Germany: Formation of new government drags on

Peter Schwarz
12 October 2013

Three weeks after the federal election, negotiations about forming a new coalition government are still at the exploratory stage. On Friday, October 4, the Christian Democratic Union/Christian Social Union (CDU/CSU) and the Social Democratic Party (SPD) held their first exploratory discussions; on Thursday of this week, the CDU/CSU met with the Greens. Further exploratory talks with the SPD are planned on Monday.

Following these discussions, the parties will then decide with whom they want to conduct coalition negotiations. This will begin after the constitution of the new Bundestag (parliament) on October 22. On that day, the current federal government will be formally dissolved. However, the Merkel government will remain in office on a caretaker basis, until a new government is found. This also applies to the ministers of the Free Democratic Party (FDP), even though the FDP failed to gain representation in the next parliament when its vote fell below the 5 percent threshold.

The selection of a new government could take several weeks. The coalition negotiations will take time, and the results must be approved in various party committees, and in the case of the SPD, by a members' vote.

The Union (CDU/CSU) lacks sufficient votes for an outright majority and is therefore dependent on finding a coalition partner. For this, either the SPD or the Greens come into consideration. A coalition comprising the SPD, Greens and Left Party, which could secure a majority, has been ruled out by both the SPD and the Greens, although the Left Party never tires of promoting it. No exploratory talks considering this constellation have been held.

Fundamentally, there are no obstacles to either a CDU/CSU-SPD government (a so-called "black-red" coalition) or a "black-red-green" coalition. Before the start of the exploratory talks, the SPD and the Greens both brushed aside the "irreconcilable differences" with the CDU/CSU, which they had proclaimed in the election campaign. They have signalled their willingness to forgo higher taxes for the rich, which they had formerly claimed would be used to fund education and infrastructure spending.

After the first exploratory discussion between the CDU/CSU and SPD, both sides stressed that serious interest in an agreement had been identified. CDU general secretary Hermann Gröhe said there had been "substantial agreement with the SPD".

Following their poor showing in the election, the Greens have distanced themselves from all social reformist demands and are stressing their pro-business credentials. Even the conservative *Frankfurter AllgemeineZeitung* (*FAZ*) came to the conclusion that the "gulf between the Greens and the Union is no longer insurmountable".

Significantly, the Green delegation to the exploratory talks included Baden-Württemberg state premier Winfried Kretschmann, who has long advocated cooperation with the CDU. After the general election, he said, "Competing over distributive justice during the election campaign—that can't be our position".

The difficulties in forming a new government are therefore not the result of substantive differences between the parties. Rather, they arise from the challenges facing the next administration. It is tasked with carrying out a new round of massive social attacks and an aggressive, military-based foreign policy, which will bring it into conflict with large sections of the population.

The tensions, differences and tactical manoeuvres in the coalition negotiations arise from these tasks; and what is being sought is a political mechanism that can withstand the coming class struggles.

As in the election campaign, the key policy issues in the exploratory talks—or those that find their way into the public domain—are not being openly addressed, or at most only in the margins. Instead, lifestyle issues, such as the

© World Socialist Web Site

equality of homosexual partnerships and quotas for women on company supervisory boards, or energy policy are being pushed to the forefront.

In reality, it is the intensification of the euro crisis and the growth of violent imperialist conflicts, as currently in the Middle East, that will determine the agenda of the next government. The press is largely agreed that the euro crisis is not resolved. An editorial in the *Financial Times* recently compared it with a Hydra, which grows two new heads whenever one is cut off, and called the resolution of this crisis a Herculean task.

Greece, Portugal and soon probably Slovenia need new billions in aid. The Spanish banks still face bankruptcy. Italy and France are far from meeting their deficit targets. It is only a matter of time before interest rates on government bonds soar again and exacerbate the crisis. In addition, European politicians are staring nervously at the US budget crisis, whose impact on Europe is aggravating the situation.

To preserve the euro—an aim the CDU/CSU, SPD and Greens all agree upon—the insatiable financial markets must be fed with new multibillion "bailouts". This time, however, it cannot be done in the form of loans and guarantees. The new aid packages will have a direct impact on Germany's federal budget. The result will be the imposition of new austerity measures, not only in the countries concerned, but also in Germany itself.

The situation is further worsened by the crisis in Germany's state and local budgets, which pay for the majority of social and educational issues and are in part hopelessly in debt. The debt ceiling forces them to make further savings and prohibits them from taking any new loans from 2020. At the same time, measures equalising the financing of Germany's states and the so-called solidarity pact with the states in the former East Germany are running out. The results are massive holes in state budgets running into billions, which are already leading to ferocious conflicts regarding the distribution of funding and new cuts.

Influential sections of the ruling class are of the view that only a grand coalition of the CDU/CSU and the SPD can withstand the coming social storms.

For example, employers' association president Dieter Hundt has publicly called for a grand coalition. "Looking at the really big challenges in this country, I am convinced that a grand coalition makes sense," he said. "CDU/CSU and SPD stand for the common euro-stabilisation policy of recent years and in my view this policy, which has been confirmed by the voters, should be continued."

The head of the so-called employees wing of the CDU, Karl-Josef Laumann, who has close relations with the trade unions, has also called for a grand coalition. Given the major problems and the majority in the Bundesrat (upper house), much speaks for it, he told broadcaster WDR.

For their part, the Greens are quite prepared to accept drastic cuts in social spending. However, the SPD has a much larger apparatus, heads 9 of Germany's 16 state governments and is closely linked to the trade unions. It is therefore better able than the Greens to suppress social resistance.

However, there are also those who regard a grand coalition as a risky prospect because a rebellion against its policies would seek out new paths. Under such conditions, the official opposition of the Greens and the Left Party would be reduced to 17 percent of the parliamentary deputies, and would barely be able to divert the resistance into harmless channels. This is all the more true since the Greens and Left Party are broadly in line politically with the SPD and the Union.

For the *FAZ*, therefore, a black-green coalition holds out "a certain attraction". "For the Union, such an alliance would be a permanent alternative to a grand coalition.... The Greens, in turn, would no longer be tied to a weakening SPD.... And the Bundestag would be spared a 17-percent opposition totally incapable of operating," wrote the paper.

Hardly a word about the foreign policy of the future German government has seen the light of day. A massive hole gapes here regularly in the list of topics to be discussed in the exploratory talks.

So far, it has been media outlets such as *Zeit*, *taz*, the *Süddeutsche Zeitung* and *Welt* that have banged the drum for more vigorous support for imperialist wars in Syria and other countries. On the Day of German Unity, Federal President Joachim Gauck also demanded Germany again play a role "in Europe and in the world" that actually corresponds to its size and influence. There can be no doubt that the future government—whether a grand coalition or a "black-green" coalition—will follow this call.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site