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Speakers: Klaus-Dieter Frankenberger, *Frankfurter Allgemeine Zeitung*, Germany, Attilio Geroni, *Il Sole 24 Ore*, Italy, Andreas Nick, *Deutscher Bundestag*, Germany

Chair: Stephen F. Szabo, Senior Fellow at the American Institute for Contemporary German Studies and Adjunct Lecturer in European Studies at SAIS

**Where is Germany Headed after Merkel?**

*European and Eurasian Studies Series*

As Germany's Christian Democratic Union party (CDU) heads into elections on Friday, December 7<sup>th</sup>, the exit of its current leader and chancellor, Angela Merkel, provokes great debate not only about her legacy but of the future of the country. Given Germany's importance not only to European unity but to world stability, the CDU party elections carry great importance globally as well. Regardless of who emerges as the next leader of the CDU, they will be faced with numerous challenges, domestically and internationally. Though Merkel's fourth term as chancellor is slated to end in 2021, resigning as leader of the CDU means Merkel's days are numbered. Having served as leader of the CDU for 18 years and Chancellor since 2005, Merkel's departure will undoubtedly usher in a new era of German politics, which presents the topic of this panel discussion: Where is Germany headed after Merkel?

Klaus-Dieter Frankenberger, foreign editor of the *Frankfurter Allgemeine Zeitung*, commented on prospects for Germany's future proposing that Merkel's golden tenure and the German golden moment may be coming to an end. In outlining the many implications of Merkel's exit on foreign and domestic policy, Frankenberger suggests that Germany's role in the world is on the decline. Economically, Germany faces problems with declining unemployment and a labor shortage and slow progress toward digitization. Furthermore, the poor management of 2015 migration crisis was a watershed moment, bringing about the rise of populism, fracturing the grand coalition, poisoning public discourse, and weakening Merkel's authority. The next CDU leader will face these challenges in addition to the external threats of Brexit, an uncontrolled Russia, and the unpredictability of Donald Trump. Though facing many challenges, Frankenberger also highlighted opportunities for the new leader to energize the party and 'stem the erosion.' Throughout his discussion Frankenberger concluded that though it is time for Merkel to go, many will regret her departure.

As a CDU member of the German Bundestag since 2013 (and SAIS alum), Andreas Nick has a personal stake in the future of the CDU and Germany. In outlining the external and internal challenges facing Merkel's successor in the broader German context, Nick set the stage for discussing Merkel's legacy and the future of Germany. Merkel has been integral to modernizing and diversifying Germany, essential in creating a new "Cool Germany" and acting as "The Indispensable European," as multiple *Economist* covers suggest. She has outlasted three American

presidents and seven Italian Prime Ministers, which begs the question: what is going on? Domestically, the next CDU leader will face demographic problems with an aging population, the technological challenges of digitization and decarbonization, and a decreasing social cohesion, that will color the continued debate on migration. Externally, the return of geo-strategy, rise of geo-economics, and instability of the EU neighborhood in Eastern Europe, North Africa, and the Middle East, will also inform future policy. As Germany will be facing critical junctures in 2019 (the country's membership in the UN Security Council, EU Parliament elections, and the 70th anniversaries of NATO and the Council of Europe), Nick welcomes the continuation of Merkel's tenure as chancellor until 2021. In the future, her era might be once remembered as a golden age for Germany.

Lastly, Attilio Geroni, Foreign Affairs Editor of *Il Sole 24 Ore*, presented an Italian perspective on Merkel's departure and the future of Germany and the EU. The relationship between Italy and Germany can best be described as Italian admiration of Germany without love, and German love for Italy without admiration. Geroni outlines four reasons why the two countries are often at odds. This includes the contrast of Germany's political stability with Italian instability, appropriately demonstrated in Merkel's long tenure compared to the rapid turnover of seven Italian Prime Ministers. Diverging fiscal policies and the large disparity in labor productivity represent two additional causes for antagonism. Lastly, Germany's strong commitment to EU integration conflicts with Italy's desire for the fiscal policies flexibility. Though at odds in many ways, there is cause for optimism in this relationship. Namely, vibrant business relationships, Italy's growing preference for the euro, and the shared interest in a universal basic income will continue to propel this relationship forward. Germany has historically served as a source of inspiration for Italy and as a force of stability in the Eurozone; Merkel at its lead will surely be missed.