Coalition negotiations in Austria: Right-wing government to implement drastic austerity measures

Markus Salzmann 19 January 2025

The far-right Austrian Freedom Party (FPÖ) and the conservative People's Party (ÖVP), currently negotiating a coalition government in the Alpine state, are planning massive attacks on the working class and on migrants.

After coalition negotiations between the ÖVP, Social Democrats (SPÖ) and right-wing Neos failed, Federal President Alexander van der Bellen last week commissioned FPÖ leader Herbert Kickl to form a government. The ÖVP, which during the election campaign had still been calling Kickl a "right-wing extremist" and a "security risk for Austria," and had ruled out any possibility of government participation under him, has since declared its willingness to serve the fascist as a means of securing a majority.

Foreign Minister Alexander Schallenberg is currently heading the government on an interim basis in place of Karl Nehammer, who resigned as chancellor. The ÖVP politician had taken over the chancellery for a few weeks in October 2021 after Sebastian Kurz resigned due to corruption allegations.

Immediately after the start of negotiations, both parties began to put together an extensive austerity budget. Containing drastic cuts, the budget deficit is to be reduced to below 3 percent, as required by the EU. Currently, depending on the estimate, it is up to 3.7 percent. The dispute over how and over what period the savings will be implemented had led to the failure of the coalition negotiations between the ÖVP, SPÖ and Neos.

According to the information available so far, the planned savings this year alone amount to over \leq 6.4 billion. Within the next seven years, the government wants to save at least \leq 18 billion.

Details of the cuts are not expected until the end of the week, but it is already clear that the cost of the new budget will fall entirely on the backs of the working class. Both parties categorically ruled out any increase in business taxes, such as corporation tax.

More than €3 billion are to be saved by cutting grants and subsidies, with the rest to come from "reforms" and unspecified "further measures." It is certain that the cuts will affect public services. Under the catchphrase "reducing bureaucracy," massive job cuts are to be made in public administration, but also in hospitals and other social institutions.

It has also been decided that all measures to limit climate change will be stopped. Even though most of these are hardly more than symbolic, such as the climate bonus, a yearly payment made to all Austrian residents to encourage sustainable practices, this represents a complete renunciation of any kind of climate protection measures.

Even before negotiations began, both parties had declared their intention to cut social benefits. The FPÖ's demand for a general reduction in social benefits for immigrants also has broad support in the ÖVP. The proposals here range from halving benefits for immigrants to completely linking benefits to Austrian citizenship.

Under the pretext of combating social benefit fraud, both parties introduced a "Social Benefit Fraud Task Force" in the state of Styria. The ÖVP-led federal Interior Ministry has regularly praised the task force, so it is expected it will now also be introduced at national level. The real job of the task force is to harass social assistance recipients and cut the benefits to which they are entitled.

The budget cuts will also be directed against all workers. It is certain that educational leave (paid further training), will finally be abolished, as long demanded by business associations. At the same time, current daily and weekly working hours are to be extended.

There are no concrete plans yet to cut pensions and health services, but both parties have spoken in favour of extensive cuts in these areas in the past.

Another focus of the negotiations will be the attack on refugees and migrants.

The FPÖ has aggressively campaigned on the fascist and inhumane demand for "remigration." This is now to be implemented. In December, Kickl had already called for "priority action" to immediately withdraw protection status from refugees from Syria and deport them. Further asylum applications from Syrian refugees will no longer be accepted. The same applies to refugees from Afghanistan.

In the "fight against illegal migration," both parties are calling for border closures. Border crossings, such as those to the Balkan states, are to be secured with fortified fences.

The future government may also target people with a migrant background who have been living in Austria for a long time. A ban on women wearing headscarves in public service, as already set out in the government programme of the FPÖ and ÖVP in the state of Styria, could now also be introduced at federal level. Obtaining Austrian citizenship would be reserved exclusively for "assimilated" persons. The Vienna ÖVP leader Karl Mahrer has demanded that applicants be checked by the state security service for their level of integration and that their internet activities be monitored.

The FPÖ and ÖVP also agree on significantly expanding the powers of the police and secret services and using them against any kind of opposition.

The FPÖ wants to set up a central registration office for "left-wing" teachers. Those recorded could then be threatened with "consequences if necessary."

Further programmes to "combat extremism" are also to be established. These will be, as could hardly be expected otherwise, directed against "left-wing" tendencies. In this context, both parties have called for tightening up the law on voluntary associations and free assembly in order to ban demonstrations and disliked

organisations. The reintroduction of conditional mandatory pre-trial detention is already under discussion, which would allow people to be held in pre-trial custody even where there is insufficient suspicion or evidence.

Kickl's announcement that the coalition negotiations would also deal with the national public broadcaster ORF (Austrian Broadcasting Corporation) can only be understood as a threat to curtail freedom of the press in parallel to the cuts.

Meanwhile, right-wing extremists or openly fascist groups have nothing to fear under an FPÖ government. On the contrary, they could rise directly to high office.

Kickl and the FPÖ maintain close ties to the ethnonationalist Identitarian Movement, members of which were present at the FPÖ's election party for the September parliamentary elections. Some of them had their pictures taken making the white power sign alongside Herbert Kickl. He has already publicly stated that the Identitarian Movement was an "interesting project worth supporting."

The ÖVP supports the inclusion of these circles. In an interview, the *Wiener Standard* asked ÖVP chairman Stocker, "So, you do not rule out the possibility that Identitarians could soon be working in state institutions or ministerial offices?" To which Stocker replied, "I will not control the Freedom Party's personnel lists. I am not the FPÖ's nanny either."

While the establishment parties are helping the farright extremists to power in order to implement their aggressive domestic and foreign policies, a possible government under the leadership of the FPÖ faces resistance from the population. In Vienna alone, at least 30,000 people gathered in front of the chancellery on January 9. The demonstrators carried banners with messages such as "We don't want a right-wing extremist Austria" and "Never again [fascism] is now." There were protests in other cities such as Innsbruck, Salzburg and Graz.



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