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THE HUMAN CAPITAL

Is Berlin still a metropolis unlike other major European cities, where only the most affluent can afford to live? *The Berlin Times*, a paper within this paper, reveals the state of life in Germany's capital today.

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Tainted love

The Germans know what they owe the Americans. But what does that mean for the future?

BY KATJA GLOGER AND GEORG MASCOLO

One of the low points of the trans-Atlantic relationship can be pinpointed precisely: June 19, 2018, 6:52AM EST. Presumably from his bedroom in the East Wing of the White House, US President Donald Trump clicked "send" in his Twitter app: "Crime in Germany is up 10% plus (officials do not want to report these crimes) since migrants were accepted."

It sounds like a state conspiracy, one discovered by the American president: the German chancellor, interior minister and police have conspired to deceive the German people. But this tweet, too, to put it mildly, was an incorrect claim. The AfD gleefully retweeted the message: Trump, it said, obviously had precise information from his intelligence services.

The German government and the chancellor refuted the substance of the tweet. In reality, the crime rate was down 10 percent in 2017, and was at its lowest since 1992. The political damage was somewhat contained, but the aftershock continues to linger.

Countering "fake news" and other media hysterics spread and enflamed by Russia is old hat for Berlin – after all, during the Cold War, West Germany was the preferred target for disinformation campaigns by the KGB and the Stasi. But to be attacked like this by a political ally? That was something new.

Unfortunately, this is but one of many reasons to look upon the German-American relationship with concern. The majority of Germans harbor deep mistrust for Trump and consider him a danger to world peace. They are disappointed and distraught by his cavalier attitude toward the free press, the independence of the judiciary and other fundamentals of democracy – values that the Americans so successfully bequeathed to the vast majority of West Germans after the end of the Hitler dictatorship. The initial ironic response, the sarcasm about his rhetoric and the ridicule of his incessant narcissism have yielded to the recognition that this president must be taken very seriously.

Germans, in spite of all justified – and sometimes excessive – criticism, are fully

aware of the depth of gratitude they owe the Americans, even if for decades only the western part of their divided country profited from it. Together with the Red Army, US soldiers liberated Germany from the despotism of the National Socialists. The Americans – in a move that of course benefitted their own economy as well – buried the Morgenthau Plan and launched the Marshall Plan. Decades later, after the fall of the Berlin Wall, they promoted reunification while the French and Brits had misgivings. But the Americans also had the confidence that the Germans had become a mature and responsible nation. The pride in having so decisively contributed to the evolution of the new Germany accounts for America's trusting demeanor. In this sense, Germany has always provided some sort of self-

affirmation for America as well.

In their short post-World-War-II history, the Germans have never had a better friend than the Americans. And when push came to shove,

Germany was one of the more reliable friends of the US. Former Chancellor Gerhard Schröder risked his office by contributing to the NATO war effort in Afghanistan after 9/11. Two years after that, George W. Bush took Germany's refusal to contribute troops to the invasion of Iraq as a betrayal.

So, how to handle Trump and the US in these trying times? Justified and openly voiced criticism is as important as the readiness for self-criticism. Germany's trade balance surplus and its – in America's eyes – inadequate defense expenditures had already been matters of concern for Clinton, Bush and Obama. They raised their concerns behind closed doors in a friendly tone – and each German government turned a deaf ear.

In recent months, some government officials have reread the farewell address US Secretary of Defense Robert Gates delivered to NATO in Brussels in June 2011. Gates warned that if burden sharing did not become more equitable, future presidents could strike a very different tone and follow a less lenient course. And so it has come to pass. For its external and, for that matter, its internal security, Germany relies largely on the US – the NSA and the CIA. This was true before and is still true after the disclosures of Edward Snowden.

THE GERMANS HAVE NEVER HAD A BETTER FRIEND THAN THE AMERICANS

Touch of grey

Leading a government she did not want and unable to silence her critics, Angela Merkel finds herself in a tough spot

BY GÜNTER BANNAS

The final years are always the hardest. For nearly 13 years, Angela Merkel has been chancellor of the Federal Republic of Germany. No current head of government in the Western democratic world has held power longer than this woman from the former East Germany.

