

Constant Germany: Lessons of Steadiness in an Uncertain World

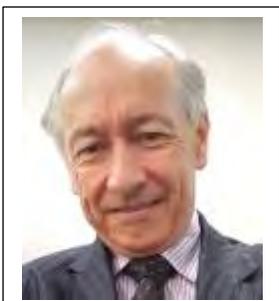
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German Chancellor Angela Merkel is stepping down in early December after 16 years of political leadership. This unassuming person won international recognition as a model of leadership and was considered the most influential woman of the world for the past ten years.

The New York Times recently wrote of her legacy: "It is the end of an era for Germany and for Europe. For over a decade, Ms. Merkel was not just chancellor of Germany but effectively the leader of Europe."

Rev. Sun Myung Moon often said leadership entails the ability to guide as a teacher, to embrace and unite as a parent, and to create projects as a master. Dr. Merkel, a theoretical quantum chemist from the former East Germany, rarely spoke like a scientist; her manners and rhetoric were simple, even dull. She never proposed any revolutionary project.



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She was, however, the unbeatable team leader and referee who could get people to work together in a spirit of trust. She was perceived as the mother of the nation, affectionately called *Mutti* (mother).

Some saw her as an icon of female leadership. But more to the point, Merkel has been reassuring for Germans. Not just the exceptional woman, many Germans saw in her the average German they wanted to be, albeit in a leadership role. They felt secure with her. She was seen by large sectors of the German population as an embodiment of a cardinal virtue in German political culture: constancy.

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Konstanz is a peaceful German university city on the *Bodensee* or Lake Constance. It is situated in the very heart of the German-speaking world, where Germany, Austria and Alemannic Switzerland meet.

Though this central spot of the German-speaking world is called Konstanz is a coincidence of geography, it's also a good symbol. "Constancy is the complement of all other human virtues," said the Italian patriot Giuseppe Mazzini (1805-72). Most German political leaders would agree. Modern Germany offers a model of political constancy which grew even stronger after the challenge of reunification. After Merkel is gone, this constancy will likely remain.

This essay focuses on Germany's healthy institutions rather than on a remarkable person. Chancellor Merkel indeed has much merit. But German governance often allows for very capable leaders like Dr. Merkel to be elected and to remain. This is a lesson for us all.

The constancy which has eroded in other democracies seems unbreakable in Germany. Steadiness, resiliency, and loyalty to yourself and your commitments are challenging in a world of permanent crisis, perpetual change and growing uncertainty. Many believe that, in order to adapt to an ever-changing world, you need to be adventurous, risk-taking, and ready to change overnight.

But Germany offers an example of governance where in-depth reforms are possible within the system, without changing the goals, vision and methodology. British Prime Minister Benjamin Disraeli (1804-81) warned that "the secret of success is constancy of purpose." German political leaders, in general, still believe this credo. So does the German population and so did Merkel.

Satisfaction with democracy ranks high in Germany

Confidence in representative democracy and the rule of law is vanishing almost everywhere, but remains strong in Germany.

According to a 2019 survey across Europe, satisfaction with democracy is mixed. In Sweden, the Netherlands, Poland, and Germany, roughly two-thirds or more are satisfied with the state of democracy in their country (72%, 68%, 66%, and 65%, respectively). By contrast, in Greece, the UK, Italy, Spain,

and France, majorities are dissatisfied with how democracy is functioning. By a more than two-to-one margin, Greeks, Britons, Italians, and Spaniards are also more dissatisfied with democracy in their countries than satisfied.

The German percentage (65%) was exactly the same ten years ago. A good test of this confidence was the COVID-19 crisis. A survey published in October 2020 showed that 66% of the German population offered total support for their government's response to the pandemic (the average in the EU is 51%, but only 36% in France). The German population is also confident (about the same percentage) in European institutions, and believes that EU membership is good for them. Another survey showed that, among former communist countries, the highest percentages of satisfaction with a multiparty system and free market economy were by far observed in Poland and the former East Germany. Studies regularly show that Germany is far more confident than France, Italy and Spain about a better economic future.

Indeed, extremist tendencies and ideological confusion are also found in Germany. You can count on Germans to be as eccentric, crazy, adventurous, risk-taking, defiant, and dissenting as other Western countries. The German boat sails on a rough sea of uncertainties. Its passengers are not all straight, but the structure of the boat and the navigation seem to be different.

Politically, Germany teaches that democracy with a strong parliament can still work if there is a clear will for that and a constant effort by citizens and political parties. Economically, Germany has a robust doctrine, widely accepted by the population. It is called *Soziale Marktwirtschaft*, often translated as "social market economy" (SOME), but also called Rhine capitalism. German politics and economics are both rooted in Irenicism, the peaceful thought of Leibniz.



