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A NEW GERMANY?

N THE INTERNATIONAL clamour that has surrounded the onset of the current economic crisis, Germany has often appeared the still centre. Yet such seeming passivity belies the enormous structural changes that the country has undergone since the fall of the Wall. Polity, economy, culture and society have been subject to acute, often contradictory pressures. It is barely a decade since the federal capital was relocated, 300 miles to the east; less than that since the D-Mark disappeared and Germany assumed its dominant position within the eurozone. Politically, a new post-unification landscape began to emerge only with the elections of 1998, when fatigue with Helmut Kohl's 16-year reign, broken promises in the East and, above all, slow growth and stubbornly high rates of unemployment ushered in a Red-Green coalition. No attempt to track Germany's current direction can avoid consideration of these subterranean shifts.

I. POLITICS

In 1998, Gerhard Schröder's most prominent single pledge had been to halve the number of jobless within his term of office. How was this to be done? Oskar Lafontaine, the popular SPD chairman installed as Finance Minister, had no doubts: reanimation of the German economy depended on scrapping the deflationary Stability Pact that Bonn had imposed as a price for monetary union, and boosting domestic consumption with counter-cyclical policies along Keynesian lines. After a few months of frustration, he was overboard.¹ Schröder, relieved to be shot of a rival, opted for orthodoxy: balancing the budget came first. Lafontaine's successor, Hans Eichel, became a byword for wooden, if far from successful, devotion to the task of consolidating public finances. Tax cuts, when they came, were for capital not labour, assisting corporations

and banks rather than consumers. Growth did not pick up. When the SPD—Green government faced the voters again in 2002, its economic record was in effect a wash-out. Schröder had boasted he would reduce unemployment to 5 per cent. As the coalition went to the polls, it was just under 10 per cent. A scattering of modest social reforms, the most significant a long-overdue liberalization of the rules for naturalization, had done little to offset this failure.

Externally, on the other hand, the coalition enjoyed a less constrained field of operations. Within a year of coming to power, it had committed Germany to the Balkan War, dispatching the Luftwaffe to fly once again over Yugoslavia. Presented as a vital humanitarian mission to prevent another Holocaust on European soil, German participation in Operation Allied Force was greeted with all but unanimous domestic applause: by Centre-Right opinion as robust proof of the recovered national selfconfidence of the country as a military power, by Centre-Left as an inspiring example of international conscience and philanthropy. In the media, the decisive conversion of the Greens to military action was the occasion for particular satisfaction. Two years later, the Bundeswehr had left Europe behind to play its part in the occupation of Afghanistan; a suitable regime for that country was fixed up between interested parties in Bonn, and a German general was soon in command of allied forces in Kabul. This expedition too met with general approval, if—a remoter venture—less active enthusiasm among voters. Germany was becoming a normal force for the good, as responsible as any other power in the democratic West

In public standing, this transformation stood Red–Green rule in good stead. It made Fischer, its most profuse spokesman, the most popular politician in the land. But this was a position Foreign Ministers in the Bundesrepublik, usually representing smaller parties, had long enjoyed, as pastors of the nation's conscience—not merely the interminable Hans-Dietrich Genscher, but even the imperceptible Klaus Kinkel possessing the same esteem in their time. Nor, of course, did loyalty to NATO distinguish government from opposition. Prestige in performance abroad is rarely a substitute for prosperity at home, as figures on a larger scale—Bush Senior or Gorbachev—discovered. Heading into the elections in

¹ The immediate background to Lafontaine's exit lay in a violent, national and international, press campaign against him: Joachim Hoell, *Oskar Lafontaine. Provokation und Politik. Eine Biographie*, Braunschweig 2004, pp. 197–205.

