

Angela Merkel and how managing the pandemic crisis can mark her legacy

Abstract:

Her successful handling of the COVID-19 pandemic has brought the German chancellor back to the front line, which just a few months ago was experiencing its lowest hours. In Europe. Angela Merkel has opted for solidarity and together with her French colleague Emmanuel Macron proposed a 500-billion-euro recovery fund in May. The aim is to help the member countries most affected by the consequences of this crisis. Germany holds the rotating presidency of the Council of the European Union this semester and expectations are enormous. Everyone is confident that Merkel will seize this opportunity to strengthen her legacy.

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Pandemic, COVID-19, crisis, European Union, Germany, Angela Merkel, Recovery Fund.

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Introduction

The German Chancellor, Angela Merkel, was living her lowest hours and was already on her way out when her management of the pandemic brought her back to the front line. She considered it paid off after announcing, after several failures in regional elections in October 2018, that she would not stand for re-election. She also resigned from the party's leadership and her dauphine, Annegret Kramp-Karrenbauer, would end up defenestrated as the leader of the CDU and potential candidate for the chancellorship in 2021. The race for Merkel's succession among the Conservatives remains open.

Less than a year ago he was in the news because of her health, because of her tremors. But now her pulse has not shaken, and she has shown her best. And she will be remembered as a true crisis manager whom everyone looks to in moments of anxiety and insecurity as a lifeline.

Before the pandemic, the European Union was struggling and unable to find common ground on pressing issues. The chancellor seemed absent and apathetic. But everything has changed. With no re-election in sight, Merkel only needs to worry about her legacy without looking at the polls which, in any case, are favorable to her now.

The management of the crisis has strengthened her and her grand coalition government. Her interventions and speeches have given calm and confidence to her population. Some, like her explanation of the contagion curve, even went viral. She kept 14 days in quarantine when she learned that her doctor, whom she had visited a couple of days ago, had tested positive on COVID-19.

The coalition parties, the Christian Democrats of the CDU and the Social Democrats of the SPD, have recovered in the polls. Merkel's CDU has even reached 40%, above the election result of three years ago and unthinkable a few months ago. And Merkel's rating has risen to over 80%, a figure that most of her European colleagues would like to see.

For Manfred Güllner, director of the prestigious Forsa demoscopic institute, "Merkel who, contrary to what political observers and academic political scientists assume, has consistently enjoyed great sympathy among the vast majority of citizens —with the exception of the supporters of the Alternative for Germany (AfD)— and has been able to stabilize and increase her popularity thanks to her fully accepted leadership role in the





coronavirus¹ crisis".

Her serenity and scientific training have undoubtedly been key to transmitting that security so necessary in a leader in times of uncertainty. In 2015, her management of the refugee crisis and her defense of multilateralism against Donald Trump and Vladimir Putin already earned her the label of leader of the free world. But she was also the manager of the euro crisis, the one hated and vilified by many in the countries of the South, which she punished and demanded that they do their "homework": saving, austerity, cutting spending and carrying out profound reforms.

The rise in her popularity put a possible new candidacy for the chancellorship back on the table, something that Merkel herself denied. "With all the sympathy for Merkel and all the fear of a leadership vacuum that will arise with her withdrawal from politics, Merkel's words that 2017 was the last time she would run were taken seriously. In this sense, citizens know that there will not be another Merkel mandate,' explains Manfred Güllner.

If everything goes as planned, Merkel will leave power without ever having lost at the polls and with a high popularity rating and the desire of many to continue. But just a few months ago he was the "lame duck" and it was thought that after four terms and overtaking Konrad Adenauer and equaling Helmut Kohl in years in power, he would leave without a clear legacy. Now is her chance, especially at the European level.

Her star was going out. But her personality and performance have been instrumental in making Germany's management of the pandemic one of the best in the world. No doubt her scientific background has contributed to this. This has helped Merkel regain her international voice and credibility at a crucial time for her future legacy. Germany took over the rotating presidency of the Council of the European Union on 1 July, so the Chancellor's visibility will be even higher.

Crisis management

The Chancellor was able to see the seriousness of the situation from the outset, understand what was happening and convey clearly that the most vulnerable people had to be cared for and that the measures established to prevent mass contagion and prevent

¹ Manfred Güllner, sociologist and founder and director of the German Forsa Demoscopic Institute Response to the author's questionnaire by email on July 10, 2020.





the health system from collapsing had to be respected. She acknowledged clearly what she did not know and said that we had to learn to live with the virus until a vaccine was found.

Germany established a very effective tracking and tracing system and a relatively relaxed six-week closure. It has recorded more than 198,556 cases and 9060 deaths as of 11 July², figures far below those of countries such as Spain or Italy, not to mention the United States or the United Kingdom. The average age of those infected, 49, has been lower than in other countries. The death rate rose when the virus spread to older people. More people were tested than in most countries. More people were detected as asymptomatic or with mild symptoms. In addition to the tests, there were many intensive care beds and a good health system that has not collapsed.

In mid-January, the La Charité hospital in Berlin had already developed a test and shared the formula on the internet. By February, when the first case was registered by COVID-19, laboratories around the country already had test kits. "The reason why we have so few deaths in Germany at the moment in relation to the number of people infected can be explained to a large extent by the fact that we are doing a lot of laboratory testing", said Christian Drosten, senior virologist at La Charité, whose team developed the first test³. Drosten has become Merkel's chief virologist and the most famous in the country.

Early and widespread testing reduced the spread of the virus by isolating diagnosed people and providing them with appropriate treatment, for example, putting them on a respirator before their condition worsened. This gives a higher chance of survival. Medical personnel, as an at-risk population, are regularly tested.

Chancellor Angela Merkel's leadership is also considered to have contributed to the excellent mark for crisis management. The Chancellor maintained clear, calm and regular communication while imposing increasingly strict measures of social distancing. The restrictions met with little political opposition. Sound government decisions, the closing of ranks of most of the political class and the confidence of the population were also crucial.

