

German finance minister attacks the long-term unemployed

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The German government wants to massively cut benefits for the long-term unemployed. This was revealed in the draft for the 2023 federal budget presented by Finance Minister Christian Lindner (Free Democratic Party, FDP) shortly before the summer break, which the cabinet has already approved.

Together with Labour Minister Hubertus Heil (Social Democratic Party, SPD), Lindner has written massive social cuts into the 2023 budget. To save €609 million, reintegration assistance payments for people who have been out of work for more than six years are to be eliminated without any replacement.

This example shows once again that the cabinet of the SPD, FDP and Greens is financing its war budget at the expense of the working class. The same budget provides for defence spending of over €50 billion for 2023, which will increase by another €12.4 billion by 2026; as well as approving the €100 billion “special fund for the Bundeswehr,” which would make Germany’s army the biggest in Europe.

Spending on welfare, education, and health, on the other hand, is being subject to the “debt brake,” which is to be applied again mercilessly from next year.

At a July 8 press conference, the question was asked, “Is it true that the federal government plans to cut benefits for the reintegration of the long-term unemployed by €600 million in the upcoming budget?” In response, a press spokeswoman for Labour Minister Heil said it was “correct that the draft budget for 2023 provides for a cut in the area of integration assistance.”

Specifically, a cut in “benefits for integration into work” from €4.8 billion to €4.2 billion is apparently planned. The money was previously used to finance multi-year subsidies for the long-term unemployed. The program most affected is the “social labour market,” under which employers could receive government wage

subsidies since 2019 if they hired the long-term unemployed. In special cases, the state would reimburse wage costs for up to five years—100 percent in the first two years, 90 percent in the third, 80 percent in the fourth and still 70 percent in the fifth.

Originally intended for up to 150,000 participants, the program has only applied to an annual average of just under 20,000 participants since 2019. Now it is to be eliminated altogether. It is just one example of what is meant by Chancellor Olaf Scholz’s promise that his government supposedly puts “respect” and “social wellbeing” at the top of the list.

His policies betray the same ruthless duplicity familiar from Health Minister Karl Lauterbach (SPD). Lauterbach can warn forcefully against the impact of Long COVID and, practically in the same breath, abolish free coronavirus tests. He is also in the process of driving up health insurance premiums to record highs.

Foreign Minister Annalena Baerbock (Greens) is equally duplicitous. She has just called for the abolition of nuclear weapons in Nagasaki, Japan, although she herself had only recently called for a “credible nuclear deterrent” to be part of Germany’s defence capability. Previously, she also had herself photographed wearing a steel helmet in Ukraine.

FDP leader and Finance Minister Christian Lindner himself, who is currently pushing through the latest cuts, had no problem enjoying a lavish celebrity wedding on the island of Sylt. The three-day binge, to which he had invited several ministers, cost a small fortune. Christian Democratic Union (CDU) leader Friedrich Merz, for example, flew in with his wife on his own private jet.

The attacks on the long-term unemployed are already meeting with opposition on social media. Twitter users

point out that the coalition government “has not provided any money for other reform projects so far in the coming year,” and cite as examples the basic child allowance, the citizen’s funds, or air filters for schools—which are apparently not budgeted for in any way. One user writes, “Leaving aside the fact that the long-term unemployed have big problems anyway: cutting off funding there in particular ... is so bad!”

Workers rightly understand that these attacks are directed at them. After all, who couldn’t end up in a similar situation sooner or later? Many long-term unemployed used to have good positions, but at some point, fell out of the labour force due to illness, accident or some other coincidence of fate.

How many hundreds of thousands are currently affected by plant closures and job cuts? How many are at an age where they can no longer hope to be rehired? How many are scarred because of Long COVID and are unable to handle the stress of a job for a long time to come?

In fact, the foul decision of Lindner, Heil and Scholz is only the spearhead of a general attack by the government on the entire working class. All the costs of the financial crisis, the pandemic and, most recently, the Ukraine war are being shifted onto their shoulders. Workers are confronted with a phalanx of bankers, employers, politicians, top journalists and union bureaucrats who, in every sphere, regard the crisis as an opportunity to benefit themselves.

At the same time, workers must cope with rising inflation, heating and fuel shortages, social cutbacks, mass layoffs and/or increased work stress, while the war in Ukraine continues to escalate.

As early as March, when the cabinet agreed the 2022 federal budget, the WSWS wrote that “the cost of rearming will be borne in every respect by the working class,” and we declared, “The ‘turn of the times’ conjured up in politics and the media is about the comprehensive return of German militarism.”



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