2002, the SPD—Green coalition was far behind the CDU—CSU in the polls. The Christian Democrats had been seriously damaged by revelations of Kohl's long-standing corruption—the party was extremely lucky these emerged after he had ceased to be ruler, rather than while in office.² But the solidarity of a political class, few of whose houses were not also built of glass, ensured that, as elsewhere in the West, the incriminated was never prosecuted, let alone punished; the waters rapidly closed over the episode without much benefit to the Social Democrats. With the economy still floundering, the opposition looked primed for victory.

In the summer of 2002, however, the countdown to the invasion of Iraq. signalled well in advance, altered the atmosphere. Regime change in Baghdad, however welcome a prospect in itself, clearly involved bigger risks than in Belgrade or Kabul, making public opinion in Germany much jumpier. Sensing popular apprehension, and fortified by the reserve of France, Schröder announced that Berlin would not join an attack on Iraq even—Habermas was scandalized—if the UN were to authorize one. Fischer, devoted to the previous American administration, was reduced to muttering assent in the wings, while Christian Democracy was caught thoroughly off-balance—unable to back Washington openly, yet unwilling to fall into line behind the Chancellor. Schröder's advantage was complete: this time, German pride could sport colours of peace rather than war, and to boot, the opposition could not share them. It only remained for the biblical intervention of a flood in the East, when the Elbe burst its banks. permitting a well-televised display of hands-on energy and compassion, to put him over the top. When the votes were counted in September, the SPD had a margin of 6,000 over the CDU-CSU, and the coalition was back in power with a majority of three seats in the Bundestag.³

Once banked electorally, public opposition to the attack on Baghdad could recede, and discreet practical support be extended to the American war effort, German agents providing undercover identification of targets for

 $^{^{\}rm 2}$ For financial and political details of Kohl's malfeasance, see Edgar Wolfrum, Die geglückte Demokratie, Stuttgart 2006, pp. 477–8.

³ While traditional contrasts in former West Germany between an SPD North and CDU-CSU South were accentuated, the principal novelty of the vote was its gender distribution, women for the first time favouring the SPD over the CDU-CSU by virtually the same margin—some 4 per cent—as men preferred Christian to Social Democrats. For the data, see Dieter Roth, 'A Last-Minute Success of the Red-Green Coalition', *German Politics and Society*, vol. 21, no. 1, Spring 2003, pp. 49–50.

Shock and Awe. In Europe, the occupation—as distinct from invasion of Iraq was anyway soon accepted as an accomplished fact, losing political salience. But Schröder was careful to maintain the entente with Chirac he had formed during the run-up to the war, gratifying the Elysée both economically and politically, by conceding an extension of the Common Agricultural Policy and continued French parity with Germany in the weighting arrangements of the Treaty of Nice. Close alignment with France was, of course, traditional German policy since the days of Adenauer. For Schröder, however, it now afforded cover for overtures to Russia that were precluded when the USSR still existed, and might otherwise have been suspect of a second Rapallo. Warmly supported by German business. enjoying lucrative contracts in Russia, Schröder's friendship with Putin—'a flawless democrat' in the Chancellor's words—met with a cool reception in the media. Geopolitically, the growth of ties between Berlin and Moscow was the most significant novelty of Schröder's tenure. But politically, it counted for little at home.

Liberalization

There, as his second term began, the economic problems that had originally elected him remained apparently intact. Aware how narrowly he had escaped punishment for failing to deal with them, and goaded by criticisms in the press, Schröder now decided to bite the neo-liberal bullet, as authorized opinion had long urged him to.⁴ In the autumn of 2003, the Red–Green coalition passed a package of measures, dubbed Agenda 2010, to break the much decried *Reformstau*—blockage of needed improvements—in the Federal Republic. It comprised the standard recipes of the period: cutting the dole, raising the age of retirement, outsourcing health-insurance, reducing subsidies, abolishing craft requirements, extending shopping hours. German Social-Democracy had finally steeled itself to the social retrenchment and deregulation of the labour market from which Christian Democracy, throughout its long years in power, had flinched. Editors and executives, even if mostly wishing the Agenda had been tougher, were full of praise.

