



**HUMBOLDT-VIADRINA
Governance Platform**

Society and Democracy in Germany

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1. Dahrendorf's position in Society and Democracy in Germany

Ralf Dahrendorf's *Society und Democracy in Germany* caused a furore immediately following its publication in Germany in 1965. Indeed, his analysis of German history soon became a classic volume for liberal criticism of the country's political-cultural tradition of authoritarianism, but also of its belief in the primacy of the state, its fundamental fear of conflict and its constant quest for consensus. Dahrendorf's criticism focused on the "distortions" in the course of German modernisation. He argued that the unfortunate connection of substantial technological and economic industrialisation with a specific political, social, economic and cultural traditionalism had blocked Germany's path towards a liberal democracy – that is, towards a "constitution of freedom" – and instead paved the way for the advent of National Socialism.

Radical modernisation, as understood by Dahrendorf: the levelling of all traditional social differentiations and "Widerhaken" was first carried out irrevocably by National Socialism. This was the very core of its policy of relentless "Gleichschaltung", that is, the Nazification of state and society. However, the actual historical motivation behind modernisation – liberation from all outmoded traditions of heteronomy in favour of the individual freedom of the autonomous adult – was destroyed in the process.

Thus, modernisation – as a purely negative levelling of traditional differences – and individual freedom do not necessarily go together. In fact, these two can even come into conflict with one another when a certain technical and economic dynamic uproots, overruns or suppresses individuals without giving them a chance to regain their orientation and without offering them the opportunity of autonomous freedom. At the end of this paper, we will have to ask ourselves whether there might be two dynamics at work within liberalism, and whether modernisation as individual self-determination is perhaps destroyed in the conflict between these two.

Dahrendorf makes out the social, political and cultural shackles of tradition that collide with technical and economic industrialisation in a number of different phenomena.

The key principles are an absolute commitment to the rule of law and order (Ordnungsstaat, Rechtsstaat) as well as to the notion of the primacy of the state (Staatsdenken) among German elites, administrators, most bourgeois political parties and business leaders – but also very prominently in the labour movement, i.e. the SPD and the trade unions.

Dahrendorf sank his teeth quite deeply into the last two: in his opinion, the SPD's fixation on the rule of law, order and the state prompted it to betray its political mission of opposition as much as the labour unions did with their practice of "codetermination", which made it impossible for them to take up sharp counter-positions to employers. In Dahrendorf's opinion, what the SPD's 1959 Godesberg Program defined as the difficult

balance between opposition and responsibility and demanded from social democrats – just as in economic democracy – and labour unions alike, and which they determined to be the “ongoing task” of democratic socialism, attests to an inner contradiction and ultimately the “political death wish” (211) of the SPD. In a form of industrialisation that, at the turn of the 20th century, is largely driven by the state, this leads in practice to a nationalisation (“Verstaatlichung”) of the labour movement. The “charge” levied against the SPD referred particularly to the fact that the party remained firmly subject to its authoritarian context, that is, to the very thing its objectives should have sought to “shatter”. Dahrendorf argues that the SPD – out of a sheer desire for order and synthesis – sought to use codetermination and state co-responsibility to definitively overcome the conflict; this is its contribution to traditional authoritarianism.

It is quite clear that Dahrendorf does not do justice to the goal of codetermination, which aims not to resolve conflicts for good but instead to domesticate them through a balance of power. We can also inquire as to whether the alternative he implies – which involves seeing society as moving from one social truce to the next – is even plausible. And yet, we should not entirely deny that the traditional social and cultural focus on the rule of law and the primacy of the state in German social democracy continues to make it hard for parts of the party to find a positive inner relationship – in the context of the EU, as well – to the cultural richness of everyday modern societies to this day.

