



## CINDERELLA BECAME THE EMPRESS HOW MERKEL HAS CHANGED GERMANY

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# **CINDERELLA BECAME THE EMPRESS**

## HOW MERKEL HAS CHANGED GERMANY

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## INTRODUCTION

Angela Merkel's career was a phenomenon on the German political scene. At the turn of the twentieth and twenty-first centuries, it was unimaginable that a woman from eastern Germany, an academic, though without a degree in law, relatively young, childless, remarried, could lead a government on behalf of the Christian Democrats and, in addition, hold this position for the next 16 years.

The actors who had for years been in the spotlight on the German political scene believed that a person with such attributes could at best play a minor role in the parity games of older colleagues from the CDU and become a 'Kohl girl' in a 'feminine' ministry.<sup>1</sup> Yet Merkel managed to take power in the CDU relatively quickly (in 2000). This was treated as an anomaly linked to the CDU's biggest corruption scandal that compromised the reputation of the party leadership and caused its approval ratings to drop dramatically. Merkel was still identified as a political and social outsider, though, and hardly anyone thought that she could become chancellor of the Federal Republic of Germany. Some colleagues from the CDU even went so far as to actively torpedo such a scenario, refusing to support her in the race for the Christian Democrats' nomination to run for the office of chancellor in the 2002 elections. The party then backed Edmund Stoiber from the CSU, who lost the election. This meant that Merkel was still in the game for the chancellorship.

This chapter of her career began in 2005 and is likely to end in 2021, unless she reapplies for this position in contradiction to her previous announcements. Her skills, diligence, flexibility, social instincts and ruthlessness helped Merkel rule Germany for four terms and have had a decisive say in resolving the crises Europe had to face during that time.

<sup>1</sup> During Helmut Kohl's rule, Angela Merkel served as the Minister for Youth and Women, and then the Environment Minister. While appointing her to these positions, Kohl claimed that he did that to respect the parities - he had a representative of the former Eastern Germany and a woman in the government.

This text is not a political biography, but rather an evaluation of some aspects of her rule, from the 2005 election campaign and the first months of her activity as the government leader. These beginnings are crucial – the conclusions she made at that time were the ones she used in the following years and left a mark on her further political career. This study will also briefly present the motivations and methods which she used in overcoming subsequent crises in Germany and the EU, when she travelled a long way from the ‘climate chancellor’ through the ‘No chancellor’ and the ‘refugee chancellor’ to her present role as the ‘fight the coronavirus chancellor’.

We begin by presenting Germany’s situation when Merkel took power, and end, vice-like, with the presentation of Germany’s economic situation, political party scene and international position at the moment Merkel is about to step down. It is difficult to assess this period due to the ongoing pandemic crisis, the most painful for Germany of all those it has faced since 2005.

The last chapter is a look into the future – it is an attempt to answer the question of how the ‘Merkel era’ and how Merkel herself will be remembered and what challenges Germany will need to tackle after her rule.

## MAIN POINTS

- When Angela Merkel took power in 2005, Germany was described as the 'sick man of Europe'. Her predecessor, the Social Democrat Gerhard Schröder, lost his position as a consequence of launching a comprehensive reform of the country's socio-economic system. Merkel therefore benefited from the reforms launched by Schröder for 16 years.
- The election campaign and the coalition negotiations in 2005 were a time of an accelerated and sometimes painful course of political effectiveness for Merkel. She has used the lessons she learned from this victorious game throughout her entire political career. The small step strategy, utilising the ideas of other parties and demobilising their electorates, nerves of steel during negotiations and refusing to admit defeat in public are some of the 'Merkelisms' that make up the system of her power.
- Critics have accused Merkel of not having a political manifesto and of governing the country in a responsive manner, with no ambition to shape policy on her own. According to this narrative, Germany was ruled by the financial markets, catastrophes like the one in Fukushima, and waves of migration. Positive opinions came from those who emphasised the chancellor's effectiveness and courage to make groundbreaking decisions that were not supported by coalition agreements. These included the discontinuation of conscription, the nuclear phase-out and the acceleration of the energy transformation, consent to same-sex marriage, and the EU taking out loans on the financial markets and the creation of the Next Generation EU fund.
- As a technocrat sensitive to people's demands, Merkel has proved to be a master in arranging the political centre. The side effects of her strategy included not only the disappearance of the liberal FDP from the Bundestag for one term, but also a significant weakening

of the SPD. The birth of the Eurosceptic and anti-immigrant Alternative for Germany, a party founded on the disillusionment of conservative voters with the CDU's policy led by Angela Merkel, was an even more spectacular consequence of the Christian Democrats' shift to the centre.

- A decade of her rule was devoted to taking leadership, not only in the EU, but also (during Donald Trump's presidency) throughout the entire liberal world. Germany's foreign policy at the end of the Merkel era is still based on the need to preserve the system of multi-lateral cooperation based on common institutions. Positioning itself in opposition to American policy in terms of trade, climate policy or the approach to international law is one of its strong points. The process of German emancipation (initiated in the 1990s) was completed in these areas. However, security policy was not among these areas, and Germany still needs to rely on NATO and its main pillar, the USA. This situation is causing tension in Germany's foreign policy as, on the one hand, it seeks to continue economic and technological cooperation with countries such as Russia and China while, on the other, for security reasons, it must take into account American politics and interests.
- Once she became chancellor, Merkel set herself the goal of keeping German society prosperous even in times of crisis. Therefore, over time, especially if the expected socio-economic crisis hits after the pandemic, warm thoughts about her rule will probably be recorded in the memory of ordinary Germans. However, experts' opinions will be less flattering: Merkel, focused on maintaining the status quo, failed to adjust the state's policy and to prepare society for the inevitable changes in the international environment. Increasing inequalities in the eurozone, the successes of political populism, migration, the destructive policies of Russia and China, the backlog in the digitisation of both education and German industry will also be described as adverse consequences largely brought about by her rule.



# I. GERMANY IN 2005.

## THE PROTOCOL OF DELIVERY AND ACCEPTANCE

### 1. The protocol of delivery. Gerhard Schröder leaves

The Angela Merkel era began on 22 May 2005. The person who decided about this – unaware of the consequences of his decision – was Gerhard Schröder; the Social Democrat Chancellor, a staunch opponent of Merkel, who was the head of the CDU. This was the day when the SPD-Green Party coalition government of North Rhine-Westphalia (NRW) fell. After governing this federal state for 38 years, the SPD was defeated by the Christian Democrats in the election to the local parliament. This was an exceptional and telling event, since NRW is a large federal state in terms of area and has the largest population among all the German federal states. Furthermore, the results of the election in NRW were treated as a prognosis for the election to the Bundestag. For this reason, Chancellor Schröder decided to make a bold attempt to reduce the impact of the victory of the Christian Democrats by announcing his intention to hold a snap parliamentary election in autumn 2005.

So what prompted Gerhard Schröder to take this step in the middle of the second term of the SPD and Green Party coalition government (1998–2005), which he headed? What burden did he carry at the onset of the 2005 election campaign?

The worrying **economic condition of the country** played a very important role in his political calculations. The economic reforms, initiated in the mid-1990s by Helmut Kohl, were only partial and had not brought the desired results. The enormous costs of German reunification (currently estimated at EUR 1.6–2 trillion), the economic crisis in Russia and the global economic downturn all contributed to escalating the economic problems and social imbalance in Germany. In expert analyses, Germany was branded the ‘sick man of Europe’.

In response to this, the German government began restructuring the state and took measures to deal with high unemployment (which reached a record-high of nearly 12% in 2005)<sup>2</sup> and the low competitiveness of the German economy, where large non-wage costs resulted in high prices for German goods and adversely affected exports.<sup>3</sup> In spring 2003, during his second term in office, Chancellor Schröder decided to launch thorough reforms of the labour market and the welfare system. The package was called ‘Agenda 2010’. By 2010, Germany was to become a country capable of facing globalisation and coping with intensifying economic competition. It was also hoped that it would stop breaking the rules of the European Union’s Stability and Growth Pact and exceeding the permissible budget deficit limit set at 3% of GDP.

#### **‘Agenda 2010’<sup>4</sup>**

The aim of the reform was to modernise the German welfare system and the labour market. Its main assumptions were social cuts and, above all, shortening the duration and the size of unemployment benefits as well as reducing the allowances for those who had been unemployed for a long time to the level of social benefits, even in the pre-retirement period.

Unemployment benefits were categorised into two types: 1) Arbeitslosengeld I (ALG I), which could be received by those who had paid contributions for at least one year. This allowance was 60% of the annual net income of the last job or 67%, if the unemployed person had children. The benefit was granted for 12 months or, in the

<sup>2</sup> Data as in: ‘Arbeitslose und Arbeitslosenquote’, Bundeszentrale für politische Bildung, 23 March 2021, bpb.de.

<sup>3</sup> ‘Umstrittene Reformen im 21. Jahrhundert’, Bundesministerium für Wirtschaft und Energie, bmwi.de.

<sup>4</sup> For more on ‘Agenda 2010’ see K. Popławski, ‘Pakiet reform Agenda 2010 jako sposób na ograniczenie niemieckiego państwa socjalnego’ [in:] J. Osiński (ed.), *Praca, społeczeństwo, gospodarka. Między polityką a rynkiem*, Oficyna Wydawnicza SGH, Warszawa 2011, as in: docplayer.pl.

case of unemployed people older than 57 years, for 32 months. When a person was no longer eligible for ALG I, they became eligible for the unemployment benefit paid from the state budget, known as Arbeitslosengeld II (ALG II). It was initially EUR 345 a month plus rent and heating costs. This social benefit was also known as Hartz IV.

It was hoped that the labour market would become more flexible thanks to the possibility of dismissing employees after a shorter notice period and activating the unemployed due to the introduction of new forms of employment, e.g. ‘minijobs’, as well as sanctions against those who refuse work. The activating nature of the reforms was also to be emphasised by renaming the labour office as the labour agency resulting from a structural change.

A pension reform was also planned, including increasing the retirement age to 67, a reduction in free medical benefits, as well as introducing legal and financial relief for new entrepreneurs and tax cuts for both individuals and entrepreneurs.

When the decision to schedule the snap election was announced, Schröder emphasised that he needed strong public support in the process of such a serious state reform, and the election results were meant to indicate whether society still accepted his programme. Given the public support levels at the time (29% for the SPD and 44% for the CDU), this argumentation seemed quite odd. It is more likely that Schröder was attempting to cope with the internal pressure from the left wing of the SPD (but also from the coalition partner, the Green Party) and to consolidate his party during the election campaign so that he could continue to rule Germany.

The reform package aimed at improving the flexibility of the labour market adversely affected above all the Social Democrats’ traditional

electorate, which caused a **deep conflict inside the SPD**. Its support levels began plunging dramatically, and the party was losing election after election in the federal states, until the government coalition finally lost its majority in the Bundesrat, the house of parliament whose support was necessary to implement further reforms. The most spectacular consequence of 'Agenda 2010' was a split in the Social Democrats and a permanent change on the German political scene (the first since 1983 when the Greens made it to the Bundestag). Supporters and members of the SPD disagreed about the need for the reforms and the point of the left-wing government introducing them. Some of them, going so far as to view the reforms as a betrayal of ideals, also decided to leave and establish their own party.<sup>5</sup> This way, the Left Party (Die Linke) was created, which today is a permanent element of the German political landscape.