⁴ The standard view, expressed as an incontrovertible—foreign and domestic—consensus, could be found in the *Economist*: 'Most analysts readily agree on what is wrong with the German economy. First and foremost, the labour market is far too sticky. Second, taxes and social-security contributions are too high and profits too low. Third, and not unconnected, social security payments, pensions and health-care arrangements are too generous. And fourth, there is far too much red tape'. See 'A Survey of Germany', 5 December 2002, p. 10.

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The SPD had, in fact, passed a more concentrated and comprehensive bout of neo-liberal legislation than New Labour, a much-invoked model, was ever to do. But the political landscape in which Agenda 2010 was introduced was not that of Britain under Blair. On the one hand, there was no Thatcherism in Germany for social-democracy to inherit—it had been forced to do the same originating job for capital itself, rather than simply extending it further in the same direction. On the other, the German working class and its organizations remained substantially stronger than in Britain. If trade-union density was comparable—less than a third of the workforce in either case—the DGB commanded significantly greater bargaining power, through traditional corporatist institutions of wage negotiation and co-determination, than the TUC; while the SPD itself, with over double the membership of New Labour, was far less hollowed out as a party. The result was twofold: the neoliberal thrust of Agenda 2010, coming not from the radical right but a hang-dog centre, was inevitably much weaker than that of Thatcher's regime, while the resistance to it within a still—relatively—uncastrated labour movement was much stronger than among Blair's following.

Predictably enough, the neo-liberal turn, conducted without zest and received without enthusiasm, was something of a wash-out. For all its fanfare in the media. Agenda 2010 had minimal effect on the economy: even the most benevolent estimates could not attribute more than 0.2 per cent of additional GDP growth to it.5 But its effect on the political scene was another matter. The final dose of the package, 'Hartz IV', cutting unemployment benefit—named after the human-relations chief of Volkswagen, a long-time intimate of Schröder in Lower Saxony, who designed it—was too bitter for the unions to swallow with good grace. Growing unrest in the base of the SPD, and limited breakaways from it in the Ruhr and elsewhere in the West, ensued. In the Länder, the party lost one election after another. As evidence of its unpopularity mounted, discontent with Schröder grew. Finally, in the spring of 2005, the SPD was routed even in its traditional stronghold of North Rhine-Westphalia, the most populous state in the federation, where its boss had been promoted to the Ministry responsible for framing Agenda 2010. Fearing to repeat the fate of Helmut Schmidt in 1981, repudiated by his own party for drifting too far to the right, Schröder decided on a pre-emptive strike, calling elections a year early, before he could be challenged.

⁵ 'The beguiling path of non-reform', *Economist*, 22 December 2007.

To do so he had to circumvent the Constitution, which forbade dissolution of parliament at the will of the Chancellor, by staging a fake vote of confidence from which his deputies were instructed to abstain, to ensure his own defeat. This transparent violation of the Grundgesetz received approval from the highest court in the land, in a graphic illustration of the limits of Germany's post-war legalism: since the leaders of both the SPD and the CDU, each for their own reasons, wanted to break the law, the judges accommodated them. Merkel, now heading the CDU-CSU ticket, could not wait to cash its lead—20 points ahead—in the opinion polls: Schröder could be sure the SPD had no choice but to rally to him. The contest that followed was fiercer than any since the attempt to bring down Brandt in 1972. By now the media, the Frankfurter Allgemeine, Welt and Spiegel leading the pack, were in full cry after Schröder, rounding on him for empty opportunism, and clamouring for a sharp break with the paralytic corporatism of the past. Egged on by the press, where she was hailed as the Thatcher the country needed, Merkel ran a stridently neoliberal campaign, promising a society based on individual efforts and flat taxes, without mollycoddling. Schröder, seeing his chance, counterattacked with brio, ridiculing her fiscal proposals and denouncing the new CDU as a threat to social solidarity. 6 So effective was his onslaught that by polling day Merkel's huge initial advantage had evaporated. When votes were counted, the CDU-CSU was ahead of the SPD by less than I per cent, with four seats more in the Bundestag, and no parliamentary majority even with its ally the FDP. Schröder had to step down; but to govern, Merkel had to form a Grand Coalition with his party.