If even social democracy can be seen as a haven for authoritarianism, how easy must it be to identify the same trend in the middle and upper classes, especially among lawyers. Indeed, their dominance has a special stake in the “handing down” of authoritarianism and the undermining of liberality. And yet, as Dahrendorf notes: “For the constitution of freedom, the supremacy of law is less important than the vibrancy of conflict” (235). Indeed, it is not possible for a liberal to express trepidations about the supremacy of lawyers in a more pointed and daring way than in this quote. Professionally, lawyers also always have their eye on the “worst-case” scenario of unresolved conflicts and are generally guided by mistrust with respect to the reliability and sociability of people (261). If we consider that they made up roughly half of the political decision-making elite throughout Germany – they even dominated among business leaders (alongside those with a technical education), most of whom come from the upper classes (286 et seq.) – then it becomes clear that the intrinsic democratic value of conflict is not valued highly in the tradition of German elites.

Yet another component of the legacy of authoritarianism is the prioritising of private virtues over public ones and hence a tendency towards the moralisation of politics, which is something Dahrendorf is vehemently opposed to. What is important to him – when meeting someone on the street or in an office – is to “keep smiling” rather than to have to listen to an outpouring of information about a person’s well-being in response to the

question “How are you?” In society, we play roles that protect us from a private moralisation of politics.

After the Third Reich and WWII, Dahrendorf focuses primarily on West Germany’s “Wirtschaftswunder” (economic miracle), that is, on an interest in a form of private prosperity that would guard against totalitarian takeover, as well as on the positive effectiveness of the market and free enterprise. However, he also knows that private happiness does not foster the vitality of the political community (474). And yet, he sees the Wirtschaftswunder as primarily offering opportunities for a German liberal democracy.

Reading Dahrendorf’s classic work today, one notices that he makes use of a sociological and primarily elite-focused argument, while hardly thematising the economic system of capitalism. It would seem that he does not attribute any kind of self-perpetuating dynamic to this system. The normative standard focuses on the individual autonomous citizen, about whom – for the sake of his own freedom – no further political specifications are permitted to be made, for example, with regard to justice or solidarity. Policymakers are responsible for generating the conditions for a successful life only to the extent that they must continuously remove any obstacles against a free individual choice. Here, a sharp normative individualism runs unconnected alongside a noticeably elite-oriented connotation of society.

What is the state of liberal democracy in Germany today?

2. Assessment of present-day democracy in a united Germany

At first glance, liberal democracy in a united Germany is doing well. Governments are stabile and legislative periods are usually seen to the end. The party system has expanded without experiencing any tatters or fraying at the edges. In recent years, a right-wing nationalist party has emerged called the “Alternative für Deutschland” (“Alternative for Germany” or AfD). Its size and strength so far has been limited, and according to polls and election results in Saarland, it has even declined somewhat in recent days. The AfD corresponds to the proportion of authoritarian-nationalist tendencies in German society, which has held steady since WWII at a potential of roughly 15 % to 20%.

The validity of Germany’s constitutional state (Rechtsstaat) is not questioned by any relevant political group. The country’s federal constitutional court (Bundesverfassungsgericht) enjoys tremendous authority. A vibrant civil society has emerged and shown – unlike 50 years ago – that it has the ability to move sensibly against right-wing, anti-democratic tendencies. And, recently, this civil society has also proven to have a highly imaginative and organisational capacity and a willingness to take on refugees. In contrast to the many prophecies of doom, this willingness has not diminished, but

instead now demands – after a year of improvisation in 2015 – a better organized and thought-through refugee policy from the federal government, and in particular from Chancellor Merkel.

German democracy also has a sound economic basis, and the country continues to enjoy a reliable level of moderate growth. Unemployment is low, especially in comparison to other European countries, even though it is roughly 1 million higher than reported; indeed, it remains at an all-time low even when we take into account unemployed individuals who are on sick leave, in educational programmes and doing 1-euro jobs. The country's record export rate evokes pride among most Germans; in other words, very few people find it unsettling. Domestic demand has increased thanks to higher wages and, more recently, contributed considerably to the stabilisation of economic growth.