The dispute inside the SPD over 'Agenda 2010' continues, and the attitude to Schröder's reforms still, almost 20 years later, remains a determinant of the divides among the Social Democrats. During each subsequent election, politicians representing this party were forced by journalists or voters to declare themselves as supporters or opponents of that reform package.

Schröder's rule also resulted in changes in **Germany's foreign policy and its international position**. Schröder's approach involved e.g. proclaiming the 'new self-confidence', clearly articulating the German national interest and ending Kohl's self-restraint policy, and placed the country in a new position in a changing international environment. The refusal to support US actions during the Iraq war<sup>6</sup> and building

<sup>5</sup> Rebels from the SPD founded the WASG (Labour and Social Justice - The Electoral Alternative) and, following lengthy consultations, joined forces with the PDS, the post-communist Party of Democratic Socialism. The two groupings together took part in the elections to the Bundestag in 2005 and gained 8.7% support. They have remained on the German political scene, since 2007 under a new name: Die Linke (the Left Party).

<sup>6</sup> At the same time, German intelligence provided the Americans with the information necessary to continue this war. A political storm broke out in Germany when this fact resurfaced years later.

a coalition of countries opposing the US policy along the Berlin–Paris–Moscow axis revealed Germany’s ambitions to play a greater role in global politics. The ‘German path’<sup>7</sup> which the country took at that time meant that Germany wanted and felt it had the right to ‘take greater responsibility’ for shaping events and making decisions in the international arena, including a permanent seat on the UN Security Council.

Distancing from the politics of the Republicans and the US President George W. Bush was an essential part of this emancipation. Germany was entering a new era, convinced that the end of US domination and of the era of American unilateralism was close. It wanted to play the role of a pillar and an equal partner among several other strong players (such as Russia and China) in the emerging multilateral system of international politics. NB, much stronger relations were established with these countries thanks to Chancellor Gerhard Schröder’s activity. His belief in the significance and importance of Russia and his desire to establish a strategic partnership with it are well known. Over time, he built such close ties with Putin and the Russian monopoly Gazprom that this met with disapproval even in Germany.

Germany also began intensifying its relations with China. One of the ways to manifest this political investment were annual visits to China paid by Schröder accompanied by a large delegation of German businessmen.

## **2. The protocol of acceptance. Merkel’s difficult start**

**The 2005 election campaign was the first in which Angela Merkel played the main role as a representative of the Christian Democrats. This was not a very successful campaign for her. The result of the election surprised politicians, commentators and opinion polling**

<sup>7</sup> See more: P. Buras, *Dokąd prowadzi „niemiecka droga”? O polityce zagranicznej Niemiec 2001–2004*, Reports of the Willy Brandt Centre for German and European Studies, University of Wrocław, Report 3, Publishing House of the University of Wrocław, Wrocław 2005.

**institutions. The SPD managed to garner unexpectedly high support with 34.2% of the vote (222 seats), and the Christian Democratic CDU/CSU, with a result of 35.2% (226), which was 10% lower than forecast, were branded as the losers.<sup>8</sup> The German public had decided that the red-green government coalition should leave, but did not give a mandate to rule to the Christian Democrat-Liberal opposition, which fell 21 deputies short.<sup>9</sup>**

The media offensive launched by prominent speakers skilled in social communication (who joined forces to attack Angela Merkel) was a **key element of the SPD's campaign**. The attack on her and the agenda she put forward (including raising VAT from 16% to 18%, a reduction in unemployment insurance contributions, extending the period of operation of nuclear power plants, reducing bureaucracy and consolidating the budget until 2013) was waged by both Chancellor Schröder and the Green Party leader Joschka Fischer, who at that time was the Minister of Foreign Affairs. She was also attacked by Gregor Gysi and Oskar Lafontaine from the emerging Left Party, who were in conflict with Schröder and Fischer. They all ruthlessly capitalised on an error in the CDU's campaign, namely the failure to transparently present the planned tax changes, which were crucial from the voters' point of view.<sup>10</sup>

<sup>8</sup> While the majority of the electorate was dissatisfied with the voting results and the resulting political stalemate, this still was their conscious choice, not a random emotional decision. According to the survey conducted by Forschungsgruppe Wahlen on 20–22 September 2005, if the elections had been held a week later, no party would have been able to significantly change their result (SPD 35%, CDU/CSU 37%, other parties approx. 8% each).

<sup>9</sup> The results of the remaining parties: FDP 9.8%, PDS 8.7%, Green Party 8.1%, NPd 1.6%, others 2.3%. To elect a chancellor and form a government, an absolute majority (308 of the 614 delegates' votes, also known as a 'chancellor majority') was required.

<sup>10</sup> The confusion about the CDU's proposals in the area of taxes arose as voters were unable to make a clear distinction between the private opinions of the CDU's key financial expert during the election campaign (Prof. Paul Kirchhof, the head of the Institute for Public Finance and Tax Law in Heidelberg) and the CDU's actual agenda. The difference was fundamental. Kirchhof was in favour of introducing a flat tax at the level of 25%, while the CDU proposed a reduction of the tax levies, a three-tier tax system and the cancellation of numerous forms of tax relief.

Schröder immediately accused the Christian Democrats of excessive liberalism and ‘social insensitivity’, and the CDU was unable to extricate itself from the impasse and convince voters. Instead, it pointed to an evident over-interpretation of the facts by its political opponent.

The Merkel-Schröder television debate on 4 September 2005 became a turning point in the election campaign. The debate was watched by almost 21 million viewers. Merkel was considered well prepared, self-confident, matter-of-fact and focused but, despite the high substantive evaluation of the duel, most TV viewers assessed Schröder as a better speaker, a more competent and nicer person, and thus a better candidate for the chancellor’s office.<sup>11</sup> Public opinion polls indicated that the German public expected a change and a conservative-liberal government, i.e. the CDU/CSU-FDP coalition, but paradoxically saw Gerhard Schröder representing the political left as the chancellor.

**As regards the Christian Democrats’ campaign**, their poor final result was an effect, in addition to the abovementioned staffing mistakes, of a miscalculation on the part of their electorate. The German public wanted a change in their country and a coalition of the Christian Democrats and Liberals to be formed, but the way they voted caused the CDU achieve a worse result during the vote on 18 September 2005: though they cast their first votes for a CDU candidate, their second vote was usually for the FDP (voters in Germany have two votes: for a given person and for a party list).

Angela Merkel’s advisors followed a recommendation proposed by spin doctors, namely: using themes from Hollywood films and presenting Merkel with reference to the Cinderella theme. This turned out to be a very good move during the Christian Democrats’ campaign. This social

<sup>11</sup> The TV debate had a clear impact on the pre-election polls. According to the Forsa polling institute, 48% of the electorate declared that they would like Schröder as chancellor, and 31% (3% less than before the ‘duel’) supported Angela Merkel.

engineering trick was supposed to work because it was based on the archetype of a woman who achieves something that others think she has no chance of doing, but what the public believes she deserves.

Merkel lacked charisma and was accused of a few major mistakes, but she did show her strengths during the campaign, such as nerves of steel, clout, the analytical mind of a scientist and brilliant retorts to the point. The TV show on election night, during which Schröder attacked journalists, accusing them of promoting the CDU and suggesting the party would win a sweeping victory, became legendary. He also claimed that it was he who had been tasked by the citizens with forming a government, because if the CDU's and the CSU's votes had been counted separately, the SPD would have been the strongest parliamentary grouping. He also reminded viewers that he had performed better than Merkel in popularity polls. The future chancellor reacted calmly, but she was also forced to face exotic proposals, such as sharing the chancellor's office and splitting the term into two consecutive two-year governments: hers and Schröder's.

The stalemate that had lasted since the announcement of the results was dragging on. The election arithmetic showed that four coalition variants could be considered. Ultimately, the most likely scenario came to pass. The strongest alliance, i.e. one that had won the largest number of seats, was formed by the CDU/CSU and the SPD, and Angela Merkel became the head of government.



## II. POLITICAL LESSONS FOR FOUR TERMS IN OFFICE

**For Merkel, the efforts to be elected chancellor and the possibility of creating a cabinet were the game that decided on her political existence. She won this difficult struggle and very quickly learned the lessons she faced both throughout the 2005 campaign and during the first months of her government. These conclusions were the pillars of Merkel's system of governance. Although she was frequently criticised for this, she had adhered to these principles throughout her political career, both at home and abroad. Selected 'Merkelisms', the conclusions she made during the several months at the turn of 2005-2006 that formed the *modus operandi* of her rule are listed below.**

### **Keep your cards close to your chest**

The high degree of frankness with voters in presenting reform plans, especially regarding taxes, did a lot of harm to the Christian Democrats, and especially Angela Merkel, during the election campaign. She tried to never make this mistake again. This lesson was the origin of what later was known as 'Merkeling' and 'sitting out decisions', i.e. the negotiating style she applied both at home and at the European forum. It was characterised by refraining from presenting any solutions until all those concerned – both opponents and supporters – had expressed their opinion. Only then (often with an excessive delay) was the chancellor willing to articulate her own opinion and make a decision. As a result, Merkel was accused (and often with good reason) of being a reactive politician, with no agenda of her own, who only followed the opinions of others and who, moreover, responded to events in a cautious manner and mainly to defend German interests.

Merkel's style of governance has often been referred to as 'presidential', since she has assumed the position of a supra-party authority who refrained from engaging in individual discussions. Those who liked

this style emphasised that this way of exercising power made sense in times of great changes and crises happening one after another at an unprecedented pace. She had to constantly seek majorities that would make it possible to make decisions in order to manage, maintain power or work out compromises on the international arena.

### **Do not apologise, do not claim responsibility for failures in public**

Soon after the election in autumn 2005, numerous critical opinions about the CDU leader and the style in which she conducted her campaign leaked from party insiders to the press. Nevertheless, she managed to convince her party that it was wiser to raise their arms in victory than to claim responsibility in public and analyse the errors. The aim was to show political opponents unity among the Christian Democrats, and at the same time to consolidate the CDU internally, which was important as the government coalition negotiations were approaching. Merkel garnered 98% support in the vote on the candidate for chairperson of the new CDU/CSU parliamentary grouping.

She continued to adhere to this strategy throughout the entire period of her rule, up to the pandemic crisis,<sup>12</sup> and she did so despite the appeals, especially from the Christian Democrat youth association, to claim the responsibility for and draw conclusions from failures and mistakes made during successive election campaigns, the eurozone crisis, and especially the migration crisis.

<sup>12</sup> During the pandemic crisis, the chancellor's public apology for the hasty decision to tighten the lockdown during Easter and its subsequent withdrawal made a huge impression. An already forgotten event of 2018, cancelling the decision to grant a promotion to a controversial former head of counterintelligence, could also be viewed as a kind of apology. See: 'Merkel räumt Fehler im Fall Maaßen ein', Süddeutsche Zeitung, 24 September 2018, sueddeutsche.de.