II. ECONOMY

Few greeted this outcome with much expectation. At best, it was generally held, if the two main parties had to share the onus of necessary

⁶ For Schröder's sense of the priorities of a statesman, see the self-portrait in his mistitled *Entscheidungen*, Hamburg 2006: 'For me an electoral campaign is the most interesting time in the life of a politician. I have taken part in countless campaigns, spoken in hundreds of town squares, shaken thousands of hands, given innumerable autographs. Certainly doing and shaping politics, reaching decisions, is the central task of a politician, his duty, so to speak. But for me the elixir is the electoral campaign, the direct encounter with voters, the competition and struggle for votes, the exchange of argument. Technocrats can also make decisions, journalists can also be know-alls; but politicians alone can and should conduct electoral campaigns': p. 496.

but unpopular measures, rather than being able to blame each other for them, liberal reforms had somewhat more chance of reaching the statute-book. At worst, conflicts between them could lead to still direr immobilism. In fact, however, beneath the political surface of polls and parties, deep structural changes had been underway, altering the parameters of rule. The unification of Germany had transformed the country, in two equally paradoxical ways. The long stagnation of the German economy, the central social fact of the years since 1989, is normally attributed in large measure, and not without reason, to the enormous costs of absorbing the former DDR—about \$1.3 trillion at the latest count, requiring massive exceptional taxation, diversion of investment from productive innovation to infrastructural and environmental reconstruction, and escalating public debt. Notoriously, Germany's lapse from grace was so drastic that the country which had originally gone out of its way to clamp the Stability Pact, forbidding any member-state to run a deficit of over 3 per cent of GDP, like a fiscal Iron Virgin onto Europe's Monetary Union, became itself the worst recidivist from it, violating its provisions six times in defiance of the Commission.

But in what seemed such a heavy burden to German capital also lay the conditions of its reinvigoration. For unification decisively weakened labour. When West German trade unions attempted to extend their organizations to the East, and uphold nation-wide wage rates comparable to those in the West, they encountered industries that were crumbling so fast, and workers so beaten by surrounding unemployment, that failure was more or less foreordained. But once the East could not be integrated into the traditional corporatist arrangements of Modell Deutschland, these inevitably came under increasing strain in the West too. Cheaper labour in the former DDR was soon overtaken by still lower wage costs in Eastern Europe, as the prospect and then reality of EU enlargement drew a growing volume of German investment into Slovakia, Hungary, the Czech Republic, Poland and elsewhere. Beyond these, in turn, lay outsourcing of plants to Asia, Latin America, the Middle East, driving the original wedge of unification yet further into the domestic economy, prising loose the labour market.

The result was a steep decline, not just in the numerical strength of German trade unions—membership of the DGB dropping from II million in 1991 to 7.7 million in 2003—but in their ability to resist unrelenting pressures from German capital. Real wages fell for seven

successive years, giving German firms an ever sharper competitive edge in high-end international markets. By 2004, Germany was once more—as it had been in the seventies—the world's leading exporter of manufactures. Such success was built, not on an outstanding performance in productivity—US gains were significantly greater in the same period—but on wage repression, as workers were forced to accept longer hours and less pay under threat of outsourcing, and domestic consumption remained flat. But with a swelling export surplus, investment increased and once the business cycle kicked up, growth at last accelerated in 2006, just as Merkel settled into office. By early 2008, unemployment had dropped by nearly two million. The serum of deregulation, injected from the East, seemed finally to have worked.

