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FEDERAL ELECTION RESULTS

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## P R O C E E D I N G S

MR. GOLDGEIER: Hello, everyone. I'm Jim Goldgeier, a Robert Bosch Senior Visiting Fellow in the Center on the United States and Europe, at Brookings, and I am delighted to welcome you today to this event on the results of the 2021 German Federal Election, an election that marks the end of Angela Merkel's 16 years as Chancellor.

Yesterday, Germans went to the polls to cast their ballot for both Parliamentary candidates and the political parties they wish to see in their national government. And now come coalition negotiations, which in 2017 lasted more than four months and ended in one party walking out. Until a coalition agreement is reached, and with that the identity of Germany's next Chancellor revealed, Chancellor Merkel will continue to head a caretaker government.

We're thrilled to have such a distinguished group of experts to discuss the 2021 German Federal Election and to give insight to what we can expect going forward. In a moment, I will hand things over to Rieke Havertz, of ZEIT ONLINE. She will moderate a panel discussion with Isabelle Borucki, Interim Professor at the University of Siegen, Yascha Mounk, Associate Professor of the Practice at Johns Hopkins SAIS, and Senior Fellow at the Council on Foreign Relations, Daniela Schwarzer, Executive Director for Europe and Eurasia at Open Society Foundations, and my wonderful colleague, Constanze Stelzenmuller, Fritz Stern Chair and Trans-Atlantic Relations in the Brookings Institution Center on the United States and Europe.

In putting this event together, we're thankful for the support of the Robert Bosch Stiftung. This event is part of the Brookings-Bosch Trans-Atlantic Initiative, or BBTI, which aims to expand our networks into further Trans-Atlantic cooperation to address global challenges. We're grateful for the support of the Bosch Stiftung in this effort and for the respect they've always shown, in regards to our research independence. Today's event, as always, reflects only the views of the speakers, themselves.

The audience can ask questions, using the hashtag #GermanElection, or by emailing [events@brookings.edu](mailto:events@brookings.edu). And with that, I hand the floor over to Rieke.

MS. HAVERTZ: Hi, everyone, and thanks, Jim, for the kind introduction. And before we dive right in into this probably very interesting talk after last night's results, let's just have the numbers once, so we all have them all in our minds. So, the SPD came in first, with 25.7 percent, a close second

is the CDU/CSU, with 24.1. The Green Party came in third, with 14.8, and then the Free Democrats, 11.5. The AfD, the Alternative for Germany, came in with 10.3 percent, the Left with probably 4.9, and the other was 8.7.

So, this is where we stand on this Monday morning, U.S. time, and Monday afternoon, German time. And, of course, everybody already, in Germany, gave their press conferences, and so, a quick opening question to all of you, what is the biggest surprise of this election and the biggest upset, if so? Isabelle, maybe start with you.

MS. BORUCKI: Yeah, thank you very much, Rieke, and thank you very much for having me on this panel. It's very exciting being part of this. So, I was part of a national TV broadcast during the night, so, excuse me for being probably a little bit slow or tight in response because I had only three hours' sleep, as most of Berlin tonight or last night.

So, my biggest surprise was in the first step, how near the parties came last night, especially, so, the Social Democrats and the Christian Union. But honestly, if we think on the polls we had for last month's, yeah, it was foreseeable. But the biggest upset or other second surprise for me, then, was Armin Laschet, the Chancellor candidate running for the CDU, claiming Chancellorship that night, as being the second one.

So, we now see, somehow, from my view, the end of the so-called People Parties are folks part time in Germany, so, probably the beginning of a new era of party systems and party politics, also, in Germany, which originally was a very stable party system. So, probably, this is part of a surprise and part of an upset.

MS. HAVERTZ: Thanks, Isabelle. Yascha, what's your take?

MR. MOUNK: Yeah, thank you very much. I mean, I think, you know, surprise, and upset depends a little bit on the baseline. So, if you go by the polls over the last couple of weeks, there weren't any major upsets. I mean, some parties were a little higher, a little lower than, you know, the last poll set, but we're pretty close to what the polls had predicted, and the order of the parties was essentially the same to what the polls had predicted. But I think if you zoom out two or three or four years, there's a couple of real surprises.

You know, the biggest surprise to me is that, you know, probably, not certainly, probably,

the Federal Republic of Germany should -- will once again, as history, have a Social Democratic Chancellor. It wasn't at all clear, three or four years ago, that that would ever be the case again. And, you know, Scholz had a strategy, which frankly seemed a little silly, to say I'm not really going to do anything, I'll just be myself, and, you know, over time, people will realize how great I am, and how much we appreciate my calm, and they'll all run to me, and in part because that strategy, perhaps, was a little smarter than it seemed, and in part because it has too many competitors. It has too many competing parties.

It did them a great favor of nominating the less popular candidate, within their own party. That turned out to be true. And, obviously, there's coalition negotiations still to happen, and there's still a chance that Laschet will turn out to be Chancellor, but most likely, as Scholz will become Chancellor, and the SPD will have, again, a Chancellor in the Federal Republic, through that. That, to me, is a real surprise.

The second surprise, if I go back two or three or four years, and it's something we -- you know, it hasn't been mentioned all that much in the coverage of the election, and I think that's a mistake, is that the Alternative for Germany has lost about two percentage points, that for the first time in its history it has declined rather than increasing the vote, and that, you know, even if you take a very broad definition of extremist parties, including the Left Party, you know, about 16 or so percent of Germans voted for extreme parties. Everybody else voted for parties that are relatively moderate and centrist, you know, by various comparison relative to what the political trends seemed to be like a few years ago, in Germany, and it's a surprise relative to anywhere else in the Democratic world right now.

So, much as I disliked to praise Germany, and I had a quite tough piece, I think deserved the tough piece, in Merkel and the Atlantic, a few days ago. You know, we look around the Democratic world, and for all of the problems, where there are no longer being any thoughts about time, and the difficulty of forming a coalition, and voters not really knowing what they'll get, depending on who they vote for. Germany has problems, but relative to everywhere else, a pretty good place to be right now, and a democracy that's in pretty good health.

MS. HAVERTZ: Thanks, Yascha. Daniela, over to you. What are your first thoughts on this?

MS. SCHWARZER: Well, yes, I think the biggest surprise for me, as well, was the very low turn of comparatively low turnout for radical parties. Yascha gave the numbers, 15 percent, in total, of which just a good 10 percent went to IFD, which is a Far-Right Party, which was the largest opposition party in Parliament, and really was very exposed because that role gives you a number of relevant speaking points in plenary sessions, but you also chair relevant committees, like the Budgetary Committee. And very clearly the strategy that the party ran in Parliament, which was essentially one of -- more or less hijacked from the institution, it didn't work out, in addition to the radicalization, which we saw in the relevant part of the party.

So, that sort of total result for more radical parties, I think, is my better surprise or my positive surprise. Upset, I think more about the campaign than about the results. And in the campaign, I think one thing that is striking, and we may want to discuss what lasts of that and what it means is that a comparatively high number of citizens really didn't know what to vote for, but they knew what to vote against, essentially, to prevent Red-Red-Green, so, Social Democrat, Radical Left, and Green Coalition. And if you look at opinion poll data, there was a rather low, comparatively low, mobilization through actual issues, that parties would stand for.

And I think that is, to some extent, worrisome, if we look into the future, if, you know, as we see, the party system is reorganizing, and we now have two parties at around a quarter of the votes and then the number of parties between 10 and 15 percent. So, where does this leave our party system if they can't really gain traction? Yeah, I'd like to leave it with those two points.