Social peace has fostered the reliability of production. The tradition of “social partnership” between employers and employees has enjoyed a new level of appreciation among employers after the crisis in 2008, seeing as it has allowed them to avoid massive layoffs by means of government help for short-term employment, a thoroughly non-neo-liberal and much more Keynesian measure. This enabled them to get production quickly underway again so as to meet foreign demand – which came back faster than expected – and also contributed Germany's competitive advantages over other countries.

But there are also problems: Germany's export dependency is high and points to a dependency on pan-European prosperity – especially given a share of 60% to our European neighbours – but also on emerging markets. The share of “precarious” work being done, in particular so-called *Leiharbeit* (temporary work), is also particularly high in Germany. The most recent poverty and wealth report once again showed how wide the discrepancy has become between rich and poor and the scandalous rate at which child poverty has grown in connection to this. Social mobility, in particular in the realm of education, has declined.

A proportion of roughly 20% of society no longer participates in public life; this includes not voting in elections, a tendency that gets passed down to children. Over the years, a form of de-politicisation has spread over German society. For the most part, public debates over political alternatives have not taken place. Two official Grand Coalitions – interrupted by a de facto Grand Coalition of the CDU/CSU and SPD with regard to economic and EU policy – served to undermine such controversial political debates. The above-mentioned de-politicisation and voting abstinence combined with a sense of hopelessness felt by the members of the “lost” 20% of society regarding any alternative form of governance went hand-in-hand with Chancellor Merkel's propagation of the lack of any political alternatives.

This was cultivated further by a campaign strategy focusing on so-called asymmetric mobilisation. This involved Chancellor Merkel incorporating social-democratic positions and thus successfully pre-empting the mobilisation of her political opponents, who themselves – given the popularity of the chancellor and Germany's relative economic

prosperity – did not dare to put forth any strong alternative. If political conflicts are the lifeblood of democracy, as Dahrendorf repeatedly emphasised, then German democracy started to become increasingly lifeless on the national level at the latest in early 2008. Only relatively small parties, such as Die Grünen and Die Linke, were able to take on the role of opposition, albeit without any prospects of actually replacing the government.

In 2015, Germany’s willingness to welcome refugees with open arms revealed an active civil society; however, this image was – and continues to be – contrasted by a repugnant and ever-increasing number of acts of violence against homes for refugees. In his Bielefeld research studies published in the series known as “Deutsche Zustände” (“German Conditions”), Wilhelm Heitmeyer pointed to the German tradition of venting one’s own social frustrations on those who are weaker.

In other words, the social, economic and cultural “substance” of German democracy has most certainly an important number of holes.

In 2013, against this backdrop, the party known as “Alternative für Deutschland” (Alternative for Germany or AfD) emerged. Launched as an initiative of neo-liberal professors against the EU policies of the German federal government, its social base prompted it to develop quickly into a right-wing nationalist party that soon left the professors behind. Analyses of election results show a larger anchoring of the party in East Germany. This foothold is not only due to material disadvantages; it also reflects an effective connection of the protest against Chancellor Merkel’s “no-alternative” policies with the resentments of those who sense – for various reasons – that they are not recognized or valued and who also feel that they have no control over their everyday living conditions.

The fact that the AfD is put in the same pot as other “right-wing populist” parties is a topic that calls for a longer debate, in particular about the concept of “right-wing populists”; unfortunately, I believe this debate would only serve to cloud the issue rather than clarify it. The “right-wing” aspect of the AfD is its reference to the “völkische” and the “Volk”, which is understood to comprise an homogenous national group of people, for which various parties and leaders across Europe claim to be the mouthpiece. It thus takes up the modernisation strategy of Gleichschaltung that historically negated individual self-determination and its associated social pluralisation and ability to bear conflict.

