

Insight



What the German elections mean for Brexit by Christian Odendahl and Sophia Besch 30 August 2017

The German elections will not affect the outcome of Brexit, whatever coalition partner Angela Merkel may choose.

There is currently a lot of speculation in Britain over whether the results of the German election will affect the outcome of the Brexit negotiations. Some senior Conservatives expect Germany to intervene to help the British. We lay out different electoral outcomes and their implications through a series of questions and answers.

How big a role does Brexit play in German political debate right now?

Contrary to what readers of the UK news media may believe, Brexit hardly features in the German election campaign. If it comes up at all, it is usually mentioned in the same breath as the election of President Donald Trump, as an example of triumphant right-wing populism. Most German voters still have a very hard time understanding why British voters decided the leave the EU. They fail to see how retreating from a club of like-minded democratic countries gives Britain more control. They look at the security challenges in Europe's neighbourhood and the disdain that Trump has for Europe's institutions and values, and see a need for more co-operation in Europe, not less.

Don't Germans understand that Britain is not leaving Europe, just the EU?

For many Germans, that statement does not make any sense. For them, the EU is the only way to co-operate permanently and effectively in Europe. Of course, in theory, the nations of Europe could work together without common institutions. But German history is filled with conflicts that show how this works (or does not work) in practice. This may be hard for many people in Britain to grasp, but the EU is a core German national interest.

Are all parties in Germany equally pro-EU and disapproving of Brexit? That would be quite bad for Britain.

All the major parties are strongly pro-EU, by British standards. The differences between them on European issues are subtle. The Social Democrats (SPD) and The Greens are more federalist and more



open to deeper eurozone integration; the Christian Democrats (CDU/CSU) and the Free Democrats (FDP) favour more inter-governmental approaches and are less keen on further integration, particularly in the eurozone. The far-left party Die Linke has a different view of the EU than most other parties, which is quite like that of the left wing of the British Labour party: it wants to overhaul what it considers to be the EU's neoliberal, undemocratic structures. But even Die Linke wants to reform, not leave the EU. Almost all German parties (and their voters) agree that the EU is a core national interest.

What about the Alternative für Deutschland? They are not pro-EU.

It is true that the AfD is Germany's most EU-sceptic party. The AfD was founded as a response to the bailouts during the euro crisis. When the euro crisis became less acute, and the AfD began to show its reactionary tendencies, it initially lost voter support. But the party then benefitted from voters' fears and insecurities during the refugee crisis – it changed its political profile from euro-critical to anti-immigration and has since had some spectacular results in state elections. In 2016 the AfD even polled at double digits in national opinion polls. But, in the eyes of the German voters at least, the refugee crisis is now largely under control and the AfD is no longer able to set the agenda. It is polling at around 9 per cent and so will probably enter the Bundestag (the threshold is 5 per cent), but the party is becoming increasingly politically irrelevant.

Irrelevant, after Germany took in more than one million migrants and asylum-seekers in just one year?

These issues have become less important to German voters than they were just a year ago. Some polls even rank them at the bottom of the table of topics that influence the German voting decision: poverty among the elderly, equal access to education, crime, healthcare and affordable housing all score higher.

So have the parties spelled out their position on Brexit in their manifestos?

They have, yes, though not in much detail.

That sounds familiar. Since Merkel is bound to win: what is her party's position on Brexit?

Merkel's party wants to maintain close economic and political ties to Britain post-Brexit, and limit the economic fallout. But the CDU/CSU also emphasises in its manifesto that countries leaving the EU cannot enjoy the same benefits as those inside. It is important to remember, however, that these are election manifesto statements. The CDU/CSU wants to sound more pragmatic on European issue than its competitors. The Social Democrats (SPD), for example, headed by the former president of the European Parliament, Martin Schulz, are under attack for serving European rather than German interests. The CDU/CSU manifesto hardly says anything more than what Merkel has said all along: Germany wants no punishment of Britain and a good relationship in the future, but no cherry-picking by the British, that means no selective participation in the single market.

