Hesse Elections in Germany

LaRouche Youth Put Economics Up Front

by Rainer Apel

When, on July 7, 2007, the BüSo (Civil Rights Solidarity Movement), the LaRouche party in Germany, nominated its slate for the Jan. 27, 2008 election for state parliament in Hesse, most Germans (including the citizens of that state) certainly were not aware how seriously the BüSo's warnings about an impending financial market collapse had to be taken. Granted, people would say, there were some problems, but all in all, the economy was back on its way to recovery—all the "experts" said so, and so did the government.

But only three weeks after that BüSo nominating convention, the biggest banking crisis in Germany since 1931 erupted, with the near-default of Industriebank (IKB) over 14 billion euro of leveraged mortgage loans on the U.S. subprime market. Then, Sachsen LB, the state bank of Saxony, ran into even bigger problems, with mortgage conduits in the range of more than Eu40 billion. And since late July, the German banks have been haunted by one catastrophe headline after another—and Hesse's largest city, Frankfurt/Main, is the banking center of Germany.

While the BüSo intervened with the German equivalent of the LaRouche Homeowners and Bank Protection Act (HBPA) initiative (along with policy statements by BüSo chairwoman Helga Zepp-LaRouche on "The Defense of the Common Good," and "The End of the Free Market"), the establishment parties, like Christian Democrats (CDU) and Social Democrats (SPD), avoided any reference to the onrushing financial market crisis and its direct implications for some 75,000 jobs right there in Frankfurt.

The fearful denial of the crash reality has been most visible in the campaign of CDU incumbent Gov. Roland Koch, who has a record of neocon views which make him the German equivalent of California Gov. Arnold Schwarzenegger. Koch and his campaign staff decided keep mum about the banks, and instead to focus on the alleged threat posed by "criminal foreigners." Incidents of street violence, involving youth of non-German origin, were boosted into a dominant theme by the CDU; Koch called for boot camps to lock up "these young criminals." That, however, backfired, as most voters were more worried about the financial crisis, job security, the beginning hyperinflation, and its direct effect on food, electricity, and gasoline bills.

BüSo Offers 'Firewall' Legislation

Unfortunately, the SPD and its top candidate, Andrea Ypsilanti, have not been able or willing to address the economic and financial crisis directly, but only rather vaguely, through their focus on the need to introduce a minimum wage as compensation for inflation. On the other hand, BüSo campaign activists, mostly a strong contingent of LaRouche Youth from Germany and several other European countries, found voters open-minded, when telling them about the reality of the banking crash and the programmatic alternative of "firewall legislation" to protect the lower-income stratum which amounts to 80% or more of the population.

Hesse state radio covered the BüSo campaign with a 20-second television spot on Jan. 12, and several other media taped interviews with the BüSo slate leader, Alexander Hartmann, providing him with a platform for presenting his program to a broad audience. At least 25,000 campaign brochures were distributed by the LaRouche Youth in the big urban centers of the state like Frankfurt, Wiesbaden (the state capital), and Darmstadt, as well as university cities like Giessen and Marburg—all of that making sure that economics remained the top issue on the election campaign agenda.

The economic-financial crash came to dominate the agenda, when on Jan. 21-22, "Black Monday and Tuesday," all the leading stocks on the international and German markets nosedived, eliminating around Eu110 billion in stock value in Frankfurt, alone. The shock that created among voters, contributed to the drastic loss of confidence in Koch, whose election campaign had not shown any reflection of the banking crisis before, during, or even after that Frankfurt crash. Koch's CDU lost 12% of the vote, compared to the last elections in 2003—about 25% of the CDU constituency. Among young voters, Koch lost 20%, compared to 2003. Koch's challenger, Ypsilanti, and her Social Democrats gained 7.5%, running a close second with 36.7%, while the CDU came in first, with 36.8%. Whereas many disgusted CDU voters voted for Ypsilanti, she gained her votes mainly through massive support from the Greens, who were attracted by her insane pro-solar, pro-wind, and anti-nuclear "energy" program. On the banking crisis and the Jan. 21-22 market crash in Frankfurt, Ypsilanti said not a word, before Election Day.

The acute worsening of the systemic crisis urges the formation of a Grand Coalition government in Hesse, because this is the only variant that can provide a more stable government—which has to take office by early April. Ironically, the BüSo, which, because of the hyped-up polarization between CDU and SPD, failed to win seats in the state parliament, is the one party that does have a program for dealing with the crisis, and many voters who cast their ballots for the other parties on Jan. 27 will recall that, now. Those districts of Hesse that yielded an increase of votes for the BüSo—Wiesbaden, Frankfurt, the university cities Darmstadt, Giessen, and Marburg, and also in some rural districts—show the real momentum that will develop in the coming weeks.

8 International EIR February 8, 2008