In the coming years, we will be able to monitor precisely whether the loss of support for the AfD – which coincided with the SPD’s turn towards an alternative that could compete with the CDU – will continue at an level concurrent with the process of the SPD taking up once again its democratic function as the opposition party and attacking Chancellor Merkel’s form of “no-alternative” governance. If this occurs, the AfD would lose its key nimbus as the only party to offer a real political alternative, a stance that forms the decisive basis of its popularity.

We can speak of a significant re-politicisation in German society in the past year, in particular since the Brexit in June 2016, the election of Donald Trump in November 2016, the growing threat of authoritarian regimes in Hungary and Poland (against which the EU can do little in legal terms), the obvious lack of solidarity with regard to EU refugee policy, the looming election victory of the Front National in France, ongoing simmering economic and social crises in southern European countries (high unemployment), the SPD's functional change and especially the decrease in Chancellor Merkel's authority in Germany. This re-politicisation is now targeting alternatives in social governance and new initiatives in Germany's EU policy.

When looked at on its own, there are no blatant concerns with regard to Germany's liberal democracy; that image changes, however, if we look at Germany in the European context, because Europe itself is becoming all the more fragile. And yet, Europe played an essential historical and strategic role in the stability of German democracy after WWII – and it continues to be of key importance. What is the state of Germany's EU policy?

3. Germany's EU policy

Among the goals of the European Union since its establishment is the idea of rendering inner-European wars impossible and fostering post-WWII democracies, in particular in Germany, but also, in the post-1989 era, to stabilise emerging democracies in former communist countries. Yet another objective, especially after German reunification, was to "contain" Germany and to overcome its historically dangerous "Mittellage" in Europe, that is, its "middle position" as too small to dominate by hegemony yet too big to be just one among all other countries. In my opinion, the peaceful and democratic development not only of Europe but also of Germany depends on the success of remaining able to achieve this goal.

De facto, however, there have been wars again in Europe, for example in the Balkans and Ukraine, even though these are not territories of the European Union. Above all, however, what has once again come up for debate – mostly due to Germany's handling of the banking crisis, which has been ongoing since 2008 – is the question of German dominance in Europe. While Chancellor Merkel denies any desire for dominance, there is significant criticism both among Germany's European neighbours as well as within Germany itself (see the multiple reproaches made by Helmut Schmidt against the chancellor) with regard to Germany's dominance over EU and euro policy.

My argument is that the pronouncedly neo-liberal governance of the CDU/CSU, which Angela Merkel and finance minister Schäuble have imposed on all of Europe since 2008 – and which went hand-in-hand with a constant rejection of inner-European economic and finance-policy solidarity – has contributed considerably to the social divisions between EU neighbours as well as within the nation states themselves. I would also argue that it has

contributed to the emergence of right-wing anti-European movements. This is the central cause for the erosion of inner-European solidarity and cohesion.

At the same time, the European Union has lost sight of any constructively binding political project to which Germany would have to provide assistance by means of a solidarity policy. Instead, competition between the states – massively underlined in Maastricht – has further hardened historically inherited animosities and national prejudices.

The dogmatic fixation of Merkel and Schäuble on a policy of economic austerity designed to bring about balanced budgets has not been successful in critical countries, instead contributing to higher unemployment. This, in combination with many other factors – including the rejection of a European-Keynesian economic policy, in which Germany would have to vouch, for example, for public investments and development bonds, the return to the structurally unjust Dublin Agreement which, for geographic reasons, gives southern and southeastern Europeans a disproportionate burden of receiving refugees and thereby “saves” Germany, as well as Germany’s constant solo efforts, e.g. in energy policy and refugee policy – all of this has led to a situation in which it is clear to all Europeans, especially considering the economic strength of Germany, that nothing is possible in Europe either without Germany or against its wishes. The chancellor continues to associate Europe with the goal of competitiveness in all areas of social and economic life. She thus follows the key maxims of what we understand today by modernisation in the neo-liberal sense.