"Angela Merkel: Navigating a World in Crisis," a Deutsche Welle documentary from September.

Germany, land of full democracy

According to the Democracy Index (compiled by the Economist Intelligence Unit), Norway is the most fully democratic nation in the world, with an index value of 9.87, followed by Iceland and Sweden. Germany is 13th, with an index of 8.68. Among the nations of the G7, only Canada has a better ranking (seventh, 9.28), whereas the UK is 14th, France 20th, Japan 24th, the U.S. 25th, and Italy 35th.

Full democracy entails a low level of corruption. According to the Corruption Perceptions Index, published annually by Transparency International, Germany ranked ninth in 2020, followed by the UK and Canada (11), Japan (19), France (23), the USA (25), and Italy (52). These high rankings may explain much of German political constancy. This country shows its capacity to follow the rule of law, with a high level of citizen's participation, transparency and respect of institutions.

Why is it remarkable? Among the G7, Germany is probably the country which had the most tragic destiny in the 20th century. The G7 nations have been leading the Free World since 1975. Thirty years after the end of World War II, the seven strongest economic powers decided to create a new alliance, bringing together the allies of World War II with a democratic foundation (USA, UK, France, Canada) and the

former axis powers (Japan, Germany and Italy). Among these seven nations, Canada is by far the least wounded. Canada has been less affected by the scourge of war than the others, always keeping a strong culture of peace.

The six other nations have all known national tragedy and experienced a painful process of atoning for various forms of evil. Among the six, Germany had the most tormented fate in the 20th century. It was also the nation which caused immense suffering to the world, second only to the Soviet Union. This brilliant nation of philosophers, scientists, artists, and theologians entered the 20th century conducting a war which left it completely devastated. Germany under Adolf Hitler caused the Second World War. The country was then punished for this crime by 40 years of division between East and West. Germany experienced various political nightmares for almost 72 years (1918-90).

However, much as Gen. Douglas MacArthur was magnanimous with defeated Japan upon its surrender in 1945, and fathered its postwar constitution and institutions, the allied nations decided to give a chance to West Germany and were not disappointed. This does not dispel all the resentment, but many in Europe now admire and respect Germany, even if some sectors of public opinion in Southern Europe may feel a form of condescension from German leaders.

Immediately after World War II, West Germany adopted a federal system and parliamentary form of government. The small city of Bonn became the capital of this new nation, in preference to larger cities. This effort toward decentralization and a clear separation of powers did not prevent Germany from having strong chancellors (*Bundeskanzler*). The chancellor serves as prime minister and is strictly controlled by the federal parliament (the *Bundestag*). Yet almost every chancellor in Germany was able to implement fundamental reforms. Contemporary Germany gives a central place to the chancellor. In a nation that had been ruled by a dictator, it was a real challenge to have a leader who is both under control and yet strong.

Konrad Adenauer, the first chancellor, talked about a *Kanzlerdemokratie* (democracy of the chancellor). Whereas the federal president only has symbolic powers, the chancellor is the architect of national politics. Germany had a succession of remarkable chancellors from the two main political parties: the CDU (Christian Democrats, center right) and the SPD (center left). Many would envy such a mixture of stability and strong leadership. Angela Merkel became the first *Bundeskanzlerin* in 2005. During her 16 years as head of Germany, the most influential woman in the world every year for the past 10 years illustrated that "constant Germany" is not a concept, but quite real.

In the 71 years since 1949, the conservative CDU party has led the country for 51 years, whereas the SPD was in power for only 20 years and three mandates (Willy Brandt and Helmut Schmidt from 1969-81 and Gerhard Schröder from 1997-2005). Other political parties are important, both at the federal level and in the regions. Among them, the Greens and Free Democratic Party have often played a pivotal role in coalitions.

The strongest industry in the West

What makes the German economy so vibrant? Whereas production in the six other G7 nations is dramatically declining, German industrial power is as triumphant as ever.

In 2016, Germany recorded the highest trade surplus in the world, \$310 billion, and was the biggest capital exporter globally. Moreover, Germany is one of the world's largest exporters with nearly two trillion dollars of goods and services exported in 2019. The main German exports are vehicles, machinery, chemical goods, electronics, electrical equipment, pharmaceuticals, and transportation equipment. Germany is the largest manufacturing economy in Europe.

More than the quantity of goods exported, their quality is what really matters. Germans aim at the *good product*, which is well-conceived, efficient, robust, lasting, and matches the needs of the customer. Generally, customers prefer to buy German because of high performance, and an image of seriousness and thrift.

