



THE PROBABILITY OF GOVERNING A POLITICAL CONSTELLATION: A CHALLENGE FOR MERKEL'S CHANCELLORSHIP

By
Shamsa Nawaz
Research Fellow

Edited by
Najam Rafique

November 30, 2017

(Views expressed in the brief are those of the author, and do not represent those of ISSI)



The president of Germany, Frank-Walter Steinmeier, has called on political leaders to rethink on their positions and try again to form a government after having met the party leaders on November 21, 2017. The exploratory talks to form a new government between Angela Merkel's conservative bloc, the left-leaning Greens and pro-business Free Democrats (FDP) have broken down. The breakup has regrettably withstood Merkel's decade old unvarying solid and comfortable rule in six parties Bundestag.

Merkel has been consistently polled more popular. She has never faced inner-party rival and considered an undoubted electoral asset for both country and the continent. Does she have enough political capital to emerge out of prevalent limbo? Is her "leader of the west" status still unassailable? Or is it her decline or end of German democracy, the SPD, the 'reinventing' stronger Europe? Both governance in Germany and leadership of Europe certainly require an alternative vision.

Merkel, who has headed three coalitions since 2005 was very skeptical about ruling in a minority government with 33% votes in the general elections held in September 2017. She indicated for fresh elections. She said she would stand again as a candidate if elections were called in the new year she "is prepared to take responsibility in the future".¹

¹ Philip Oltermann, "Merkel hints fresh elections preferable to minority government as talks fail", *The guardian*, www.theguardian.com

The “Jamaica coalition” - a coalition between CDU, CSU and Greens, called thus because the colours of the flag are the same as of Jamaica - was always beset by major differences right from the start of the negotiations, particularly on the issues of asylum and the refugees. It was never going to be easy for Merkel to forge a coalition of the Christian Democrats (CDU), the Christian Social Union (CSU), the Free Democrats, and the Greens.

In fact, the heavy losses suffered by CDU and its Bavarian sister party CSU during federal election were blamed on Merkel’s “open door” policy. It had allowed more than one million refugees to enter Germany in 2015. As a result, the far-right, anti-migration party Alternative for Germany (AfD) bagged more than 12% of this year’s vote, and entered the Bundestag for the first time with 94 seats. It is now the third largest party in the parliament.²

Though, Horst Seehofer, leader of CSU aims desperately to roll back the popularity of the far-right AfD. Yet, he perceives the broad coalition would represent a great risk for the political survival of the junior partner. In order to reinforce CSU in Bavaria, he was persistent about capping on asylum seekers. He had also opposed family unification during the negotiations.

The Greens also wanted more stringent measures on environment policy to be introduced. They however, expressed their demand for more seats during the negotiations. None the less, neither the centre-left (SPD) - current Merkel’s partners in neither the government, nor the FDP is willing to work within a coalition. SPD has already warned that it will not budge from their refusal to enter a new Merkel administration.

Christian Lindner of the Free Democrats was the most innovative in his proposals. He wanted the new government to embrace digitization, modernize asylum laws, and introduce a long overdue tax reform. He also wanted to phase out the special “Soli” (solidarity) tax for eastern German states that was introduced after reunification. Lindner said, “It is better not to rule than to rule the wrong way.”³ He believes that the parties involved had missed several self-prescribed deadlines to resolve differences on migration and energy policies, and had “no common vision for modernization of the country”.⁴

Despite demonstrations of her competency in the past three German governments, Merkel has so far failed to build a new government even with the Jamaica coalition. In fact, at times unlike

² Jon Stone, “German elections: Far-right wins MPs for first time in half a century”, *Independent*, <http://www.independent.co.uk>

³ “Merkel in trouble as coalition talks breakdown”, *Straits Times (ST)*, November 21, 2017, <http://www.straitstimes.com>

⁴ *Ibid.*

Merkel's passive patience, cobbling together a government that would secure her a fourth term appeared to be more important to her than the policies that government would produce. Rest of the political parties was also seen more delved into coalition-like negotiations instead of finding a common vision to address the political instability.

