

Germany's Christian Democrats and Social Democrats prepare social cutbacks in coalition negotiations

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For a week now, behind closed doors, the leading representatives of the Christian Democrats (CDU/CSU) and Social Democrats (SPD) have been negotiating the coalition agreement for the future German government. It is not certain whether they will reach an agreement this week. Even a failure of the negotiations is not completely out of the question. In any case, it will no longer be possible to meet the original deadline of electing CDU leader Friedrich Merz as the new chancellor before Easter.

The programme of the new government was actually already set on March 18, when the Bundestag (lower house of parliament) agreed to spend €1 trillion for rearmament and war. The necessary constitutional amendment was also supported by the Greens and—in the upper house of parliament, the Bundesrat—by Die Linke/Left Party. The biggest rearmament offensive since Hitler is intended to make Germany a major military power again and ensure that the war against Russia in Ukraine continues without American support.

On these questions, there is full agreement between the CDU and SPD. If there is nevertheless friction in the coalition negotiations, it is because the enormous sums for rearmament and war are to be recouped through cuts in social spending. Here, too, the parties agree in principle, but the concrete implementation is creating considerable friction and tensions.

The SPD, which received the worst election result in its history, 16 percent, fears sinking completely into insignificance if it once again presents itself as the party of pension and social cuts. It has also pledged to put the coalition agreement to a vote by the party membership before parliament elects the new chancellor, which could fail if the officeholders, party functionaries and union bureaucrats who make up the core of the SPD membership fear for their jobs.

Many CDU supporters, meanwhile, have not forgiven the CDU for Merz's 180-degree turnaround on the "debt

brake," the constitutionally enshrined limit on new spending. During the election campaign, he had insisted on compliance with it, but with the trillion-euro armaments package, he has torn down all the limitations on the increase in debt. In a recent post-election survey, the party fell to 24 percent and was thus, for the first time, on a par with the far-right Alternative for Germany (AfD), which saw significant gains in the election.

The would-be coalition partners are therefore trying to find a compromise formula that allows both sides to save face. The 16 working groups, which by the end of March had listed the issues on which the SPD and the CDU/CSU agree and those on which they disagree, found little common ground, particularly on the topics of "labour and social affairs" and "budget, taxes and finance."

The party leaders are now supposed to ensure a smooth start for the government. This is the actual task of the coalition agreement. After that, it is filed away. No German government has ever adhered to such agreements when making important decisions.

Chancellor Gerhard Schröder's "Agenda 2010," which initiated the most comprehensive social cuts in the history of the Federal Republic, was just as little part of the preceding coalition agreement as the billions with which Angela Merkel's government "saved" the banks in 2008, or the "special fund" of €100 billion with which Chancellor Olaf Scholz (SPD) set a "new era" for militarism.

Regardless of what is written in the fine print of the coalition agreement, the next government will be a government of rearmament, military aggression and class war. Business associations and economists, who set the tone in federal politics, are pushing for austerity measures now that the debt brake has been lifted in favour of defence spending.

More than 60 business associations have sent an urgent letter to the leaders of the CDU, CSU and SPD, stating, "In recent weeks, the economic situation has dramatically

worsened, yet the participants in the coalition negotiations appear unimpressed by these developments.” The results announced so far were “insufficient,” and “growing economic challenges” were being ignored in many areas.

This letter was written before President Donald Trump announced his latest punitive tariffs, which will further exacerbate the economic situation.

In an interview with business weekly *Wirtschaftswoche*, the president of the Ifo Institute, Clemens Fuest, who, together with three other economists, suggested the trillion-euro armament package, explains, “Either Germany produces more or we have to tighten our belts. It is an illusion that we don’t have to do without anything. The expectation that we will be able to work less and less has also become outdated.”

According to a report in *taz*, the CDU/CSU are also arguing: “Anyone who has taken on so much debt especially must now save.” And they know where they see this savings potential: “In *Bürgergeld* [welfare payments] and the *Deutschlandticket* [cheap rail fares], which should become more expensive. The pension level is to be capped, and climate subsidies and development aid are to be scrapped.”

The CDU is not entirely wrong, according to *taz*: “Germany is straining its creditworthiness with the armament debts. To maintain this, growth must increase again.” The CDU wants to achieve this through investments and social cuts, as well as tax breaks for companies.

The SPD is pursuing the same capitalist logic and is merely trying to disguise it a little better. With the sell-out of the contract bargaining at Deutsche Post, and now also in the public sector at federal and municipal level, affecting more than 2.5 million employees, the Verdi trade union, which has close ties to the SPD, has already taken the first step.

The CDU/CSU and SPD agree that rearmament and war not only require massive social cuts, but also an authoritarian state that suppresses opposition to these. The working groups found little difference of opinion on this issue.

The paper of Working Group 1, “Home Affairs, Justice, Migration and Integration,” reads like a blueprint for a police state. “We are confronting multiple threats from outside and within at a turning point in domestic security,” it says in the introduction. “With strengthened security, civil and disaster protection authorities, modern digital powers, new capabilities and sufficient personnel, we are launching a security offensive ...”

The “tension between security policy requirements and data protection requirements” must be “rebalanced.” The powers and resources of the police and secret services are to be massively expanded. “Antisemitism”—a synonym for

criticism of the genocide against the Palestinians—is to be fought even more intensively, and to this end, in particular, the offence of incitement of the people is to be tightened.

The spearhead of the attack on democratic rights is—as in Trump’s USA—the intensified action against refugees and migrants. Pages and pages are filled with measures to take “a different, more consistent course in migration policy” and to “effectively” push back “irregular migration.” In “coordination with our European neighbours ... rejections at the common borders are also to take place in the case of asylum applications”—a clear violation of the constitutionally guaranteed right to asylum.

Working Group 12, “Defence, Foreign Affairs, Development, Human Rights,” declares Russia to be the “greatest and most direct threat” to Germany. In the next few years, it will be “in a position to launch an attack against us and our allies”—a clear commitment to escalating the confrontation with the nuclear power. But the paper also declares China an enemy, which was trying to “undermine the existing international order and replace it with the law of the jungle, in which the rights of the individual count for nothing.”

For the first time since the end of the Second World War, Germany and Europe must be able to “ensure security in Europe decisively themselves,” the group argues. Germany’s “leadership responsibility” is to “make Europe a capable actor in foreign and security policy.” The paper also invokes “deep friendship with Israel” and its security as part of “German state policy.”

The coalition negotiations and the details that have emerged so far show that the US—where Trump is establishing a dictatorship, declaring war on the rest of the world and facing growing resistance in doing so—is no exception. The deep crisis of the capitalist system is driving the ruling class in every country towards war and dictatorship. With their pro-war and pro-class-war policies, the CDU and SPD are paving the way for the far-right AfD, whose policies they are adopting more and more openly.

Only an independent movement of the international working class, combining the struggle against militarism, war and social cuts with a socialist programme to overthrow capitalism, can stop this dangerous development.



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