We can take Chancellor Merkel at her word when she says she does not *seek* to gain dominance; indeed, her understanding of politics is such that it does not aim to actually govern. Instead, she sees her task as moderating those policies for which a majority can be found and which, in turn, can be translated into electoral success. In fact, where majorities in Europe have the potential to run contrary to her electoral success, the chancellor remains very much in opposition; for example in a 2012 initiative by the President of the European Commission, Manuel Barroso, and the equally conservative president of the European Council, Van Rompuy, calling for inner-European compensations designed to stabilise the euro, or in the suggestion of the decidedly non-left-leaning German Advisory Council to set up a (carefully thought-through) debt repayment fund. In other words, her dominance lies not in engaging in positive governance but rather in its prevention. Indeed, CDU/CSU electoral prospects clearly take precedence over pan-European interests.

Merkel’s approach of focusing on electoral prospects thus coincides with what sociologist Hartmut Rosa sees in our present day as the result of a development in which policymaking already appears no longer possible. (Hartmut Rosa, *Weltbeziehungen im Zeitalter der Beschleunigung. Umriss einer neuen Gesellschaftskritik* (World Relations in the Age of Acceleration. Outline of a New Social Criticism), Berlin 2012, 3rd Edition. 2016). He argues that the rapid acceleration of technical and economic innovations and challenges no longer

gives policymakers time to set a well-thought-out political course. For this reason, parliaments have been rendered obsolete in favour of executive-level leaders. The chancellor moves forward strategically in an “on-sight” mode and sees herself as facing supposedly unforeseeable challenges; this, in turn, render the general trend of modernisation plausible, that is, long-term precedence is given to the executive branch – in the EU the European Council – and prevents a discussion of alternatives. The result is that “in the eyes of citizens ... governing bodies have transformed from policymaking actors into reactive and poorly functioning instruments of crisis management”(ibid., p. 360).

Chancellor Merkel’s absolute prioritisation of competitiveness as the key political objective of Europe is fully in keeping with the politically uncontrolled momentum of modernisation. A form of competition that pursues performance-based selection rather than the traditional attribution of positions (not only just in the economy) no longer serves the external normative goals that are to be achieved as effectively as possible. Instead, Rosa argues that this form of competition becomes something unto itself, that is, an end in itself (p. 339ff.). In this scenario, the “best” is always the person who wins the competition, no matter how the competition is set up and legitimised. The world market repeatedly spearheaded by Angela Merkel – i.e. contemporary global and regional purchasing power – becomes the force that determines the design of our future lives, and this is precisely the way she wants it to be.

In other words, the chancellor’s leadership style, which is often described as “leading from behind”, means channelling developments in such a way that it benefits her own position of power. From this perspective, it is logical that she defines EU policy as pursuing the goal of making the EU as flexibly competitive as possible, especially since this is where Germany’s strengths conveniently lie, as export rates prove. In this sense, the most appropriate form of governance for the current state of modernisation – and one that seeks to increase and stabilise her own power – would amount to nothing more than a form of adaptive patchworking. This neo-liberal approach to politics would have nothing to do with true governance in a liberal democracy.

4. Germany’s new neo-liberal authoritarianism as a threat to Europe and German democracy

If we don’t want to go that far, that is, if we don’t want to give in to fatalism, we can instead examine political mistakes in Germany’s EU policy that could have turned out differently. If looked at from the perspective of the democratic theory of authoritarianism, we would notice a number of Germany’s own systematic decisions that represent the specific character of the neo-liberally polished conservatism shaped by Merkel and Schäuble and justify the logic of EU policy missteps.