MS. HAVERTZ: Thank you so much. Constanze, the challenge of being last on this opening round. Is there --?

MS. STELZENMULLER: Well --

MS. HAVERTZ: -- any surprises and upsets from your point?

MS. STELZENMULLER: Exactly. Well, it's perfectly all right, since I'm like you, the only one, well, the only one of the panel, the panelists, actually sitting in Washington, D.C. and have only been travelling virtually to Germany because of the travel ban. So, I expect that our other panelists would have fresher information.

That said, I think my unpleasant surprise, if I might say, is the degree to which the

country is, based on the voting outcomes, still divided between East and West. I think that's -- that's really the most -- you know, more than 30 years after the unification of Germany. If you look at the voting maps and particularly support for the AfD, where it came in first in Saxony and Thuringia, despite, as Daniela said, its radicalization, its open, you know, seeking of common cause with Neo-Nazi movements and movements like the Identitarians.

That's really distressing. That speaks to the divisions of the country, you know, remaining in place, you know, despite 30 years of -- having gone by. And I think it's time for all of us to take a very hard look at that and ask ourselves why that is the case. I do also think that that is a result of the failure over time, over decades, really, of the established parties in the East, or the established mainstream parties, the CDU in Saxony, and Die Linke in Thuringia, of, you know, presenting sort of viable Democratic convincing alternatives that would lead to, you know, the kind of structural reform that has, you know, has been omitted in much of Eastern Germany. So, that's -- that's one thing that I find quite concerning.

And the other thing that I -- I also -- that also concerns me, and this sort of comes in on what Daniela just said, is that really so much of this election campaign was about sort of irrelevancies, you know, people padding their resumes a little bit, rather than about the sort of great questions of transformational reform, that I think many of us here, at least here on this panel, would agree now await Germany, and that would be the task of the next German Chancellor.

MS. HAVERTZ: So, maybe let's stick to this for a little while and the outcome of the Alternative for Germany. As you mentioned, they were particularly strong in the former Eastern Part of Germany, and there you often hear on the marketplaces if the politicians are campaigning, like the CDU. Oh, you want to just grip for power, you just look for a position. This is not what we are looking for. So, with that said, should Armin Laschet resign from his grasp on power? And, I mean, he still, today, said, well, last night, I really didn't say I want to become Chancellor, but, of course, we are willing to take the responsibility. And we have our voters that we have to answer to, and, like, the typical spiel everyone does on a Monday after election night, but should Armin Laschet and should the Conservative Party go into opposition, also, as an answer to redefining their own party? Yascha, your thoughts?

MR. MOUNK: I mean, I don't know. I'm no PR Consultant or, I mean, Laschet, and I'm

not a Christian Democrat. So, it's a little hard for me to say what they should do. I mean, certainly, it seems that, you know, if he was a candidate who tried to inherit Merkel's competent immobilist shtick, he did come across as immobilist, but not as all that competent. You know, he, at the end, was really the preferred Chancellor candidate of a very small portion of the German Electorate. I think it makes sense for the Christian Democrats.

It makes sense for German Society, for the Christian Democrats to go into opposition to renew themselves, in terms of the content, to find some new leading figures who are more convincing, and then, hopefully, we have an interesting election in four years' time, in which, you know, Olaf Scholz, having been Chancellor for four years, hopefully, with success, perhaps with less success, we'll see, you know, faces a strong and coherent challenger from the CDU, who's able to put forward a substantially different program.

I think if Laschet somehow manages to convince the Greens to perform what's called a Jamaica Coalition, alongside with the FTP, it's going to be a weak government without very much legitimacy and certainly unlikely to make serious reforms. I think if Laschet remains the leader of the opposition, I'm also doubtful that that is the best opening position for a party to renew itself to find new ideas to put forward interesting proposals. So, my personal preference would be for him to leave a sort of leadership of it or perhaps to find some way of going back as Prime Minister of North Rhine-Westphalia, even though he kind of promised he wouldn't do that, because that seemed to leave perhaps a couple of doors open. He's pretty good at that job and can't do too much harm there. But as I'm saying, that's not my decision to make.

MS. HAVERTZ: Constanze, you look like you wanted to jump right in there.

MS. STELZENMULLER: Well, I mean, I would really like to put this question to everybody in -- on this call from Germany, which is it seems to me that, you know, the spread between the SPD and the CDU is such that now it takes hutzpah for the number two to say, you know, I want to be a Chancellor and I want to form a coalition. But the truth is that Jamaica is in many ways the preferred coalition model of the Green leadership and of the Liberals. And if I'm going to be sort of Machiavellian, then I would argue that this, this coalition, because of Laschet's weakness would give the Greens and Liberals more power than they could ever have in a coalition with Scholz.

And finally, I mean, if we think that Lindner is the kingmaker, if Lindner, as -- and, again, contradict me, everybody. If Lindner wants to be a Finance Minister, what's it going to be like to have a Chancellor who has been Finance Minister, who has everybody's phone numbers, and can -- who can always call up his counterparts and say, forget my Finance Minister, you know, he's just talking, we will sort of deal -- make a deal about this among, you know, between ourselves. So, is that still an option, Daniela, Isabelle, Yascha?

MS. HAVERTZ: Okay, before we dive -- I think it's a really interesting point, Olaf Scholz being the Finance Minister. Maybe just before we go in here, for the audience, say -- just say what are the possible coalitions on the table because we're already deep in there because I thought the AfD was such an interesting point and we kind of like now mingled around a bit. So, we all heard about the Jamaica Coalition, and that would be Conservative Party, the CDU/CSU, FDP, and the Green Party with the Chancellor, Armin Laschet, that is on the table. Also, there is the Red-Yellow-Green, as we call it in Germany, the Traffic Light Coalition. I think some American papers today explained this in the morning editions, to their readers, what that means.

So, that will be the SPD with the Liberals and the Green Party with the Chancellor, Sholz. And then there is the very, I think, unlikely but still possible scenario of a return to a grand coalition between the conservatives and the SPD, but my take is no one really wants to pursue that. So, that -- those are the options on the table. Maybe, Isabelle, back to you, and referring to what Constanze said. But Jamaica seems to be where Greens and FDP have most leverage. So, is that most likely, or, also, could the Green and the Liberals also gain a lot with Chancellor Sholz?

MS. BORUCKI: Yeah, that's a really good question. So, I think -- and, yeah, probably not so the most likely but most thinkable coalition from I -- overlapping concerns of tax and finance policy, and I -- a huge difference between the concepts on taxes and finances between Greens and Liberals makes it necessary that they first negotiate on this very policy to get their -- a consensus to then go further on to more and other policies, for instance, digital transformation, which is very important for both in their programs and where they, yeah, nicely fit together.

And in concerns of climate change and dealing with climate change, the FDP, I think, is willing to go into, yeah, some sorts of trade-ins and trade-offs, if they got, yeah, a more flexible and more



economic friendly tax system or a concept, together, with the Greens because the Greens wanted to -- how to say -- they wanted to introduce a new tax that goes mainly on for high income households and for, you know, to, so to say, high income companies, and that's what the Greens, pardon, what the FDP doesn't really want. They are on the other side of the spectrum.