³ BENNHOLD, Katrin. *Why Germany's death rate is so low*. New York Times, April 6, 2020. Available at: https://www.nytimes.com/es/2020/04/06/espanol/mundo/Alemania-tasa-mortalidad-virus.html



² Data from the Robert Koch Institute, the reference body in Germany for pandemic data. Available at: https://www.rki.de/DE/Content/InfAZ/N/Neuartiges Coronavirus/Fallzahlen.html. Query: 11/07/2020.



Sociologist Armin Nassehi says that the starting positions were different in different countries: "In France, we could see that the highly centralized system has more room for manoeuvre but is possibly less sensitive to specific regional cases. In the UK, the problem has long been denied. Italy and Spain were much more affected and much less prepared than the more northern countries that were affected somewhat later. Merkel has managed to convey the drastic nature of the events and also to present the measures in a plausible way⁴.

When the virus hit, the federal government was technically not in charge. Because of the federal system, in Germany, decisions such as closing schools, banning contacts or ordering confinement are the responsibility of the Bundesländer, the Länder. But the chancellor soon assumed a leadership role, coordinating regular exchanges among the heads of government of the 16 Länder. She pushed for equal regulations throughout the country and brought in the best scientists.

Professor Nassehi explains Merkel's role: "As Chancellor, Angela Merkel managed, especially at the beginning of the crisis, to synchronize the actions of the Länder as a moderator and with a certain authority. In Germany, the beginning of the blockade measures was strongly influenced by the images from northern Italy. When it came to the relaxation measures and the partial lifting of the contact restrictions etc., the chancellor was to some extent no longer able to impose herself. However, she managed to keep up her role as moderator of the process. The high approval rates obviously have to do with this ability⁵. "Merkel once again explained in simple and clear words the measures she believed to be necessary and appropriate for the population and achieved a consensus that citizens reward⁶, adds Manfred Güllner.

When the number of infected people increased at the end of February, she knew what to do and pressed for a reduction in contact as a preventive measure and for closing off spaces in public life instead of applying total and obligatory confinement, something which was still very difficult for her to apply to a population that associated it with the totalitarianism and lack of freedom that she herself had experienced for 35 years under

⁶ Manfred Güllner, sociologist and founder and director of the German Forsa Demoscopic Institute Response to the author's questionnaire by email on July 10, 2020.



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⁴ Armin Nassehi, sociologist and professor at the Ludwig-Maximilian University in Munich. Response to questionnaire made by the author by email on July 10, 2020.
⁵ Idem.



the communist regime of the former GDR.

The chancellor's rigor in gathering information, her honesty in recognizing what she did not know and her composure gave the population calm and security. She also had a coordinated system of scientific and medical centers throughout Germany and gained the trust of the population with strong and sensible leadership. "Merkel gave people the feeling -as she did during the banking and financial crisis or the euro- that she cares about what really moves and worries them, and in the coronavirus crisis this was and is precisely the fear of the virus and the negative consequences for the economy, ⁷" Güllner says.

With 30 years of political experience and in the face of the enormous challenge she faced, Merkel drew on her scientific background and something characteristic of it: her deliberate investigation of every new piece of information, her careful consultation with experts as an integral part of the daily process of her decision-making and her political personality. She has relied on experts from scientific research organizations, public health agencies such as the Robert Koch Institute and the country's network of public universities, and she has brought together all the university's medical departments into a single coronavirus working group.

Merkelian speeches during the pandemic

It is interesting to analyze the speeches and interventions of the chancellor in recent months to see its evolution throughout the crisis and the most important issues for her at every moment. In all of them there are data, facts and emotions.

On 14 March he recalled that one had to stay away from unnecessary events, even in the family environment. "In this way, we are helping people in a very concrete way and we can show solidarity in society", she said. She repeated this again and again, as well as her call for individual responsibility.

Angela Merkel is not given to big speeches, let alone grand ones. She is not a great speaker and lacks the charisma of other politicians. She usually addresses the nation once a year in a pre-recorded New Year's message. That is why it was a surprise, reflecting the magnitude of the crisis, when on March 18 she made her first unscheduled

⁷ Manfred Güllner, sociologist and political scientist, Director of the German Forsa Demoscopic Institute. Response to questionnaire made by the author by email on July 9, 2020.





television address in her 15 years at the head of the foreign ministry. She knew how to mix the somber facts and figures with compassion and closeness to others. She transmitted the tranquility that the population needed and won their trust. She spoke directly and frankly. The scenery was also a symbol. On one side the European and German flags and in the background the Reichstag, seat of the Bundestag where the people's sovereignty resides. Her speech worked. Angela Merkel reached the hearts and minds of her citizens and solidified her leadership.

She began on an emotional note: "The coronavirus is currently changing life in our country dramatically. Our ideas of normality, of public life, of social interaction, all of them are being tested like never before". She stressed the importance of democracy and transparency in political decisions: "So let me tell you: this is serious. Take it seriously too. Since the Second World War there has not been a challenge to our country that depends so much on our joint solidarity action". She appealed directly to solidarity, something she will repeat in other speeches: "I firmly believe that we will pass this test if all citizens really see this as their task. Germany has an excellent health system, perhaps one of the best in the world. That can give us confidence. But our hospitals would also be completely overwhelmed if too many patients with a severe course of coronavirus infection had to be admitted within a short time. It is not just abstract numbers in a statistic, but a parent or grandparent, a mother or grandmother, a couple, they are people. And we are a community where every life and every person count. And when talking about restrictions to limit the risk of contagion, she referred to her past as a citizen of the former GDR: "I know how dramatic the restrictions are already. I know how hard the closures are. They are restrictions such as have never existed before in the Federal Republic. Let me assure you: for someone like me, for whom freedom of travel and movement was a hard-won right, such restrictions can only be justified in absolute necessity. In a democracy they should never be decided lightly and only temporarily.

She did not forget one of the population's major concerns, the economic consequences: "The federal government is doing everything it can to cushion the economic impact and above all to preserve jobs. We can and will do everything we can to help our employers and workers pass this difficult test". And with love but firmly she appealed to the population: "Just as we can all be affected by the virus indiscriminately, we must now all help. This is what an epidemic shows us: how vulnerable we are, how dependent we are





on the behavior of others, but also how we can protect and strengthen each other by acting together. It is up to each of us. And I need everyone to understand that: Right now, distance is the only expression of affection. This is an historic task and we can only carry it out together. It depends without exception on each individual and therefore on all of us⁸.

