

Have the Germans lost their trust in Europe?

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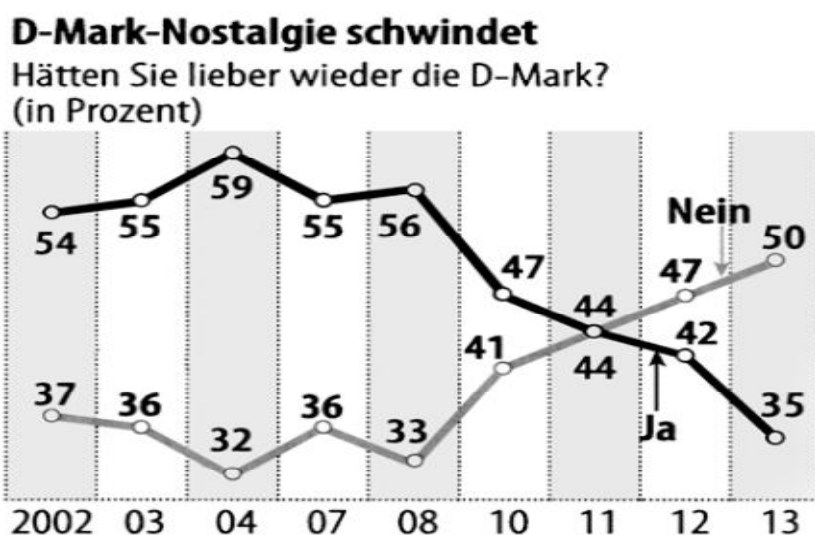
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In the final days before the German federal elections, some observers are asking whether a change in government would portend a shift in the country's consistently strong support of the euro. Even if a more eurosceptic government is elected to office, this commentary finds it unlikely that the German public would materially change its stance.

According to conventional wisdom, the crisis has reduced citizens' trust in the European Union and in the European institutions in general across all member states. A number of recent reports have claimed that the German public in particular has turned its back on Europe (see Annex).

But this narrative is wrong. On the contrary, the trust invested by Germany's public in the euro has been increasing throughout the crisis and its trust in the EU institutions has now come back to the previous high level after falling until a couple of years ago.¹

The best indicator of the attitude of German citizens towards the euro is provided by a regular poll conducted since 2002 by the authoritative Allensbach Institute for Demographic Studies, which asks a simple question: "Would you like to have the DM back?"



Source: Thomas Petersen, "Das Vertrauen in die Europäische Union wächst", Institut für Demoskopie Allensbach (http://www.ifd-allensbach.de/uploads/tx_reportsndocs/FAZ_Juli.pdf).

¹ See also http://www.ifd-allensbach.de/uploads/tx_reportsndocs/FAZ_Juli.pdf

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The figure above shows that in recent years the proportion of those who like to have the DM back has steadily declined, standing now only at about 33%. By contrast, the proportion of those who would rather keep the euro has increased steadily throughout the crisis, going now above 50%. It is interesting that this trend of increasing acceptance of the euro started in 2008, i.e. coinciding with the onset of the financial crisis.

It seems that the financial crisis has forced German citizens to reflect more on the importance of having a common currency. Over the last few years, the German public has been extensively informed by the media on the potential fiscal cost of the rescue operations for Greece and other countries. But despite this barrage of warnings, the German public has concluded that it prefers to keep the euro, even if this means a high potential cost.

Even a recent Pew report that concluded that the EU was the new ‘sick man of Europe’ found that a majority of Germans (52%) think that their government should provide financial assistance to other EU countries that have major financial problems.² Other studies have found that a large part of the decline in trust has since been reversed.³

More in general, Germany is not an outlier since looking at the EU average there has been only a modest decline in trust in the EU institutions and this is to a large extent driven by the pronounced decline of trust in four periphery countries of the euro area, namely Spain, Greece, Portugal and Ireland. More importantly, in these countries trust in EU institutions has held up more strongly than their trust in national institutions.⁴

Thus, what is commonly perceived as a widespread crisis of trust in the EU is in reality a generalised crisis of trust in all official institutions within the periphery. In Germany, trust in and acceptance of the key element of the EU, namely the euro, is becoming stronger and stronger.

Annex

Examples of recent publications supporting the conventional wisdom that the EU has lost the trust of its citizens and that Germany is turning its back on the EU:

- A recent briefing note by Open Europe claims that German citizens’ tend to trust the European parliament less than their national parliament and detects a trend in the German’s public declining trust in EU institutions since the start of the crisis.⁵
- The Pew Research Center report entitled “The New Sick Man of Europe: The European Union”, concludes: “The European project stands in disrepute across much of Europe.”⁶
- A commentary by the European Council on Foreign Relations states: “Trust in the EU has plummeted across the continent. Both southern debtors and northern creditors feel like they are victims.”⁷

²Pew Research Center (2013), “The New Sick Man of Europe: The European Union”, (<http://www.pewglobal.org/files/2013/05/Pew-Research-Center-Global-Attitudes-Project-European-Union-Report-FINAL-FOR-PRINT-May-13-2013.pdf>).

³ See also http://www.ifd-allensbach.de/uploads/tx_reportsdocs/FAZ_Juli.pdf

⁴F. Roth, F. Nowak-Lehmann D. and T. Otter (2013), “Crisis and Trust in National and European Union Institutions – Panel Evidence for the EU, 1999 to 2012”, RSCAS Working Paper Series 2013/31, European University Institute, Florence, May (<http://cadmus.eui.eu/handle/1814/26975>).

⁵Open Europe (2013). YouGov Deutschland poll for Open Europe and Open Europe Berlin: German voters’ sentiments on the EU Briefing Note, 17 September (<http://www.openeurope.org.uk/Content/Documents/PDFs/130917briefingpoll2.pdf>).

⁶Pew Research Center (2013), “The New Sick Man of Europe: The European Union” (<http://www.pewglobal.org/files/2013/05/Pew-Research-Center-Global-Attitudes-Project-European-Union-Report-FINAL-FOR-PRINT-May-13-2013.pdf>).

⁷J.I Torreblanca. and M. Leonard (2013), “The remarkable rise of continental Euroscepticism”, 25 April (http://ecfr.eu/content/entry/commentary_the_remarkable_rise_of_continental_euroscepticism129).