In this context, the basic principles of German “Ordoliberalism” stand out; neo-liberalism emerged out of these ideals, but it also transformed them at the same time. Once again, it takes up the German tradition of the primacy of lawyers by focusing on contracts and legal regulations – which, if possible, should function automatically – instead of focusing on political and thus argumentative negotiations. This tendency towards “juridification” is a consistent force in Germany’s EU policy and powerfully cements the German political position. From a neo-liberal perspective, any economic policy that intervenes and balances out differences in Europe – for example, a European industrial policy – is, by definition, distorted and should not be negotiated in Europe no matter how it affects European neighbours in the process.

There is also a moral condemnation of political alternatives and opposing positions in the sense of the private virtues criticised by Dahrendorf. The microeconomic model of the industrious “Swabian housewife”- which is a misleading trope in macroeconomic decision making – grants the moral high ground to a specific form of thrift. As seen from this perspective, any form of national or global economic planning that seeks to spurn on public infrastructure investment and create jobs – for example in southern Europe – is seen as representing a type wastefulness. It is no accidental coincidence that the pervasive threat here is one of “**moral hazard**”; and, indeed, this moral hazard applies in the eyes of the CDU/CSU only to politicians and not to bank presidents and corporate heads, whose morals are supposedly domesticated by global markets.

In this sense, in spite of global interdependencies, economic behaviour is classified as being exclusively national and subjected to a moral judgement. Shaped by an anthropological pessimism – that is, a fundamental distrust of citizens – solidarity is seen as an invitation to be irresponsible. This is why all assistance to southern European countries, where banks such as Paris Bas or Deutsche Bank lent money in return for profitable interest rates and then, after themselves becoming vulnerable, were bailed out by the taxpayers of these countries would be a poisoned gift. This would render the voters in these countries prone to vote for unserious candidates again.

In order to avoid such political “irresponsibility”, it is suggested that we pursue a “market-based” democracy; in this context, for example, the Greek government’s wish – even under Papandreou – to hold a referendum on contracts with the European troika, is considered an insult. Indeed, whoever has debt – no matter how it arose in the first place – loses his right to political freedom.

At its core, the neo-liberal theory of Milton Friedman that underlies this approach is convinced that political governance – especially democratic governance – is corrupt and fundamentally without expertise, because it is oriented towards votes rather than the needs of the “unerring” market. From this perspective, good political governance is carried out in keeping with whatever the markets and/or the financial markets specify with regard

to the believability – that is, the creditworthiness – of a country. In this sense, policymaking is seen as being “alternativlos”, that is, as having no alternative. This means that all of the political and social interests and conflicts that were so important to Dahrendorf lose their function; so, too, does cultural pluralism in Europe, which would only stand in the way of egalitarian competitiveness.

In our era of globalisation, the timeless model of the market – in this view - demands economic competitiveness from us – indeed, it alone is essential for our survival; in contrast, this model requires no historical knowledge or experience from us, for example, about the delicate problem of German dominance in Europe. And in 2015, when the German finance minister rejected all form of negotiation – again quoting the motto of “pacta sunt servanda” – and demanded the quick repayment of the troika loans by the Greek government, we did not take kindly to the Greeks reminding us that the loans forcibly drawn by the Nazis from the Greek government in order to pay the cost of their occupation during WWII were never paid back thanks to the use of a number of German legal tricks. Indeed, it is simply not necessary for our European neighbours to remember things we Germans care not to recall.

German political dominance, which imposes a neo-liberal economic, social, political and cultural understanding on Europe, has dangerously undermined the foundations of European cohesion. The executors of this dominance see themselves as the most responsible Europeans and thereby depend heavily on German economic stability – which is not something the federal government can take credit for. This approach disregards the tangible historical experience that the stability of German democracy is dependent upon the country remaining securely embedded in Europe. It was for a good reason that Richard von Weizsäcker argued that Germany’s fundamental national interest lays in a harmonious relationship with our European neighbours.