She will continue in this vein in her subsequent concise and clear speeches, thanking the Germans for their efforts and warning them not to become impatient. "Unfortunately, the daily number of new infections still does not give us any reason to ease or relax the rules," she said on March 28. And she emphasized: "We are mobilizing everything we can to make our country safe in these uncertain times." This message was recorded at her home during his quarantine: "This is a situation that I share with many right now. You are not sick and yet you stay home to make sure you are not carrying the virus," she said reminding those who were in the same situation.

And on April 9, before Easter, she warned: "We must not be careless now, nor should we remain huddled in a false sense of security. The situation is fragile. That means concentration and discipline. This Easter will be very different from what we have always known in our lives. It will certainly be a great challenge for many families, for many people. Therefore, my thanks to all those who abide by the rules and my request to everyone to continue with this. Our goal remains, after all, not to overburden our health care system at any time and to provide everyone with the treatment they need".

On April 16, without intending to, one of her appearances will go viral on social networks. The chancellor explained in a simple, straightforward and clear way the mathematics behind the virus' spread curve and its impact on the health system. It was a political communication success. She stated that the infection curve had flattened out, but: "We have made observation models. We are now around a reproduction factor 1, i.e. one person infecting another person. If we get to the point where each person infects 1.1 people, then by October we will have reached the limit of efficiency of our health system, with its number of beds in intensive care units. If we reach 1.2 people, that is, each person is infecting 20% more; that is, out of five people, one infects two others and four each infects one other, then we will reach the limit of our health system in July. And if we go

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All speeches, press conferences, statements, etc. Available at: https://www.bundeskanzlerin.de/bkin-de
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up to 1.3 people, then by June we will have reached the limit of our health system. You can see how little room there is for maneuver we are working with⁹.

In her first government statement on the coronavirus on 23 April in the Bundestag, she warned: "Let us not play with what we've achieved so far. This was only possible with the help of citizens who do something for their fellow man with heart and head. I am convinced that together, after these first few weeks of the pandemic, we will succeed in mastering this gigantic challenge. Our health system has so far withstood the test. But she added that it was still important to maintain discipline to effectively combat the pandemic. She also spoke of the importance of European solidarity and said that Germany would work on a European economic recovery plan.

On the occasion of Constitution Day on 23 May, as expected, she addressed restrictions on fundamental rights: "This virus is an imposition on our democracy. That is why we do not make it easy for ourselves with the restrictions of fundamental rights and that is why they must be as short as possible. But they were necessary". She said it was essential to respect the sanctity of human dignity, which included preventing the health system from being overburdened. She again referred to the European Union: "It is now time to stand together in Europe and show that we want to remain strong together. We will ensure that Europe emerges from this crisis in such a way that it can continue to fight together for peace and prosperity".

In the speeches and statements, we can see how Merkel is moving from content directed and focused primarily on her citizens, at the beginning of the pandemic, to increasingly mentioning the European Union and the need to fight the pandemic together.

Measures taken

In addition to the measures to combat the pandemic, the coalition government took early action to alleviate the social and economic consequences of the pandemic. The 16 heads of government of the Länder agreed with Angela Merkel's approach, partly as a matter of political and practical expediency. But it was also a sign of respect for her and her exceptional ability to weather crises. And she did not hesitate to slap the wrists and scold

⁹ Available at: https://www.bundeskanzlerin.de/bkin-de/mediathek/-ein-zerbrechlicher-zwischenerfolg-1744242!media: library ?query=pupils (37'00"-38'15")





the Länder when she felt they were in too much of a hurry to de-escalate.

The largest economic aid package since World War II was passed and the mantra of zero deficit was buried in record time. Internal debates within and between parties were forgotten. Manfred Güllner explains: "The CDU and the CSU formed a closed unit and dealt with what really mattered to the population, the coronavirus and its consequences, and did not concern themselves with marginal issues. The Union again became a "people's party", trusted by different groups of voters. The CDU and the CSU were able to win back former voters who had gone to the Greens, especially since 2017, because of internal disputes within the Union. The SPD was unable to do the same because its newly elected leadership has not had positive feedback. The Greens lost the temporarily dissatisfied CDU/CSU and were unable to adopt a specific competency profile on the coronavirus. And the empty slogans of the AfD have not been able to offer solutions to overcome the crisis either¹⁰.

Armin Nassehi adds: "A crisis of this kind is always an opportunity for the governing parties because they can demonstrate their ability to act, their competence in decision-making and their responsibility. But only the CDU has really benefited, including the CSU in Bavaria. The Social Democrats, as partners in the Grand Coalition, their finance and social affairs ministers have done an excellent job but have not been able to benefit from this, which was also due to problems within the party. It was quite difficult for the opposition. The Greens have been unlucky enough to have their rise halted, due also to the fact that they have largely supported the government's decisions and were therefore hardly able to have a profile of their own. The liberals in the FDP tried the path of criticism, partly with populist simplifications and completely lacking in concept. Surveys place them at subsistence level. And the right-wing extremist AfD has not been able to instrumentalize the issue. In the crisis, citizens are obviously loyal to the state¹¹.

Already on 14th March Merkel announced that measures had been taken to cushion the economic consequences. The allocation of short-time work "in record time" and measures to improve the financial situation of the companies concerned were approved. The federal government also changed the working structures and a committee on the coronavirus

¹¹ Armin Nassehi, sociologist and professor at the Ludwig-Maximilian University in Munich Response to questionnaire made by the author by email on July 10, 2020.



¹⁰ Manfred Güllner, sociologist and political scientist, Director of the German Forsa Demoscopic Institute. Response to questionnaire made by the author by email on July 9, 2020.



was formed, as well as a crisis committee in the Health Ministry and the Interior Ministry and close coordination was agreed on with the Länder and local authorities.