## Keep a cool head during reshuffles and eliminate competitors

During the struggle for the chancellorship after the 2005 election, Schröder made groundless demands that it was he who should be tasked with forming a new government. Furthermore, his aides were pushing forward ideas for resolving the situation that would have depreciated Merkel's position. One of them was the proposal that he would withdraw from the struggle on condition that Merkel also resigned. They suggested that the Christian Democrats should instead nominate, for example, the popular Minister President of Lower Saxony Christian Wulff, the Minister President of Hesse Roland Koch, or the widely respected Wolfgang Schäuble. The offer was rejected as a result of discussions undertaken by other politicians, while no harsh reaction followed from Merkel. As for the CDU activists mentioned at the time, they were all Merkel's rivals inside the party. However, the presented list is far from complete.<sup>13</sup> If we take a closer look at their political career, we can recognise the chancellor's characteristic style of disposing of internal competition. She almost never allowed herself to participate in a fiery argument in public (one exception was the moment of taking power in the CDU in 2000, when she attacked her former chief Chancellor Helmut Kohl, and later Wolfgang Schäuble in connection with the CDU party financing scandal). She had different ways of getting rid of her rivals: waiting for a politician's mistake (e.g. Roland Koch suffered a defeat after the disastrous election campaign in Hesse and left politics for the world of business), supporting their promotion (e.g. Christian Wulff to the presidency of Germany) or marginalising them (e.g. by appointing a commissioner to Brussels, as was the case with Günther Oettinger). Another interesting aspect of Merkel's tactics is the fact that during the four terms of her

<sup>13</sup> The so-called *Andenpakt*, allegedly consisting of initially 12 (the number subsequently increased) Christian Democrats, supporting each other's careers and not competing for positions, is known best of all. Only men, activists of the Christian Democratic youth association, were thought to belong to the pact which was established in 1979. Until now, only West German and mostly Catholic men can belong to the club. The list of its alleged members largely overlaps with the list of those who have opposed Angela Merkel on many issues over the years.

rule, the only minister she dismissed and fired from her cabinet was Norbert Röttgen (Minister for the Environment). Others stepped down on their own or as a result of behind-the-scenes negotiations.

### **Take baby steps, both in conducting all negotiations (including coalition talks) and in carrying out reforms**

Probing talks between the CDU/CSU and the SPD on the formation of a government in 2005, as well as other talks with various partners over 16 years, showed the difference between Merkel's and Schröder's governance styles. Her predecessor used to give orders in a raised voice, end discussions with his favourite phrase 'basta' or threaten he would step down, while Merkel accepted the existing conditions and context, and acted within them, adapting to the situation. She stuck to a similar strategy throughout her entire career: planning and implementing reforms or other political decisions adequately to both political and public support. Although she often had an overwhelming advantage over the other side, she tried to avoid pushing her plans by force or humiliating competitors or opponents in public.

### **Apply the principle of asymmetric demobilisation and cherry-pick popular topics from other parties**

Another conclusion Merkel made after the 2005 election that had a bearing on her the way she subsequently governed the country was the fact that it is necessary to develop those topics that have already been presented and pushed by other parties, and which the public supports and defines as being important. The unexpectedly good results of the SPD and the Greens (their combined result was over half of the electorate in 2005) prompted her to adopt this strategy.

This approach resulted in shifting the Christian Democrats' political manifesto to the left of the political scene and their domination in the centre and, at the same time, in demobilising the voters of other

mainstream parties by implementing their demands. The introduction of a minimum wage, dual citizenship, a professional army and energy transformation were the ideas proposed by the left-wing. Merkel, however, endorsed their implementation, and her lack of attachment to traditional Christian Democrat positions and a pragmatic or even opportunistic approach to modifying them often caused irritation within her own party. She was famous for her saying “Mal bin ich liberal, mal bin ich konservativ, mal bin ich christlich-sozial – und das macht die CDU aus” (“Sometimes I’m liberal, sometimes conservative, sometimes Christian-Social – that’s what the CDU is like”).

The strategy of asymmetric demobilisation also required searching for and the constant use of the most reliable opinion polls, which also became a hallmark of Merkel’s style of governance. Awareness of the importance of polls was also a lesson she learned from the botched campaign of 2005. The failure of public opinion research institutes, which did not predict the CDU’s poor performance or even the dynamics of the changing trend, had painful consequences for the Christian Democrats. Later on, Merkel would verify the results of such polls during regular confidential meetings with selected journalists.

### **Use the international arena to build your own position and popularity in domestic politics**

The first 100 days of the grand coalition’s operation provided a foretaste of Merkel’s behaviour on the international arena during her further political career. Her diplomatic offensive in the first days and weeks after taking office in 2005 met with enthusiasm in Germany and among foreign partners. What was most appreciated at home was her calm, pragmatic and above all – as the Germans saw it – sovereign attitude presented during subsequent visits to other countries and European summits.<sup>14</sup>

<sup>14</sup> During the first meetings in Paris, Brussels, London and Washington, Merkel managed to signal her will to improve transatlantic relations, strained by Chancellor Schröder. Nevertheless, she spoke clearly in conversations with Condoleezza Rice

German citizens still, 16 years later, value their chancellor for representing their country in this manner.

Merkel had a dominant position in the most important foreign policy issues and presented herself as someone who had the final say in international affairs.<sup>15</sup> She strove to regain the widest possible room for manoeuvre. For example, she managed to loosen the overly close ties her predecessor (the Paris–Berlin–Moscow axis) had built with France and Moscow, and at the same time she promoted a cautious rapprochement with the US and hinted that she would take the role of mediator in the EU between the ‘old’ and the ‘new’ Europe.

and with G.W. Bush, for example, against the Guantanamo Bay camp. Similarly – in talks with President Vladimir Putin – she referred to the differences in the German and Russian assessments of the situation in Chechnya and the North Caucasus.

<sup>15</sup> The number of the Chancellery’s employees has increased significantly under Merkel. As a result, it turned into a command centre in foreign and European policy (pursuant to Article 65 of the Constitution). This entailed the need to expand the office building, which has raised a lot of controversy due to high costs. See: C. Prantner, ‘Das «Kohlosseum» wird erweitert: Die Ausbaupläne für das Kanzleramt widersprechen dem zweckmässigen Auftritt der Berliner Republik’, Neue Zürcher Zeitung, 12 October 2020, nzz.ch.

### III. ALL THE CRISES OF ANGELA MERKEL

**Merkel and Germany came away unscathed from each of the crises they have faced together, starting with the financial crisis in 2008, which turned into the euro crisis, through the catastrophe in Fukushima, Russia's war with Ukraine, the migration crisis and finally the pandemic. Furthermore, Merkel continued winning elections after the crises, while her counterparts from other countries lost their positions. Each of the impasses presented below was dealt with by the chancellor, using the 'Merkelisms' described above (among other instruments) and each was a test of the strength of her system of governance.**

The strategy of taking baby steps and making decisions suited to both political (in the Bundestag or the European Council) and public support were applied, for example, during the euro and the pandemic crises. This strategy, as well as the principle of not disclosing her views, served to implement Merkel's highest priority in politics – effectiveness. The emphasis on this often led (e.g. during the euro, migration and pandemic crises) to presenting solutions developed at the German Chancellery or other bodies of the executive branch (including at the European level) as no-alternative solutions (German: *alternativlos*). The principle of not publicly claiming responsibility for any failures and mistakes was most clearly visible during the migration crisis. Picking up popular topics from other parties was, in turn, noticeable, for example, during the crisis caused by the Fukushima nuclear disaster and in the case of the decision to withdraw from the consent to extend the period of operation of nuclear power plants in Germany, which was strongly supported by the German public.

**However, Angela Merkel earned her success not only by applying the *modus operandi* which she developed (including mainly the ability to modify her position and adapt her actions to the existing conditions). Another major element of her system of governance was**

**her skill at ‘reading the needs of the Germans’, not all of them but of a majority sufficient to win the next election. Below is presented a review of the crises she needed to deal with, mainly in terms of her reaction and the manner in which she responded in these situations to the needs of the German people or the German state.**

## **1. Merkel is saving our money**

### **The financial crisis**

The bankruptcy of the US bank Lehman Brothers in September 2008 and the collapse of the mortgage market plunged the global economy into a financial crisis. In 2009, German GDP shrank by nearly 5%. Over the next years, German taxpayers and savings owners contributed to the rescue of a number of landesbanks (federal state banks), such as Bayern LB, and even private ones such as Hypo Real Estate (which in 2009 became the first bank to be nationalised in the post-war history of Germany), since funds from the German federal budget were used for this purpose. The Merkel-led government decided to introduce two economic packages – in November 2008 and January 2009 – and, despite the opposition’s protests, a bonus for scrapping old cars and buying new ones, which was expected to save the automotive industry. In summer 2009, the ‘budget brake’ principle was added to the German Constitution, binding for both the federation (from 2016) and the federal states (from 2020) and obliging them to pursue a balanced budget policy and not to take on debt.

The most memorable picture seen at the beginning of the crisis in Europe in October 2008 was the speech given by Chancellor Angela Merkel and Minister of Finance Peer Steinbrück, which took less than two minutes. At that time, they assured citizens that their savings were safe and that those guilty for the crisis would be punished. The so-called ‘Merkel



guarantee' prevented the highly probable scenario of a financial meltdown caused by a run on the banks and ATMs. The citizens, who trusted Merkel, remained calm. This guarantee was not legally binding (Germans had EUR 2.2 trillion in banks at that time!).<sup>16</sup> However, it brought the desired effect thanks to citizens' trust in the state, from which such a declaration was expected. Paradoxically, the German chancellor initially stigmatised the Irish government for announcing a similar guarantee, but later on she ignored the harsh criticism that her 'unilateral act' (*Alleingang*) faced from finance ministers from other EU countries (especially Austria and the United Kingdom).

Merkel's ability to read citizens' expectations was also evidenced by the fact that although experts and the opposition accused her cabinet of being sluggish in managing the crisis, and the media reported that she was slowing down Britain's and France's search for common European solutions, the citizens were grateful that the chancellor did not agree to the establishment of a European economic government, and initially even to the launch of EU anti-crisis packages.<sup>17</sup> During the election that was held in autumn 2009, European and foreign policy did not play a special role, and Merkel – despite a slight loss of support for the CDU – strengthened her power both in the party and as the German chancellor.

## 2. The euro crisis strengthens Merkel and Germany

### The euro crisis

The global financial crisis, the real estate bubbles and financial services bubbles, and over-indebtedness in the public and private sectors in some EU countries (especially in southern Europe) led

<sup>16</sup> C. Neuhaus, '„Wir sagen den Sparerinnen und Sparern, dass ihre Einlagen sicher sind“', *Der Tagesspiegel*, 5 October 2018, tagesspiegel.de.

<sup>17</sup> For more detail on how both the financial and the eurozone crises were developing, see: B. Koszel, 'Niemcy wobec kryzysu finansowego strefy euro państw Unii Europejskiej', *Rocznik Integracji Europejskiej* 2011, no. 5, pp. 111–129.

to a decline in confidence in the markets. Drastic austerity programmes were then introduced to save the budgets and economies of the affected countries. Greece became the biggest and the first victim of the crisis in 2009 (later it also hit Portugal, Spain and Ireland). The instability was exacerbated by the monetary union in the eurozone (which made it impossible to change exchange rates and interest rates) and its structural flaws caused its member states to develop at an uneven pace already before the crisis. The creation of joint banking supervision of financial institutions operating in the EU and EU deposit guarantees were viewed as a recipe for a crisis. Eurobonds issued by the eurozone, which would guarantee cheaper loans for indebted countries, were refused by Germany (and others), referring to the provisions of the EU Treaty regarding the under-financing of member states (the no-bail-out clause). Common bonds would also require the strengthening of financial supervision and reforms in the member states to balance public finances. Ultimately – due to inaction or insufficient action from the community and individual member states – the eurozone was saved by the European Central Bank (ECB). Its boss, Mario Draghi, assured in 2012 (during the second wave of the crisis) that the ECB would do “everything to save the euro” (ergo, if necessary, would buy the bonds of indebted countries). This signal was well understood by the financial markets – Draghi’s statement led to a rise in stock exchanges, stabilised the situation, and even Greece managed to remain in the eurozone.

