

Germany's coalition government adopts a budget for war and austerity

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The 2023 budget passed in the German parliament on Friday is a declaration of war on working people. At its centre is a massive increase in military spending and extreme cuts in the areas of health, education, and social welfare.

In June, at the behest of the “traffic light” coalition of the Social Democrats (SPD), Liberal Democrats (FDP) and Greens, the Bundestag (federal parliament) passed funding for the “Special Assets of the Bundeswehr [Armed Services],” amounting to more than €100 billion, launching the largest rearmament offensive since the end of the Second World War. Now, the far-reaching consequences of renewed German militarism—initiated with the foreign policy shift in 2013/14 when the leading state representatives announced Germany’s return to an aggressive foreign and great power policy—are reflected in the budget.

The only expenditure that is increasing massively is **military spending**. A total of €58.6bn is budgeted for 2023—an increase of €8.2bn compared to last year; €8.5bn will come from the special fund, which is not officially part of the defence ministry budget. The additional money will be used, among other things, to purchase F35 combat aircraft, CH-47 heavy transport helicopters, Puma infantry fighting vehicles, four F126 frigates and personal protective equipment for soldiers.

In the coming years, the defence budget is then expected to increase even more. Defence Minister Christine Lambrecht (SPD) told the Bundestag that she was “very grateful” to have heard “from various sides here today that this budget will have to grow in the future.” She added cynically that the current increases were just enough to “make ends meet.”

Karsten Klein, who sits on the “Bundeswehr Special Assets” parliamentary committee for the FDP, clarified the sums involved. “€300 billion are being provided by this German Bundestag, by taxpayers, by the federal government to the defence ministry for arming and equipping our Bundeswehr, for the soldiers. €300 billion in this legislative period!”

In terms of annual budgets, this means that in 2024, 2025

and 2026 a yearly average of €80.5bn will flow into the military. And even that is only the beginning. The ruling class is pursuing the declared goal of making Germany once again the “leading military power” (Lambrecht) and the Bundeswehr “the best-equipped armed force in Europe” (Chancellor Olaf Scholz).

In his speech in the debate on Wednesday, Scholz gave an insight into the insane rearmament plans. He said the “special assets” funding would enable Germany “to organise an orderly, a sensible change of path. We will and want to spend 2 percent of economic output on the Bundeswehr,” he declared.

The ruling class is working to switch the economy towards armaments in order to implement the war course that has been decided—which is currently directed mainly against Russia. We must ensure “that the factories and the machines are acquired for the things that are newly created,” Scholz stated. It was a matter of “equipping the Bundeswehr in such a way that it will function for decades. That’s what the special fund is about: a long-term plan.”

This “long-term” rearmament goes hand in hand with historic attacks on the living standards of the working class. While energy prices are skyrocketing because of the NATO offensive against Russia, and the highest inflation rate in decades is already pushing millions into poverty, the costs of war are being passed on entirely to working people. Adjusted for inflation, these are the biggest cuts since the end of the Second World War.

In nominal terms, the **total budget** is down from €495.79bn last year to €476.29bn, a further drop of almost €20bn. In 2021, it had still amounted to €556.6bn. Next year’s planned new debt is only €45.61bn compared to €138.9bn in 2022.

Finance Minister Christian Lindner (FDP) boasted in the Bundestag that he had complied with the debt ceiling and held out the prospect of even more severe cuts in the future. With the current austerity budget, “budgetary normality has not yet been reached,” and it was “the claim of this coalition to return as quickly as possible to the principle that only

what has previously been earned can be spent.” For 2024, with net borrowing of only €12.3bn, the budget is to fall by a further almost €53bn, to €423.7bn euros.

The biggest savings are in **health**. This year, the budget will be cut by almost €40bn (!) from €64.36 to €24.48bn—and that amid an ongoing pandemic, which has already cost more than 157,000 lives in Germany alone. Currently, more than 1,000 people are succumbing to the virus every week, even before the impending winter wave. The ruling class is reacting to this by ending the last remaining protective measures and almost completely cancelling the funds for fighting the pandemic.

Thus, the item for prevention and for health associations drops from €9.57bn to €2.59bn. The grants for the fight against COVID-19 included in this amount will only be €119.4 million (2022: €1.9bn). The vaccination campaign is also essentially discontinued. The “grants for the central procurement of vaccines against SARS-CoV-2” included in the budget will drop from €7.09bn last year to €3.02bn.

There are also severe cuts in all other areas of the already broken health system. For example, expenditure on “nursing care and other social security measures” will drop by more than €2bn from €3.28bn to €1.08bn.

The ailing **education sector** is also being cut. The education budget will officially increase by a measly €500 million to €21.46bn (2022: €20.89bn)—but adjusted for inflation, this means a massive reduction. At the same time, the education sector is increasingly being put at the service of war policy. For example, the budget includes €2.1 million for the establishment of a “Conflict Academy” at the Institute for Interdisciplinary Research on Conflict and Violence at Bielefeld University. In the coming budget years, millions more are to flow into this and similar projects.

The so-called “social reforms” that the coalition boasts about cannot hide the class character of the budget but underline it. The “citizen’s income,” also passed on Friday—with the votes of the Christian Democrats (CDU/CSU)—is nothing more than the hated “Hartz-IV” welfare payment system under a new name. The bulk of the so-called “aid money,” like Scholz’s €200bn defence umbrella, flows into the pockets of the big corporations and the super-rich, just like the coronavirus aid packages in 2020/21.

The whole “debate” in the Bundestag underscored that working people are confronted with a conspiracy of all the establishment parties. If there was criticism of the budget, it came essentially from the right. Representatives of the CDU/CSU and the far-right Alternative for Germany (AfD) complained that rearmament was not being pushed even faster.

Speakers for the Left Party also made clear that despite their hypocritical criticism of the defence budget, they stand behind militarisation. For example, Gesine Lötzsch, the Left Party’s representative on the “Bundeswehr Special Fund” committee, described “a well-equipped army for national defence” as “our constitutionally guaranteed view.” At the beginning of the week, Bodo Ramelow, the “left-wing” state prime minister of Thuringia and current chair of the Bundesrat (Upper Chamber of the federal parliament), had even spoken out in favour of arms deliveries to Ukraine and the reintroduction of compulsory military service.

The Left Party also criticised the **domestic affairs budget** from the right. This is even though it includes €1.8bn more than originally planned. Half of the expenditure is earmarked for the security authorities. The Federal Interior Ministry alone and its subordinate authorities, including the domestic Secret Service, will receive 1,607 additional posts.

This is obviously not enough for the Left Party. In her speech, Martina Renner, the party’s representative in the Domestic Affairs Committee, complained that “to date, the posts from the increase in the last budget have not been nearly filled.” There were “9,000 vacancies in the federal police alone.”

Hardly anything could better illustrate the right-wing bourgeois character of the Left Party than the call for more military and police. As the party of the state apparatus and upper middle class layers, the Left Party fears the growing opposition of workers and youth to capitalist war and austerity policies like the devil fears holy water. In the 2014 European elections, it had put up posters saying “Revolution—No thanks!” to signal to the ruling elites that it stands on their side when it comes to suppressing an independent working class movement.

The Sozialistische Gleichheitspartei (Socialist Equality Party, SGP) is preparing such a movement and for this reason is also participating in the Berlin state election. Our election statement says: “We give a voice and a socialist perspective to the enormous opposition, which is no longer expressed in official politics. The war cannot be stopped and social devastation ended without breaking the power of the banks and corporations and placing them under democratic control.”

The passage of the war budget gives tremendous significance and urgency to the SGP’s socialist programme.



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