Merkel has led her party, the center-right Christian Democratic Union (CDU), for 18 years. Only Helmut Kohl, the chancellor of Reunification, served longer in that office. Germany's sole female chancellor, Merkel has also led a variety of different cabinets, at times in coalition with the center-left Social Democrats (SPD), and

at other times with the free-market Free Democrats (FDP). Unlike the United States, Germany does not limit the duration for which one person can hold the country's most powerful political office. In April 2016, on his last visit to Berlin as US president, Barack Obama remarked "I do not envy Angela Merkel for not having term limits." Obama praised the wisdom of the US Constitution's framers. "I think it's healthy for a big, diverse country like ours to have some turnover. To use a phrase from basketball, to have some fresh legs come in."

Merkel was stunned. Her face expressed astonishment, and seemed to question whether saying such a thing was even proper. A number of her close associates who had expressed their intention to leave politics after years of service would later describe a different Angela Merkel. She seemed reflective, they said, as if it might be liberating for her, too, to pass the onus of responsibility on to others.

Following much introspection, she decided otherwise. Now, however, Merkel finds herself in a position that could not be politically more difficult. Public opinion is beginning to turn against Merkel. The chancellor barely reaches anyone with her talking points anymore. She is grappling with – and suffering from – three main problems.

First, Merkel leads a coalition government that none of the other parties

involved really wanted. Following the federal election last year, Merkel and her inner circle tried to forge a coalition the likes of which had never existed before in Germany: her Christian Democrats joining forces with the pro-business FDP and the environmentalist Greens. Following weeks of negotiations, the FDP walked out. FDP policymakers and even leading Social Democrats blamed Merkel, adding that the coalition talks' failure indicated that Merkel's days as chancellor were numbered.

The SPD, for its part, had little interest in joining yet another grand coalition with Merkel. Its leadership – under then-chairman Martin Schulz – understandably pointed out that it had just polled the worst election result in its history. Voters had assigned the SPD the role of

an opposition party, Schulz said, pledging that he would never take part in a Merkel cabinet. Merkel herself favored new elections.

It was President Frank-Walter Steinmeier who put an end to such plans. He ruled out another vote. Only after a long period of inner conflict did the SPD signal its readiness to cooperate. In return, the CDU had to forfeit the hugely important finance portfolio to the smaller SPD.

Second, Merkel's situation has not improved since. The finance minister is now the SPD's Olaf Scholz, who just last fall was still gleefully ridiculing the chancellor. "Her political style has apparently reached its limit," Scholz said. "The time of just muddling through is over." Now he is vice-chancellor, and many in the SPD believe he is readying to vie for the top job in the next federal election. In the details of government work – which are closely watched in Berlin's political circles – Scholz is walking away from previous agreements. Pension payments after the year 2040 are just one example. Statements by Scholz have led to counterattacks from Merkel's CDU. As a result, Merkel came under pressure within her own party and felt constrained to contradict him.

Relations with the Bavarian CSU, the CDU's so-called sister party, are even worse. Virtually no politician in Germany has rejected Merkel's refu-

MERKEL LEADS A COALITION THAT NONE OF THE OTHER PARTIES INVOLVED WANTED

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Fear and prejudice

Why Germany's populist AfD attracts so many followers

BY PETER H. KOEPF

This time it was Chemnitz. News reports around the world showed beefy, baldheaded men in black raising placards and their right arms, chanting xenophobic slogans. Right-wing extremists, soccer hooligans and angry citizens gathered – of all places – around a big statue of Karl Marx after a man had been stabbed to death in this Saxon city of 250,000 residents, apparently by two men Germany had taken in after they no longer could or would stay in their own countries: Syria and Iraq. The angry crowd blamed the crime on Germany's chancellor, shouting the now-familiar "Merkel must go!" Then the mob turned their ire on people they considered foreigners. The police, vastly outnumbered, seemed powerless against this brand of collective punishment.

Just as shameful and shocking is the fact that federal lawmakers in Germany defended and even justified this episode of "going buckwild" (Steve Bannon). It was "normal that people explode" after this "kind of killing," the parliamentary leader of the populist AfD, Alexander Gauland, said in a statement. And: "When the state can no longer protect its citizens, the people take to the streets and protect themselves," Bundestag parliamentarian Markus Frohnmaier (AfD) tweeted. A call to vigilantism?

To be sure, there were also spontaneous counter-demonstrations, and music bands organized a big pro-tolerance solidarity concert attracting as many as 50,000 attendees. Slogans and insults flew back and forth. Those wanting to mourn the victim had no appropriate place to do so.

Not surprisingly, politicians and their parties seized the opportunity for some grandstanding. "The clashes have their roots in Chancellor Angela Merkel's statement 'We can do this,'" said FDP Vice President Wolfgang Kubicki, referring to Merkel's open-door policy during the 2015 refugee crisis.