So, again, this would be the policy field where strict negotiations are needed and where most conflict, I would say, is, yeah, and could happen in those negotiations because we never had such negotiations between small parties on the Federal Level. Of course, today, everyone, especially Robert Habeck, from the Green's, the second leader, co-leader, together with Annalena Baerbock, is the whole day long citing his Jamaica Coalition, that he had in Schleswig-Holstein, and I'm not firm with the English translation, pardon. But this state has only three million people. So, I doubt that this is scalable to the Federal Level. They really can't get into it. And, last point, I'm not sure whether both party bases are so happy with what their leadership is doing. So, probably, there will be interparty conflicts resulting in those coalition negotiations, afterwards or during all those coalitions, coalition negotiations. We saw this in 2017 with the breakup of this Jamaica negotiation, when Lindner, yeah, got to -- ran away, which was not very cherished, afterwards, in his party because his party wanted to govern. They wanted the power.

MS. HAVERTZ: Yeah, very unlikely that Lindner is going to walk out, again, after he did that in 2017. Daniela, the Kingmaker Green Party and the Liberals, that seemed to be looking a few years back, very unlikely that those two begin talks, and they announced they would talk to each other first. And can there be, also, an advantage of having, like, the smaller parties being the decisive factor in a new coalition?

MS. SCHWARZER: Well, it is definitely a very smart tactical move to turn it around on election night, and it was already clear after this first round of the leading candidates, when they came together at around 9:00-9:30 p.m. on TV. And I think it's tactically smart, but it also shows that we cannot know today whether we will have a Traffic Light Coalition or a Jamaica Coalition because, at least, you know, I would say for both of them, they will negotiate in both ways, not, you know, meaning not only among each other, among themselves, but then also with both -- with the SPD and CDU.

And the Greens have said, very clearly, both in the run up to the elections and today,

again, at a major conference, a press conference they gave, that they prefer a Traffic Light Coalition. So, moving the German Government to the Left, obviously having a Liberal Coalition Partner, but that is what they, at the moment, stand for, though I absolutely think they will negotiate Jamaica at the same time, simply to have as much leverage as possible. But we should not conclude that this means automatically the two smaller parties decide everything because, at least from a Social Democrat perspective, the Grand Coalition is an option, led by the Social Democrats.

Obviously, the lead candidate of the CDU, I mean, Laschet will probably then disappear from the national political scene, and, you know, that would be the case if he is in opposition, but it's also the case if he were a junior partner in the Grand Coalition led by the Social Democrats. So, it is not very clear who has the strongest leverage at the moment. All eyes are on the smaller parties, at the moment, because of this very unusual turnaround of the elections, but the Social Democrats are very open to look out for a Grand Coalition, led by themselves, of course, with a weaker Christian Democrat Partner.

And let me just argue why they might actually be interested to do that without their lead candidate, and that is the big concern, where their party will go, if they are in opposition. We saw in the selection of the leadership but then also in the infighting, once the party leadership was chosen, as the Chancellor candidate stood, that the party is deeply divided. And being in opposition would make it easier for those who really want to change the course of the party away from the center, further to the right, to make it easier to actually get that achieved. And that's why some who want to keep the party at the political center, and who don't want to lean towards the AfD in a way, why they have a clear preference to actually test that idea of a Grand Coalition, led by Olaf Scholz.

MS. HAVERTZ: Yascha, if we would see a three-party coalition, that will be a first in Germany. It could also drag on for a month. How dangerous would it be if Germany is ungoverned or only governed by Merkel, who is holding the stick, so to say, waiting for them to figure everything out? How soon should we be able to see some progress? Olaf Scholz just said he wants to form the Traffic Light Coalition by Christmastime.

MR. MOUNK: I have to say I'm relatively relaxed about that. There's, I think, a semi-apocryphal story about Belgium having gotten out of a great recession much better than other countries because, while other European countries were busy cutting a lot of spending in response to a great

recession, Belgium didn't have a government and couldn't do that, and it turned out to be a good choice. You know, I think Angela Merkel is perfectly capable of heading up a caretaker government for a few months. Obviously, legislative time is limited. We would like to have some reform, some forward movement in German politics, and the longer the next Bundestag has to actually do that with a coherent majority, rather than the people just sitting around, the better it is. But I certainly don't worry, but if it does take until Christmas or even a little bit beyond Christmas, you know, things will somehow fall apart. I mean, this is sort of a larger thing, which I think people who are part of this webinar, who are well informed, will probably already know, but I think it is worth saying for an American audience, but there is this sort of fear in the United States. But, you know, the one thing holding Germany together was Angela Merkel, and so, now that Merkel is gone, you know, the country might trumpify or something like that.

And I think that was a misplaced fear before the election because all three of the major Chancellor candidates, as they then appeared for various strengths and weaknesses, were not in any way similar to Mr. Trump, and would all have been capable of leading, you know, a perfectly decent government, and I think certainly now, after the election with the extremists and especially the AfD weakened, you know, we see that we have, you know, a pretty moderate set of preferences in the population and a pretty decent set of politicians in Bundestag, not exactly inspiring, but not worrying either, and so, you know, I think it's just fine if we were without a government for a few months. It might do the country a bit of good.

MS. HAVERTZ: Constanze, Olaf Scholz, who is one of the winners of election night because he pushed SPD into first place, a very unlikely candidate. He was laughed at in his own party. Then, a lot of people made the comparison that he is playing, actually, the Merkel role, he's acting Merkel-like, in consistency and being a bit more. Yeah, well, you know, he does it a little bit different. I think he does it more like he always -- is like this more. But he's doing that, so, now, everybody says, well, now, he has to play it smart to the end. Do you think he can play it smart to the end and become the next Chancellor? And what would that mean, also, for people, who Yascha just mentioned, feared that there would be, after Merkel, this big, black void in Germany?

MS. STELZENMULLER: You know, I agree, entirely, with Yascha, that we are not

seeing evidence of a big, black void, and, really, we're seeing sort of Germans bunching up in the middle, which is what they often do. But I think the interesting question with Scholz is -- you know, I think he, of the three candidates, was clearly the one who had shown most ability in an executive function, which was what ultimately mattered to Germans, and I think should matter, for a job like the Chancellor in a Parliamentary Coalition.

And I think the big question people have, and that I have, is in what way will the divisions in his own party come into play now? He has a notably yeasty baste and a very sort of feisty Left-Wing. Remember, he lost his bid for party leadership to two previously unknown politicians (inaudible) and the mastermind of this --

MR. MOUNK: (overtalking) calls them still largely unknown, Constanze. Is that going too far?

MS. STELZENMULLER: Probably true. But the mastermind of this was thought to be one Kevin Kuhnert, the youngish, I think just barely over 30, sort of intellectual and sort of head of the Left-Wing of the SPD, and they demonstrated extraordinary, unexpected discipline during this election campaign, by essentially shutting up and letting Olaf Scholz, you know, pretend he was a male version of Angela Merkel, and with that, spoke for the entirety of the SPD.

Anybody who knows the SPD knows that's not true, and there will now be a reckoning, and people will say, well, now that we have won in this way, we want the Left-Wing to come into play and to be taken into account, and I think that would be -- that would be a really interesting question to see or as a really interesting sort of fight to play out, and, I don't know, I'd be curious to see what the other panelists say about that. I think it's clear that the Left-Wing of the SPD had been hoping for a Red-Red-Green Coalition, could very much see themselves working together with Die Linke, to which I think it's possible to have some, you know, the violent exceptions, particularly on foreign and security policy grounds. But I'd like to hear from the others. What do you think about how -- how will the Left-Wing of the SPD now make its negotiating demands? Does Olaf Scholz really have the freedom to negotiate?