Merkel used a fairly populist phrase for the first time when addressing the Bundestag in spring 2010: “Scheitert der Euro, dann scheitert Europa”<sup>18</sup> (“The collapse of the euro means the collapse of Europe”). They became her most famous words from this period. Despite such

<sup>18</sup> See: [Angela Merkel’s speech at the Bundestag on 19 May 2010](#), Deutscher Bundestag, bundestag.de.

apocalyptic rhetoric, in this crisis, too, Merkel initially did what voters expected of her. She was very reluctant to provide assistance and delayed making decisions on loans to indebted states. While saving the eurozone, she was focused primarily on demanding the indebted countries introduce austerity measures (including sanctions for excessive indebtedness) and carry out drastic reforms. Other politicians, e.g. Wolfgang Schäuble, did not rule out removing Greece from the eurozone or punishing it by depriving it of a vote in the EU institutions. There were also populist and arrogant statements about lazy Greeks and reducing their country's debt by selling their islands or about providing aid only on condition that their gold reserves were pledged.

Although some German voters liked such rhetoric and, in 2013, the indignation provoked by considering offering aid to southern European countries contributed to establishing the Eurosceptic party Alternative for Germany (which garnered considerable support), politicians realised that Greece and other eurozone countries had to be saved. Greece's bankruptcy or expulsion from the eurozone (de facto from the EU, because there was no other legal way) would have primarily affected German and French banks because Greeks owed money to these banks. This would have also created a risk of destabilising the currency, which would be harmful for Germany as a powerful exporter.

The decision of the President of the ECB, which outraged Merkel and other German politicians so much, paradoxically made her work easier. Since the European Central Bank, which was supposed to protect the stability of the currency, had misused its powers and its head had announced the purchase of bonds, the chancellor did not have to explain her position to the Bundestag again and seek MPs' support for aid packages for Greece. Ultimately, the weakening of the euro, as well as the favourable international environment, including the falling interest rates on bank deposits, contributed to improving the economic situation in Germany significantly. There was a rapid increase in exports,

especially to the US and China, and German state bonds became (and still are) the most popular on the financial markets.

The way the eurozone crisis unfolded was also important in political terms. Its outbreak marked the time when Angela Merkel (and a large part of her voters) started to doubt that European Union institutions could provide a solution in times of crisis and were conducive to development. This was demonstrated during the inaugural speech at the College of Europe in Bruges when the 'Union method' was presented as a new way of effectively managing the EU.<sup>19</sup> Merkel then showed that, in addition to tightening integration by introducing new institutional solutions to stabilise the EU financial system and facing capital markets (reform of the Stability and Growth Pact, European Stability Mechanism, fiscal treaty, the unfinished banking union concept), she also saw the need to enhance the significance of the European Council and the voice of the member states. She therefore de facto admitted that those who are politically accountable to voters should have a greater say than community institutions (such as the European Commission and the European Parliament) on decisions taken in the EU. Although some time has passed since then, the crises that followed the financial crisis and the eurozone crisis, especially the most recent pandemic crisis, have shown that the principle of complementary action of community institutions and governments of the member states which Merkel presented at that time is still on point and increasingly desirable, partly because it reflects reality – a political union with a strong position for the European Parliament and the European Commission still does not exist. While decisions taken in the wake of the pandemic crisis (such as the creation of the Next Generation EU common reconstruction fund) may change this, it will be a slow and complicated process.

<sup>19</sup> M. Cichocki, 'Władza w czasach kryzysu', *Kryzys Unii Europejskiej*, Ośrodek Myśli Politycznej, Kraków 2012, as in: [niezniknelo.pl](http://niezniknelo.pl).

### 3. The climate chancellor and opponent of the energy transformation in one person

#### The Fukushima disaster

In March 2011, after the earthquake and tsunami, Japan's Fukushima I nuclear power plant was damaged and leaked radioactive substances. Immediately after the disaster, 8 out of 17 reactors operating in Germany were shut down as a result of a decision by the German government. In May the same year, it was decided that nuclear power plants would be permanently shut down. On 30 June 2011, the Bundestag voted for a complete nuclear power phase-out in Germany. It was announced that the remaining reactors (with a total capacity of over 20 GW) would be shut down by the end of 2022.

Despite the results of polls, which showed that 64% of Germans were against nuclear energy at the time, and 56% wanted an immediate discontinuation of using nuclear power for energy production, some people, including prominent German figures and experts, questioned the decision.

The German public reacted more hysterically to the failure of the Fukushima power plant than in any other European country. A hasty decision to discontinue the usage of nuclear power was made<sup>20</sup> under the pressure of street demonstrations. The decision was not preceded by consultations with EU neighbours and partners, or even by reliable calculations at the federal level and a consideration of the short-, medium- and long-term consequences for Germany's economy and international position. A very important campaign was taking place at that time ahead of the

<sup>20</sup> In principle the country merely returned (at an accelerated rate) to the nuclear phase-out which it had planned in 2000 but stepped back from in 2010.

election to the parliament of Baden-Württemberg, which was crucial for the German Christian Democrats. Despite Chancellor Merkel's decision, the CDU did not manage to win some of the votes that were cast for the Green Party, and the Greens' representative became the minister-president of this federal state for the first time in history. In retrospect, the political calculation to follow the voice of the public paid off in the medium term. The Greens were gradually losing poll support, and their biggest problem was the loss of a significant part of their political identity to the CDU. Not only could Merkel be the *Klimakanzlerin*<sup>21</sup> again, as at the beginning of her political career, she also stopped the decades-long dispute over nuclear power that had divided German society. The Greens have only been strengthening their position since 2018, partly because they have consistently maintained environmental and climate protection as a flagship point of their political agenda, while the Christian Democrats have had an ambivalent attitude to this topic.

The decision on Germany's accelerated and complete nuclear power phase-out that was made in 2011 entailed a radical reconstruction of the German energy system and intensified investments in renewable energy and a low-carbon economy as part of the energy transformation (*Energiewende*).<sup>22</sup> This step was not, however, dictated solely by emotions and 'survey democracy'. Merkel also presented the *Energiewende* project as an economic strategy aimed at maintaining Germany's high position in international trade through the export of green technologies, ensuring employment growth and making Germany independent of the import of energy resources, including imports from Russia.

<sup>21</sup> In 2007, Merkel, who hosted the G8 Summit, announced that climate change was a key challenge for humanity and appealed for efforts to be pooled to protect the climate and reduce CO<sub>2</sub> emissions. Then the German press branded her the 'climate chancellor'.

<sup>22</sup> For more on the beginnings of this stage of the German energy transformation, see: A. Kwiatkowska (ed.), *Germany's energy transformation. Difficult beginnings*, OSW, March 2013, [osw.waw.pl](http://osw.waw.pl).

In retrospect, the project is viewed as controversial, to say the least.<sup>23</sup> This is especially true of the methods and timing of its implementation. One of the benefits is the impressive increase in the share of renewable energy sources in electricity production in Germany. For example, throughout 2020 on numerous occasions it exceeded 50%. However, Germany spent a disproportionately high amount<sup>24</sup> on supporting renewable energy in comparison to other industrialised countries and the results achieved. At the same time, the country is failing to meet its climate goals, is still dependent on the import of raw materials, electricity prices for individual consumers are rising, and the billions in damages for the corporations that owned nuclear power plants are still painful for the budget.<sup>25</sup> Moreover, opinions are emerging that Germany will only be able to meet the schedule of climate goals, both those set by itself and within the EU, if it uses nuclear energy.

Also in this case Merkel responded to the needs of her voters. On the one hand, Germany is perceived by global public opinion as it promotes itself – as a leader in environmental and climate protection and as a brave pioneer in the energy transformation.<sup>26</sup> On the other hand, Merkel's successive cabinets have respected the interests of the domestic economy (or, according to opponents, have succumbed to pressure from the industrial lobby). As a result, Germany not only has problems with the effectiveness of reducing its emissions, but also adopts a precautionary attitude at the EU level, where it is hampering an ambitious climate policy.

<sup>23</sup> M. Kędzierski, 'Niemcy: Federalny Trybunał Obrachunkowy krytycznie o realizacji Energiewende', OSW, 1 April 2021, [osw.waw.pl](https://osw.waw.pl).

<sup>24</sup> K. Pittel, H.-M. Henning, 'Was uns die Energiewende wirklich kosten wird', Frankfurter Allgemeine, 12 July 2019, [faz.net](https://faz.net).

<sup>25</sup> For more information on this issue, see: M. Kędzierski, R. Bajczuk, *The leader is gasping for breath. Germany's climate policy*, OSW, November 2020, [osw.waw.pl](https://osw.waw.pl).

<sup>26</sup> A striking example was found in the study of the mutual perception of Italians and Germans. 71% of Italians believe that Germany is meeting its climate goals, although this is not true. At the same time, Italy does meet its climate goals but 70% of both Germans and Italians believe it does not. See M. Braun, F. Malter, T. Mörschel, *Fragile Freundschaft. Eine Meinungsfrage zu den deutsch-italienischen Beziehungen*, Friedrich-Ebert-Stiftung Italien, 2021, [italia.fes.de](https://italia.fes.de).

The country is now labelled as a brake on progress.<sup>27</sup> Before the next parliamentary elections in autumn 2021 and, considering the continuing electoral success of the Green Party and the pressure of the public opinion, the Christian Democrats were forced to revise their approach to this issue.

#### 4. “We depend on each other”.<sup>28</sup>

##### **The political dialogue and economic cooperation**

###### **The annexation of Crimea and the Russia-Ukraine war**

After Russia invaded Crimea at the end of February 2014, proclaimed its annexation in March and initiated the armed conflict in Donbas, Angela Merkel became engaged in resolving the conflict in line with Germany’s declarations of increasing involvement on the international arena.<sup>29</sup> The German government condemned Moscow’s breach of international law, the violation of the principle of Ukraine’s integrity and sovereignty, and supported the imposition of political and economic sanctions on the Russian Federation. Germany was strongly engaged in negotiating the Minsk I and Minsk II agreements.<sup>30</sup> The Normandy Format Summits, where Germany plays a key role, are held fairly regularly in order to resolve the conflict, but the desired compromise has not yet been found.<sup>31</sup>

<sup>27</sup> F. Simon, ‘Deutschland torpediert ambitionierte EU-Energieziele’, Euractiv, 12 June 2018, [www.euractiv.de](http://www.euractiv.de).

<sup>28</sup> Angela Merkel’s interview for ARD TV on 24 August 2014.

