

# Germany: SPD nominates Finance Minister Scholz as its candidate for chancellor

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On Monday, the leadership committee of the Social Democratic Party (SPD) unanimously nominated Olaf Scholz as their candidate for chancellor for the federal elections in autumn 2021. They have thus made a decision that fits the character of the SPD perfectly. Scholz, the current vice-chancellor and finance minister in the grand coalition with the Christian Democrats headed by Merkel, embodies the right-wing policies of a party that has absolutely nothing in common with its former roots in the workers' movement.

Scholz's nomination is a signal to the financial oligarchy and the right-wing elements in the state apparatus that they can rely on the SPD without reservation in the face of growing social conflicts. There has been no attack on social and democratic rights in the last two decades in which Scholz has not been personally involved.

The coronavirus pandemic has lent an extraordinary sharpness to the social antagonisms and international tensions that have been developing for a long time. Resistance is growing in factories, schools and hospitals; trade wars and the threat of war are spreading; democratic structures are collapsing; and opposition to capitalism is mounting. Under these circumstances, the SPD has decided to abandon the usual political fig-leaves and openly proclaim its right-wing policies by appointing Scholz as candidate for chancellor more than a year before Election Day.

Just last year, the party had organised a travelling circus lasting for weeks, in which seven pairs of candidates competed for the party chairmanship at 23 regional conferences, pretending to be grassroots democrats. Scholz had experienced a humiliating defeat at that time. He and his partner Klara Geywitz were defeated in the second round of voting by the duo Norbert Walter-Borjans and Saskia Esken, who have led the party ever since. The two had passed themselves off as left-wing

critics of the grand coalition, supported by Juso (Young Socialist) Chairman Kevin Kühnert, the spokesman for the GroKo opponents in the 2018 SPD member survey.

At the time, the WSWs rejected this deception. After the election of the new SPD leadership, we commented, "The claim that Walter-Borjans and Esken pursued a different policy, embodied a left-wing of the party and rejected the Grand Coalition is a myth that does not stand up to serious scrutiny."

Now, Walter-Borjans and Esken have proposed the defeated Scholz as the party's candidate for chancellor, which means that he sets the course of the party. Juso leader Kühnert also supports Scholz. He justified this with the words, "We are doing this in the knowledge and recognition that we—and this is the difference to past years—are running in a common direction." Kühnert appealed to the party's supposed "left wing" to engage constructively in the debate. "We are also capable of learning," he said.

By "common direction," Kühnert meant the billions and trillions of euros that Finance Minister Scholz forked over to the banks and large companies during the coronavirus crisis. This is not a break with his previous austerity course, the "black zero" (balanced budget) policy, but rather its continuation by other means. It continues the enrichment of the wealthy at the expense of the poor, which the grand coalition has been pursuing for years.

For example, of the €756 billion in the emergency package adopted by the federal government in March, €600 billion went to large companies, €50 billion to small firms and the self-employed (who make up 58 percent of all employees subject to social security contributions), several billion went to armaments spending and nothing to education and social welfare. In addition, Scholz is already planning to recoup the gifts made to corporations and the rich through further social cuts.

This policy in the interest of the financial oligarchy runs

like a red thread through Scholz's political career.

Born in 1958 as the son of a civil servant, he studied law in Hamburg and began his political career with the Jusos, where he, like Helmut Schmidt, Andrea Nahles and many other prominent SPD leaders, employed left-wing and pseudo-Marxist phraseology. From 1982 to 1988, the representative of the so-called Stamokap (state monopoly capitalism) wing was deputy federal chairman of the SPD youth organisation.

In 1998, Scholz was elected to the Bundestag (federal parliament). In 2001, he took over the office of the Interior Senator (state minister) in the Hamburg state executive. Even then, he attracted attention as a law-and-order politician because he introduced the compulsory administration of emetics to drug dealers to preserve evidence, which the European Court of Human Rights later condemned as contrary to human rights.

In 2002, Chancellor Gerhard Schröder brought him to Berlin as SPD secretary-general to enforce his government's attacks on welfare and labour rights against massive resistance. In 2007, he was rewarded for this with the office of minister of labour in Merkel's first cabinet. In this function, he raised the retirement age from 65 to 67 years.

From 2011 to 2018, Scholz was mayor of Hamburg, where he again stood out for his close relationship with big business and his law-and-order policies. Among other things, Scholz is responsible for the brutal police action against the G20 demonstrations in the summer of 2017, one of the largest police deployments in German history, which served to criminalise hundreds of young people who were exercising their right to demonstrate.

In 2018, Scholz then became one of the driving forces in the SPD advocating the continuation of the grand coalition with the Christian Democrats to implement a programme of social cuts, the strengthening of state powers and militarism. By joining the grand coalition, the SPD also specifically helped the far-right Alternative for Germany (AfD) become the leader of the parliamentary opposition, which greatly increased its influence, despite it winning only 13.5 percent of the vote.

In Merkel's fourth cabinet, Scholz took over the office of finance minister from Wolfgang Schäuble (CDU) and continued his austerity course in Europe and Germany. To prove his loyalty to the banks, he brought the German head of the major US bank Goldman Sachs, Jörg Kukies, into his ministry as state secretary.

Until the end of last year, Kukies maintained close contacts with the Dax-listed Wirecard Group, which has

since gone bankrupt and whose managers are in custody for fraudulent accounting, market manipulation, embezzlement and money laundering. The fact that Wirecard has been subject to the supervisory authorities of the Finance Ministry for years could still create problems for Scholz.

Scholz's nomination is a clear commitment to continue the grand coalition, the most right-wing government since the Federal Republic of Germany was founded following World War Two. Scholz's relationship with Chancellor Merkel is now so close that the *Süddeutsche Zeitung* felt compelled to comment, "Vice-Chancellor Scholz could certainly be successful in reaching out to voters who would like to see Angela Merkel's government continue."

However, Scholz's nomination also means he is prepared to govern together with the Greens or the Left Party, which pursue the same reactionary policies.

Asked by *Neues Deutschland* about possible collaboration with Scholz, Left Party leader Riexinger immediately signalled his approval. "The decisive factor is whether there is agreement on content," he said. "We heard interesting announcements from the SPD leadership over the weekend: they want to overcome the Hartz IV system [of welfare attacks] and abolish sanctions, something the Left Party has long been calling for. They want a significantly higher minimum wage, and the rich to be taxed more heavily."

Riexinger, of course, does not believe that Scholz—who is himself described by the bourgeois press as the SPD's right-wing frontman—and the SPD have suddenly changed. What is clear is his willingness to cooperate with a Scholz-led SPD.



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