What the new German government means for the country's European policy

How will German European policy change under the country's new government? Drawing on new data, Ann-Kathrin Reinl and Stefan Wallaschek show that the three coalition partners – the Social Democrats (SPD), Greens, and the Free Democrats (FDP) – are not nearly as close to each other on EU issues as one might assume. Much will depend on how the government can reconcile the pro-EU positions of the Greens with the soft Euroscepticism of the FDP.

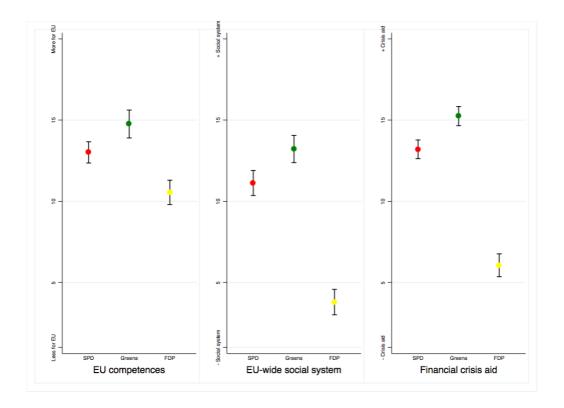
The recently elected German government has set itself ambitious goals for its term in office – *mehr Fortschritt wagen* (dare to make more progress) as the coalition agreement is titled. One of the central policy areas in the new legislative period is without doubt European policy. In the election campaign, the Greens excelled in issues concerning the European Union and consistently proposed European solutions for topics such as tax policy, climate and environmental policy or migration and asylum policy. Consequently, Annalena Baerbock, the Green Party's top candidate, has become Foreign Minister and, together with her ministers of state, is committed to a <u>strong and consistent European policy</u>.

The coalition agreement also states that the new federal government is committed to strengthening the EU's legislature, i.e. the European Parliament, and wants to develop the EU into a 'federal European state'. In addition, the Next Generation EU Programme, which was passed in response to the Covid-19 pandemic in 2020, is supported in the agreement. With regard to the social dimension, the coalition aims to minimise social inequalities in the EU and to strengthen the pillar of social rights. Thus, the new German government follows an ambitious government plan.

However, despite the fact the new 'traffic light' coalition of the Social Democrats (SPD), Greens, and Free Democrats (FDP) was judged to have the <u>highest probability</u> of succeeding out of the available coalition options, it remains questionable how united the coalition really is on EU issues, especially when it comes to the EU's social agenda.

In order to shed more light on this aspect, we use a recently published expert dataset on estimated party positions whose assessments were collected in the run-up to the 2021 *Bundestag* elections. We draw on items that are particularly dedicated to the EU and solidarity policies within the community. We look at three issues: expansion of legislative competences at the EU level, the introduction of an EU-wide social system, and financial aid in an economic crisis. We focus on the three coalition partners, the SPD, the Greens and the FDP, to determine their positioning on these issues. Three key findings can be drawn from Figure 1.

Figure 1: Positions of the three governing parties on EU policies



Source: Compiled by the authors. The higher the parties are positioned on the y-axis, the more supportive they are of pro-EU policies.

Firstly, the three coalition partners are not nearly as close to each other on EU issues as one might initially assume. The FDP in particular is clearly more Eurosceptic than the Greens and the SPD on all three issues. This means the FDP could slow down or even block any expansion or deepening of European integration. Particularly with the position of Finance Minister Christian Lindner, progressive reform proposals for EU social policy could quickly hit internal resistance in the government.

Secondly, the Greens confirm their pro-European stance by representing (or being seen to represent) the strongest and most consistent EU position. They thus could become the driver of a new dynamic in German European policy. This strong stance is underlined by the aforementioned strengthening of the Foreign Ministry's personnel for EU issues. In addition, Sven Giegold, a long-time Green MEP, has become Minister of State in the newly structured Ministry of Economic Affairs and Climate Action of Robert Habeck (Vice-Chancellor and co-leader of the Greens) alongside Franziska Brantner, another Green politician with explicit EU expertise who has joined Habeck's team. The Greens could thus exert pressure on the German government from two central ministries to tackle and implement their ambitious EU programme. However, this will certainly not be without conflict with the other two partners.

Thirdly, the SPD has a double mediating position. Not only because its position was estimated by experts to be somewhere between the Greens and the FDP (with greater proximity to the Greens), but also because Chancellor Olaf Scholz will probably have to find a compromise between the strongly pro-European Greens and the slightly Eurosceptic FDP. It is possible that Scholz will have to draw on the Chancellor's policy-making competence (*Richtlinienkompetenz*) in government in order to give the SPD a European profile in the new legislative period. This would create an important sign for those voters who explicitly voted for the SPD due to its position on EU integration, as previous research has shown.

To sum up, the new coalition may face lasting internal conflicts when it comes to pursuing substantial and sustainable EU reform policies. With two left-wing parties in government for the first time since the Schröder-Fischer era (1998-2005), there is a chance to bring about real change and strengthen solidarity in the European Union. Such a reform effort is sorely needed given the ongoing pandemic and following multiple crises over the last decade.

Furthermore, against the background of the upcoming presidential elections in France and a potential end of the Macron presidency, the EU may welcome stronger and more progressive leadership from the German government. Hence, it will not only be relevant how the Greens and Foreign Minister Annalena Baerbock enact their European policy proposals: how the FDP adapts and positions itself on EU issues in the newly formed government will also be crucial, as will the extent to which the Greens are supported by Chancellor Scholz.

Note: This article gives the views of the authors, not the position of EUROPP – European Politics and Policy or the London School of Economics. Featured image credit: <u>European Council</u>

Date originally posted: 2022-02-04

Permalink: https://blogs.lse.ac.uk/europpblog/2022/02/04/what-the-new-german-government-means-for-the-countrys-european-policy/

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