

Election in North Rhine-Westphalia: Parties compete on welfare cuts

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On May 13, Germany's most populous state of North Rhine-Westphalia (NRW) will hold state elections. Social issues—growing poverty and unemployment, decaying cities—are the focus of the campaign.

The outgoing Social Democratic Party-Green Party minority state government under Prime Minister Hannelore Kraft (SPD) used a parliamentary manoeuvre in March to bring about the early election. The hope is to secure a stable coalition to prepare for the upcoming social attacks to be waged against the population.

The state and its 18 million inhabitants are already deeply divided socially. Rich regions, such as the state capital Düsseldorf and parts of some of the other larger cities, face conditions of poverty, the like of which were only seen previously in Berlin and eastern Germany. In the impoverished areas, unemployment and poverty are rising dramatically. Those affected are especially the many people with an immigrant background, single parents and children. In NRW, one in two single parents now relies on welfare.

Especially in the Ruhr area, between Duisburg in the west and Dortmund in the east, the situation is catastrophic. Here, the official unemployment rate is more than 10 percent. The so-called “social equator”—the A40 autobahn (motorway)—divides the area into “poor and less poor”, according to the *Süddeutsche Zeitung*. To the north, in the poorer urban areas, unemployment is running at 30 to 40 percent or more.

Ulrich Schneider, chief executive of the Joint Welfare Association of charities, presented a study at the end of February on “Poor children, poor parents, families on Hartz IV [welfare]”. In this, he described the Ruhr as a “special problem area”.

According to Schneider, the number of children in households dependent on Hartz IV in the Ruhr is more than 25 percent higher than in eastern Germany. In Gelsenkirchen, it is at 34.4 percent, even higher than in Berlin.

The job cuts that have been already announced and the financial plight of the local authorities will aggravate the

situation further.

Already, just 8 of 396 municipalities in NRW have produced balanced budgets. Local communities are suffering greatly from the fact that they increasingly face more costs that are transferred from the federal and state governments. The state government under Kraft refuses to increase the municipal share of tax revenues paid over to the local authorities and so help them.

This is the result of the SPD-Green government's “Stability Pact for municipal finances”. This alleged “help” for the municipalities is in the style of the Greek rescue packages. Thirty-four over-indebted municipalities, many of which are in the Ruhr region, have been promised €350 million a year, but only if they enforce austerity measures running to tens of millions. The cities are prohibited by law from rejecting this type of aid and the associated austerity measures.

The results are further cuts in social spending and the growing neglect of the infrastructure. Indoor swimming pools, libraries, theatres, schools, youth centres, etc., are being closed. In Oberhausen, the city with the highest per capita debt in Germany, the Social Democrat-dominated council has closed four swimming pools and has now announced that it will also close the last urban youth centre.

All the city governments are exploiting the recently agreed public sector wage contract to justify further cuts. Dortmund city treasurer Jörg Stüdemann (SPD) is considering recouping the additional costs of the city for the next two years through an increase in charges and admission fees for municipal facilities. All cities are making similar plans; many have also announced job cuts in public services. Stüdemann, however, categorically ruled out any increase in business taxes.

The bleak trend will accelerate in the coming months. Many companies are faced with closure or carrying out massive job cuts. The long-standing Opel plant in Bochum, for example, rebuilt after the closure of the pits in 1962, and where nearly 25,000 people worked at its high point, today only employs about 3,000 workers. Now, it will be shut

down completely.

The closure of the plant will have far-reaching social consequences for the already battered region. There are 15,000 jobs at suppliers that still depend on Opel. The resulting loss of purchasing power would endanger more jobs in trade and services. Helmut Diegel, executive director of the Chamber of Industry and Commerce (IHK) for the mid Ruhr, said: “40,000 jobs in our chamber’s area are dependent on the [Opel] plant “.

All parliamentary parties except the Free Democratic Party (FDP) have called publicly for the Bochum plant to be maintained. But this is less to benefit the employees and more to help their own election propaganda. Moreover, they support the trade unions and the works council, and the SPD and Left Party in particular support the unions and works council so that they are able to push through the attacks being demanded, along the lines of what happened in the US at General Motors.

Gregor Gysi, leader of the Left Party in the Bundestag (federal parliament) came to Bochum last week in order to assure the works council of his backing. Previously, Gysi had visited the workforce at TSTG Rail Technology in Duisburg, which was threatened with closure, at the invitation of the IG Metall union. The rail track manufacturer, which has existed since 1894, and which was taken over in 1998 by the Austrian group Voest-Alpine of Thyssen, is to be closed by the end of the year. At least 350 workers would lose their jobs.

Gysi read out his appeal to Chancellor Angela Merkel (CDU) to the assembled TSTG workers. In it, he pleads for support from the state as the owners of the firm’s largest customer—national rail carrier Deutsche Bahn AG. The Left Party is desperately trying to foster the illusion that one could put the Christian Democrats, Social Democrats or Greens under pressure so that they act in the interests of working people. Gysi said in Bochum: “How the SPD develops and will return to social democracy depends on the strength of the Left Party. “

The record of previous governments in which the Left Party was involved makes clear what should be made of such conceptions. This is especially true for the SPD-Left Party coalition state government in Berlin from 2001 to 2011, as well as the minority government in NRW for the last two years, which has been propped up by the Left Party. The NRW 2011 budget was supported by the Left Party even though it imposed cuts of €620 million, and the draft budget for 2012, not yet agreed on, provides for a “global saving “ of €750 million.

But the plans of the state government go much further. The debt ceiling, which the SPD-CDU grand coalition in the federal government wrote into the constitution in 2009,

requires that the states take on no new debts through 2020. In the “SPD government programme 2012-2017 “ for NRW, the party promises to uphold the debt ceiling.

That the SPD in North Rhine-Westphalia is serious about this can also be seen by the fact that immediately after the dissolution of the state parliament and the calling of new elections, outgoing state premier Kraft sought the support of ex-NRW prime minister Peer Steinbrück (SPD). In 2009, as federal minister of finance in the grand coalition with the CDU, this advocate of fiscal consolidation introduced the legislation imposing the debt ceiling along with Chancellor Merkel.

The Green Party lead candidate and former state education minister, Sylvia Löhrmann, also announced deeper cuts in the budget. Almost unanimously, the Green Party agreed to carry forward its election programme adopted in April 2010. This is focused on balancing the budget.

The other parties, the CDU, FDP and the Left Party, support the objectives of the SPD and Greens’ fiscal consolidation. In their two-year tenure, the SPD-Green minority government under Kraft could always count on the Left Party, which provided it with a majority to pass the 2010 and 2011 budgets. Recent polls suggest that the Left Party might fail to clear the 5 percent hurdle and would thus no longer be represented in the new state parliament. It is almost certain that this will also apply to the FDP.

The Pirate Party is receiving special media attention, and according to recent polls could win roughly 13 percent of the vote, more than the Greens. The Pirate Party has announced its readiness to cooperate with all parties. It will agree on its state election programme this weekend. It too put fiscal consolidation at the centre of its campaign.

A month before the NRW poll, it is clear that the elections in the Rhine and Ruhr areas will also have an impact on politics at a federal level. All the establishment parties are competing over austerity measures and cuts in social services. The disputes revolve mainly around the question of how political decisions are made, so that politicians, trade unions and corporations can impose further cuts to the detriment of the general population.



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