MS. HAVERTZ: Who wants to go first? Also, I mean, maybe picking up on -- I think yesterday you mentioned it that this was also a vote against a Red-Red-Green Coalition, and Olaf, Olaf Scholz, I mean, Laschet is playing that, with his attempt to gain and stay in power, that his -- this was a

clear vote against a Red-Red-Green Coalition, and so, yeah, how do you think Olaf Scholz can -- can he maintain the party discipline to bring this over the finish line? Daniela?

MS. SCHWARZER: Yeah, well, I think he clearly won the election for his party, and maybe despite the party leadership because he really pulled up the party 10 percentage points, more or less all by himself, with a small team, and really tailored the campaign around his personality, him as the leader. You know, if you look at the way they framed this whole campaign, it's Scholz Chancellor, and then the topics, but the usual, you know, party dynamics play comparatively little -- played a comparatively little role.

Now, you know, if political symbolism and the vibes that were at the various SPD events yesterday tell us anything, I would say he has a very, very strong backing from his party. Of course, there is a party leadership which may defend other positions. There's Kevin Kuhnert who represents the political Left of the young, the young sort of people within the SPD and the users, which is the sort of youth branch of the SPD. So, they will be -- they will have to be heard. And this will be reflected in the composition of a possible SPD-led government. So, they will be there. They will have to strike compromises on a number of issues, but if we look at them, I think some -- the coalition dynamics will basically help Olaf Scholz get his party more towards where he is.

And I'm thinking about, for instance, foreign policy, where the Social Democrats have not a relevant part of even leading figures and the members who are very critical, for instance, of nuclear sharing and other dimension of Trans-Atlantic cooperation, in the field of defense and security. And I think he -- as this has to be managed, and that's why I do believe it will be crucial to see who will be leading the Parliamentary group of the Social Democrats, which will obviously be far bigger and probably even more diverse and even more internally polarized than the SPD in the outgoing Parliament. And then we saw that there was a party chair who had foreign policy positions which were not totally in line with the SPD people in government, for instance, the Foreign Minister.

So, yeah, I think there definitely is an issue, but I do not think that Scholz, after what he did for his party, that he will be the victim of his own Left, no way, but, of course, he has to handle those interests. And just like for the Greens, the Parliamentary groups of both parties are considerably growing, and that means a number of MPs will come to the Federal Level for the first time. So, this will be their first

experience, maybe, as policymakers, you know, even in foreign affairs, defense, and other crucially relevant committees, and they will have to find their positions. And that's why I do believe that the party leadership has a serious role, not only in government, but also internally, to get the party aligned, but I don't think it's impossible at all.

MS. HAVERTZ: Yascha, do you agree? The SPD and party discipline, is that a new, with this maybe upcoming coalition?

MR. MOUNK: Well, I think we sort of see an interesting sort of -- a little bit of a debate here between Constanze and Daniela. I don't know how much I have to add to it. I will just say one thing, which is that I think for the moderates within the SPD, it's very fortuitous that the Red-Red-Green Coalition is not mathematically possible because I think, if, you know, the Left Party was making these overtures towards as to have left its Red-Red-Green Coalition, Scholz certainly dis-preferred it, the Greens dis-preferred it, especially if it had been a narrow majority, which means that you really have to, you know, rule with the crazy wing of Left Party, but it would have been a cajole for the Left, within the SPD, to throw over party leadership, right?

If the Liberals stop us from doing X, and they stop us from doing Y, then why aren't we in a coalition with the Left? Why don't we break the coalition and get together with the Left? It would have been a real way of -- to exercise power. Was that option off the table? It's very hard for Left of the SPD to complain because Scholz can effectively blame the FDP and the Liberals for any mixing of things they would want. Then, something that's convenient to both, because the Liberals will certainly want to tell their own voters, is because of us, but we don't have higher taxes on corporations, overraters because of us, but we're not going too far. It works on climate change and so on.

So, both sides can actually play, you know, live with that sort of division of labor quite well, and so, I think that, you know, as long as he's ready, popular as Chancellor Scholz would be able to manage the Leftist Party. If things start to fall apart, if he starts to be quite unpopular at the polls, see the SPD plummeting back towards where it was before, then, of course, the Left of the party might start getting arrestive again, and that's always a danger for Left-Wing Parties, in particular, but I think that that will take at least a couple of years.

Just one more thing to happen back to the dynamics of the Traffic Light Coalition over

Jamaica Coalition. I think the fact that the party base is going to play a role in these decisions actually makes the Traffic Light Coalition a little bit more likely because the base of the Green Party very strongly prefers a Traffic Light Coalition to a Jamaica Coalition. The base of the Liberal Party prefers a Jamaica Coalition. But I think it's easier for Lindner to say, look, the SPD just got more votes. I tried, but, in the end, the Greens wouldn't agree to it. And there is kind of this implicit legitimacy to Scholz being Chancellor. I think the circumstances make it easier for Lindner to sell that to his party, especially since he held the hard line four years ago and can say, you can -- you know I'm willing to walk away, you know that I'm somebody who can play hardball. I think that'll be much easier than for the Green Party to go to their members and say, hey, yes, the SPD got more votes, you know, yes, we really increased our share of the vote, but we're going to go into a coalition with two Right of Center Parties, that the base of the party really dislikes. I think that that's an element for why it's going end up being Traffic Light Coalition. So, certainly, I don't want to make a firm prediction. It's possible we'll get -- we'll end up with one of the other two.

MS. HAVERTZ: Well, then make your own, make a firm prediction, by the end of this discussion round. For now, Isabelle, we already mentioned that the Bundestag is going to be as big as it's ever been before, so, a lot of new members of Parliament going to be there. Daniela briefly touched on this, how that will also make it more difficult for parties. How difficult, though, to go in to navigate this new Bundestag under a, probably, Three-Party Coalition?

MS. BORUCKI: Yeah, that's a very good question. So, as of today, we will have 735 Parliamentarians in the German Bundestag. So, it's the hugest Parliament we ever had, and I think, after the Chinese Parliament, the second biggest in the world, but please correct me if it's wrong, just to get some dimensions on it. So, it's, I think, it's very hard to steer that because, if you just look at the figures, I think only the SPD will have some of 200 Parliamentarians, 197-98, whatsoever, and only, you know, leading those huge Parliamentarian groups will be -- or will need also huge efforts in getting a strict, yeah, leadership aligned through it.

So, in concerns of which are the main, you know, lines of the policies that need to -- brought truth, so, for instance, where President -- so, the next foreign things on the agenda are the G7 and the G7 Presidency and the EU. And we really, really need to bring Parliament online, and this also

contains, of course, the Parliamentary part of the party. And with the fact that so much newbies, so to say, will come into Parliament, it's going to be difficult because those new -- so-called newbies, I just called them newbies now, in the Parliament, they need to be accustomed to the process, to the rituals, to the Parliamentary process, how to -- the week with all those rituals, and how to negotiate on laws and everything that has to go through the Parliament. So, it will not be easy for the governing parties and the Parliamentary groups. And that's why, as Daniela already said, the leaders of the Parliamentary groups and Yascha also mentioned it, they are extremely important because they function as a transmission. So, yeah, they have a transmission function between the Parliament, and the government, and the party head quotas. So, they, so to say, are on a triangle. Sorry, I'm very tired.

MS. HAVERTZ: No, no, no. You're absolutely fine. It's been a long night for all of you guys, over in Berlin. We really appreciate that you're doing this.

