

FISCAL POLICY: THIS IS BEHIND THE RENEWAL OF THE SPD

Posted on 29. Dezember 2019

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The SPD is currently in the deepest crisis in its more than 150-year history. In order to avoid further collapse, a few weeks ago the party once again replaced its leadership, promised a "renewal" and announced its "departure" into the future.

Quite obviously, the new party leadership is currently trying to distance itself from measures of the past such as Agenda 2010 and to create a social-reform image for the benefit of the working population. In doing so, they like to present themselves as opponents of greedy major investors and speculators and as advocates of a greater transparency in the financial system.

The actual state of affairs surrounding this supposed change of course is shown, among other things, by a government resolution that has been virtually ignored by the general public.

In mid-November, the Bundestag adopted a "Law on further tax incentives for electromobility and amending other tax regulations", based on a draft by the Federal Ministry of Finance led by SPD member Olaf Scholz.

The amendments include Section 21 a of the German Fiscal Administration Act, which regulates meetings between federal and state fiscal authorities. Here the Ministry of Finance has inserted the following two sentences: "The confidentiality of the meetings shall be maintained unless otherwise unanimously agreed in individual cases. The same applies to deliberations by written procedure."

To understand the meaning of these sentences, one needs to know the following: The representatives of federal and state financial authorities regularly exchange information on developments in the financial sector in order to agree on a uniform approach throughout the country.

Recent examples include the [Cum-Ex](#) scandal, the largest tax robbery in German history, in which major investors had taxes refunded that they had never paid.

Until now, it has been possible to legally enforce the publication of minutes or other documents of these

meetings. This is now a thing of the past: the new regulation creates a legal basis for their confidentiality.

The SPD-led Ministry of Finance is thus helping to remove a last vestige of transparency in the area of financial policy, to pave the way for even more backroom politics and to shield criminal speculation even better from the public eye.

Incidentally, this is not the only SPD deception in the recent past: if you take a closer look at the draft for a new financial transaction tax, which their new leadership has passed off as a blow against speculators, you will see that it carefully excludes the largest area of speculation, namely [derivatives](#).

This means that the new tax, which is intended to curb speculative trading by means of higher transaction costs, does not affect by far its most extensive and significant area at all. And that's not all: it mainly affects small and medium-sized investors, for example, the middle class, who are no longer able to save for old age due to the low interest rate policy supported by the SPD, but are forced to secure themselves with stocks.

So while the SPD speaks to the outside world of new beginnings and renewal, it remains true to the strategy it has practised for decades: it pretends to represent the small man, but its policies actually favour the financial elite operating in the background.

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