Merkel will need a coalition partner. Does the party she governs with matter for the Brexit negotiations?

Not much. Three parties are possible candidates: the Social Democrats (SPD), the Greens, and the Free Democrats (FDP). The Social Democrats and the Greens have the most pro-EU stance, including on Brexit. Both emphasise that the integrity of the EU, including the single market, and the unity of the 27 in the negotiations should be Germany's first priority. They, too, want a strong partnership between Britain and the EU post-Brexit. But both reject an 'exit à la carte', where Britain gets to tailor its post-Brexit relationship to its needs. Access to the single market comes with strings attached. All parties agree on that point.



What about the FDP? You've written before that they are the CDU/CSU's preferred coalition partner. Yes, if they can get the votes. In their manifesto, the Free Democrats emphasise pragmatism and want to maintain Britain as a strong partner of the EU. But when it comes to their position on Brexit, they do not differ much from the CDU/CSU – or the other parties for that matter. They too say there cannot be any cherry-picking. They also emphasise the interests of Northern Ireland and Scotland in their manifesto, and, should they decide to secede from the UK, openly invite them to join the EU. The Greens do the same thing – maybe small parties support small nations.

But as Germany's pro-business party, the FDP must have a more pragmatic approach on how to keep Britain close economically.

The FDP's pro-business instincts do not translate into a softer German stance on Brexit. First, German businesses do not have a fundamentally different view on Brexit to the current German government: they would like to minimise economic disruption, of course, but not if that comes at the cost of setting a dangerous precedent for the EU. To German businesses, which have complex supply chains criss-crossing the entire EU, nothing is more important than the single market. If forced to choose, German businesss would always choose the single market over tariff-free access to the UK. Second, it is highly unlikely that the FDP will use its precious bargaining chips in coalition talks with the CDU/CSU on the Brexit question. If the FDP wants to take a stance on Europe in the talks, it is much more likely to do so on eurozone issues, where it is strongly opposed to the integrationist plans of French President Macron, for example.

What if Schulz does become the next chancellor, with a coalition government of SPD, The Greens and the Left? Is that the nightmare scenario for Britain?

No, it is not. Schulz is the more enthusiastic EU federalist, while Merkel is more pragmatic, but both acknowledge that the EU's cohesion and integrity is at the core of Germany's long-term national interest. Their Brexit negotiating positions would be similar. Plus, if the next government were really an 'R2G' (twice red plus green) coalition, the first left-wing government in 12 years would want to focus on domestic issues, rather than make life difficult for Britain.

So the outcome of the German election will not impact the Brexit negotiations much?

Probably not. The reason is not just that Germany's main parties have largely similar views on Brexit. Germany is also just one of 27 in Europe.

But isn't Germany the only country in the EU that counts?

Germany is the largest and most powerful country in Europe, and might be able to push through a softer stance on Brexit if it wanted to. But David Davis was wrong to suggest before the Brexit referendum that if the UK voted to leave, it would negotiate a deal with Berlin, not Brussels. The EU cannot be a vehicle of German domination, or it will lose its appeal to others. An EU that only serves a narrow notion of Germany's national interest is not in Germany's national interest in the long-term. German politicians know that. The eurozone and refugee crisis have already pushed Germany into a leadership role that it was reluctant to take, and both crises have undermined the EU's appeal in some countries. So even if the next German government had a notably softer view on Brexit than other countries, it would not want to strong-arm the rest of the EU into following its lead. The general belief – popular among British Conservatives – that Merkel will come to their rescue was false when David Cameron tried to renegotiate Britain's EU membership, and it is false now.

Christian Odendahl is chief economist and Sophia Besch is a researcher at the Centre for European Reform.

CER INSIGHT: WHAT THE GERMAN ELECTIONS MEAN FOR BREXIT 30 August 2017 INFO@CER.EU | WWW.CER.EU