MS. BORUCKI: Yeah, it was just exalting and very exciting, and, yeah, everything altogether. So, I think it would be crucial, in every coalition, and I also do agree with your arguments on -- or for the Traffic Light Coalition and concerns of what the party bases of the Social Democrats, and Greens, and Liberals think and in which directions they'd go. So, I think it would be very crucial to bring in those new Parliamentarians very quick, for instance, with mentoring programs or whatsoever, but to make the onboarding process more -- so, most smooth as possible, so to say. But, of course, there is no institutionalized onboarding process in the German Bundestag. I think every Parliamentarian has to do her thing for herself. So, this will be very, very difficult.

MS. HAVERTZ: At least going to be interesting to see really a big Parliament, moving forward. Before we move on, maybe, to the Trans-Atlantic aspect of this discussion because, of course, we also want to talk foreign policies here and on this panel, a quick reminder, if you have a question, you can submit that on Twitter, under the hashtag #GermanElection, or you can send an email, [events@brookings.edu](mailto:events@brookings.edu). Now, I'm kind of stumbling about, .com -- no, @.edu, it is the ending.

And maybe to do the transition to the international aspect of this, the Green Party started with very high expectations into this campaign. Now, they ended up being third place, 14.8 percent. Climate change was one of the decisive factors of this election, so it seemed. There were, like, I think, almost half a million people on the streets in Berlin, on the Friday before the election, to protest for more



climate policies. There was this huge flat in July, in Germany, like a clear, like, sign that this is nothing that is avoidable in the future. It's one of the global issues of our time. What happened there with the Green Party? Why don't they only come in third? Constanze, your take on that?

MS. STELZENMULLER: Well, I think we've seen this in many German elections, right? I think sort of most people who read the daily newspaper, and watch what's happening around them, watch what's happening to forests, you know, saw the news about the floods know that there are immense decisions to be made about climate neutrality and its consequences for industry, for the labor market, and that, of course, all of that has political consequences.

And I suspect that the Social Democrats are seen as having greater credibility, greater legitimacy, in trying to balance out the social costs of climate neutrality and industrial transformation, than, perhaps, a sort of single-mindedly focused Green Party, where people might doubt that the Greens have enough experience in mitigating social costs in, you know, deindustrialized areas, structurally backwards areas, doing this in a way that, you know, doesn't, you know, isn't maximalist and takes, you know, takes ordinary people along with them. I mean, I'm improvising here.

But I think that that is where this -- I think that is what people are asking for, a socially viable approach to transformation. And, again, I'd be really interested to see what others have to say. I see some of you nodding, but.

MS. HAVERTZ: Yeah, Yascha's nodding vigorously, so. Yascha?

MR. MOUNK: Yeah, I mean, I think -- look, the rise of a Green Party as the big dog within the mark in this election, and as -- I mean, sort of -- I think there was two big narratives about German -- about the German Election, abroad, where one was, oh my God, will everything trumpify after Merkel, that sort of perhaps have a low to mid level of sophistication, and then there's a different narrative, a sort of mid to high level of sophistication I've read in a lot of newspapers, which is, oh, you see, actually, all this popular stuff was a distraction. The real wave of the future is the Green Party and young people running to the Left and, you know, this idea of a whole social transformation. That's really what's going to happen, and Germany is going to be Exhibit A when the Green Party has the next Chancellor with Annalena Baerbock or somebody else. There was a lot of what you could read about Germany and within Germany, in the early parts of the campaign. So, why did that dog not bark?

I think that Constanze is exactly right, but I would put even a little bit further. You know, there's a vision of politics or climate change as a bit of a riding emergency, where we've sinned against nature, and where the only way to rescue the planet and expiate our sins is for some good old-fashioned self-flagellation, in which we have to suffer, in which we have to, you know, make sure that we never use a plastic, cannot order from Amazon, and, you know, no longer fly into Holidays using a plane, and live uncomfortably hot in the summer, and live uncomfortably cold in the winter.

And even for the Green Party, it's relatively smarter try to avoid crudest version of this narrative. It is still associated with it. And in one of the trials that I watched, in one of the debates between the three candidates, those cautiously but clearly, Annalena Baerbock's message, the message of a leader of the Green Party, who was saying, look, the only way to deal with climate change is there's going to be some suffering, right? I'm not going to tell you there's not going to be suffering. You're going to suffer. And she seemed to bristle at the idea that you might be able to solve climate change without suffering because that seemed to be somehow immoral to her.

And I think that there's a different way of talking about climate change, which other German parties have, including the Social Democrats, but also, to their credit, the Christian Democrats, unlike, for example, still big parts of a Republican Party. So, yes, climate change is a real problem. We have to deal with it. But by the way, we can deal with it in a way where we invest in clean energy, and we have some government regulations, and so on, in place, as well. But all of that is actually going to make our country more affluent, and we're going to find different -- where, you know, your car in the future might be electric, but it'll still be a nice big car, as most Germans like. And, you know, you're still going to be able to fly into your Holidays on a plane, and so on, and so forth.

And I do think that one of the lessons from this election that is relevant beyond Germany, as well, is that if you want to get people to do something about climate change, that is the narrative you need. Yes, that's a very engaged base on the streets, fighters for future, et cetera, but that is a smaller proportion of a population, and many people (inaudible), they're willing to say, sure, I want to do something for climate change. I don't want it to cost me anything, and the moment it costs me something, perhaps, I actually am not going to go to a candidate or for a party that pushes that forward.

And, by the way, one really interesting stat that came out of this election, but we haven't

yet discussed, is that when you look at young voters, the top party among the people who voted for the very first time was the Center-Right Pro-Business Liberal Party, just a smidgen ahead of the Green Party. When you look at the young voters below 30, it is the Greens a little bit ahead of the FDP, but as those two parties will dominate, and what's striking both of those cases is that if you take together, and this is a fraud thing because the AfD is really a party apart, but if you take apart all of the parties that are right of center and all of the parties that are left of center, the young people do not have a strong preference for the Left. There's a few more votes for the Left. The Red-Red-Green Coalition would just about have the majority, if you only look at voters below the age of 30, but by a very, very thin margin.

And so, the idea that, you know, all that the Left has to do and all that the Environmentalists have -- Left has to do is, as they always like to think, for the old to die out and the young and virtuous to come in. You know, I think that's implausible in virtually every country, for a good number of reasons but go beyond this discussion. It's certainly if you're looking at the exit polls from yesterday, it's implausible in the German case.

MS. HAVERTZ: Very good point, Yascha. Isabelle, you also wanted to add something to this.

MS. BORUCKI: Yes. I also see this narrative on, yeah, that you described, Yascha, I totally agree to it. So, there's just no point to discuss. What's a point from my view is, to add to the discussion here, that the exit polls clearly shown yesterday that the most important topic or problem to solve for people was not climate change. It was Social Security policies. So, and that probably is the notch to explain why the narrative of the Greens didn't get track, or traction, as we probably may assume or from all the polls and everything we already discussed.

And another narrative that was very nicely said, by the Liberals, I think, and which could possibly explain why especially the young people between 18 and 35 both voted for the Greens, or preferred the Greens, and the Liberals is that the Liberals quite nicely were able to set a narrative that told exactly what you described. We are able to fight climate change. We are able to get this into -- to manage this crisis. They always talk about managing, of course, and about innovation.

