

Netherlands budget cuts hit social services

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The Dutch government is ushering in an oppressive programme of cuts in social provision. Government debt, having risen sharply in the wake of the financial crisis, is to be reduced at the expense of the working population.

The budget will be slashed by €6 billion in the current legislative period, i.e., over the next four years. This amounts to approximately 4 percent of the gross domestic product in a country of about 16 million people. That would constitute savings of over €100 billion in Germany and around \$570 billion in the US.

The specific budget cuts were hammered out by the minority government of the right-wing liberal People's Party for Freedom and Democracy (VVD) and the Christian Democratic Party (CDA) in recent weeks. The government, which is tolerated and supported by Geert Wilders' anti-Islamic Party for Freedom (PVV), had announced the austerity measures when it took office. Mainly targeted are the fields of health provision, social benefits and cultural facilities.

The result is a staggering list of brutal cuts. The Ministry of Labour and Social Affairs is to cut spending by about €1.5 billion in 2012 alone. The budget for the social integration of the unemployed will be reduced by €400 million.

Some €2.5 billion of the planned €18 billion in cutbacks will be made exclusively in the nursing services. In recent weeks, the cabinet agreed with representatives of regional authorities to shift some of the costs onto the municipal administrations, which would then have to impose the appropriate cuts in the funding of their own services.

Next year, local government will therefore become responsible for the control and maintenance of workshops for the handicapped, youth welfare and to some extent nursing care. Expenditure is to be reduced by €2 billion in these three fields alone. The austerity measures are so designed that only 30,000 people will be employed in sheltered workshops from 2013, which means a staffing reduction of about two-thirds.

"We have asked ourselves the question of whether the task of caring for these people can be resumed by their own social environment", said Health Minister Edith Schippers

(VVD), cynically shifting responsibility for the care of disabled people onto their own families.

Another €1.5 billion will be slashed from childcare, over a billion from health care, and €300 million from education. More billions will be clawed back from civilian military staff, transport and nature conservation.

Cultural services are also threatened with decimation. The Dutch government has decided to halve the culture budget by 2013. All government subsidies for theatres will be axed. The arts and culture sector will lose approximately €200 million in the coming year alone.

The annual budget for public broadcasting will also shrink by about €200 million to €560 million. Radio orchestras are thus confronting a catastrophe. Unless capable of attracting private financiers, they face closure.

Halbe Zijlstra (VVD), the secretary for culture who has publicly argued against spending on the arts, has threatened that no cultural institution can be confident of its continued existence. The 42-year-old wants cultural services to be radically trimmed to free-market—one might say, US—standards. Zijlstra studied marketing and worked for years as a manager.

Punishing cutbacks will also be made in relation to immigration and integration policies. In this regard, Mark Rutte's government has assimilated the politics of the Islamophobe Geert Wilders. The new guidelines to the Hague integration policy, submitted by the Christian Democrat Interior Minister Piet Hein Donner in June, were described by the minister himself as a definitive break from the "idea of the Netherlands as a multicultural society"—a perspective that had been dominant for years. Right-wing politician Hans Janmaat earned himself a suspended prison sentence in 1997 for saying, "As soon as we have the opportunity, we will abolish the multi-cultural society".

It has now come to exactly that. Immigrants will in future be obliged to take part in citizenship courses, for which they must pay from the outset. People who fail to pass the subsequent integration test will lose their residency permits.

Moreover, Donner introduced the new guidelines shortly before the announcement of the verdict in the case of Wilders's prosecution for incitement to hatred. The state

prosecutor was to be signalled that Geert Wilders had basically expressed the views of the government.

Wilders calls for the closing of borders to Muslim immigrants (“No more Islamists in the Netherlands”, “We must stop the tsunami of Islamisation”), and has likened the Koran to Adolf Hitler’s *Mein Kampf*. Following the explicit signal from the government, the state prosecutor declared Wilders free of all charges. Head of government Mark Rutte said the judge’s decision was plain to see, adding, “It was good news for Geert Wilders, with whom we can certainly cooperate on the basis of temporary residence warrants for immigrants”.

