## German public opinion is caught between scapegoating Greeks and love-bombing them

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What do German citizens think of their government's handling of the Greek debt crisis? Imke Henkel writes that the German media has helped to perpetuate a view of the crisis which pits 'lazy southerners' against hard-working northern European taxpayers. However she also notes that this interpretation has generated a backlash from many Germans who are keen to emphasise the value of Europe as an ideal.

The German public has been fed a series of porkies since the start of the Greek crisis in 2010, and many were happy to swallow them. The unrivalled German tabloid *Bild* notoriously led the war of words, creating myths about German rectitude and Greek infamies: "Greek wine is famous for being intoxicating, but now we need a clear head", the paper stated as early as January 2010. Germans were asked "to open the (empty) coffers" and to pay for lazy Southerners, *Bild* claimed: "Greece, but also Spain and Portugal have to understand that hard work – meaning ironfisted money-saving – comes before the siesta". The Greeks, the influential tabloid bristled, tricked and lied their way into the euro, falsifying their accounts along the way. This set the tone.

Myths are not just created by telling untruths, but also by omitting parts of the truth. Yes, the Greek government lied about their accounts when applying to be accepted into the Eurozone. And they were helped by Goldman Sachs in doing so. But when Greece was welcomed into the euro there were ample warnings that the country did not quite meet the required criteria, as there were similar doubts about Italy. In both cases it was a political decision to ignore the warning voices.

When on 22 November 2004 Eurostat, the European Office for Statistics, sent a report to all EU-Finance-Ministers stating that the Greek government misrepresented their financial situation, measures were imposed to make the Greeks give a more truthful account of their balance sheet. But Germany and France in particular were reluctant to punish Greece, as they should have according to EU rules,



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because both the German and the French governments had by then broken the Maastricht criteria themselves, allowing their deficits to rise well beyond the prescribed three per cent of GDP. Therefore the claim that devious, cheating Greeks duped their way into the euro distorts the truth: the EU was complicit in the fraud.

The allegation that hard working German taxpayers had to cough up for work shy Greeks, however, is outright false. The real picture is far more nuanced. Successive studies have shown that the German government benefitted to the tune of billions from lower borrowing costs, when Germany – in marked contrast to the troubled Southern states – became a safe haven for investors into the euro. A study by the insurance company Allianz, for example, found in September 2012 that Germany's budget "reaped the benefits of annual interest savings to the tune of around 10.2

billion euros thanks to the euro crisis". When German finance minister Wolfgang Schäuble managed to balance his books, he should have thanked the crisis that according to *Bild* cost German taxpayers so dear.

Unfortunately it was and is not just the lurid German tabloid newspaper that have repeated the false stereotype of hardworking Germans paying for lazy Greeks. The far more highbrow *Frankfurter Allgemeine Zeitung* follows the same dichotomy of virtuous Northerners and dissolute Southerners. Northern European states, in this view, are right because they are willing "to reform". Not so Southern Europeans.

Holger Steltzner, one of four editors of the *Frankfurter Allgemeine Zeitung* and responsible for the section on business and economy, has argued since the beginning of the Eurozone crisis against the provision of rescue funds by the European Central Bank, pleading for austerity as the only way of "reform", thus echoing Jens Weidmann, President of the German Bundesbank. Typically, Steltzner denotes the currency policy "becoming more Italian" when further rescue funds are considered. For Steltzner, the European Union faces the decision of either becoming economically more German, or breaking up, because a "transfer union" where the rich Northern states will pay for the "unreformed" Southern states would not be viable.

Polls show that the stereotyping in the German media has had an effect on the German public. When *Bild* asked its readers earlier this month to vote on whether they would grant more support for Greece, an overwhelming 88 per cent said no. More serious pollsters like YouGov find that Germans tend to be notably more decisive in their views against Greece remaining a member of the Eurozone than other nations. Over recent months a clear majority of Germans preferred Grexit, whereas the French, Swedes and Danes had much less pronounced views. One poll by the financial blog Smava interestingly found that two thirds of their audience were against giving any more money to Greece, when at the same time over 50 per cent were convinced that the Greek crisis would have no detrimental effect whatsoever either on their own life or the German economy in general. A recent poll for ARD Deutschlandtrend paints a similar picture: that we Germans are sitting pretty, thank you very much.