And the narrative is that climate change policy can achieve, and climate change can be managed, through innovation, through technology, with e-fuels for big cars with electromobility, et cetera,

only if we, the politicians, let our innovators in the economy let -- do what they do, innovating things, and not regulating them. And that, I think, was part -- the second part of the story you just told us. So, it's two parts, the Green part and the Liberal part. And that nicely explains how the two fit together, especially for the younger. So, that's just to add. But, unfortunately, the older people decided the vote, or decided the election, because they are over 38 percent of the electors -- of the electorate, so, yeah.

MS. HAVERTZ: I see a new panel coming up here, at Brookings, talking about the work that the Greens and the Liberals will do in a future coalition, if we might see it. For now, because we're really running out of time, and I'm really interested on your all take on the foreign policy aspect. Daniela, we -- during the campaign, there were trials, Yascha already mentioned one. Foreign policy played hardly any role in this, as is in many campaigns the case. We also see that, also, in every American election, that foreign policy issues are really not on top of anybody's list. What should be the priorities, when it comes to foreign relations for a new German Government? We've seen the Trans-Atlantic relationship, even under Biden, has been under tremendous strain. So, what do you see as the most important factors, moving forward, with the new German Government?

MS. SCHWARZER: Well, first of all, there's a very clear timetable of things, and Germany will be leading the G7, as of January 1, 2022. So, this needs to be prepared. It's interesting to see how -- I mean, Laschet, just a few days before the election, last week, published an op-ed in *Die Welt*, which is a Conservative Newspaper, where he actually defines his agenda for the G7 Summit, which came after an, really, very, very severe criticism that not only didn't the journalists ask questions on international affairs during those three televised debates, but also the candidates didn't really push the issue forward, with the notable exception, of course, of the international dimension of standard policy, which the Greens, but also others, took to the European Level in their discourse, but then also highlighted the international dimension, which is undeniable because if Europe does all the ambitious things that Germany does and wants other Europeans to do, and China doesn't play by the same standards, that doesn't help as much, and Africa and India. So, there was this part of the international debate, also, because of the Climate Conference coming up in this coming November, in Glasgow. But, you know, apart from that, there wasn't that much. So, yes, a successful G7 Presidency, I think, is, well, the first big challenge.

The second big challenge, still thinking in terms of calendar, are the French Elections, coming up in April and May 2022. The French Government, or the President, holds the EU Presidency at the same time. So, what we will see as, before Christmas, a, you know, a strong speech, once again, of Emmanuel Macron, where he will lay out not only what France stands for in the first half of 2022, leading the EU, but he will also have -- you know, this speech will be part of the kickoff of his campaign, at least that part of the campaign that will deal with European issues and international affairs. And as we remember very well, Emmanuel Macron built his whole narrative in his last electoral campaign, five years ago, on France's role in the EU and his ideas for a deeper and more integrated European Union a la Francaise. So, this will be pursued, in my view.

Germany and France will have to work hand-in-hand, quickly and closely, on a number of issues. There are pressing issues out there, and this pressure comes from within the European Union, but it also comes across the Atlantic. And that's, maybe, the last point I wish to mention, in order not to be too long, but, you know, please feel free to come back on any of those, if you want me to say more. That's really how Europe, and this includes Germany and France, how the EU looks at Washington and the Trans-Atlantic relationship. So, obviously, in the last weeks of the campaign, there were two moments of, yeah, enormous frustration. First of all, the way the U.S. withdrew from Afghanistan, where Europeans, Germans, who were still quite present in the country, France had left much early, felt very frustrated, not by the fact that Biden withdrew from Afghanistan. This was broadly expected. But the way it happened and the lack of attention that was paid to Europeans, both when organizing the withdrawal, but then, also, very practically, when it was about managing airport, you know, evacuations, and so on. So, there was a lot of criticism, also, in Berlin, of the way this actually practically worked.

And then the other topic is, of course, the agreement between Australia, the U.S., and the UK on building a nuclear submarine or a number of nuclear submarines for Australia, which led to giving up an existing contract with the French. And I think this, taken altogether, I think that what the next German Government needs to do is to avoid -- that we let these unfortunate developments undermine Trans-Atlantic trust and the ability to work together. The German public is divided about the question, should we work more closely with the U.S.? Can we actually trust the U.S.? This is no new phenomenon. It's an older phenomenon, which was, you know, obviously aggravated in the Trump

years, but it's still there. And so, the important thing is, as Biden defines his global agenda, and we will have the Summit of Democracies coming up before the end of the year, I think it's really important that Berlin, but also other Europeans, are very clear how they position themselves, politically, very clearly, in the West, in the Political West, but, at the same time, with owned positions because we don't automatically agree with the United States. Although, we are one group.

And that will be interesting for the new incoming government to handle because some of the differences between the parties, if you look in more detail at defense, if you look in more detail at tech and tech regulation. Those will be important topics on the Trans-Atlantic agenda, as well, and they will have to be very carefully handled because we know there are different departing points in the, you know, in the Trans-Atlantic discussion, and even within Germany. But they are strategically so important that I do hope they have the sort of, you know, the strategic understanding that we have to invest a lot of political capital, both as Germans, but also as Europeans, to reach a good compromise with other Europeans and across the Atlantic because the challenge we are all facing is the systemic competition with China. And Germany stands in a very different position, where it looks at China, than Washington does. Although, we are, together, part of the Political West.

MS. HAVERTZ: Thank you so much, Daniela. Constanze, throwing the ball over to you, over at the other side of the Atlantic, how can Berlin position itself with a Biden administration that constantly refers at itself, at being back at the international table, but then acts as if America First is still the main prerogative? Examples were given by Daniela, with Afghanistan, with the deal with Great Britain and Australia.

MS. STELZENMULLER: Yeah. I've subscribed to everything that Daniela just said. These are huge issues. And much will depend, of course, on like here in America, on who will be -- you know, how German foreign security and defense policy will be stopped. So, a great deal will depend on who becomes Foreign Minister, who becomes Defense Minister, and who becomes National Security Advisor, and the Chancellor. I think, at this point, it's probably relevant to say that Daniela headed a project, when she was still with (inaudible), until a few months ago, outlining a new national -- a German national foreign and security policy, of which I was also a part. I co-authored the defense policy and security policy chapter. And everything that Daniela has just said is right, and more, and I have to say I'm

concerned because there are real differences in the world views of the Social Democrats, the Liberals, and the Greens, at least based on their party programs.

I read through the foreign policy chapters of all of their party programs, last week, and was slightly disturbed to find, for example, that the Social Democrats' Program, which is particularly short, packed its foreign and security policy ideas into the Europe chapter, under the subheading "Europe's Neighborhood". And under "Europe's Neighborhood", you find the Trans-Atlantic relationship, Russia, and China, which, I have to say, as a, you know, as an analyst, I find a bit distressing.

Also, knowing the, you know, knowing the divisions within the Parliamentary Group and within the party, on these questions, suggests that some of these debates will be quite difficult. So, a great deal really depends on what people will be put into what positions. The Green Foreign Policy Program, in contrast, is that the Greens have, by far, the longest program of all the parties, and, essentially, it's a grab bag of everything. There is -- clearly, they resolved the problem of ideological differences by throwing everything into the program and trying to be all things to all members of the Green Party and all Green voters. So, all that suggests that the Greens will have, also, like the Social Democrats, will have a lot of internal negotiating to do, among themselves, to come to clarity. And, frankly, of the three parties likely to be members of a Traffic Light Coalition, the Liberals are the ones with the greatest intellectual clarity on foreign and security policy.