<sup>29</sup> Voiced by both President Joachim Gauck and other German politicians. Cf. the speeches at the Munich Security Conference (‘Speeches at the MSC 2014’, [security-conference.org](http://security-conference.org)) and the coalition agreement of the CDU/CSU-SPD government of 2013.

<sup>30</sup> S. Kardaś, W. Konończuk, ‘Minsk 2 - a fragile truce’, OSW, 12 February 2015, [osw.waw.pl](http://osw.waw.pl).

<sup>31</sup> K. Nieczypor, P. Żochowski, ‘A possible escalation in the tension in Donbas’, OSW, 19 March 2021, [osw.waw.pl](http://osw.waw.pl).



Angela Merkel saw Putin's attack on Ukraine as a fulfilment of his imperial ambitions and the pursuit of propaganda success on the domestic scene at any price. The opinion that Russia had violated international law was also widely shared by other politicians in Germany and the German public. From the beginning of the conflict, however, there was no consensus in Germany as to how to deal with the aggressor. Depending on the degree of leniency towards Moscow, politicians presented various positions on this issue. These divisions did not coincide with party affiliation, and opinions were extremely divergent. These ranged from respecting "Russian interests in Ukraine", "the need of Russian political involvement", appeals to suspend the sanctions against it and calls for peace, to proposals to oust it from the G8 and increase the scope of sanctions.<sup>32</sup> German society was also divided. Immediately after the outbreak of the conflict, a significant percentage of respondents positively assessed the foreign policy of the grand coalition led by Merkel and, more broadly, the entire West (60%), including condemnation of Russia (67%). The overwhelming majority of Germans also supported the announced aid to Ukraine (72%). However, due to the fear of Russian retaliation after the imposition of the Western economic sanctions, the majority of German society (58%) rejected this form of exerting pressure on Russia to change its policy, opposed its international isolation and supported direct talks with Putin (82%), according to a survey carried out in March 2014 by the polling centres Emnid, TNS and Infratest dimap. It is worth noting that, over time, the longer the conflict lasted, the percentage of German respondents in favour of lifting the sanctions against Russia grew.

<sup>32</sup> For more details on the divides, see: A. Kwiatkowska, K. Popławski, 'The German reaction to the Russian-Ukrainian conflict – shock and disbelief', *OSW Commentary*, no. 132, 3 April 2014, [osw.waw.pl](http://osw.waw.pl); A. Ciechanowicz, 'Russia is driving a wedge into Germany', *OSW*, 26 November 2014, [osw.waw.pl](http://osw.waw.pl) and the bizarre letter from 60 German politicians, economists, people of culture and scientists, calling for peace and not blaming Russia for the conflict: '„Wieder Krieg in Europa? Nicht in unserem Namen!“', *Zeit Online*, 5 December 2014, [zeit.de](http://zeit.de).

Consistently following one of the main principles of German policy, Merkel rejected the use of threats of military solutions and opted for diplomacy. From the very beginning of the conflict, her priority was to stop the military operation (in order to avoid casualties). Germany, as had been the case many times before, tried to play the role of an intermediary and mediator. When Merkel took actions that went beyond this framework of activity, she kept in mind the above-mentioned deep and difficult divide over the issue of policy towards Moscow. On the one hand, she took steps to prevent Russia's isolation, supported the continuation of dialogue and sought to include it in cooperation, especially in shaping international security (because only this way, she argued, could the conflict in Ukraine be resolved).<sup>33</sup> She also then supported the construction of the Nord Stream 2 gas pipeline and continues to lobby for this (the companies involved signed the contract with Gazprom in September 2015). Moreover, mainly to avoid creating tension between Russia and the West, the German government has consistently opposed the deployment of permanent NATO bases in Poland and the Baltic states (despite assurances of solidarity and understanding of their concerns). This position was also supported by the majority of Germans, and in a survey of April 2016 it turned out that 57% of respondents were against helping these countries in the event of Russian aggression (31% of respondents were in favour). On the other hand, Merkel not only opted for consistently maintaining the sanctions against Russia, but also – believing that the Russian Federation was an increasingly erratic and destructive partner – she allowed a significant change in security policy and in 2016 accepted the strengthening of NATO's eastern flank,<sup>34</sup> including the involvement of Bundeswehr soldiers, despite the resistance of the Social Democrats and a section of the German public.

<sup>33</sup> Cf. Merkel's numerous speeches from this period, including at the Bundestag (e.g. on 26 November 2014) and on the occasion of the 25<sup>th</sup> anniversary of the Krzyżowa Reconciliation Mass.

<sup>34</sup> J. Gotkowska, additional research by P. Szymański, T. Dąborowski, 'NATO's Eastern Flank – a new paradigm', OSW, 13 July 2016, [osw.waw.pl](http://osw.waw.pl).

## 5. “We can do it” – the moral imperative and the needs of the labour market

### The migration crisis

At the beginning of September 2015, Chancellor Merkel decided not to close the border with Austria and to lift the Dublin III procedure in order to allow refugees and migrants who, after passing the so-called Balkan route, began to gather in Hungary. Organisational problems quickly arose in the federal states, especially in those located close to the state border, and in local governments there. Merkel began to receive heavy criticism for encouraging migrants to come to the country not only through a one-off permit to admit refugees from Hungary, but also due to her assurances that Germany respected international law and the principle of unlimited access to the right to asylum.

The remarkable mobilisation of administrative resources at all levels of the federation and federal states, as well as the assistance and involvement of ordinary citizens, negotiating a deal with Turkey,<sup>35</sup> successive packages of laws tightening the asylum law, lifting the burden off the federal states in the migration crisis and expanding the list of safe countries of origin<sup>36</sup> all made it possible to resolve the acute phase of the crisis. At the federal CDU congress (6–7 December 2016), during which Merkel was re-elected as party leader, she not only provided assurances that the 2015 crisis would never happen again, but also supported the introduction of the statutory ban on wearing the burqa in offices, schools and public transport, and the consistent deportation of foreigners who have been refused the right to stay in Germany.

<sup>35</sup> A. Kwiatkowska, K. Strachota, M. Chudziak, ‘The Ankara-Berlin pact: how to stop the migration crisis?’, OSW, 9 March 2019, [osw.waw.pl](http://osw.waw.pl).

<sup>36</sup> A. Ciechanowicz, ‘Germany: stricter asylum laws’, OSW, 21 October 2015, [osw.waw.pl](http://osw.waw.pl).

Hostile behaviour towards migrants seen previously, including even setting fire to their accommodation in Germany, had a huge impact on Merkel's decision not to close the border. Merkel wanted to improve the tarnished image of Germany, but at the same time she wanted to emphasise the change in her current position, i.e. the distanced attitude to the migration crisis in Europe. This was manifested not only in the lack of response to requests from southern Europe for help<sup>37</sup> but above all in avoiding contact with refugees and institutions where they were staying in Germany. In response to Merkel's initial cold reactions and the rising tide of xenophobic behaviour, the impactful images of chaos at the Keleti railway station in Budapest and the bodies of children who had drowned in the Mediterranean Sea shown in the media, some Germans presented ostentatious hospitality when refugees arrived in Germany. This culture of hospitality (Willkommenskultur) was manifested especially strongly at the railway station in Munich, where migrants were loudly greeted and bestowed with gifts by the locals. This wave of good sentiment, with which Merkel identified herself, was followed by a wave of social resentment and hostility – both towards the chancellor and towards the migrants. This was triggered not only by the incidents on New Year's Eve 2015/2016, when a series of attacks on women by immigrants took place in the centre of Cologne, but also by the resulting public awareness of the scope of censorship or self-censorship of the German media regarding the migration crisis.<sup>38</sup> Chancellor Merkel managed to regain her public confidence only in 2020, when she became engaged in combating the COVID-19 epidemic.

<sup>37</sup> There was a surge in the influx of migrants and subsequent humanitarian disasters, for example in Italy and Greece at the end of the first decade of the 21<sup>st</sup> century. The number of migrants had been increasing for several years, but the beginning of the crisis is considered to be 2015, when a record-high number of 1.2 million asylum applications were submitted in EU countries. According to UNHCR data, the migrants who reached Europe in 2015 were mostly Syrians, Afghans and Iraqis.

<sup>38</sup> See: A. Kwiatkowska, *Strangers like us. Germans in the search for a new identity*, OSW, December 2019, pp. 16–18, [osw.waw.pl](http://osw.waw.pl).

So this crisis also shows how much Merkel's actions were subordinated to her voters' sentiments. When in 2015 the EU asylum law was broken in Germany and it was decided not to send migrants back to the primary EU country of their arrival, the chancellor's main arguments were the following: firstly humanitarian, and secondly economic. Both of these responded to social needs. The first narrative appealed primarily to those for whom the most important thing was to demonstrate a human response and the need to respect human rights, but also invoked the category of the 'moral imperative' and pointed to the obligations arising from German history. The economic narrative, in turn, resonated with those who prioritised the needs of the market, especially in the face of demographic problems and the shortage of labour.<sup>39</sup>

Finding a common identity base for all German citizens is a challenge German decision-makers (as well as the German public) need to face after this crisis. Politicians must find a way to alleviate the identity fears that were escalated by the new migration wave and the anti-refugee campaign waged by Alternative for Germany. This party took advantage of the deep divides existing among the residents of Germany and among the Christian Democrats, thus gaining considerable support, especially in the east of Germany, where it continues to be successful. Bringing society together and making it aware that Germany is irrevocably becoming a migrant and multinational state, as well as coping with this transformation and the emotions associated with it, will allow Germany to maintain its leadership role in the European Union (or will prevent it from achieving this).<sup>40</sup>

<sup>39</sup> *Ibid*, p. 9.

<sup>40</sup> See: A. Kwiatkowska-Drożdż, 'Niemcy i Unia Europejska: kto boi się bardziej? Nowa odsłona German Angst', *Polski Przegląd Dyplomatyczny* 2019, no. 3.

## 6. The blessing of federalism?

**“Basically, similar rules should apply everywhere in Germany. This is what the citizen expects”<sup>41</sup>**

### The pandemic crisis

After the initial shock caused by the rapid spread of the SARS-CoV-2 virus from China (which was characteristic of most European countries), Germany entered the phase of crisis management. In the first stage of the crisis, the ‘blessing of federalism’ was mentioned in most opinions, both in Germany and those originating from abroad.<sup>42</sup> Decision-making and resolving problems at the regional level was reportedly one of the reasons why Germany coped so well with COVID-19. The central government led by Chancellor Merkel began to demonstrate its active engagement in mid-March 2020. She provided assurances of the government’s intensive and coordinated work and close cooperation with the Minister of Health. She also argued that the government was in control of the situation and was focusing on slowing the spread of the virus. The federal government, together with the ministers-president of the Länder, developed joint guidelines that were later announced. These meetings of the most senior authorities – teleconferences between the ministers-president of the federal states and the chancellor – were held regularly at that time. However, public dissatisfaction with the way the federal authorities had managed the crisis began to grow from January 2021. The Health Minister Jens Spahn (the most popular politician in Germany during the first wave) and Peter Altmaier, the Minister for the Economy, were criticised most of all. It was also then that the crisis management in the federal system began to be undermined – it was seen as ineffective and causing chaos.

<sup>41</sup> Angela Merkel’s press conference of 22 March 2020, [bundeskanzlerin.de](https://www.bundeskanzlerin.de).