Although the list of cuts already covers many areas and is being continually extended, it clearly affects the ill, the handicapped, the unemployed and immigrants in particular. “The national debt is growing by €60 million every day”, stated Prime Minister Rutte in an attempt to justify his dismantling of the welfare state. “We must intervene in the matter”.

According to Rutte, government spending would now have to be drastically reduced to prevent the onset of Greek, Irish or Portuguese conditions in the Netherlands. He wants to see the Netherlands’ national debt well below the debt ceiling of 3 percent of gross domestic product (GDP)—as prescribed in the Maastricht Treaty—within four years. Currently, it stands at 5 percent. Rutte therefore claims there is no alternative to the cost-cutting orgy: “There is no other way”.

However, banks and companies plunged into debt by the financial crisis will be spared. Rutte, former personnel manager of the Unilever consumer goods group with a turnover of €40 billion, categorically rules out tax increases for these concerns.

“Whoever thinks the country is in uproar is mistaken”, wrote the *Süddeutsche Zeitung*. Although more than 100,000 people in 70 cities demonstrated against the government’s austerity measures last November, the reaction is now noticeably quieter. The only major demonstration was a protest march of about 8,000 people against the cuts in culture at the end of June. “I’m surprised at the acquiescence, the passivity, with which people responded to the cuts”, the commentator, Bas Heijne, told the newspaper. “After all, they’ll tear into the very fabric of our society”.

The reason for this response is that the opposition parties—especially the Social Democrats of the Labour Party (PVDA)—and the trade unions basically agree with Prime Minister Rutte that there is no alternative to the cuts. The PVDA, still the largest opposition party, refuses to question the extent of the cuts; it only wants to spin them out for six to eight years.

A prime example of the close cooperation among all the parties and the trade unions is the recently adopted increase

in the age of retirement. Together with the Confederation of Netherlands Industry and Employers (VNO-NCW) and the Federation Dutch Labour Movement (FNV), Rutte agreed that from 2020 the retirement age will gradually be raised from 65 to 66 years, and later—from about 2025—to 67 years. The Labour Party also agreed to this arrangement.

Rutte emphasised it was “something unique” that such an agreement, involving “hundreds of billions of euros and perhaps the biggest reform of the pension system” since the Second World War, could be reached in the Netherlands. He particularly praised the leader of the Dutch FNV trade union federation, Agnes Jongerius, who had given his signature to the increase in the retirement age.

It is especially the right-wing populist, Geert Wilders, who will be able to profit from this conspiracy against the population. The previous Dutch government (a coalition of Christian Democrats, the Christian Union and Social Democrats) had disintegrated following the dispute over the extension of the Afghanistan mandate in February 2010. The Social Democrats achieved only 19.6 percent of the vote in the ensuing election. Prime Minister Jan-Peter Balkenende’s Christian Democrats were thoroughly decimated, with 13.6 percent of them securing only fourth place. Polling just over 20 percent, the right-wing liberal VVD emerged as election winner. Wilders’s PVV was the third-strongest party, polling 15.5 percent.

Until a few years ago, Wilders himself participated in the leadership of the right-wing liberal VVD. Right-wing liberals and Christian Democrats, who then formed the government, declared that Wilders inclusion in the government would necessitate the racist and anti-Muslim politician toning himself down and becoming more moderate. The opposite has proven to be the case. While the VVD and CDA are dependent on his support, Wilders can do whatever he wants without being seen as responsible for the policies of the conservative coalition.

He deliberately exploits the government’s draconian social cuts policy. Wilders thus supports the increase in retirement age to 66 years, planned for 2020, but rejects the further increase to 67 years. He has proclaimed himself to be against the governing parties’ original plan to reduce unemployment benefits. On the other hand, he can stir up hatred against foreigners and revile Muslims in order to divert social protest into right-wing channels—and he can do so with the support of the ruling parties.



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