## The significance of the SPD victory in Hamburg

Peter Schwarz 25 February 2011

The German Social Democratic Party (SPD) has undergone a process of continuous decline since it took power in 1998 under Gerhard Schröder in a coalition with the Greens. In recent years the party lost most of its electoral support and ceded power to the conservative Christian Democratic Union (CDU) in most German states.

Now, after 10 years in opposition, the SPD has regained control of the city-state of Hamburg, winning an absolute majority. Last summer the SPD had already regained control of its important former stronghold of North Rhine-Westphalia following five years of CDU governance of the state. In NRW, however, the SPD is holding power in a coalition with the Greens and with the support of the Left Party.

How should one evaluate this return of social democracy?

The party chairman Sigmar Gabriel claims that the SPD has successfully managed "to combine economic power and economic development with social responsibility." The SPD was "a party for the common good," he told German radio. That means an "alliance between entrepreneurs and workers." Social democratic policy, he continued, puts "the common good at the centre instead of pork-barrel politics."

If one were to believe the SPD party chairman, then the electoral successes of the SPD express a return to policies of social equality based on the methods of social partnership. After three decades of social cuts, rising unemployment, falling real incomes and the shameless enrichment of the financial elite, the common good is once again to be put at the centre and realised across all class divisions!

In fact, nothing could be further from the truth. This is clear from both an analysis of the Hamburg election result and the program of the SPD. In reality, the return

of the SPD serves to prepare fresh attacks on the working population, which will put Gerhard Schröder's Agenda 2010 in the shade.

Across Europe, governments have begun to recover the cost of the so-called bank rescue packages by drastic cuts in public spending. Germany is no exception. Two and a half years after the outbreak of the worst financial crisis in the post-war period, none of the problems that caused the crisis have been resolved. Federal and state governments have guaranteed hundreds of billions of euros for the bad loans of banks, which could be called upon at any time. In addition, in 2009, the grand coalition of conservative parties and the SPD wrote a "debt brake" into the constitution, forcing even more drastic cuts in state spending.

Now, under these conditions the SPD is once again being groomed to assume government power. Its return to prominence is based on the support of bourgeois layers who are of the opinion that such massive cuts can only be realized through a social democratic government.

This is one reason for the current crisis of the existing conservative-liberal federal government, which has been paralysed by internal squabbles and scandals since taking power one and half years ago. Another reason is the experience in other European countries. In Greece, Spain and Portugal, social-democratic governments have been able to impose far more draconian austerity programs than the conservative governments of Italy and France. While the Social Democrats can rely on the support of unions and pseudo-leftist petty-bourgeois groups, the conservative parties are plagued by crises and scandals.

The events in North Africa and the Middle East have also had an impact on the Hamburg election result. In those countries long-standing dictatorships, with a long record of brutally suppressing any opposition, have collapsed like a house of cards under the pressure of popular uprisings. Western governments that supported dictators like Ben Ali, Mubarak and Gaddafi up to the last minute are now intensely seeking new allies to keep the masses under control with more flexible methods. To this end they are turning to the trade unions and various opposition parties.

In Hamburg, the call for a return of the SPD could be heard long before the election. Magazines such as *Stern* and *Focus* published long paeans to the SPD's leading candidate, Olaf Scholz—a boring and repulsive apparatchik. On election day, the SPD was able to rely not only on its traditional voters but also the electorate in rich boroughs of the city, where the party won 20 percent more of the vote than the CDU.

Only about half of all eligible voters turned out to vote; 43 percent boycotted the election because they could detect no difference between the programs of the various parties. In addition there were also 3.3 percent invalid votes and 5.6 percent for parties that failed to pass the 5 percent hurdle necessary for representation. The turnout of 57 percent was an absolute low point in a city where in the past 70 to 90 percent turnouts were common.

For its part the SPD itself has repeatedly stressed its fealty to Hamburg business circles. Although leading candidate Olaf Scholz had not appointed a shadow cabinet, to avoid unsettling his bourgeois supporters with debates over personnel, he did make one exception: promising the economics department to the nonaligned manager and former head of the Hamburg Chamber of Commerce, Frank Horch.

Scholz's first priority after forming a senate is to go over the finances with a fine tooth comb. In addition to the large sums of money already allotted for the rescue of the HSH Nordbank and the exorbitant cost of the prestigious Elbphilharmonie concert hall, other gaping holes are expected to emerge in the city's budget requiring in turn additional cuts in social spending by the SPD.

This is despite the fact that the social situation in Hamburg is already explosive. The port city has a leading position among German states for its average per capita income of more than €3,000 a month and is home to more millionaires than any other German city. At the same time, wealth in the city is extremely

unequally distributed. In January, 77,000 of its 1.8 million inhabitants were unemployed, corresponding to a rate of 8.3 percent, and 60,000 people were dependent on Hartz IV social welfare payments.

Current figures on income distribution are hard to come by. The city's Statistical Office merely provides a study of the median income in different parts of the city in 2004. The study only deals with taxable wages and income, i.e., benefit dependents and the very wealthy are not included. Nevertheless, the differences are huge.

The highest average annual income is to be found in the suburbs Elbvororte Nienstedten (€150,000), Blankenese (€94,500) and Othmarschen (€88,900), while the median income in the city centre and some northern districts is less than €20,000 per taxpayer.

The electoral program of the SPD and the person of the incoming city mayor, Olaf Scholz—who as Gerhard Schröder's general secretary enforced the Agenda 2010 social cuts against internal party resistance—make absolutely clear that the new Hamburg Senate will turn on the poor, workers and youth with all the power at its disposal. The party can rely on the trade unions and the four main opposition parties in the city who all unanimously agree that there is no alternative to spending cuts. The Greens and the Left Party—which both regard themselves as potential coalition partners of the SPD—can be relied upon to protect Scholz's back when he comes into conflict with the working class.

Workers and young people in Hamburg, Germany and across Europe can only oppose the impending attacks on the basis of a thoroughgoing break with social democracy, the trade unions and their pseudo-left defenders and organize themselves independently on the basis of an international socialist program. This is the perspective of the Social Equality Party and the International Committee of the Fourth International.



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