And so, I mean, to your question, Rieke, honestly, it's never been otherwise than with America saying, America's interests come first, right? What this -- I think the problem with this administration is not so much that it doesn't believe in alliances, it does, but that it hasn't really sort of filled out the, intellectually, the role that it sees for Europe, in its own world view, and here's where I turn this neatly around, neither have we attempted to help them do this. We have proven, it seems to me, almost completely incapable of putting out an articulated narrative of Europe, in a world of great power competition, in which we make it clear that we are willing to use the instruments of powers from sort development aid to military aid, and that we are willing to exercise the considerable leverage that we have with Europe's trade and regulatory power, on behalf of Western political purposes. And so, I'm only some -- I mean, you know, I can see the sort of uncertainties, the intellectual sort of lack of clarity over here, in Washington, on Europe, but, frankly, it's on us. It is on us to help define that, and we

haven't done it. And I have, at this point, you know, looking at the available personnel in a Traffic Light Coalition, I have serious doubts.

Let me add one final point. The Biden administration's team spent the entire summer and fall writing position papers on all aspects of American policy for this government. And when they came in, into government, on January 20th, they had a working list, they had papers, and they had plans. I have serious doubt that any of the major parties, in Germany, have anything similar. And, frankly, you know, that, I think, is not, as for a major power in Europe, is just not good enough.

MS. HAVERTZ: Thanks, Constanze. You already answered one or two of the questions that were sent in, which is perfect because Lincoln Pigman, for example, he asked, how do the SPD and the Greens differ on foreign policy? And as you, for all of us who read all the programs, we already established that. Another question is -- and let's just maybe dive right into the Q&A here because we're already after 10:00 p.m. in (inaudible) and after 4:00 p.m. in Germany. Heck Bae (phonetic), he wants to ask, how would EU politics and foreign policies change with the SPD and Scholz in power? What would change in German foreign policy? Yascha, maybe any ideas on that?

MR. MOUNK: Yeah, I mean, and that also is, in a way, a follow up to I think the excellent points that Constanze just made. Look, to take a step back, two of the very big questions that remain unresolved, after 16 years of Angela Merkel, are, firstly, about the nature of the European Union. We have had, over the course of the last decade, the rise of our tariff powers within the heart of the European Union. Hungary is no longer a democracy. Poland is dubiously a democracy.

And that is a fundamental challenge to the nature of the European Union because the European Union, as a block in which citizens share the sovereignty with each other, can only be legitimate if it is a club of values and a club of democracies, and in part because of prevarication of a German Government, in terms of expelling (inaudible) from its fraction of the European Parliament, imposing stronger sanctions on Hungary, and so on. We're now in a position where those countries can protect each other. So, for the foreseeable future, the EU is no longer a club of democracies, and that is a fundamental challenge to its legitimacy, that I still think is underestimated.

Now, the second problem is that Germany, of course, remains formally a member of Western Alliances. All your politicians who will play a significant role in the next German Government



value the Trans-Atlantic relationship, and value it earnestly. And at the same time, Germany has just concluded (inaudible). At the same time, the German economy depends strongly on sales to China.

And so, I think that precisely, also because of a lack of strategic thinking, that Constanze alluded to, there's a real danger of what I'm starting to call the Switzerlandization of Europe, over the course of the next decades, in which Europe remains formally aligned with the United States, but effectively has a kind of neutral position between the United States, on the one side, and Russia, and especially China, on the other side. And that will have really bad impacts on German and European domestic politics, too, because, as we're seeing, over the last years, if you are partially dependent on authoritarian power, they will also try to shape what you can say in your own home, how you can act in your own home.

And so, those are the fundamental challenges, and I really fear that the next government is not going to be equal, and I would argue that Merkel wasn't quite equal, either, towards taking this seriously and giving a strategic, intellectually for a answer to that. And, you know, I have different worries about each of those politicians. I worry about the Green Party because it's not willing to spend any money on the military, and that's a very important thing, in order to -- for them to be credible. I worry about the SPD because its former chairman sits on the Board of Gazprom, and there are many members of the party, including leading members of the party, who misunderstand the great success of U.S. politic from the 1970s, that every time they into government, they have dreams of another U.S. politic, when the first, you know, point of the agenda is to go and flatter Vladimir Putin. And I worry about Armin Laschet because he was a Pro-Assad Twitter Reply Guy for a couple of years, until somebody seemed to have told him that that was perhaps not a great idea.

So, I don't -- you know, so, I think about differences. I worry about different things with each of the parties, but I worry that neither of them, and neither coalition, and no Chancellor we might end up with, will actually take seriously the extent to which Germany faces scary strategic challenges, that it has not confronted in the last year, and that I fear it's very unlikely to confront in the next years.

MS. HAVERTZ: Thank you. That is kind of what Robert Hankins is also asking, a (inaudible) Scholar. He asks, do you think this election has changed the discussion around the idea of Germany, as a reluctant hegemon in Europe? Isabelle, any thoughts on that? You were, like, also, very

much nodding to what Yascha just said. So, what can Germany's role in -- within Europe be? Any positive, maybe, things because Yascha and Constanze were kind of like on the negative side, here, when it comes to the future of Germany, Europe, and the Trans-Atlantic relationship, and the differences, and the challenges ahead?

MS. BORUCKI: Yeah, this is a really complicated but crucial question. So, I really take on Constanze's and Daniela's and also Yascha's point. I cannot underline them more. So, it's very on us, us as Europeans, and us as Germans, to not only frame what we mean by European democracy, and the European public sphere, and the European identity, but also how Germany's role in this Europe, whatever it is, can be. And I think if we only think on -- or only take defense policy, as an example, and the discussion about Afghanistan withdrawal, about drones and the battlegroups, we are directly at the core of what it means, having European identity or not, because it really starts with the question of what the battlegroups should do. We have them like that over 20 years or more, and they never were in any battles.

So, there is no clear -- no roadmap, whether for Europe, nor for Germany, ergo or what follows from this, from my view, is that, yes, Germany and France need to take the lead, again, and then make something more than only an economic union, so, make or work more on a, yeah, the club of democracies you mentioned. And this also touches not only the question of Hungary but also Poland or the Czech Republic and all the member states that, yeah, backlashed to some sorts of illiberal or autocratic democracies that, yeah, treat human rights and European justice with their feet.

So, to make this point clear, it would be very good, and this links to Daniela's statement, if we have a strong German-French tandem within the European Union again, that probably takes the lead and works on -- works further on European identity and especially on defense and foreign policy because we really, really need a strong leadership here, and -- but I worry whether our personnel, our politicians, are able to do that. So, I'll finish here.

MS. HAVERTZ: Thanks. Maybe one last question. We had a couple of questions regarding the relationship towards China and Europe, China, and the United States. Maybe, Daniela, going back to that, how will recent elections, both in U.S. and Germany, affect the relationship to China? Maybe that one is the last Q&A on the foreign policy, and then I see we have one or two very interesting

ones regarding a Super Ministry and Finance Ministry. So, we've circled back to that and then we finish it off here. Daniela, maybe a quick word on China relations?