<sup>42</sup> For more detail on this topic see: A. Kwiatkowska, ‘Federalizm na cenzurowanym. Współpraca i konkurencja między landami w dobie pandemii’, *Komentarze OSW*, no. 343, 10 July 2020, [osw.waw.pl](https://osw.waw.pl).

After a period of withdrawal linked to her announced resignation from running for the chancellorship, Angela Merkel returned to domestic politics on 18 March 2020. Her television speech to the nation made a huge impression, both at home and abroad. In this speech she pointed to the uniqueness of the current challenge – “the greatest one since the end of World War II”. She promised aid for the economy and job protection, and asked citizens to use self-discipline in applying restrictions in their social lives. Her return was welcomed with relief,<sup>43</sup> and she herself showed that she had learnt a lesson during the migration crisis and this time wanted to take care of communication with citizens. The government applied the shortened work programme (Kurzarbeit), i.e. it undertook to pay employees a part of lost gross salary during downtime. It was also decided that small businesses would be provided with loans fully guaranteed by the state and that self-employed freelancers would be helped.<sup>44</sup>

However, dissatisfaction with the work of Angela Merkel and her cabinet,<sup>45</sup> especially the Christian Democrats, began to grow from the beginning of 2021, during the third wave of the pandemic. The allegations concerned the initially overly slow pace of vaccinations (resulting from the lack of access to vaccines and irregularities in how they were ordered at the EU level), the shortage of mandatory masks and tests, months of delay in paying the promised support and the failure to adjust the education system to distance learning. The frustration associated with the prolongation of subsequent lockdowns and the domination of the executive over the legislative branch in decision-making grew, and, consequently, accusations of undemocratic decision-making processes multiplied. It should be noted that the conditions in hospitals and the

<sup>43</sup> Since the beginning of the crisis, support for the government, especially for the Christian Democrats and Chancellor Merkel herself, was growing. In a survey carried out at the end of March 2020, 75% of respondents were satisfied or very satisfied with the government’s work. See: ‘ARD-DeutschlandTREND Extra März 2020’, Infratest dimap, 23 March 2020, infratest-dimap.de.

<sup>44</sup> For more detail on government aid, see: R. Formuszewicz, ‘Wsparcie dla gospodarki UE w kryzysie pandemicznym – presja na Niemcy’, OSW, 24 April 2020, osw.waw.pl.

<sup>45</sup> For more, see: *Monitor OSW: Wybory w Niemczech*, no. 2, 30 March 2021, osw.waw.pl.

general condition of healthcare was good, and the situation in intensive care units was better than in other countries.

In the long run, compromising the principles of democracy will be the most serious post-pandemic accusation that may be brought against the government and Chancellor Merkel herself. During the pandemic, most decisions in Germany are made by the executive bodies: at the operational level, this means the ministerial crisis headquarters chaired by Angela Merkel and, at the lower level, a similar body led by the head of the Chancellery. Solutions and decisions are made during teleconferences – summits of the ministers-president of federal states with Chancellor Merkel. In the opinion of the German public, starting from March 2020, the federal parliament participated insufficiently in making key decisions concerning the epidemic, where civil and economic rights have been restricted. The president of the Bundestag, the opposition parties, as well as judges and experts have accused the government of failing to conduct a parliamentary debate and reducing the participation of democratically elected representatives in the key decision-making processes. The absence of a fair, transparent public debate where different opinions would not be excluded is also being criticised. The long-term consequences of this state of affairs raise especially strong concerns. Will the executive, having once gained such exceptional powers, want to use them again on the pretext of another higher necessity? It may not be an epidemic, but a climate crisis, for example. Even should these fears subside over time, they will surely contribute to another reform of the federal system. Attempts will be made to answer the question about the extent of autonomy (currently very large) of federal states in such special cases as, for example, an epidemic.

The German approach to European policy may radically change as a consequence of the pandemic crisis. President Emmanuel Macron and Merkel agreed to incur a common debt for the EU on the financial markets and to assume responsibility for the debt, in proportion to the budget contribution. The creation of Next Generation EU, a recovery



package to support the European economy after the pandemic, which was presented in May 2020 by the European Commission (EUR 750 billion in both non-repayable subsidies and loans), coupled with the new EU budget (EUR 1.1 trillion), place a total sum of EUR 1.85 trillion at the EU's disposal.

In order to justify the need to change the German approach to joint indebtedness, Merkel used a narrative known from previous crises, arguing that the situation was special and that the instruments employed should be treated not as costs but rather as an investment in the future. While seeking support, she also resorted to humanitarian arguments and invoked the need for solidarity.

The decisions made in summer 2020 and the measures taken to put them into operation<sup>46</sup> during the German presidency can be viewed as a step towards increasing EU integration. It should be remembered, however, that the dispute in Germany is still ongoing, and differences in the assessment of the instruments transferred to the EU are an element of this dispute. While the Social Democrats and the Greens view the recovery fund based on jointly drawn loans as a step towards a fiscal union, the Christian Democrats still do not want a 'transfer union' or 'communitisation of debt'.

<sup>46</sup> For more information, see: R. Formuszewicz, 'Siły i zamiary. Niemcy na czele UE', *Komentarze OSW*, no. 345, 24 July 2020, [osw.waw.pl](http://osw.waw.pl).

## **IV. MERKEL'S LEGACY. WHAT KIND OF GERMANY IS SHE LEAVING BEHIND HER?**

**When she took power, Merkel had an ambitious plan to get Germany out of the economic crisis, reduce unemployment and strengthen the country's role in Europe and on the international arena. Her Social Democratic predecessor had had a similar plan, but Angela Merkel and her party were expected to perform better. Germany's present economic and political strength seems to prove that they have been successful. There are doubts whether this success will last, especially since both the economic indicators and the public sentiment in the country worsened dramatically when Germany was dealing with the third wave of the coronavirus pandemic.**

### **1. The economic situation**

According to indicators, Germany's economic balance after 14 years of Merkel's rule was a spectacular success before the outbreak of the pandemic. The 2019 statistics looked impressive as regards economic growth, the unemployment rate and national debt, especially as compared to the state the German economy was in when Merkel took power. What was even more impressive was the positive balance in foreign trade – the surplus in 2019 reached EUR 223.2 billion. While social inequality did not decrease significantly, unemployment fell to 3.4% nationwide, annual economic growth since 2005 averaged 1.6% and the budget remained balanced. Public debt did not exceed the 60% limit set in the Maastricht Treaty.

Economic indicators deteriorated significantly as a result of the pandemic. According to the Ministry for the Economy, Germany's GDP fell by 4.9% in 2020, and unemployment has risen: 2.9 million people are jobless (the unemployment rate is expected to reach 6.2% at the end of 2021). In April 2020 alone, as many as 6 million employees were covered by

the short-work programme.<sup>47</sup> **Nevertheless, the German economy is likely to return to growth after the pandemic crisis relatively quickly.** The authors of Bundesbank reports and the government's economic advisers (the so-called group of wise men) have presented optimistic forecasts. They expect a gradual improvement in indicators and economic growth at 3.1% of GDP (it was estimated at 3.7% in February 2021), and they hope that it will reach 4% the next year. The price for this will be an increase in debt and possibly also of the state's share in the assets of companies that received government support. The already high dependence on the Chinese market will grow. This market has recovered most quickly after the pandemic crisis and is providing income for exporters from Germany. As was the case with the financial crisis that began in 2008 and which lasted several years, industry, as the main component of the German economy, will once again help restore the expected growth rate, reduce the risk of unemployment and enable a trade surplus.

**However, the factors that will decide on Germany's further economic development will not be the slump caused by the pandemic but rather the structural problems that have been accumulating throughout Merkel's rule and Germany's unpreparedness for the so-called fourth industrial revolution.** Experts point to lags not only in the development of digital infrastructure or the production of autonomous cars integrated with digital technologies, but also in the digitisation of industry,<sup>48</sup> education and state administration.<sup>49</sup> There are no

<sup>47</sup> In the second quarter of 2020, the Ministry of Finance expected that the public debt, which over the last decade had fallen from 82% to 60% of GDP, would exceed 75% of GDP in 2020, and reach 80% of GDP in 2021. This increase is mainly due to the fact that public budgets have allocated more funds to measures dealing with the pandemic crisis.

<sup>48</sup> K. Popławski, R. Bajczuk, *Industry 4.0. Germany's new industrial policy*, OSW, April 2019, [osw.waw.pl](http://osw.waw.pl).

<sup>49</sup> In their report, advisers to Peter Altmaier mentioned 'dated methods' of work, for example in sanitary departments, where faxes are still in use, and Excel tables are printed and filled in by hand. M. Greive, T. Hoppe, '[Altmaier-Berater attestieren deutscher Verwaltung „archaische“ Zustände](#)', Handelsblatt, 13 April 2021, [handelsblatt.com](http://handelsblatt.com).

companies from Germany or even Europe on the list of the 20 largest digital corporations. The troubles of Germany's flagship sector, the automotive industry, have been widely publicised. It was only recently that German car manufacturers stopped defending combustion engines and discontinued the fraudulent promotion of 'ecological' diesel, and began investing in electric cars. German experts fear that the millions of euros being spent on the recovery of the German economy will be allocated to subsidising industries that have no future and that old-type technologies have been overinvested in. Merkel's successors will have to deal with these problems and other issues, such as: the demographic collapse<sup>50</sup> and negative birth rate, an aging society and the labour shortage, especially of qualified workers. Many small and medium-sized highly specialised German companies will have problems with continuing their operation due to the reluctance of their successors to continue running the firms. Furthermore, their advanced but narrow fields of activity, paradoxically, result in a lack of business and market flexibility. Chancellor Merkel, involved in managing successive crises and focusing on defending the status quo of German prosperity, has failed to prepare the country for the challenges of the future. As a result, it is in a state that can be called 'prosperity stupor'.

## **2. The ideological evolution and the deep conflict inside the CDU**

A section of the CDU's electorate and some party members are dissatisfied with the evolution of the party profile resulting from Merkel's policy. They view the decisions and actions of the governments led by the Christian Democrats (such as the nuclear power phase-out and accelerating the energy transformation, introducing a minimum wage, dual citizenship, and replacing general conscription with a professional army) as manifestations of the party's turn to the left. Christian Democrat conservatives

<sup>50</sup> R. Goldenberg, 'Geburtenrate sinkt, Deutschland überaltert', Deutsche Welle, 31 July 2020, [dw.com](https://www.dw.com).

were also forced to resign from promoting the traditional image of the family. They were expected to support the development of day care facilities for children and to facilitate the sharing of parental care for unmarried couples. In summer 2017, the Bundestag made the historic decision to legalise same-sex marriages after Merkel unexpectedly announced that, while she herself would be against, she was in favour of voting and lifting party discipline in this matter.<sup>51</sup> Opposing same-sex marriage was considered the last bastion of the conservative positions of the Christian Democrat parties, which came under pressure from the public and representatives of other parties, including the Greens and the liberals. These two parties announced that after the election (autumn 2017) they would not sign a coalition agreement with a party that did not agree to liberalisation regarding this matter. Merkel justified her consent to the vote in the Bundestag with the hope of “bringing peace and strengthening social ties”.

