal subsidies; cut provisions for pensioners and youth; transfer public libraries and municipal offices to the private sector, turn city-owned swimming pools into limited companies and stop AIDS advice being offered by the public health system.

Frankfurt is presently governed by a grand coalition comprising the Christian Democratic Union (CDU), Social Democratic Party (SPD), the Greens and the neo-liberal Free Democratic Party (FDP). CDU party leader Uwe Becker has welcomed the Greens proposals.

Frankfurt faces an acute financial crisis. Since December 9, 2002 the city has had to rely on short-term credits from the banks in order to meet its financial obligations—in part to repay interest on long-term loans to the very same banks. Welfare payments, public sector wages and regular maintenance costs can only be financed with the help of such credits.

According to Peter Heine, director of the municipal Finance and Tax office, in the last three weeks in December, the city owed some 12 banks "approximately 90 million euros borrowed as short term loans". Frankfurt's Treasurer Horst Hemzal (CDU) has said the city will be dependent on bank credits for the next ten years. An additional cumulative deficit in the municipal budget of 1.8 billion euros will exist until 2006. Hemzal has announced that all municipal workers aged between 55 and 65 years will have to take early retirement.

The city's catastrophic financial problems are due to a sharp decrease in business tax receipts by approximately 200 million euros. This is despite the fact that there are 329 major banks in Frankfurt with a business volume of over two trillion euros.

The Greens blame the decrease on new tax legislation passed by the federal government. Since entering office in 1998, the SPD-Green coalition in Berlin has given big corporations, banks and the rich numerous tax handouts, creating severe financial problems for local governments. The recent cut in corporation tax meant a drop in revenues of over 20 billion euros in 2000 alone. The following year, tax offices had to return 426 million euros to big business.

Now the Greens sitting in Frankfurt City Hall have decided it is their job to recoup from the most underprivileged and the poor, all that the Greens sitting in the federal government in Berlin have handed out to the rich.

Ever since they first took on responsibility for the municipal coffers between 1993-1997, Frankfurt's Greens have ranked among the most active representatives of the banks. In order to prepare Frankfurt as the location for the European Central Bank, Green Party City Treasurer Tom Koenigs recruited Wolfgang Nierhaus as an advisor. Nierhaus was a commercial banker and CDU city councillor, coming straight from the senior management of Deutsche Bank. During his term as city treasurer, Koenigs implemented drastic cuts.

As with the CDU, however, the Frankfurt Greens "sustainable urban policy" proposals amount to the privatisation of the public sector. "Frankfurt city council still provides and administers a large number of services and regards the city administration as the body that should carry out such tasks," its policy document complains. "In future, it should concentrate on ensuring that standards are met and less on doing everything itself."

The Greens continue that the municipality has not been

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harsh enough in clamping down on social spending, complaining that “Often, the political will was not strong enough” to deter people from making welfare claims.

The party’s document contains 17 pages of proposed cuts. For example, concession fares on public transport for the needy should be abolished. Provisions for outpatient and inpatient treatment for the elderly should be reduced by 10 percent; likewise subsidies for juvenile welfare services. Fees charged by municipal child day-care facilities are to be increased and several local libraries shut. The central municipal canteen that supplies child day-care centres with daily meals is to be privatised.

The Greens also propose that 10 percent of permanent posts in the Office of Youth Affairs and the Welfare Department be cut. Such departments are already struggling with growing social problems and without the sufficient resources. Moreover, the party wants to impose a freeze on new recruits in all municipal offices, with the exception of child day-care facilities and hospitals.

They propose that the city stops financing its heroin-substitute methadone programme and that the Public Health AIDS Advisory Board be closed; with patients being sent to private medical practices or hospitals for assistance.

In the cultural field, the Greens want to cut municipal subsidies for theatres such as the English Theatre, the Komödie, the Fritz Rémond Theatre and the Volkstheater by 50 percent by 2006. In the museums, municipal shareholdings are to be sold off to the private sector and the money used to establish a non-profit foundation to run them. The Department of Science and Art is to be dissolved.

Under the euphemistic slogan of “more autonomy”, the Greens propose that budgets for personnel and teaching materials for education, presently administered by the Länder (state governments), be transferred to each individual school. Given the chronic oversubscription in many municipal schools this would inevitably lead to the same situation which already prevails in many English cities, where head teachers have to chose between spending on an urgently needed teacher, a computer or on necessary cleaning.

The policy paper’s approach to difficulties faced by the municipality’s Highways Department is particularly cynical. The department is “unable to spend the funds available because it does not have the personnel to do so,” the paper admits. Rather than proposing to lift the recruitment freeze, the Greens demand a “reduction of the funds for road maintenance of around three million [euros], [and a] reduction of personnel spending of around two million.”

The city’s 14 municipal swimming pools are to be transferred to a limited company, as was proposed by the CDU. Finally, the Greens agree that the financing of Frankfurt Zoo should be restructured, either as a limited company, a non-profit foundation or stock company, in order to prepare it for privatisation.

Despite stating that this “sale of assets ... will not reduce the structural deficit,” the Greens propose further privatisation’s, calling on the city to sell of its share in the airport, the municipal savings banks, the Frankfurt Messe and many other holdings. For the Greens, what counts is maximising profits. Libraries, swimming pools, museums, the health services, even schools and hospitals must be run along these lines or hived off.

The Greens new programme bears many similarities with those proposed a few months ago by the CDU. This is no coincidence. Today the Green Party represents the interests of a wealthy section of the middle class; many of its former environmental and radical activists being found in the top echelons of those directing the city’s economy.

Following the last local elections there were even discussions between the Greens and the CDU about forming a “black-green” coalition in City Hall, which only failed because of the resistance of the Greens’ rank-and-file and a dissenting CDU councillor who preferred to support the far-right Republikaner.

The anti-working class policies of the Greens in Frankfurt City Hall, and those of the SPD in federal government have enabled CDU right-winger Roland Koch to take the lead in opinion polls for the Hesse state election on February 2—a situation that underscores the importance of the socialist alternative being provided in the ballot by the Partei für Soziale Gleichheit of Germany (PSG, Socialist Equality Party) and its candidates.

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