MS. SCHWARZER: Yes, indeed. So, Germany's position on China has -- or the debate on China has considerably changed over the past two years. However, the structural factors that are the base of this interdependence of Germany and China, they haven't changed, so, a mutual investment, FDI, and also trade in both directions. This remains, and that is why we should not assume that there will be a fundamental and quick shift. What is happening, though, is that there is a far better risk assessment. So, it would extend this trade with China. A risk is Chinese investment and Chinese provision of critical infrastructure of technology and other areas. To what extent is that a risk to Germany? And here, if you want to, you know, pinpoint one particular debate, which illustrates this very well, it's the 5G debate we had in Germany, where, actually, a leading CDU politician, over at (inaudible), who, of this outgoing Parliament, was the chair for Foreign Affairs Committee, he really, really changed the debate in Germany, even against this Chancellor, who wanted to avoid the debate and find a rather technical solution to the question, can we have 5G provided by Huawei or not?

Now, going forward, if we now, for a moment, think, in a scenario, SPD, Greens, Liberals, the Greens, probably with quite a lot of support of the SPD, will add a stronger tone on human rights to Germany's approach to China, and they will try and do it through the European Union because the most, yeah, the strongest leverage we have is this trade policy. So, this will, I think, will change in tone, maybe also in substance.

I think that Germany and Europe, in the future, and this is almost independent of which government comes in, led by CDU or SPD, will look more closely at China's influence in our direct neighborhood. We haven't, at all, spoken about the Western Balkans, and Eastern Europe, and then Forward Central Asia, where Germany has security interests, economic interests, has transition support that isn't yet delivering the right results. But China, here, comes in, as well, and the EU is responding, not fast enough, not strongly enough, but there are new debates on what can be done to actually draw those countries closer to the EU, rather than having the Chinese expand their influence even further.

So, I think there is a momentum now, where a kind of grown, more realist assessment of what China is for Germany, and for EU, where this can possibly, if the new government so wants, be

translated into a more strategic approach, and that includes one additional pillar, and that is Germany's and Europe's strategy towards the Indo-Pacific. It's a way of talking about China without mentioning China. There is -- this outgoing government published guidelines on the Indo-Pacific, which are pretty encompassing. You know, it's not just security, not just economics, but very broad. And the EU just put forward first imperatives, and that will really be a priority for the next government to draw off those threats, together, and really think very hard. Where can Germany have a stronger political presence, and where do we need to invest more, in order to underpin this? And I dare say, because we've -- you know, we discuss different scenarios, still. Obviously, on the defense and security side, a CDU-led government will be far more at ease to step up Germany's commitment. The SPD will have a harder time doing that. They are in the campaign, obviously. They tried, just like the Greens, to broaden the narrative, saying, and that's true, of course, defense is only one pillar of a broader set of foreign policy needs, so, development aid, stabilization policies, and so on, and so on. This all has to be accounted for.

So, I think it will, indeed, be a moment where there is a possibility that this new government actually understands that there is need for broader strategic thinking, but it's not yet in any way, I would say, concluded. It's only just starting, and I do hope that this next government really approaches those issues from that angle.

MS. HAVERTZ: So, a clear road, from our experts here on the panel, to a prioritized foreign policy, as soon as possible. And with the G7 Presidency, of course, there's a timeframe for that. One last question from the audience before we conclude this panel. Both as well, Eric Brown, as Douglas Redeker, are wondering how the Green Party and the Liberals will solve their power issue over who will become the next Finance Minister, Financial Minister, Mr. Robert Habeck or Christian Lindner? So, any thoughts on this? This is like, like, kind of a crystal ball kind of question, but it's an interesting one in the Traffic Light Coalition, possible because the Finance Ministry will be an important one, also, with Olaf Scholz, as Constanze already mentioned, heading that position for a long time. Who will be in his shadow? And he will -- can win this. Any thoughts on this?

MR. MOUNK: I mean, it really is a crystal ball issue. I've heard that the FDP would pull the power move that, you know, if the Greens really want the Finance Minister, fine, but then the FDP gets the Ombud Ministerium, so, the Environment Ministry, and the Greens certainly don't want that.

Look, I think that in the end, you know, the Greens are a little bit ahead of the Liberals, but the Liberals, I think, will save a price of their coalition. To be certain, you know, the Traffic Light Coalition is that they have to have control of finances, and I think that's a little bit hard to argue with, just given what the sort of historical competencies and orientations of the parties are.

So, I think it makes sense to end up with the Liberals as having the Finance Ministry and the Greens having a fortified Environmental Ministry, probably the Foreign Secretary, you know, and then Interior can go to the Liberals, or something like that. Obviously, you have to make sure that the governing party SPD, also, gets a couple of decent ministries. But that sort of seems to me like what rationally makes sense, which may be a sign that it won't make -- that is not what'll happen because politics has never been entirely rational, but perhaps, you know, German policies are more rational than that of other countries, so. So, let's put that out there as one possible scenario.

MS. HAVERTZ: You all agree. I thought I saw you all nodding on this. And maybe there is one specific question, also like a crystal ball, one for Constanze, from Nikos Peters, and I'm sure, Constanze, you texted with her last night. "How satisfied was Merkel with the results of the election?" is the question.

MS. STELZENMULLER: Yeah, you know, we talk all the time, of course, in my dreams. I don't know. Honestly, I think Angela Merkel would probably be very happy not to have to give the New Year Speech again. So, she will hope that folks get their acts together and come to a coalition agreement before New Year's, so she doesn't have to do that, because, let's keep in mind, she will be running the Caretaker Government until that happens.

And after that, I mean, I keep being asked by American friends whether she is up for, you know, any kind of international position, and I, frankly, doubt it. I think she'd be very happy going into retirement or maybe traveling, you know, traveling the Pacific Highway with her husband, something like that, and basically making, you know, making plum cake and taking naps, as she has said here when she got an honorary degree at Johns Hopkins, in the summer. I think that's entirely credible. And we -- I think she will step -- she will step aside with grace.

MS. HAVERTZ: I think, after 16 years --

MR. MOUNK: She's not going to join the Board of Gazprom, I hope.

MS. HAVERTZ: I think -- and we --

MS. STELZENMULLER: I think we can firmly exclude that, frankly.

MR. MOUNK: I think we can, yes.

MS. HAVERTZ: I think, after 16 years in power, a nap or two is certainly in order for Angela Merkel. And with this, we conclude this panel. One last quick answer from all of you because we're already in the department of crystal balls and magic wands, if you all would have the magic wand to make these coalition talks end, which would be your preferred coalition, and, with that, the preferred Chancellor of the next German Government? Isabelle, I'll start with you.

MS. BORUCKI: Yeah, if we're crystal balling, yeah, I'll stick to the Traffic Lights. Full stop.

MS. HAVERTZ: Yascha, how about you? Yascha, how about you?

MR. MOUNK: Yeah, I mean, given the possibilities, I would say I think the Traffic Light Coalition makes the most sense.

MS. HAVERTZ: Daniela?

MS. SCHWARZER: Yes, so do I. I agree because the SPD has a mandate to form a government. So, I think they should.

MS. HAVERTZ: Constanze, last words for the Grand Coalition, or are we --?

MS. STELZENMULLER: I'm staying here. I don't see any of the others really happening, at this time. They don't have a mandate. The difference between CDU and SPD is too clear, and Armin Laschet's performance has been too poor. I don't see it.

MS. HAVERTZ: So, here's a clear vote for a Traffic Light Coalition. We'll see how the next weeks unfold, in Germany. I thank you all very much for being here, especially those in Berlin who had a very short night, after a long election evening. Thanks so much for participating. Thanks so much for listening in and take care. See you soon. Bye-bye.

MS. STELZENMULLER: Thank you so much, everyone.

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