

Berlin state executive adopts austerity budget and steps up police powers

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The budget for 2026 and 2027, adopted by the Berlin Senate (state executive) with the votes of the Christian Democratic Union (CDU) and the Social Democratic Party (SPD) on Thursday, represents a continuation of drastic cuts in education, health care, social services and culture.

While the finances of the federal states are being plundered to finance grotesque levels of rearmament spending, and the number of income millionaires in Berlin alone has tripled in recent years, workers are to pay the price through massive social cuts.

Expenditure totalling just under €89 billion is planned for the next two years. Originally, at least €5 billion less had been planned, before the budget could be expanded through a new credit framework created by the federal government. In addition, transaction loans are being taken out in favour of state-owned enterprises, which are not subject to the debt brake. These alone amount to around €2.5 billion.

Although the budget is therefore higher than in previous years, the state government is continuing the brutal austerity course already implemented this year. As protests against the cuts policy repeatedly erupted, Mayor Kai Wegner (CDU) declared in November that €160 million would be reallocated in order to avoid numerous cuts. This, however, is nothing more than smoke and mirrors.

In reality, the savings are drastic, and the effects of the cuts amounting to €3 billion imposed this year are already being felt. This will intensify further over the next two years.

In the field of education, the Senate has wielded the axe. For 2025, universities were forced to accept savings of €145 million, which will continue in subsequent years.

At the Technical University, 18 departments face closure; at the Free University, the figure is 14. Tens of thousands of study places, dozens of professorships and hundreds of administrative posts are being cut.

The loss of study places also means fewer teachers are being trained. In future, there will be around 300 fewer teachers per year, even though current demand is already not being met. According to the Education and Science Union (GEW), 1,300 full-time posts remain unfilled.

Cuts in the health sector are also enormous. Berlin's Charité hospital alone will receive €56 million less in subsidies for 2026. In the hospital sector, these cuts coincide with federal austerity measures, which envisage reductions of €1.8 billion for hospitals. This will drive ever more hospitals into financial ruin and closure.

It was only recently announced that Schlosspark Hospital in Berlin-Charlottenburg will close in April next year due to insolvency. Only two of its nine departments will be taken over by another provider. No concrete figures have yet been given regarding the resulting redundancies.

In the cultural sector, the unprecedented slash-and-burn policy is being continued with the 2026/27 budget. Cuts totalling €110 million are planned. Smaller institutions and freelance artists are particularly affected. The city's major theatres are being forced to raise ticket prices sharply, increasingly turning culture into a privilege for higher earners. The Komische Oper raised prices by 10 percent, while the Volksbühne increased them by as much as 11 percent.

Cuts in the social sector hit the most vulnerable layers of society. One example is the increase in the price of the "social ticket" for public transport. After the price was raised from 9 to 19 euros on 1 April, it is set to rise further to €27.50 on 1 January 2026 under the two-year budget. For many who are already struggling to make ends meet, this renewed increase will be unaffordable.

Several million euros for social and psychosocial support services are also falling victim to austerity measures. In the area of homelessness assistance, projects such as "Housing First" and specialised advice centres are being severely cut back or eliminated entirely.

Emergency shelters and advice centres are already completely overwhelmed by the constantly rising number of homeless people, a development continually fuelled by the Berlin Senate's close cooperation with the property lobby. According to official figures, there were nearly 48,000 homeless people last year; by 2029, this number could rise to over 114,000.

How harsh these measures are for many employees is shown by the protest planned for Thursday by staff of independent providers in the social sector. Despite performing the same work, they earn on average up to 20 percent less and do not receive the capital city allowance paid to their colleagues in the public sector.

Under the slogan “Sickout instead of burnout,” they intend to organise a wildcat strike to protest against the cuts. “We see no other way out,” one employee told the daily newspaper ND. “We protested in front of the Red City Hall, wrote open letters, but nothing will change as long as we keep putting up with this.”

The protest is to take place on the same day that the trade unions have also called for a warning strike by public sector employees of the federal states. The service workers’ union Verdi, together with the Education and Science Union (GEW), the Police Union and the Construction, Agriculture and Environment Union (IG BAU), is calling for a rally in front of the House of Representatives.

“With this rally, we are making it clear that we do not accept good wages being played off against good public services,” said Andrea Kühnemann, Verdi’s regional leader for Berlin-Brandenburg. Verdi chairman Frank Werneke is also expected to speak at one of the protest actions.

These, however, are nothing but empty phrases. The unions work closely with the parties comprising the Berlin Senate, and at federal level, with the Merz government to enforce the cuts against employees.

The toothless protests and barely noticeable warning strikes are all too familiar. They merely provide the accompaniment for a sell-out that usually yields, at best, only a fraction of the demands and not infrequently ends in cuts in real wages.

In the current pay round for the federal states, Verdi and the German Civil Servants’ Association (dbb) are demanding a 7 percent pay rise, at least €300 more per month. Employers immediately dismissed this as unaffordable.

While cuts are being imposed in all areas, the security apparatus continues to be generously expanded under the two-year budget. Research by the Justice Collective group has shown that the police budget not only exceeds spending on labour, social affairs, equality, integration, diversity and anti-discrimination, but is also more than twice as large as the budget for culture and social cohesion.

Spending on the Berlin police has risen steadily over the past one and a half decades, from just under €1.2 billion in 2010 to over €2 billion in 2024. According to the report, the number of police officers employed in Berlin relative to the population is now higher than in New York City. In Berlin, there are 723 police officers per 100,000 inhabitants,

compared to 556 in New York.

By contrast, more than half of all employees in child and youth services in the public sector were cut between 2013 and 2023.

It is telling that the expansion of the police was particularly pronounced during the legislative periods of the SPD-Left Party-Green coalitions. The report concludes that the Left Party also “repeatedly called for additional police personnel and more equipment for the police.” This makes clear that the Left Party’s criticism of the budget is thoroughly hypocritical. Like the CDU and SPD, it stands for social cuts and military rearmament.

The Left Party also approved the one-trillion-euro war credits in the Bundesrat (upper chamber of the federal parliament) and, like the Berlin Senate, recoups this money in the state governments in which it participates through cuts. What remains untouched, however, are the ever-growing fortunes of the super-rich. In Berlin alone, the number of income millionaires more than tripled between 2012 and 2022, rising from 494 to 1,491. For most of this period, the Left Party was part of the government.

The severe social attacks now on the agenda, with which the insane militarisation and enrichment of the wealthy are to be financed, will meet resistance among the population. This is why the police apparatus is being expanded and endowed with ever greater powers.

To fight the cuts, workers must organise independently of the trade unions and the Left Party in rank-and-file action committees that link up across sectors and national borders and counter the logic of profit with the interests of employees.



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