

Austria gets a new chancellor but policies remain unchanged

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With almost 9 million inhabitants, Austria is not among the largest European countries. But the abyss of ruthlessness, corruption and crime that opened up with the recent government crisis in Vienna is symptomatic of the state of bourgeois democracy in all Western countries.

Federal Chancellor Sebastian Kurz resigned last weekend after the Central Public Prosecutor's Office searched the Federal Chancellery, the Ministry of Finance and the party headquarters of his conservative Austrian People's Party (ÖVP) to prosecute white-collar crime and corruption. The prosecutor has accused the chancellor and his closest colleagues of serious disloyalty to the detriment of the Republic of Austria, corruption and making false statements.

Specifically, Kurz and his team are said to have bought manipulated opinion polls four years ago, placed embellished articles in the media outlets of tabloid publisher Wolfgang Fellner and financed the entire operation with funds from the budget of the Ministry of Finance to enable the then 31-year-old Kurz to secure the leadership of the ÖVP and the chancellery. Under Austrian law, such charges can result in a prison term of between 1 and 10 years.

Kurz denies all allegations, although they are factually well-documented. He also only resigned—or “stepped aside,” as he put it—when his Green Party coalition partner threatened to vote with the opposition to bring down the government.

Kurz still pulls the strings of government policy. He remains chairman of the ÖVP and after his resignation was also elected as club chairman (parliamentary group leader) of his party in the National Council. In this capacity, he continues to attend government meetings.

Kurz also personally selected his successor, the previous foreign minister, Alexander Schallenberg. Schallenberg, who was sworn in on Monday, has three advantages in the short term: firstly, he is one of Kurz's loyal admirers and supporters; secondly, he has no domestic political experience; and thirdly, the career diplomat and offspring of an old noble family has good connections and a serious reputation.

Observers assume that Kurz will try a comeback if he survives the investigation, as he did two years ago. At that time, he was hit by the so-called Ibiza affair, but returned to the chancellery four months after resigning thanks to the support of the Greens.

The investigations of the public prosecutor's office are based, among other things, on numerous chats that were found on the cell phone of Kurz confidante Thomas Schmid, which had been confiscated as part of another investigation. They provide the material for a novel by an author of the rank of Balzac, Zola or—to stay closer to Austria—Karl Kraus. They paint a picture of a conspiratorial troop who meticulously plan their promotion to the chancellery and do not shy away from any means to achieve their goal.

For example, although Kurz himself was a minister in the grand coalition of the Austrian Social Democrats (SPÖ) and ÖVP from 2013 to 2017, he intrigued against Chancellor Christian Kern (SPÖ) and Vice Chancellor and ÖVP Chairman Reinhold Mitterlehner to oust both of them. Among his closest confidants were the young ÖVP boss from Vienna, Gernot Blümel, and Thomas Schmid, who as a top functionary in the Ministry of Finance had access to the state budget. Schmid organised, among other things, the fake opinion polls and media reports that brought down Mitterlehner—the very same reports that the public prosecutor is now investigating.

Both enjoyed high-flying careers under Kurz's chancellorship. Blümel first became head of the chancellery and then finance minister. Schmid was rewarded with the head post of the state holding company Öbag, which guaranteed him an annual income of between €400,000 and €610,000. The circumstances of his appointment as Öbag boss are now the subject of public prosecution investigations.

The chats of the conspirators at the time are hard to beat in terms of cynicism and vulgarity. After he had succeeded in loosening up tax money, Schmid cheered in a chat to Blümel, “Kurz can now shit money.” Mitterlehner is regularly referred to as “oasch” or “ass.” Efforts by Kern

and Mitterlehner to agree on joint projects were sabotaged, especially if they had a social policy component.

When the two were planning to invest the proceeds from the bank levy into all-day schools and afternoon childcare, Schmid wrote to Kurz: “Mega explosives!” Kurz replied, “Not good at all! How can you stop that. Can I incite a federal state?” Schmid affirmed and added, “If Mitterlehner does that—€1.2 billion for Kern by yielding on all education points, that would be madness.” They were only concerned with political obstruction. According to Schmid, the programme is “just awesome.”

More interesting than this intrigue, about which publications like *Der Standard*, *Der Spiegel*, and *Falter* have reported in detail, is the question of why Kurz and his confidants were successful. After all, although their plans and machinations were criminal and perfidious, they were neither particularly original nor unknown. The left-liberal weekly newspaper *Falter* published a detailed article about the machinations of Kurz and his team under the title “Project Ballhausplatz” in September 2019, which was based on internal documents.

The answer to this question leads to the very heart of the problem: the rottenness of bourgeois democracy. If there were only one political party that represented the needs and interests of the working population to some extent, Kurz and his conspiratorial gang would quickly have reached their limits. But there is no such party in the established political spectrum. They are all far more afraid of a working-class movement than of the most right-wing politics.

When capitalism was reintroduced in Eastern Europe, the Soviet Union and China three decades ago, the media cheered the victory of “freedom” and “democracy”. Indeed, capital lost all inhibitions. In the East, oligarchs stole social property and brought regimes to power that are as corrupt as they are right-wing. In the West, a small minority enriched itself at the expense of the large majority. The gap between rich and poor has now reached dimensions that are no longer compatible with democratic forms.

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All parties that defend capitalism are responding to growing social tensions with a sharp lurch to the right. Social Democracy, the dominant political force in Austria for decades, has, like the unions associated with it, become a tool of social counterrevolution. Since 1987, the SPÖ has only governed in coalitions with the ÖVP, until it was finally ousted from power entirely in 2017.

At that time, Kurz formed an alliance with the right-wing extremist Freedom Party (FPÖ) and implemented their policy. There was no resistance from the other parties. It was not until the Ibiza affair, which exposed Vice Chancellor and

FPÖ boss Heinz-Christian Strache as a politician for sale, that the coalition with the FPÖ fell apart.

The Greens then stepped into the breach and helped Kurz return to power without changing his policies. In terms of refugee policy, Austria is on the extreme right wing in a Europe that is pervaded by hostility to refugees. Vienna maintains close ties with the right-wing Orbán regime in Hungary. Over 1.5 million people, or 17.5 percent of the country’s population, live in poverty. The unemployment rate is 10 percent. In its policy on COVID-19, Austria has repeatedly led the way in implementing premature and inhuman reopenings. As a result, 763,000 people have been infected and 11,100 died.

The shift from Kurz to Schallenberg will not change anything about these policies. So far, the new chancellor has only made a name for himself on one issue. When it comes to immigration, he is a “man of conviction,” he told the magazine *Profil*. As foreign minister, he denounced the rescue of children from the inhumane Greek camp Moria as “shouting about the distribution” of refugees.

Schallenberg emphasised in his first speech in parliament on Tuesday that he would continue to work closely with Kurz, adding that anything else would be absurd in terms of democratic politics. Kurz’s ministers, including Finance Minister Gernot Blümel, remain in office.

The role of the Austrian Greens as a prop for ultra-right politics also sheds light on the negotiations on a coalition between the Social Democrats, Greens and Free Democrats (a so-called traffic light coalition) that are currently taking place in Germany. Prospective chancellor Olaf Scholz is on the right wing of the SPD, the FDP sees itself as a guarantor for the protection of the wealth of the rich and compliance with the debt brake, and the Greens are trying to outdo both parties from the right.

Only an independent movement of the working class, oriented towards an international, socialist programme, can effectively counter these right-wing politics.



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