There has been a whole economic stimulus package, an ambitious program, with a large aid package of EUR 130 billion. Key points include reduction of value added tax to stimulate consumption, child bonus for families, strengthening of municipalities, reduction of electricity costs. Merkel stressed the need to take courageous steps to get out of the worst economic crisis in the history of the Federal Republic of Germany. The measures combine a classic economic stimulus package with a package for the future focusing on climate change and digitalization. Renewable energies and the renovation of buildings will be promoted more strongly and there will be changes in mobility, not only towards electric mobility but also for commercial vehicles, railways and air transport. Efforts in the field of digitization would be intensified, including artificial intelligence and quantum computing. And all this, according to Merkel, requires new debts and sound financial management in the coming years, acting with courage and determination.

Germany and the EU during the pandemic

The chancellor has not been absent during the pandemic from her role as world leader and there has been no lack of contacts with Russia's Vladimir Putin, Britain's Boris Johnson, America's Donald Trump and China's Xi Jinping. But the priority has been and is the European Union.

The initial and immediate management of the crisis in the European Union was characterized by a lack of solidarity. Everyone took refuge in selfishness, especially the richer ones like Germany or France, preserving their medical equipment, PIDs and respirators, while others like Spain or Italy were lacking, where the number of deaths was rising alarmingly. And the borders were closing. This attitude, contrary to one of the basic community principles, solidarity, put the organization at risk.

After these first false steps, regional solidarity was activated, German hospitals took in Italian and French patients and Romanian doctors and nurses were deployed in Italy, for example. The European Commission provided more institutional assistance and





coordination regarding mechanical respirators, testing, masks and medical staff. 12

Merkel warned that Europe must remain united: "We must act, we must act at European level, so that we can emerge from this crisis in good shape". But the split of previous crises between a rich North and a poor South was soon reproduced, with the North relatively unscathed and the South hit harder by the crisis, particularly Spain and Italy. On April 6, the German chancellor said that "we must show that we are prepared to defend and strengthen Europe. She referred in particular to the production of personal protective equipment and masks as the pandemic had shown that the market for these products is mainly in Asia. Germany was and is interested in Europe emerging strongly from this test because, as Merkel repeats, only if Europe does well will Germany do well.

The Chancellor described the finance ministers' agreement on various European Investment Bank and European Stability Mechanism (ESM) aid programs as an important milestone. And on 25th April she mentioned that an economic stimulus package was necessary, and that Germany would have to commit much more in the European budget to be able to invest in the future, in climate protection and in digitalization. The Commission has already launched the "Green Deal" project.

The Franco-German axis

In the face of the euro crisis, the Franco-German engine is working this time. If at that time of the euro crisis Germany, in the absence of France, was forced to exercise a leadership that it did13 not want and which brought the EU to the edge of the precipice, now it is becoming a classic axis although this time the emergence of various groups, such as the Visegraduate or the frugal¹⁴, complicates the negotiations more than what has traditionally been the case in the Union.

Angela Merkel and Emmanuel Macron were aware that, if the neediest were not helped, the EU could be shipwrecked. On 18 May, following a video conference, they presented a joint proposal calling for the creation of a 500-billion-euro fund consisting of money lent

¹⁴ The Visegrad Group consists of Poland, Hungary, the Czech Republic and Slovakia, and the Frugal Group consists of Austria, the Netherlands, Sweden and Denmark.



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¹² VARMA. Tara. European solidarity in the time of the Covid-19. CIDOB International Yearbook, Barcelona. June 2020. Available at: http://anuariocidob.org/la-solidaridad-europea-en-tiempos-de-la-covid-19/

¹³ The author of this document develops the reasons for Germany's reluctance to exercise leadership in her book "The Reluctant Power. The New Germany at a Glance", published by Debate in 2017.



to the EU as a whole and earmarked for subsidies. This was a paradigm shift, especially for Germany.

With this recovery plan, the light was first glimpsed. Merkel accepts what seemed impossible: the issuance of European debt for a considerable amount in order to deliver non-refundable resources to the countries most affected by the pandemic. Some want to see this fund as the seed of Eurobonds and the embryo of a future European treasure. But the pact includes safeguards that reassure Berlin, such as making the fund part of the EU budget.

"I think this is a very profound transformation and that is what the European Union and the single market need to maintain coherence," Macron said. Merkel, who had always rejected the idea of debt sharing, said the European Commission would raise money for the fund through loans in the markets. It would then be repaid from the EU's general budget. The frugals were skeptical of the Franco-German plan from the outset.

The ambitious economic recovery fund for solidarity and growth also seeks to promote sustainable economic recovery. It is temporary and specific in the next Multiannual Financial Framework (MFF). It will provide budgetary expenditure for the most affected sectors and regions in line with European priorities. It will increase the convergence and competitiveness of European economies, boost investment, particularly in digital and environmental change, and strengthen research and innovation.

Merkel agrees that they should be grants and not loans so as not to increase the debts of economies already weak before the pandemic. Macron would have wanted a larger amount, but it would have been difficult for German taxpayers to accept. With the agreement the two leaders and the Franco-German engine win. Germany separates itself from the frugal and breaks one of the great taboos of German politics, the mutualization of debt. It is an unprecedented plan for an unprecedented crisis.

The Paris and Berlin agreement strengthens the position of the President of the European Commission Ursula von der Leyen who on 27th May presented a proposal that includes 500-billion-euros in non-refundable subsidies and 250 billion more in loans. The plan is very well received by Spain and Italy, the two countries most affected by the pandemic, and by the European Parliament. For the frugal, it is a starting point for the negotiation of a final agreement that will require concessions from everyone and could even lead to a reduction in the total amount.





The aim is for Europe to emerge from this crisis stronger, more cohesive and with greater solidarity. The Recovery Fund should help ensure that all countries can respond appropriately. It complements other assistance already approved such as a MEDE line of 240 billion for the health sector, a Commission line (SURE) of 100 billion to finance employment support programs —the ERTE type— and the European Stability Mechanism and the resources made available by the European Investment Bank.

The Commission's plan, called Next Generation EU, needs the support of all 27 Member States. For Ursula von der Leyen, this is "an urgent and exceptional need for an urgent and exceptional crisis". "This is Europe's moment", says the Commission President.