The reason for such statements can easily be traced to upcoming regional elections in Bavaria

on October 14 and in Hessen two weeks later, followed by the European Parliamentary elections in the spring of 2019 and then, that autumn, elections in three eastern German states – Saxony, Brandenburg and Thuringia, where the AfD could become the strongest party of all.

Why do so many people in eastern Germany sympathize with the far right? The answer has two components: a sense of

helplessness as well as fears of the future and of gradual decline. It began right after the fall of the Berlin Wall. To this day, western Germans regard the incorporation of the five eastern states as an act of generosity – which did not stop legions of West German carpetbaggers from taking their inexperienced new compatriots to the cleaners with insurance schemes and used car sales, all of which deeply embarrassed the easterners once they realized their mistakes. Later, with growing resentment, they watched banks get rescued with tax money and then return to their old business models, raking in cash once more, while the "little guy" paid for the party times of the past with unemployment and sink-

ing real wages. The euro crisis, they felt, revealed their elected representatives – who had long become stooges of uncontrollable, too-big-to-fail corporations – to have lost all control of the situation. Many western Germans shared this view.

It was at this time, in 2013, that the AfD was born as the party criticizing the euro bailouts and the EU. When this cause lost its momentum, the Islam-haters

of eastern Germans vent their anger and frustration at demonstrations and at the ballot box. Only there do they regain their self-esteem.

The sympathies that the dissatisfied, the shortchanged and the disrespected feel for the nationalist AfD are irrational. Analysis of the party's platform reveals that it serves the interests of businesses rather than "the little guy." It calls for a scaled-

ing privatization, including that of highways and health care.

The AfD also denies a link between CO₂ emissions and global warming. "I don't believe there's anything that people can do against climate change," Gauland said in a recent TV interview.

The actual glue that holds the AfD together is hatred of otherness. Since 2014, the party has steadily radicalized. Most party



The whites of their eyes: far-right demonstrators in Chemnitz in late August.

gained traction. Then, the refugees came, more than a million of them. Many eastern Germans suddenly feared for their jobs, their homes and social welfare. The government, they believed, had a soft spot for any and all minorities, but not for us.

This seemingly permanent message of arrogance and indifference that easterners receive from western elites is now being answered, as growing numbers

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back state that only the wealthy can afford. But the platform does support a minimum wage and, broadly, Germany's long-enshrined system of collective bargaining. It also includes vague references to tax breaks for low and median incomes.

For the upper crust, however, the AfD promises capping employer contributions, taxes and welfare contributions at 40 percent of income. It seeks to abolish inheritance tax and rejects a wealth tax that could actually help repair the cohesion of a society afflicted by the widening gulf in private ownership – the gap between rich and poor. The AfD also wants more freedom for the private sector, less regulations and is encourag-

positions are held by far-right loudmouths, and the numbers of voters and supporters are rising. It is disturbing to learn from Franziska Schreiber, a woman who left the AfD, how many members in 2016 actually desired a terrorist attack. "Things really need to hit the fan," the author (of *Inside AfD*) heard again and again. "Then people will see we were right all along." When Anis Amri drove a stolen truck into a Berlin Christmas market killing a dozen people, Schreiber often saw high-fives in place of condolences for the victims. It was all repeated in Chemnitz: a dead person at the hands of asylum seekers. It's fertilizer for the AfD's blossoming dreams of taking power.

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Touch of grey

gee policy as stridently as Horst Seehofer, the CSU chairman. "The rule of injustice" is what Seehofer called Merkel's decision in 2015 to permit hundreds of thousands of migrants to come to Germany. Now Seehofer is interior minister, making him responsible for refugee policy. In his current office he has repeatedly questioned Merkel's authority on this issue, although Germany's constitution assigns the task of setting "policy guidelines" to the chancellor.

The chancellery was outraged at Seehofer, not least for his repeated bullying. The constitution grants Merkel the right to fire him. But in reality, she cannot. In dividing the government portfolios among the three parties, the current coalition agreement lets the CSU decide who will be interior minister.

Third, with astonishing frequency and bluntness, as if it were a foregone conclusion, even leading CDU figures predict that Merkel will not run for another term as chancellor in three years. All Berlin talks this way. Sooner or later, Merkel will announce her intention to stand down, they say, although this would break with tradition. For the moment she says nothing on the matter.

None of Merkel's predecessors have left office of their own accord. All were sent packing against their will. There's rumbling within Merkel's conservative parliamentary group. This loose talk further undermines her authority. Governing is getting harder.

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