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POLITICS & POLICY

After that German citizens voted to renew their national Parliament on Sunday, the evolution of the German political landscape is making the headlines across Europe.

The leader of the ruling Christian and Democratic Union party (CDU), Angela Merkel, was able to secure her fourth mandate in a row as Federal Chancellor. The Social and Democratic Party (SPD) led by Martin Schulz obtained instead the worst result since World War II, scoring only 21 percent at the end of the electoral night. Shortly after the first exit polls came out on Sunday, Schulz announced that the party will not move into a new coalition Government but take the lead of the opposition in the Bundestag.

However, most of the European press focused the attention on the electoral success of the radical right-wing party, Alternative for Germany (AFD). The AFD obtained a staggering 13.5 per cent of the popular vote and became the third force at the national level. The success of the AFD is worrying all mainstream and [left-wing parties](#) across the Old Continent, not to mention the European Commission, in Brussels.

The night of the elections spontaneous protests against the AFD occurred in cities of Western Germany, such as Cologne. The day after the elections, [some 1500 supporters of the so called PEGIDA movement](#) (European Patriots Against the “Islamification” of the West) cheered the result of the AFD in Dresden, Eastern Germany.

Over the past few months, the AFD campaigned on a political platform overtly criticising the refugee policy of Merkel’s Government and the EU bailout politics that helped Greece recovering from its debt crisis. Moreover, the AFD argues that Germany should eventually leave the euro and go back to a national currency, such as the D-Mark.

The Liberal party (FDP) led by Christian Lindner reached fourth place and made its comeback into the Bundestag, after 4 years of extra-parliamentary opposition. Like the AFD, the FDP is understood to be a harsh critic of the EU bailout politics of the past few years and stands for the introduction of stronger conditionality mechanisms in the EU governance.

For the latter reasons, [the German vote cast dark shadows over the ambitions of the French President, Emmanuel Macron, to reform Europe.](#)

After the German electoral results of Sunday, the only realistic Government coalition would be one that comprehends the CDU, the FDP and the Green party, a so called “Jamaican coalition” – the name stems from the colours of the involved parties, CDU (black), FDP (yellow) and Greens. A [recent poll](#) suggests that a similar option would be welcomed by a majority of the party base of all three parties.

Nevertheless, the positions of the Green and the Liberal party on Europe are at odds. However, the Greens could stretch their red lines on Europe in exchange of a stronger pledge of the new Government on ecological policies. In such a scenario, the EU policy of the new “Jamaican coalition”. would shift rightwards with respect to the past five years of CDU-SPD grand coalition.

Over the past few weeks, German media confirmed the interest of the Liberal party to take hold of the German Financial Ministry, in the context of coalition talks. Indeed, the FDP campaigned on a liberal economic platform, pledging for heavy reductions in income taxation and red tape bureaucracy.

Such a move would imply the departure of Wolfgang Schäuble from the Financial Office in Berlin. On Monday, the European Commissioner, [Günther Oettinger said](#) that Schäuble could become the President of the German Bundestag.

As the chances of a more “solidaristic” Europe fade away in the light of the German electoral result, [politicians in Athens are worried about the evolution of the third bailout program](#).

Over the past year, the Greek Prime Minister, Alexis Tsipras, has been able to face-off the internal opposition to structural reforms and [austerity measures](#) only on the base of a future debt-cut promise, to be conceded by international creditors no later than in 2018. However, if the FDP joins the next German Government a debt-cut is understood to be off the table. Meanwhile, the conservative [New Democracy party \(ND\) is leading the polls](#) in the Hellenic country.

On Monday, the President of the [Eurogroup, Jeroen Dijsselbloem](#), said that Greek Parliament must fasten its legislative activity in order to leave the bailout process successfully next Summer.

Notwithstanding the results of the German elections, on Tuesday, on the occasion of a visit at the Parisian University, Sorbonne, Emmanuel Macron is poised [to deliver a key speech outlining his vision on Europe](#).

Macron is expected to better define his ideas about the [establishment of a Eurozone budget](#) and other key reforms.

Coalition talks in Germany are expected to take off soon. In 2013, it took 86 days to form the Grand coalition Government between the CDU and the SPD.

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