The European Council summit on 19 June was held by videoconference and focused on the recovery plan and the Community budget, although it was not so much on entering into negotiations as on checking the different positions. "The bridges that we still have to build are big, we are facing the biggest economic challenge in the history of the European Union," said the German Chancellor. The debate will continue at the next summit on 17 and 18 July in Brussels and for the first time since February, in person. If the Commission's proposal is adopted, real progress will have been made in trying to relaunch European integration. But divergences have already emerged and the resistance of the frugal countries, the EU's budget hawks, which remained a closed bloc at the June summit, will have to be overcome. They believe that the formula for recovering the economy should be loans, without mutualizing the debt. The President of the European Council, Charles Michel, will have to present proposals to achieve an agreement that satisfies everyone.

Negotiations and disagreements revolve around these issues:

- The total volume of the aid package and the next EU budget
- The question of whether the aid is simply a subsidy
- Conditions to be applied to the payment of funds
- Criteria to determine who gets how much,
- Whether there should continue to be discounts for net contributors to the EU budget.

Merkel and Macron meet in Meseberg, Germany, at the end of June, two days before Germany takes over the rotating presidency of the Union. This time they are meeting in person, for the first time since the beginning of the pandemic. They remind the frugals







that they are net beneficiaries of the internal market and that they are interested in a funding arrangement that will enable the countries most affected to overcome the crisis. "Expectations are very high," Merkel acknowledged. "The moment of truth has arrived for Europe. We can turn the moment of truth into a success," said Macron. The pandemic is the most serious crisis Europe has ever faced and it requires appropriate responses and new dynamism, the chancellor said. The aim is for Europe to emerge from this crisis stronger, more cohesive and united, greener, more social and more digital.

To this end, the Franco-German initiative provides for the following measures in addition to the recovery fund¹⁵:

- 1. Strategic sovereignty in the health sector and development of an EU "health strategy. The aim is, among other things, a strategically positioned European health industry that takes the European dimension of health to a new level and reduces EU dependencies. The idea is to increase European research and development capacity in the field of vaccines and treatments, as well as coordination and funding at international level with the short-term objective of developing and producing a coronavirus vaccine in the European Union that should be accessible worldwide. It is also a matter of building up common strategic reserves of medicines and medical devices and strengthening the production capacity of these in the European Union and of strengthening European policies for the acquisition of future vaccines and treatments.
- 2. Acceleration of the "Green Deal" and digitalization. It is time to promote the modernization of European economies and their business models. In this sense, the European Green Deal is reaffirmed as the EU's new growth strategy and as a blueprint for a prosperous and resilient economy on the road to climate neutrality by 2050. At the same time, digitization needs to be accelerated with the aim of transforming the new dynamics created during the crisis into sustainable digital progress and digital sovereignty.
- Strengthening the EU's economic and industrial resistance and sovereignty and giving new impetus to the internal market Strong integration into the internal market is a guarantee of our prosperity. The relaunch of the European economy and its

¹⁵ This document contains only a summary of the Franco-German initiative. Available at: https://www.bundeskanzlerin.de/bkin-de/aktuelles/deutsch-franzoesische-initiative-zur-wirtschaftlichen-erholung-europas-nach-der-coronakrise-1753760



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adaptation to the challenges of the future require a resilient and sovereign economy and industrial base, as well as a strong internal market. Open markets and free and fair trade are crucial elements of the solution. Therefore, the diversification of supply chains should be supported by promoting an ambitious and balanced free trade agenda, including new initiatives to improve, inter alia, trade in health products.

The chancellor probably acted out of a mixture of moral pressure and defense of German interests. Her country's economy is dependent on and oriented towards exports and the European internal market. And if its partners do not come out of the crisis, it will suffer, and a lot because it makes more use of the common market than any other member. In this sense, Germany would be interested in providing incentives to the EU economies to buy their products. The change in Berlin is largely due to the severity of the crisis. Its export machinery is greatly benefited by the euro and it is aware that if countries like Italy and Spain —the third and fourth largest economies in the euro area and two of the countries most affected by the coronavirus crisis— go under, this would also affect its economy. But it is clear from Merkel's actions and statements during the pandemic that the time has come for European solidarity for her as well.

The German EU Presidency

The pandemic has disrupted the German plans for a presidency that has aroused enormous expectation. Finalizing the adoption of the recovery plan and the fight against the pandemic are the most urgent priorities. It is going to be a crucial six months for Europe because the foundations for its future are going to be laid. And Merkel has become a key player.

As Manfred Güllner acknowledges, "a large majority of Germans have always been in favor of the European unification process. In this respect, they hope that the current presidency will give a new impetus to strengthening Europe. But they also see with some horror that the Merkel era, which many associate with security and stability, is coming to an end".

On 27th May at a conference at the Konrad Adenauer Foundation Merkel spoke of the German presidency of the Union saying that it offers the opportunity to continue





developing Europe as a force for solidarity and action, taking responsibility for peace and security in the world: "A virus with a diameter of 140 nanometers has developed a global impact. Managing the pandemic will therefore also shape the common foreign and security policy for an indefinite period of time". She said she wanted to use her presidency to strengthen Europe so that it can act as an "anchor of stability in solidarity" with the outside world.

She also stressed that "Europe cannot exist alone on the world stage, it needs partners and allies. Europe's most important partner is the United States, although cooperation is currently more difficult than we would like" and recalled: "We must never forget that Europe is not neutral. It is part of the political West. In view of the Sino-American tensions, a critical and constructive dialogue with China is particularly important. As a key player in this century, the People's Republic is at the center of the world stage. Europe must confidently assert its values such as the rule of law, freedom, democracy and human rights in its cooperation with China¹⁶. Thus, the United States and China, together with Russia or Africa, will be key to the foreign and security policy of this presidency.