Moreover, German automotive companies enjoy a strong position in the premium segment, with a combined world market share of about 90%. Companies like Daimler AG (Mercedes-Benz), BMW and Porsche represent the constant quest of the *ideal car*, that is strong, comfortable and practical, but also amazing with a German touch of design, finish, beauty, and magic. A German luxury car is immediately identifiable; it conveys a sense of excellence and is also the encapsulation of a certain timeless spirit. In large sectors of German industry, there is still the belief that if you produce something fabulous that cannot be made elsewhere, it becomes the master product in this area.

The famous brands are not all, however. Small- to medium-sized manufacturing firms, (*Mittelstand* companies) which specialize in technologically advanced niche products and are often family-owned, form a major part of the German economy.



Production of the EQS electric vehicle at the Mercedes-Benz Sindelfingen plant in Germany.

A German product is not always the best, yet customers still buy it. Why? Another secret of Germany is the art of selling well. The *Kundendienst* (after-sales service) is a German tradition. Commerce was in the German blood long before the Industrial Revolution. Germany remains the world's top location for trade fairs. Around two-thirds of the world's major trade fairs take place in Germany. The largest annual international trade fairs are held in Hanover, Frankfurt, Cologne, Leipzig, and Düsseldorf. Visitors to these fairs immediately feel the flavor of German urban life, made for commerce. Major cities of Germany all compete for economic diplomacy, with no equivalent in Europe.

The German model

The secret of German economic power remains its human capital. What makes German industry so strong is the constant balance between a powerful employers' association and workers' unions. Whereas unions are declining in the USA and UK or see their role as merely confrontational (France, Italy), unions in Germany are partners to produce much, to produce well and to sell well. Business should be profitable for everyone. A majority thinks that economy should be an economy *of* human beings, *by* human beings and *for* human beings.

The German model also seeks to harmonize relations between regulatory bodies and affected parties, as well as between individual companies to prevent ruinous competition within the scope of applicable antitrust law. The search for a common denominator is constant in business relationships.

The German model emphasizes vocational education. In the German education system, the heart, head, and hand should always work together (*herz, kopf und hand* has been a credo in German education for decades). Even though Germany has excellent universities, it also provides many opportunities to learn highly-skilled trades. The same model exists in Switzerland and Japan. In Germany, there is a strong emphasis on apprenticeships for skilled positions, taught by expert worker-instructors.

German Irenicism

Finally, German constancy traces back to a thought system of rationalist German philosopher and mathematician Gottfried Leibniz (1646-1716). While Europe was still torn by the bloody battles between Protestants and Catholics, Leibniz advocated Irenicism (from the Greek *irene*, for peace) to bring Christians together. He said that reason would help the believers agree on some fundamental truths instead of always stressing differences.

In a sense, Germany had no choice but to favor Irenicism. We often see Germany as the country of dialectical thinking (Hegel, Feuerbach, Marx), but a more profound tradition of Germany is Irenicism, the search for the third way – a matter of survival when you live at the center of Europe in a federal system.

Economically, Irenicism has influenced the Freiburg school of economic thought and its concept of Ordoliberalism. *Ordo* means that liberalism is constitutional, and follows guiding principles. In other words, the free market economy is both spontaneous and regulated, free and oriented to a certain goal. We are not in a wild environment of mere *laissez-faire*, but there is a conscious effort to coordinate the action of the players.

The social and humanistic concern of this doctrine has a component coming from the social doctrine of the Catholic Church. It was also influenced by secular socialism, but a form of socialism that has clearly repudiated Marxist ideology. Wilhelm Röpke (1899-1966) had an anthropo-sociological approach of an economic humanism leading to a *Civitas Humana* (human city). Röpke stood for a social policy in which human rights are given the highest importance. He believed individualism must be balanced by a well-thought-out principle of sociality and humanity.

Alfred Müller-Armack (1901-78) pursued ideas of social humanism and what is termed "social irenics," a notion of working toward peace, moderation and conciliation to overcome existing differences in society. His idea of social market economy is seen as a holistic concept pursuing a complete humanistic societal order and a synthesis of seemingly conflicting objectives: economic freedom and social security.

Often labeled *Der Dritte Weg* ("The Third Way"), this thought inspired Otto von Bismarck (1815-98). Under his leadership, Germany not only became a major industrial power but also pioneered the welfare state, especially through its system of social security and insurance. Bismarck wrote: "The real grievance of the worker is the insecurity of his existence; he is not sure that he will always have work, he is not sure that he will always be healthy, and he foresees that he will one day be old and unfit to work."

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Now, exit the *Bundeskanzlerin* Angela Merkel. She will remain influential for a long time to come. Over 16 years, she was a great presence in world summits. In some dramatic situations, she was the human face of a continent still tormented. Under her leadership, people around the world could see that a very powerful country was led by a woman with simple manners, without scandal, and, last but not least, with the heart of a mother.

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Graphic at top: *A depiction of Germany's Chancellor Angela Merkel.*