



# Halfway for the German Grand Coalition – a rough ride ahead for Angela Merkel?

Halfway through the current black-red grand coalition of Christian Democrats (CDU/CSU) and Social Democrats (SPD) the peaceful times are pretty much over. Things will definitely get rougher for Angela Merkel (CDU), with her leadership in managing the on-going refugee crisis in question, while the SPD leadership is under ever more pressure to find means out of their poor poll results. Public discussion on chancellor candidates has already started: Rumour has it that Angela Merkel may stand for another term, while the SPD is internally quarrelling over whether to have a candidate at all.

*Martin Kothé, head of Public Affairs in Berlin, gives a snapshot view of the outlook for Germany's political leaders at the halfway mark of their Grand Coalition.*

## Not a strong balance sheet

So far, the current government's achievements read more like a list of expensive election promises and their ultimate effect on the economy is yet unclear:

The **SPD** claims to have delivered on some of its key social subjects with "fair retirement at 63" (seen by many as too expensive), a minimum wage of 8,50 Euros, and more money for childcare and school education.

The **CDU** has in return pushed its "mother pension" through Bundestag, another expensive election promise.

Meanwhile, CDU's Bavarian sister party **CSU** is suffering traumas with the toll for foreign passenger cars (challenged by EU legislation) and childcare money (Betreuungsgeld) which has been stopped by the Constitutional Court for lack of legal authority by the federal government.

Angela Merkel, however, has managed to keep out of the controversies around these issues – as is her known style –, focusing on European crisis management. Her strategy seems to have paid off. She is still the most popular leader for Germans. A recent survey by business paper Handelsblatt sees her come in at 58% should there be a chancellor vote at this time.



*The biggest threat to Angela Merkel's power at present is the enemy within.*



## What will be the decisive factor?

But what's in store for her in these next 24 or so months until the next national election in Germany in 2017? It is most definitely going to be a rougher ride, given coalition partner SPD needs to steer themselves out of their lasting all-time low of around 25%.

The European refugee crisis could become a decisive factor for both sides. Germans have surprised the world by their warm welcome to the influx of refugees, but it's too early to tell if that sentiment will be sustainable. Chancellor Merkel, in a rare show of commitment early on, called on Germans to stand united and show a friendly face to the newcomers. In a remarkably emotional address at her annual meeting with political correspondents in Berlin a couple of weeks ago, she said: "We all appreciate German order. But now the time has come to show some German flexibility."

In hindsight, it appears she somewhat underestimated the effect of her message aimed at domestic audiences on the distraught and crisis-ridden audience abroad, many of whom took it as a call to pack up and leave. Now, she is having to appease critics within her own party and is heavily challenged by state prime ministers to provide what is necessary to deal with the enormous numbers of hopeful asylum seekers. The challenge is not only political, but also very real in numbers alone: The weekend before the borders were placed under control again, some 40,000 people came across within 48 hours, and the task to accommodate them is no easy one. All in all, no-one would be surprised if by the end of the year, a total of one million people will have to be sheltered.

On top of that, Merkel also seems to have failed to align her position with Germany's European partners, and these now seem reluctant to heed German calls for burden-sharing on the issue. "You invited them; now it's your job to look after them", is the general line from across the German borders where many prefer to speak of migrants rather than refugees, the term mostly used in Germany.

However, Merkel has achieved an important goal that so far largely has escaped public attention: the number of attacks on would-be refugee residences seems to have gone down, plus: She can no longer be portrayed as an inhumane, unscrupulous leader.

SPD's political dilemma in this is that they can only follow Merkel's general path and try to demonstrate their impact in the implementation. Likewise, the opposition, reduced to smaller parties of the left, can merely criticise individual decisions, but not the overall goal.

In theory, there are some major areas of dispute that could impact Merkel's chances and be a final thread of hope for an SPD comeback:

- further support programmes for Greece, which is becoming a serious issue within CDU/CSU sister parties
- the largely unpopular TTIP negotiations, which is probably a more difficult topic within SPD than CDU/CSU
- managing relationships to the US in the wake of the NSA affair
- the energy transition ("Energiewende") – once Merkel's flagship subject but meanwhile purposely pushed across to SPD Minister Sigmar Gabriel as his litmus test
- climate policy, where Merkel needs successful negotiations in Paris later this year at the end of her G7-Presidency

But the biggest threat to Angela Merkel's power at present is the enemy within: Discontent within her own Christian Democratic CDU seems the greatest challenge to manoeuvre, with local and regional politicians of her own party feeling left alone by the Berlin government – not only with the sheer size of the problem, but also and increasingly with fears and apprehensions among their constituents.

*Fun fact on the sidelines:* the neologism "to merkeln" is nominated for the Youth Word of the Year 2015 – it means as much as "to not make a decision", describing the Chancellor's general approach to problems before the refugee crisis.

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