Germany has shown that it is aware of its responsibility. In her government statement to the Bundestag¹⁷ on 18 June, the Chancellor said: "Europe needs us just as we do: not just as a historical heritage that has been given to us, but as a project that will take us into the future. After all, Europe is not just something that belongs to us. It is something we can and must shape. Europe is an open and dynamic order of peace and freedom, which we can and must constantly improve. And she acknowledges the errors at the beginning of the pandemic: "The pandemic has revealed how fragile the European project remains. The first reflexes, including ours, were rather national and not entirely European. That, however good some of the reasons may have been, was above all unreasonable. Because a global pandemic requires joint international action and mutual support. The pandemic has also highlighted Europe's dependence on third countries for the production of medicines or protective equipment. Shortcomings were revealed in the procurement, storage and distribution of medical equipment. And yes, the differences in the economic and budgetary situation of the Member States of the European Union were also

¹⁷ Available at: https://www.bundeskanzlerin.de/bkin-de/aktuelles/regierungserklaerung-von-bundeskanzlerin-merkel-1762594



¹⁶ Available at: https://www.bundeskanzlerin.de/bkin-de/aktuelles/rede-von-bundeskanzlerin-merkel-im-rahmen-der-veranstaltung-aussen-und-sicherheitspolitik-in-der-deutschen-eu-ratspraesidentschaft-der-konrad-adenauer-stiftung-am-27-mai-2020-1755884



exacerbated by the pandemic. The pandemic shows us that our Europe is vulnerable. That is why I say with total conviction: never before have cohesion and solidarity in Europe been so important as they are today".

But Merkel also reminded those who think that Germany has completely changed its paradigm and accepts the mutualization of debts that "the European recovery plan is explicitly related to the pandemic; it is specific and limited in time. The European Commission will exceptionally be authorized to borrow on the market on behalf of the European Union and to use it for crisis-related subsidies".

And she pledged to work against extremists of all colors: "We will work resolutely to counter the danger of a deep rift running through Europe in the long term. We must not be naive: anti-democratic forces, radical and authoritarian movements only hope to exploit economic crises politically. They are only waiting to awaken social fears and spread insecurity. The work for sustainable development in all regions of Europe is also a political instrument against populists and radicals".

In the document "Together for Europe's recovery. Program of the German Presidency of the Council of the European Union" 18 also sets out its priorities:

- Lastingly overcoming the COVID-19 pandemic and economic recovery
- A stronger and more innovative Europe
- A just Europe
- A sustainable Europe
- A Europe of security and common values
- A strong Europe in the world.

The five areas to be worked on are: fundamental rights, solidarity and cohesion, climate change, digitization and Europe's role in the world. The aim is to promote the digitization of the economy and society. Europe must become sovereign both technologically and digitally. The pandemic has made it very clear how dependent Europe is in the digital sphere, both in terms of technology and services. The objective is also a sustainable Europe to address the economic and social consequences of the pandemic in a

¹⁸ Available at: https://www.eu2020.de/blob/2360248/978a43ce17c65efa8f506c2a484c8f2c/pdf-programm-en-data.pdf https://www.eu2020.de/blob/2363468/7a9379b2a76aad5612219b65aa93a402/pdf-programm-es-data.pdf





sustainable and inclusive manner and, at the same time, to shape the transition to a sustainable economy. The main areas of work in this context will be an ambitious policy for climate, environmental and biodiversity protection, adaptation to the UN Agenda 2030 for Sustainable Development and sustainable agriculture. Strengthening a Europe of security and common values and rights will require finding convincing answers to key security and migration issues. Ambitious reforms will be pursued in asylum and migration policy. Germany will work for a united, responsible, and powerful European foreign policy by supporting the High Representative in responding effectively to international challenges, asserting our interests in a cooperative manner, and defending our values.

Merkel arrives ready to step on the gas. She will first focus, together with Von der Leyen and Michel, on the negotiations on the Reconstruction Fund in order to close the deal if possible, this July. The task is very difficult and is fraught with obstacles with significant divergences on key points. Her first trip abroad since the outbreak of the pandemic on 8 July was to the European Parliament where she made a passionate plea for European cooperation and cohesion to present the program of the German presidency. Merkel mentioned the protection of fundamental rights as the first item on the agenda: "Fundamental rights are the greatest asset we have and should only be restricted for very serious reasons. Fundamental rights are rights that apply to everyone, no more for some and less for others".

And she defended her Europeanism: "I carry out this task with respect, but also with great passion because I believe in Europe. I am convinced that Europe is not only a legacy of the past, but also a hope and a vision for the future. Europe is not only something that has been given to us, something with a destiny that obliges us, but Europe is something alive that we can shape and change. Not without Europe, but only with Europe can we preserve our convictions and freedoms. Europe will only remain Europe if, on this basis, it provides innovative responses to the challenges of climate change and digitization and faces up to its responsibilities in the world. This must be supported and complemented by the second principle that defines Europe: our cohesion. We are all vulnerable. European solidarity is not just a human gesture, but a sustainable investment. The priority of the German Presidency is for Europe to emerge from the crisis united and strengthened. We must show that a return to nationalism means less, not more, control





and that only joint action as Europe protects and strengthens us"19.

She is not going to have it easy. You will have to build bridges and negotiate a compromise acceptable to all parties. There are divergent interests in different areas of the negotiations on the reconstruction fund and the multiannual financing framework, as well as the expectations and hopes they project on Germany and its leadership role²⁰. The frugals do not like the fact that the EU wants to combat the crisis with European debt, they want the money to be given not in the form of subsidies but in the form of loans and under strict conditions. In addition, the next seven-year EU budget contains other problems such as the question of reducing Germany's contribution or the proposal that regional funding should only be paid out in future if recipient countries such as Hungary and Poland adhere to the rule of law. And these could refuse to agree if this conditionality is not withdrawn.

For Jean-Claude Juncker, former president of the European Commission, the German presidency at a time like this is good news: "Without exception, the post-war German chancellors have always played a positive and pro-European role. Angela Merkel also belongs to the category of those Europeans who look to the future. I think Mrs. Merkel has seen that the reticent and hesitant attitude Germany showed during the euro and Greek crisis has caused a certain amount of discontent, some of which persists. And she saw that, in the face of this huge crisis in the krona, it was easier to communicate to the German public that Europe must now act²¹.

Germany's aim is to settle the budget debate as soon as possible because the approval of the European Parliament and national ratifications of the agreement are then required. In this way Merkel could devote the rest of her last EU presidency to the other major issues and the international agenda. Moreover, she wants an agreement on migration and asylum.

The German Presidency, with a female Chancellor, coincides with a Commission also led by a woman and a German. A video conference conversation showed the good harmony between the two. "Of course, I will not forget my German interests, which we must also

Available at: https://www.spiegel.de/politik/deutschland/jean-claude-juncker-ueber-corona-durch-die-krise-wurden-wir-bessere-europaeer-a-00000000-0002-0...