This is of course the background against which German politicians decide how to act. Arguably it was the regional elections in North Rhine Westphalia, one of the largest German Länder, in the spring of 2010, that prevented an early solution. Chancellor Angela Merkel, anxious not to go against the public mood, hesitated to agree to the necessary funds which could have stopped the crisis from spreading. Her party lost anyway, albeit narrowly, and so did the EU. The hardline finance minister Wolfgang Schäuble, who more and more openly favours a Grexit, has reached his best personal rating among Germans ever: At the start of this month a poll found an approval of 70 per cent for Mr Schäuble's work.

Even the Deputy Chancellor Sigmar Gabriel, leader of the more anti-austerity Social Democratic Party, which is presently in a grand coalition with Merkel's CDU, has started to oppose further support for Greece. Choosing no other platform than *Bild*, Gabriel told his potential voters in June that: "We won't let German workers and their families pay for in parts excessive demands from a partially communist government". Incongruously, Gabriel at the same time promised humanitarian help should Greece go bust because the EU turned off the money tap. The apparent contradiction can be reconciled when considering the ideology of the good, righteous German it springs from: He (she) works hard and won't pay for sluggards, but considering themselves being right and good will give generously to the needy.

There is, however, a backlash. When in February *Bild* asked their readers to have their photograph taken holding up a copy of the tabloid that stated in big letters on its front page: "No further billions for the greedy Greeks", an outraged outcry among many Germans followed. The German press regulator told *Bild* off for discriminating against the Greeks. More recently a satirical video that furnished a conversation between two self-righteous Germans entirely with quotes from *Bild*, *Frankfurter Allgemeine Zeitung* und *Der Spiegel*, went viral. At the beginning of this month, just ahead of the referendum, the weekly newspaper *Die Zeit* printed on its front page a bilingual plea in German and Greek, begging Greeks to "please, stay with us". The well-meaning Germans rise to speak again.

These are the romantic Germans, who dream of Europe as an ideal. As Sascha Lobo, a columnist for Spiegel

Online and commentator on all things digital put it after the third bailout package had been agreed: He feels "pain", because his "Europe sentiment" has been destroyed. The notion of Europe, Lobo argues, has transformed from a mutual idea into a mutual money problem. He quotes the preamble for the Treaties of the European Union which spoke of the "cultural, religious and humanistic European inheritance". If this European idea fell apart, Lobo fears, a drama of unimaginable magnitude would ensue. Bernd Ulrich, deputy editor in chief of the weekly *Die Zeit*, expresses a similar sentiment when he calls Europe "a touching, annoying, imposing thing" that should be admired for what it has achieved, instead of being condemned for where it fails. "Artwork of the Century" reads the headline for his front page admonition to pay Europe its due respect, if not love.

Yes, these well-meaning Germans are still in love with Europe. But as blinded lovers they fail to take a sharp, probing, analysing look at what shape the EU will or should take in the years to come. Europe was conceived as a political project to bring peace to the war-torn European people. But from the start it proved too difficult to agree on political ideas. Therefore economic treaties and unions of various shapes were created with the intention of eventually making political consensus inevitable. Thus the European Coal and Steel Community evolved into the European Economic Community, which was followed by the Single Market and the Eurozone. In the end the idealists had created a monster that developed a frighteningly independent life.

Or have they? Will we need a central economic government in Europe that controls taxes, labour markets, social benefits and budgets of all member states in order to prevent a future Greek crisis? Or are there other ways that will allow for much more diverging national economies without forcing the whole of the EU apart? It is deeply frightening that these questions are only discussed among 'Europe nerds'. The German approach to either self-righteously call for Germanic economic rules for all Eurozone states, or to believe love-bombing Europe would make everyone happy, will lead to disaster.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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## About the author

## **Imke Henkel**

Imke Henkel was the UK correspondent for the German news magazine "Focus" for 10 years. Before this she wrote for "Sueddeutsche Zeitung" from London. Recently she published the essay "The Perils of Ignoring the Odd One Out: What Europe (and Germany) Can Learn from Britain" in I. Finkel, J. Jungclaussen, P. Littger, C. Ryland (eds), "Common Destiny vs. Marriage of Convenience. What do Britains and Germans Want from Europe?" (Hamburg, London 2014). She now writes for ZEIT ONLINE among others.



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