**The narrative about the need to take over the political centre in order to maintain power did not appeal to some Christian Democrat voters and activists. Serious divides within the party were caused by the eurozone and the migration crises, and the crisis management methods used were unacceptable to a section of its electorate.**

It was hoped that the situation inside the party would improve after Annegret Kramp-Karrenbauer assumed the post of the CDU's secretary general. She stimulated a debate within the party and announced that the party's demands would be taken into account in the government's work to a greater extent than had previously been the case. When Merkel announced that she would no longer run for leader of the CDU after the electoral defeat of the Christian Democrats in Hesse in 2018, a new start and strengthening of the party were expected. However, the consequences of the policy pursued by the chancellor for over ten years were felt also on that occasion. This time this concerned the staffing

<sup>51</sup> 75 out of 311 members of the CDU/CSU parliamentary club were in favour of equalising the rights of heterosexual and homosexual marriages.

strategy described above and the absence of natural successors and leaders in the CDU who could lead the party.

Those who supported Merkel's strategy were elected as leaders, and criticism was restricted to an emphasis on the need for certain corrections during subsequent party congresses. First Annegret Kramp-Karrenbauer (December 2018) was elected party leader, and then Armin Laschet after her resignation (January 2021). However, any attempts to utilise and bring together the supporters of the conservative turn in the party have been unsuccessful. This faction was represented at both congresses by Friedrich Merz, the former head of the CDU/CSU parliamentary grouping, who had been removed from this position by Merkel in 2002.

**The present election year in Germany will be very difficult for the Christian Democrats.** Personal disputes are not the only factors playing to their disadvantage.<sup>52</sup> The epidemic situation in the country and the decline in support for the actions of the federal government they lead are especially problematic. The position of the FDP and, above all, of the Green Party has strengthened, based on the results of recent elections in some federal states. This may lead to the formation of a tripartite coalition after the elections in autumn 2021, for example, by the CDU/CSU, Greens and the FDP. A similar alliance may as well be formed with the SPD, excluding the Christian Democrats. Therefore, the Christian Democrats must begin thinking of an option where they will find themselves outside the government or in the role of a smaller coalition partner. The future coalition may be led by a chancellor from the Green Party, whose position has been strengthening. It all depends on the economic, health and social ramifications of the third wave of the pandemic, and on slowing the decline in approval ratings before it reaches a pace that is difficult to control.

<sup>52</sup> K. Frymark, 'Armin Laschet kandydatem chadecji na kanclerza Niemiec', OSW, 21 April 2021, [osw.waw.pl](http://osw.waw.pl).

**The real challenge which the German Christian Democrats have to face in the next few years will be whether to cooperate with the AfD, potentially even forming a coalition with them.** The elections in Baden-Württemberg and Rhineland-Palatinate in spring 2021 showed that AfD was struggling with problems. Its support ratings plunged as a result of losing almost a third of their electorate partly due to the leadership conflict, as well as threats it would be subjected to counter-intelligence surveillance by the Federal Office for the Protection of the Constitution. It is striking, however, that – as shown by the data on electorate flows – the CDU did not manage to regain the support of the AfD’s voters that it was especially trying to attract during the election in this federal state. Most of them decided to stay at home again. The AfD has so far derived its strength not so much from taking away the electorate of others, but mainly from mobilising inactive voters. Their views and concerns (about internal and social security or integration problems) will not disappear from the German political scene, but will be re-utilised either by a changed AfD or by another party of this type. To regain an advantage on the political scene for the Christian Democrats and other conservative groupings, the CDU will have to consider cooperating with the AfD; this is advocated by the supporters of the CDU’s conservative wing (WerteUnion). For the time being, however, this is impossible, especially with the AfD as it has been known so far. A study commissioned by the Bertelsmann Foundation and conducted by YouGov shows that nearly 8% of all voters in Germany have a “clear right-wing extremist attitude”, but this percentage is almost four times higher among AfD supporters: almost every third AfD voter has an extreme right-wing worldview.<sup>53</sup>

<sup>53</sup> Respondents were asked to take a stance on statements such as “We should have a leader who rules Germany with a strong hand for the benefit of all” or “the Federal Republic has been dangerously overrun by many foreigners”. Entire study: R. Vehrkamp (senior advisor at the Bertelsmann Foundation), *Populismusbarometer 2020*, Bertelsmann Stiftung, February 2020, [bertelsmann-stiftung.de](https://www.bertelsmann-stiftung.de).

### 3. Changes on the German political scene

**Merkel's political era ends with the final sealing of the changes that have been seen on the German party scene since 2005. Its fragmentation has resulted in the emergence of multi-component coalitions that are already ruling in many federal states.** At the same time, the language of public debate has become tougher (partly as a consequence of the AfD's entry into parliament), and voters reward parties that have a consistent political manifesto, such as the Greens, who are determined to protect the climate.

Both main parties (Volksparteien), the CDU and the SPD, are decreasing in size.<sup>54</sup> In 1990, the Christian Democrats had 790,000 and the Social Democrats had 943,000 members. In 2019, these figures had shrunk to 406,000 and 419,000, respectively.<sup>55</sup> The SPD is struggling with the legacy of 'Agenda 2010' reforms and a permanent leadership crisis. The Social Democrats, who ruled the country in coalition with Angela Merkel for three terms, were gradually losing support, and now the Green Party is constantly ahead of the SPD in the rankings. The present Social Democratic candidate for chancellor, Olaf Scholz (Finance Minister in Angela Merkel's government), will have a problem distancing himself from the actions of the coalition government, but he will certainly do so in the election campaign. In order to strengthen its position, the SPD could in future join forces with the Left Party (die Linke), a grouping that used to be its opponent because it was recruited from those exiled from the SPD ruled by Schröder and his successors and from the post-communist PDS. For now, however, this scenario is rather unrealistic. The Left Party is suffering from a leadership crisis and the lack of a coherent political manifesto capable of bringing all the factions of the party together, and seems to be on the brink of disintegration. Finally, despite the current

<sup>54</sup> A. Ciechanowicz, 'Predictability lost: the German political scene after the elections', *OSW Commentary*, no. 254, 22 November 2017, [osw.waw.pl](http://osw.waw.pl).

<sup>55</sup> 'Anzahl der Parteimitglieder der CDU von 1990 bis 2019'; 'Anzahl der Parteimitglieder der SPD von 1990 bis 2019', Statista, [de.statista.com](https://de.statista.com).



troubles, the AfD, a party that was never supposed to be,<sup>56</sup> nevertheless found its place on the political scene to the right of the Christian Democrats. It is strongly represented in the eastern federal states. In 2019 it became the second strongest grouping in Brandenburg, Saxony and Thuringia. However, it has not succeeded in consolidating its position and increasing its support during the pandemic, as it did during the migration crisis. This was because society instinctively supported the government in a difficult situation, especially since the government was doing well in the first phase of the pandemic. Despite the current enormous difficulties in coping with the pandemic, the AfD is not gaining support now either. This grouping will be tested in the next elections to the parliaments of the federal states, which will be preceded by decisions on the direction of its further development and choosing between a radical or conservative strategic course. If the latter is chosen, future cooperation with the Christian Democrats would be a matter of when, not if.

The liberal FDP is also regaining the position of a natural ally of the Christian Democrats in the post-Merkel era. They used to form a 'bourgeois camp' and compete together with the 'leftist camp' of the SPD and the Greens. The FDP's last cooperation with Chancellor Angela Merkel led to the party's electoral defeat after four years of governing the country in coalition with the CDU and the CSU. In effect, the FDP did not make it to parliament after the 2013 election, the first time this had happened since 1949! It must be admitted that their position was also undermined by the weakness of its leadership and the emergence of the AfD on the political scene, since the new party took away a section of their electorate. However, the dislike of the outgoing chancellor is deeply rooted and – bearing in mind the failure of the coalition negotiations after the 2017 elections – the FDP would prefer co-government, or even any other form of cooperation with the Christian Democrats under new leadership.

<sup>56</sup> A. Kwiatkowska-Drożdż, 'Alternatywa dla Niemiec – partia, której miało nigdy nie być', Freedom Institute, [instytutwolnosci.pl](http://instytutwolnosci.pl).

At this point, it is impossible to resist comparing the current situation with that of 2009, when voters, tired of the ‘unnatural’ co-operation between the two biggest political opponents and the grand government coalition of CDU/CSU-SPD, pinned enormous hopes on an alliance between the Christian Democrats and Liberals. This alliance was formed in line with the electorate’s preferences and lasted until the next election in 2013, despite the fact that it was expected to end prematurely on several occasions. This cabinet has a reputation of being the most discordant so far among all those created by Merkel. This situation which started with extremely high hopes but ended in disappointment could easily be repeated if the CDU/CSU and the Greens were to form a government. This is exactly what German voters would now wish for. However, given the extreme volatility of the situation linked to the ongoing pandemic crisis, these preferences will most likely keep evolving.

In view of all these conditions and factors, the Green Party’s position seems to be safe.<sup>57</sup> Not only has the party doubled the number of its members, to 107,000, since 2015, but it also has the highest share of young people (18% are under 30). As compared to other parties, the share of women among the party members is exceptionally high (41%). They have also chosen a woman as their candidate for chancellor. In the Bundestag elections, Annalena Baerbock wants to struggle for power, i.e. for the possibility of forming a government from the position of being the stronger partner. The Greens are in a comfortable position because they are capable of achieving everything, but not committed to anything. With the current polls, where they are generally ranked second, after the Christian Democrats, with support levels of 20–26%, they would have a chance to lead an alliance with the lower-ranked liberals, the SPD or the Left Party. However, the campaign is just beginning, the party is working professionally and, if the pandemic dies down in the summer, the topic of climate protection will return to the centre of public debate,

<sup>57</sup> K. Frymark, ‘Zielony marsz po władzę w Niemczech’, *Komentarze OSW*, no. 384, 9 March 2021, [osw.waw.pl](http://osw.waw.pl).

in which the Greens are considered the leading experts. Therefore, they can further strengthen their position, which would create an opportunity for leadership in other coalitions.

#### 4. The international position

**Gerhard Schröder's dream has come true after 16 years of Angela Merkel's rule. Compiling and paraphrasing several of his statements from the time when he ruled in 1998–2005, it can be said today that Germany “as a sovereign nation, a civil power in the centre of Europe, is finally pursuing a policy like any other mature nation”.** Its path in the 21<sup>st</sup> century led from Schröder's symbolic end to self-restriction and propagation of the expansion of influence, to imposing its own narrative and decisions during the financial and euro crises, as well as in the process of imposing sanctions on Russia for the annexation of Crimea, to the migration crisis and the acute crisis in transatlantic relations during the presidency of Donald Trump.<sup>58</sup> Although Schröder, as Merkel's eternal opponent, would have criticised Germany's foreign policy under her leadership as being too Atlanticist, the facts are that at the end of her rule we have a sense of déjà vu that the beginning of the first decade of the 21<sup>st</sup> century is repeating itself. Merkel, like Schröder, although in a more balanced form, clearly articulates the interests of Germany, even those that run counter to the interests of the United States. The rhetoric of building a strong, independent (mainly from the US) European Union hand in hand with France is also similar. Despite verbal agreement with France regarding the need to make Europe independent of the United States and to build a strategic autonomy (expressed both by the Defence Minister Annegret Kramp-Karrenbauer, by Foreign Minister Heiko Maas and many other German politicians), Germany is not ready to develop this concept in the French

<sup>58</sup> See, for example, A. Smale, S. Erlanger, 'As Obama Exits World Stage, Angela Merkel May Be the Liberal West's Last Defender', The New York Times, 12 November 2016, nytimes.com.

spirit.<sup>59</sup> Germany clearly distinguishes between the technological sphere, where it wants to develop autonomy, and the security sphere, in which it must rely on the USA.