¹⁹ Available at: https://www.bundesregierung.de/breg-de/mediathek/kanzlerin-ep-ganze-rede-1767850

²⁰Available at: https://dgap.org/de/forschung/publikationen/deutschlands-corona-praesidentschaft



include in the negotiations. But we already know that the presidency also gives us an additional responsibility. The fact that there are two women makes me very happy. In Germany there has never been a woman chancellor before me, in Europe there has never been a woman president of the Commission. In the past there were always two men. Now we must do it as two women. I think we are very confident that we can do that. Aren't we, Ursula? ", said Angela Merkel with a certain amusing tone. "Yes, that's right! The good thing is that we have known each other for a long time. We trust each other deeply. The good thing is that by knowing each other very well, we can also speak a simple language very efficiently, because we know exactly that we can go into great detail and therefore also achieve a lot. We are both Europeans by deep conviction and from the bottom of our hearts," Ursula von der Leyen added.

The fate of Europe in the coming months will also depend on how well these two women harmonize. They have known each other for years, they are both members of the same party, the CDU, and von der Leyen has been a minister in Merkel's government. Many thought she was destined to be Merkel's successor. The hope is that these two women will bring Europe out of the crisis. If they fail, it could be the beginning of the end for the EU. Merkel's European political legacy is at stake.

In an interview²² with a group of journalists from various European media, Merkel recalled her first EU presidency in 2007: "The European constitutional treaty had just been rejected in France and the Netherlands, and we had set ourselves the task of shaping a new treaty. We succeeded. Then came the international financial crisis, the turbulence of the euro and the refugee issue, so difficult times are nothing new. And time and again it has been shown that Europe is not yet sufficiently resilient to crises. In the euro crisis, we lacked the tools for an adequate response. The movements of refugees in 2015 showed the shortcomings of the EU asylum system. Now the coronavirus pandemic faces us with a challenge of unprecedented dimensions. It has hit us all indiscriminately. On the one hand, it has taken us away from a period of positive economic development in all EU Member States. On the other hand, it has coincided with the two great phenomena of our time, climate change and the digital revolution, which are changing our lives and our economies independently of the virus. I am very focused on all this".

Available at: https://www.theguardian.com/world/2020/jun/26/for-europe-survive-economy-needs-survive-angela-merkel-interview-in-full





She again stressed the exceptionality of the fund: "I see this fund as a unique response to a unique situation. If we wanted to change fundamental aspects of the way the EU budget is managed or, for example, give it the right to raise taxes, then we would have to amend the treaties. That would upset the static balance between competition and supervision. I am sure that this will be discussed in the next few years, but it must be done with caution. In the current situation, however, we cannot wait for the treaties to be amended. We must respond quickly to the pandemic.

According to Daniela Schwarzer, director of the think tank DGAP (German Society for Foreign Policy), we are facing a potentially existential moment and economic stabilization must go hand in hand with transformation. She says that "the second half of 2020 is a crucial period during which important decisions will be taken that will determine the future of Europe. The geopolitical and geoeconomic implications are likely to be large and long-lasting. Europe is not ready for this and has very little time to adapt. Europe may well be experiencing the crisis of the century: GDP will fall by around 8%, many companies will go bankrupt and unemployment will rise, affecting young people in particular and creating monumental socio-economic challenges. On the surface, the shock may seem symmetrical, as everyone is affected. At the bottom, however, the damage will vary greatly between and within countries. That is why rapid and bold European action is needed to stabilize the economy.

"With the decision to launch the four pillars of a comprehensive economic support plan, especially the Recovery Fund, the EU is taking a major step forward. Putting some 750bn on the table is unparalleled in Europe's history," she says, but warns that "despite the crisis around us, we have to invent our socio-economic and competitive model for the future. In an era of systemic competition, Europeans must not be tempted to compromise on democracy and the rule of law, which have been the pillars of peaceful European unification since World War II. Both are being questioned by some EU governments, such as those of Hungary or Poland. They are also being deliberately undermined by external actors such as Russia and, increasingly, China; both encourage authoritarian leaders and intervene in the public sphere of the EU and beyond"²³.

²³ SCHWARZER, Daniela. *Five Points to make the EU stronger*. Internationale Politik. 30. Juni 2020. Available at: https://internationalepolitik.de/en/five-points-make-eu-stronger





Merkel's European Legacy

The relevance and expectations of this presidency are enormous and could seal the legacy of the long-lived German chancellor in the final stage of her last term to place herself in the pantheon of her great predecessors, such as Konrad Adenauer, the author of the reconciliation with France; Willy Brandt, the chancellor of the opening to the East; Helmut Schmidt, the one of the Europeanist push in creating the monetary system and the European Council; and Helmut Kohl, the father of German unification and godfather of the euro.

According to Armin Nassehi, "this is probably her last great political project as chancellor. The German Presidency must now make possible something that Germany never wanted, a more common economic policy and greater shared responsibility for each. One has to imagine that discussions are currently taking place about common debts, not just about intervening for the debts of others. This is a paradigm shift and Merkel's art must be to tie up the conditions here on the one hand, and on the other, to alleviate concerns about a German Europe. Perhaps this is really a springboard for supranational tasks after the chancellorship, but that is only speculation.

If Merkel manages to close the budget agreement quickly in July, she will be able to devote the rest of the semester to other tasks. And she will have secured a pre-eminent place in European history. Germany is taking the helm of the EU during an existential challenge for the organization. The repercussions of the pandemic, climate change and Brexit are some of the axes of the presidency on which Merkel is gambling with her European legacy

Merkel has recently exhibited a fiery Europeanism and an unusual emotionalism in this policy as seen in many of her speeches and statements. She repeats that it is no longer enough to carry on as before, that only extraordinary solidarity and cohesion between the EU's partners will prevent the cracks from becoming insurmountable. And she wants to turn the monumental challenge into an opportunity and succeed in transforming the EU to make it more resistant to the coming crises and to give it a single, powerful voice in an increasingly hostile world. The pandemic has left many national and global shortcomings exposed. The transformation requires an irreversible greening of politics and the





economy, which must also make progress in the process of digitalization"24.