On the other hand, the dilemma in the German politics according to the weekly newspaper *Die Zeit* is paradoxically overarching. The members of the Christian Democrat (CDU) who have been openly critical of her course during the refugee crisis have praised Merkel's conduct during the coalition talks. "Angela Merkel is prepared to stay. And her party is as united in supporting her as it hasn't been in ages,"⁵ it reported. Similarly, some of the members of the SDU are more open about the idea of "grand coalition" than their leader Martin Schulz. Wolfgang Schäuble, the former finance minister, has openly nodded towards the Social Democrats and appealed to all parties to take a constructive role in solving the deadlock. "Europe and many other states in the world are waiting for us",⁶ said Schäuble, who is president of the German parliament. The negotiators of CDU and Green have stressed on the common ground that had emerged between the two parties during the weeks of talks and have focused their criticism on the FDP leader.

As expected, Minerva Merkel, the rock, pragmatic towards Russia, tough towards Greece, welcoming to refugees, tightfisted with money, did not add her impulses to the talks. She strongly believes that "power is the ability to shape things.... and I like shaping things".⁷ She is left with fragmented politics of Germany having three options:

- i. Mrs Merkel might try to form a grand coalition with the Social Democrats (SPD). SPD has so far precluded this option to restore Merkel, which they did as earlier from 2013 to 2017, as the junior partner. The SPD decided to go into the opposition after a desolate election result last September.
- ii. A minority government is formed by Merkel with a coalition with another party. There still would be no guarantee of stability since a minority government supported by the SPD alone is less likely to work. The only way it can work is perhaps with the support of the SPD, the Greens, and the FDP combined.

⁵ Philip Oltermann, "Germany's President to urge Green and FDP to restart talks", Nov.21, 2017, *The guardian*, www.theguardian.com

⁶ Ibid.

⁷ Philip Oltermann, "German elections left Merkel isolated but it is too soon to right her off", *The guardian*, September 25, 2017. www.theguardian.com

- iii. Or new elections might eventually be called. Merkel has herself indicated for snap elections in spring 2018.

In any case, reverberations are likely to grow severe for Germany and Europe both. In Germany's constitution, the president has to nominate a chancellor for approval by the German parliament, the Bundestag. Only when no stable government can be formed after three rounds of voting, snap elections are called for. So far, it's hard to see Merkel's conservative block or the other parties, with the exception of the AfD, relishing such a prospect.

Merkel's possibility of yielding dynamic results if fresh elections are called is also very dim. Snap polling on November 13, 2017, indicated a broadly similar outcome to the September vote, with only the Greens profiting from the events of the last month: a survey by polling institute Insa has the party on 12%, up from 8.9% in September.⁸ Merkel's critics inside her own party are silent about their leader's future. Further, it is less likely that her alternative from within the party would be as moderate.

Merkel herself would not walk away from this challenge since it would not sync in with her approach to politics. This leaves the pressure on the SPD to agree to another grand coalition. Such a grand coalition would be led by Merkel. In order to maintain the stability, Merkel would have two options for policy initiatives: to keep the government stable in crisis. This would require her to reinvigorate the German democracy through her leadership. If the CDU polls below September 2017, then Merkel might not even survive to form the next government and post-Merkel era would trigger. German politics has largely been about consensus and stability.

This twilight of Merkel's political career looks quite similar to Thatcher, Kohl, González, de Gaulle, who governed successfully for a decade, Mrs. Merkel has been the best Western leader of the twenty-first century; one who has maintained an appearance of modesty. Unlike different careers in arts or business, the political life usually ends in failure. Whether Merkel would manage to exit gracefully at the right moment, particularly amongst the new political winds when young, charismatic political leaders, such as French President Emmanuel Macron; or new political party formations that present the "outsider" label, such as the AfD and the Czech ANO Party would thrive or not is to be seen.

On the other hand, this is an important moment for Europe as well since the projects of the eurozone, security, migration, Vladimir Putin's growing interests, relations with Turkey, democratic

⁸ Paul Carrel, Gernot Heller, "Merkel signals readiness for new elections after coalition talks fail", *Reuters*, November 19, 2017. www.reuters.com

backsliding in Poland and Hungary, and Brexit all need attending to. Europe is weaker and its powerhouse Germany has become unpredictable. French President Emmanuel Macron had also been waiting for Merkel to head a new government so that both leaders could press ahead with shaping Europe. “It is not in France’s interest for things to get blocked,”⁹ the French president said at the start of a meeting with Bernard Accoyer, a leader of France’s opposition Les Républicains party.

⁹ Judith Mischke, “Macron expresses concern at German coalition talks collapse”, *Politico*, November 20, 2017. www.politico.eu