Germany's distancing itself from the USA can be seen in its policy towards both China and Russia. This was intense, especially during the presidency of Donald Trump, but it will not fade away now that Joe Biden has taken power. In the case of Russia, the most meaningful example is the determination to complete the Nord Stream 2 gas pipeline at all costs by mobilising all diplomatic resources to convince the US to compromise on this issue in Germany's favour.<sup>60</sup>

A constant element of Germany's policy towards Russia focuses on dialogue according to the old, and nowadays simply outdated, maxim coined by Egon Bahr, an architect of the German détente policy: when people are talking, they aren't shooting. Germans are deeply convinced that their country is in no way at risk of a military conflict. They are therefore not willing to invest significant political and financial resources to defend themselves against this threat.

Russia has long been treated in Merkel's Germany as a difficult collaborator (no longer a strategic partner), albeit one indispensable in international politics, as regards both economic cooperation and conflict resolution. Economic cooperation with Russia is also invariably presented as a factor stabilising mutual contacts. At present this view is complemented by the idea of joint climate protection, a key political and social issue in the EU. Dialogue offers are being repeated regardless of Putin's increasingly aggressive foreign and domestic policy. It is also aggressive towards Germany, which is the most frequent target of

<sup>59</sup> J. Gotkowska, 'US-German clash over international order and security. The consequences for NATO's Eastern flank', *OSW Commentary*, no. 294, 22 February 2019, [osw.waw.pl](http://osw.waw.pl).

<sup>60</sup> R. Formuszewicz, S. Kardaś, A. Łoskot-Strachota, 'The dispute over Nord Stream 2: the stances and the outlook', *OSW Commentary*, no. 385, 10 March 2021, [osw.waw.pl](http://osw.waw.pl).

Russian disinformation and hacker attacks among all EU member states. NB, French President Emmanuel Macron is competing with Germany in making further offers of dialogue with Russia, and he seems even more determined than Chancellor Merkel to achieve success in this.<sup>61</sup>

Although in its policy towards Russia, Germany has recently put forward the coordination of European policy within the EU and with the USA,<sup>62</sup> the fact that an investment agreement was signed with China (the CAI)<sup>63</sup> during the German presidency in the EU in 2020 should be treated as a manifestation of distancing from the USA, the more so as the agreement was signed hastily in the last days of the German presidency of the EU and before the change of the US administration. Since Germany relies heavily on economic cooperation with China, it does not want to be a victim of the China-US trade war. It hopes, though probably in vain, judging by the moves China has made so far as part of its cooperation with the EU<sup>64</sup> and with Germany itself, that this deal will make it possible to eliminate the existing asymmetry in the openness of the European and Chinese markets and will allow European companies to gain equal opportunities of operation on the Chinese market.

In its policy towards China, Germany does not have the ambitions it has long shown towards Russia, i.e. to democratise its partner by way of

<sup>61</sup> M. Menkiszak, *Tell me more. Russia on Macron's détente initiatives*, OSW, March 2021, [osw.waw.pl](https://osw.waw.pl).

<sup>62</sup> The German non-paper, presented as a voice in the debate inside the EU on the review of the EU's policy towards Russia, formally inaugurated in March 2020, was described, for example, in the Financial Times. See: M. Peel, 'Germany urges new outreach to Moscow on climate change', Financial Times, 7 March 2021, [ft.com](https://www.ft.com).

<sup>63</sup> For more on this deal, see: J. Jakóbowski, *Porozumienie między Chinami a UE dotyczące Kompleksowej Umowy o Inwestycjach (CAI)*, OSW, 30 December 2020, [facebook.com/OsrodekStudiowWschodnich/videos](https://facebook.com/OsrodekStudiowWschodnich/videos).

<sup>64</sup> The debate in the European Parliament, given the ratification of the Comprehensive Agreement on Investments (CAI) between China and the EU, will undoubtedly receive significantly more attention since the EU Council imposed sanctions on China for violating human rights on 22 March 2021. The Chinese Ministry of Foreign Affairs announced retaliation immediately afterwards. Counter-sanctions were imposed on ten people and four institutions, including MEPs, as well as academics and experts critical of China.

economic ties. The issue of China's aggressive policy towards Hong Kong or the Uyghur community appears in debates in the Bundestag. There are loud calls from all sides of the political scene that the European community should make joint efforts to persuade China to abide by the rules of international law. A separate voice in these debates can be heard from representatives of the AfD and the Left Party, who claim that China is being demonised and that its hard modernisation effort is not appreciated, especially when compared to the "decadent approach in the West". Nevertheless, even though China is treated as a 'system rival', German politicians did not want to exclude China's Huawei from the construction of the 5G network in Germany. In turn, representatives of the American administration insisted on this, pointing out that such exclusion should apply to all suppliers who are obliged to strictly cooperate with the security authorities in the countries of their origin. Neither telecommunication companies (for which it is a key partner in the expansion of the 5G network) nor other German companies (for which the Chinese market is of strategic importance) agreed to the elimination of Huawei. China is particularly important for the German automotive industry. It is the world's largest car market, in which German manufacturers have a 34% share.<sup>65</sup> Ultimately, as a result of several years of debates on regulating Huawei's access to the expansion of the 5G network in Germany, a solution typical of German policy was applied. This was resolved not by exclusion from the market, the imposition of operating bans, etc., but as a result of the imposition of relevant regulations. However, it cannot be claimed that these regulations are discriminatory, as they will affect all possible suppliers who will have to undergo a technical and security inspection.<sup>66</sup>

Germany's strategic involvement in economic ties with China and energy ties with Russia, even at the cost of loosening transatlantic ties,

<sup>65</sup> K. Popławski, 'Germany is open to Huawei's participation in 5G', OSW, 23 October 2019, [osw.waw.pl](https://osw.waw.pl).

<sup>66</sup> T. Hoppe, '5G-Netz: Koalition schärft Prüfverfahren für Huawei nach', Handelsblatt, 16 April 2021, [handelsblatt.com](https://www.handelsblatt.com).

is understood or even approved of by most EU member states. France, which is Germany's main partner in European politics, not only aims to enhance economic cooperation with China and Russia, it also advocates increasing Europe's independence from the USA and strives to achieve greater autonomy. The more Germany is disillusioned with US policy, the greater the likelihood that Germany and France will implement a policy of European sovereignty; this will not be limited to the area of technology. Regardless of repeated assurances from German politicians (especially Social Democrats) about how irreplaceable the Franco-German engine is, and even that there is a need for a German-French hegemony in overcoming crises, they still react with some reserve to Paris's proposals, be it stabilisation of the eurozone, the communitisation of financial obligations or Europeanisation of social security systems and minimum wages.<sup>67</sup> Therefore, it is not known how the idea of a 'balanced partnership' is to be implemented, assuming that the EU will take some responsibility for its own security and international security and will be able to create a counterweight where the United States 'crosses a red line', and engage where the US is withdrawing. Foreign Minister Heiko Maas appealed for action in this area, calling for a redefinition of the partnership between Europe and the USA.

**The unfavourable environment, especially the rivalry between the US and China, the economic and social consequences of the pandemic, and the crisis of multilateral institutions, will intensify Germany's belief in the need to strengthen the EU on the international arena and to take coherent actions to protect German interests.** Merkel's consent to creating a European economic recovery fund, powered by funds obtained by the EU rather than individual member states from financial markets, was undoubtedly a step that deepened integration and was intended to make the EU's economic and fiscal policy coherent in the future, initially mainly in the eurozone. The next

<sup>67</sup> R. Formuszewicz, 'Germany: Christian Democrats' response to Macron's appeal to the citizens of Europe', OSW, 12 March 2019, [osw.waw.pl](http://osw.waw.pl).

step would be independence from the external environment, or at least the regaining of control in areas such as digitisation, energy and health-care. Angela Merkel has publicly admitted that she allows the possibility of changing the EU's founding treaties. This would enable the launch of this emancipation process. Furthermore, Germany has been calling for the introduction of a majority vote on foreign affairs in the EU Council.



## **CONCLUSION: ANGELA MERKEL, A CHANCELLOR FOR THE OLD TIMES**

Angela Merkel has never been a visionary. Nor is she an outstanding political strategist, which has often been sounded as an accusation against her. Her long rule was characterised by playing on the safe side, which she clearly and openly declared to her voters when she began the race for the chancellorship. At that time, she promised that she would explain the difficult changes that awaited Germany in detail, because “today, even preserving prosperity is an ambitious goal”. And this is what the citizens of the Federal Republic of Germany, an aging, affluent society, expected from their leader. If success is viewed in terms defined by Henry Ford, who argued that “it is about having exactly the skills that are needed at the moment”, Angela Merkel has been successful. Stability and predictability have been the most desirable and, at the same time, rare qualities over the past decade and a half in both Germany and the European Union. These are the features Merkel is the personification of.

The most difficult of all the crises that Angela Merkel needed to face came at the end of her reign. The pandemic, like no other crisis before, affects all German citizens and can be even existential in nature. The final assessment of her rule will therefore largely depend on how she guides Germany through the current health crisis. If the third wave of the coronavirus overwhelms Germany and the majority of the population is not vaccinated by the end of the summer (as Merkel promised) her chancellorship will be equated with the communication and administrative chaos of the pandemic’s third wave in Germany. This way all of her previous successes and achievements may be cast in shadow.

If, however, Merkel manages to cope with the epidemic situation in the country, over time the assessments of her rule will vary a lot. Ordinary citizens will judge and remember it differently than experts. They will remember with sentiment how stable and peaceful their lives were ‘under Merkel’. The experts, though, will blame her for neglect and the

unresolved structural problems plaguing Germany. The greater number of health crises and the more severe the consequences of the impending socio-economic crisis resulting from the pandemic are, the more severe this assessment will be. This is because problems will intensify, such as the hamstrung digitisation in education, administration and the economy, and the outdated automotive industry and the ineffective federal state governance system. Merkel's successors will have to implement a great technological transformation in Germany, which at this point is inevitable and which Merkel neglected, partly due to German citizens' reluctance and distrust towards new technologies.<sup>68</sup> However, the growing popularity of the Greens indicates that a significant part of German society is currently expecting these changes and is aware of the need for a profound political and economic reform of the state.

There is no doubt that, from the Polish point of view, Angela Merkel's absence will initially be noticeable. Her life and generational experience of the breakthrough in 1989 allowed her to understand our part of Europe well. None of her potential successors has such a biography, so relations with the new German chancellor will be a challenge for both sides. This will apply not only to bilateral relations, but also to the approach to European politics. Merkel, unlike successive French presidents, did not promote the deepening of European integration within the states concentrated in the eurozone and, even considering the economic ties, she has always wanted to have the countries of our region 'on board'.

**ANNA KWIATKOWSKA**

*Work on this text ended in May 2021.*

<sup>68</sup> 'Studie zur Skepsis der Deutschen gegenüber neuen Technologien', StartingUp - Das Gründermagazin, starting-up.de.