The future course of events in Europe, that is, whether Germany can remain securely embedded in Europe for its own democratic security, depends now on a number of different and insecure factors: for example, this year’s presidential election in France, various social developments in southern Europe, the stability of the euro, the instability of the banking sector, anti-democrat developments in Central and Eastern Europe, and finally, a refugee policy that negates solidarity and human rights and – at the expense of citizens in southern Europe in the form of the Dublin Agreement – once again seeks to spend large amounts of money erecting an ultimately impossible Fortress Europe. These factors show that an EU dominated by a Germany lacking solidarity no longer generates any constructive common ground that might otherwise link the national governments in the European Council. What might unite them again now is – fatally so – common hostility against England in the course of the Brexit.

5. Conclusion

The neo-liberally polished conservatism of Angela Merkel and Wolfgang Schäuble created a new form of authoritarianism which significantly threatens liberal democracy – by way of its short sighted EU policy – in Germany as well: The principal abdication of pro-active governance – that is, avoiding debt, breaking even and pursuing a “schwarze Null” at all costs – is the sole objective of the CDU/CSU. Angela Merkel and Wolfgang Schäuble’s neo-liberal policy of amputating liberalism and modernisation from political freedom has led to a number of trends, including the following: the strategic propagation of a no-alternative form of policymaking that negates democratic conflicts and discredits democracy in large parts of society; the replacement of the political negotiation processes with a rigid “juridification” that cements Germany’s dominance in Europe; a lack of sensitivity to market-induced social discrepancies; an anthropological distrust and discrediting of solidarity and cooperation in an entirely interdependent world; a mania of a competitiveness that is currently pursued only as an end unto itself, that is, one that prompts states and people to see each other as enemies and turns a majority of people into “losers”; and, finally, the tendency of these people to seek salvation in a nationalism filled with resentment, i.e. an historical amnesia that threatens to poison relations within Europe.

Modernisation serving individual political freedom is the fundamental Credo of liberalism as Ralf Dahrendorf understood it. In Germany the combination of both started being developed only after WWII. In the following decades German society has adopted to a large extend the political culture of liberal democracy although about 20% of authoritarian mentalities or attitudes can constantly be found whatever social base does constitute it. Considered for itself German liberal democracy is not in danger.

But its stability does not depend on its domestic conditions alone but also on the stability of its democratic European neighbour countries and their friendly relationship towards Germany. Since the banking crisis that stability is growingly endangered. The European policy of the German government plays a decisive role in that development. In Germany itself it has practised a Keynesian strategy for recovering German economy – strongly influenced by the tradition of welfare state, of social partnership in the economy and by the impact of the SPD in the Grand coalition. But to the rest of Europe, especially to the crisis countries the German government has octroyed a neoliberal economic policy which forgot about the historical legacies in Europe and undermined their democratic policy in favour of market oriented technocratic decision making. It thus strengthened a new form of authoritarianism. Economically Germany benefitted from that policy.

At the same time it denied any solidarity to help for the recovery of the crisis countries’ economy and for overcoming high unemployment rates which on the contrary were strongly reinforced by that neoliberal policy. Thus it contributed decisively to the social

divide in its neighbour societies and to the upcoming of nationalist anti-European movements and parties. That endangers growingly the cohesion and democracy in the European Union and by that “detour” also the stability of German liberal democracy. If Germany loses its embedment in a friendly and stabile Europe and in a Euro-zone its export success depends largely upon (f.i. by a “frexit”), Germany’s economy and democracy will get deeply troubled. The country will fall again in the historically fatal dilemmatic trap of its “Mittellage” which generated so many violent conflicts in Europe.

What ultimately underlies these trends is the historical and systematic tension between political and economic liberalism. While political liberalism places the spotlight on political freedom and the dignity of individual self-determination, economic liberalism subordinates this freedom to the economic instrumentalisation of individuals as producers and consumers. In this process, if transnational political regulation in favour of the dignity of human beings is unsuccessful, the economic dynamic of capitalism prevails over political freedom.

This is, in my opinion, the key challenge our current democracies must confront both at the European and global level.