Many still wonder why Merkel changed. Perhaps the reasons are as obvious as the fact that Europe would collapse if there was no help, or simply because it can now do so without fear of losing power. This is not the first time she has surprised with her decisions. The accident in Fukushima changed her mind about closing down nuclear power stations and she said yes to it and did not close the doors to refugees in 2015 when the opposite was probably expected. She now enjoys the freedom of not having to keep an eye on the polls for his re-election. She is now in retirement and has the freedom to do perhaps what would have been unthinkable before. And she has someone her trusts at the head of the EE.EU, Ursula von der Leyen.

And this is your last chance to make up for your previous failures or shortcomings. At the height of the euro crisis, Chancellor Merkel rejected a major act of European solidarity, nor did she present a plan or have a bold vision. In the refugee crisis she did not make a deal with her partners. The pattern could have been repeated on this occasion, but it has not happened. Previous European crises caused "bitter conflicts", "wounds", "misunderstandings" and "misjudgments", Merkel recently admitted in a government statement. And that is not to be underestimated. The presidency is an historic opportunity and a huge risk²⁵.

Merkel is not a leader who lets a train through. The "reluctant power" that is Germany is now condemned to lead in this crisis and cannot turn a blind eye, and the chancellor could go down in history for good. It is not only a question of showing greater generosity than in the past by boosting the recovery and reconstruction fund but also of promoting greater European integration. She has already taken a first, big step towards saving her European legacy. The pressure is great, but it is also your great opportunity to respond to your reputation as a great crisis manager. "Every generation has the task of reforming Europe," said Merkel, "this is not a historical burden but a democratic gift.

²⁵ MÜLLER, Henrik. *Merkels letzte Chance*. Der Spiegel, 28/06/2020. Available at: https://www.spiegel.de/wirtschaft/soziales/eu-ratspraesidentschaft-merkels-letzte-chance-a-0a1cc4f1-7dbe-4877-93a0-2f943d82952f



²⁴ CARBAJOSA, Ana and DE MIGUEL, Bernardo. *Germany takes the helm of the EU in the midst of an existential challenge for Europe*. El País, 1 July 2020. Available at: https://elpais.com/internacional/2020-06-30/alemania-asume-el-timon-de-la-ue-en-pleno-desafio-existencial-para-europa.html



Merkel has exercised leadership without being dazzled by the power and defending an intimacy that has prevented the unraveling of the thought of this policy that has an incredible capacity for analysis and listening and an incredible physical and psychological endurance. Her scientific training and his popularizing arts have enthralled many during this pandemic. Sociologist Armin Nassehi describes her as follows: "Merkel's pragmatism and lack of emotions are a challenge for many. The chancellor is to be appreciated for having a moderating leadership style that is less directive than other leadership styles, but very persistent. Perhaps more explanation and programmatic phrases would have been desired more often, but perhaps that is the only way the moderating style works.

Her supporters attribute to the chancellor the salvation of the euro and the unity of Europe and the defense of fundamental values. Her critics accuse her of accentuating division and mistrust during the economic and migration crisis and contributing to the rise of the extreme right. Her leadership will be irremediably linked to an era in which Europe has overcome existential crises, has suffered the biggest recession, the Brexit, the rise of populisms of all kinds and now a pandemic.

There are many, and they are right, who consider it fortunate that the rotating presidency of the European Union is now held by Germany, because the prestige and leadership of Angela Merkel offer the opportunity to consolidate the European project. Her pragmatism, rationality, moderation together with the firmness of her convictions, humanism and a certain dose of emotion may be decisive at this crucial moment in the history of the EU.





Conclusions

German mediation is always crucial in the EU because the historical rule is that without Germany it is difficult to do anything in the EU. It is also asked to take the initiative and as its largest and most prosperous member much is expected during its presidency regarding the most sensitive and problematic issues. German presidencies are always seen as an opportunity for the EU as a whole²⁶.

Merkel has set herself the goal of closing negotiations on the recovery fund and the EU budget before the end of this month. She will have to deal with the partners who are most reluctant to agree on the deal because of different interests. And everything can get complicated. Berlin wants to avoid prolonging the haggling, which would prevent it from focusing on the other goals of the presidency.

It is a litmus test for the German leadership and the Chancellor herself. The expectations of her partners are high and even contradictory, which makes them difficult to reconcile. The countries of the South are happy with their support but the "frugal four" fear they have lost a powerful ally. The northern states are even irritated by Germany's change in attitude but have not yet sought open confrontation. In the south, the German turn has changed perceptions and raised high hopes. The countries of Central and Eastern Europe share many strategic interests with their German neighbor and have confidence in it, despite disputes over the principles of the rule of law. Many small countries appreciate Berlin's integrative approach.

But Merkel is also aware that if the negotiations fail, the EU will face a deep crisis that could jeopardize the European project in the long term. Germany has learned the lessons of the past and does not want to snub its partners with threats and inflexible positions. The Franco-German tandem is working again, but it must be careful not to hurt other partners' sensitivities if consensus is to be achieved²⁷. There are many possibilities of success and of moving the agreement forward, but it will not be easy and there will have to be compromises from both sides.

²⁷ Available at: https://dgap.org/de/forschung/publikationen/deutschlands-corona-praesidentschaft



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²⁶_Available at: ttps://www.zeit.de/politik/ausland/2020-06/eu-ratspraesidentschaft-deutschland-merkeleuropaeische-union-chancen/seite-2





Germany and Merkel have understood that without solidarity the idea of Europe makes no sense and have understood the need to inject resources into the economies most affected by the effects of the pandemic. If they do not come out of the crisis soon, the internal market will suffer, the crisis will be greater and European construction could collapse. But the countries of the South must also be aware of the opportunity presented by this recovery fund and by German support and must take advantage of it to modernize their economies and make them more efficient and sustainable.

The virus is not yet defeated, and no one knows what challenges await Germany and the rest of the world. But, without doubt, for Angela Merkel, science policy or political science, there will always be a before and after the pandemic because of the way she manages the crisis at home and in the Union and what it may mean for her legacy.

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