Backwash

Yet, in a second and reverse paradox, the unification which transformed the economic constitution of the country, releasing a less inhibited, more ruthless capitalism, has shifted its political landscape in the opposite direction. For the vast sums poured into the East, though they modernized the fixtures and fittings of society—communications, buildings, services, amenities—failed to create any commensurate industrial prosperity or sense of collective dignity and equality within the Federal Republic. The DDR was shabby, authoritarian, archaic by the standards of Bonn. But in the shadow of the state, all were employed and still relatively equal. With annexation by the West, and rapid demolition of the larger part of its industrial park, carpet-baggers arrived and jobs disappeared. In the rest of the ex-Soviet empire, the immediate sequels to Communism were often harsher, as countries that were poorer to start with fell into their own patterns of dislocation and recession. But, not squeezed into the same instant compression-chamber of competition, they had more breathing-space for adjustment and reconversion; it was not long before their rates of growth were higher and rates of unemployment lower than those of the neue Bundesländer. This superior performance had not just economic, but sociological roots. In Poland, Slovakia or Hungary, the restoration of capitalism was accomplished by local political elites—typically a combination of ex-dissidents and former party functionaries on the make—who made sure its fruits went principally to them. However popular or unpopular they might be at any point in the electoral cycle, they were an integral part of the local society.

In East Germany, no comparable stratum emerged. There, top political, economic and cultural positions in the new Länder were rapidly dominated—indeed, often virtually monopolized—by an influx of Westerners. Thus although unification would raise overall living standards in the East, as even the jobless received Western-style benefits, capitalism was widely experienced as a colonization rather than self-promotion, let alone emancipation. Even where it brought material benefits, it was not appropriated as a native dynamic, but remained inflicted, a force still felt as substantially alien.7 Had all boats risen in the same tide, as Kohl promised, this effect would certainly have been less. But the painful sense of a cashiered past—a life-world irretrievably devalued—was not just a subjective reaction to the consequences of unification. It had an objective reflexion in the demographic disaster that overtook the East in these years, as the old lingered, the young left, and the middle-aged were shelved. A population of 16 million in 1989 had collapsed to 12.5 million by 2008, and was set to fall further—perhaps much further—with the exodus of young women to the West. Between 1993 and 2008, no less than two-thirds of 18-29-year-olds born in the East had abandoned it.⁸ In the DDR, a leading writer from the region has remarked, buildings rotted, but they contained people, who had work; now the buildings are brightly refurbished, and the people are dead or gone. A quarter of the housing stock is empty, and many a smaller centre of habitation, particularly in the north, risks becoming a ghost-town.

In these conditions, the one party to defend a certain memory and express a regional identity could scarcely fail to flourish. When Kohl fell, the PDS had a fifth of the vote in the East. When Schröder fell, it had a quarter, and was the second largest party in the region, a whisker

⁷ By 2003–04, those who identified themselves with the East still far outnumbered those who did so with Germany as a whole: Katja Neller, 'Getrennt vereint? Ost-West-Identitäten, Stereotypen und Fremdheitsgefühle nach 15 Jahren deutscher Einheit', in Jürgen Falter et al., *Sind wir ein Volk? Ost- und Westdeutschland im Vergleich*, Munich 2006, pp. 23–5. For some comparative observations on the outcome of unification in the ex-DDR, see Claus Offe, *Varieties of Transition. The East European and East German Experience*, Cambridge, MA 1997, pp. 148–58.

⁸ See *International Herald Tribune*, 'In Eastern Germany, an exodus of young women', 9 November 2007. Demographically, Germany as a whole has one of the lowest rates of reproduction in the world. In the 2009 Federal elections, voters over the age of 50 will be as large a bloc as all other age-groups combined.

ahead of the CDU and not far short of the SPD.⁹ Such growth was not uninterrupted, nor without setbacks: a drop in its vote in 2002, loss of office in Mecklenburg-Vorpommern, a sharp rebuff for its acceptance of social retrenchment in Berlin in 2006. Nor was the evolution of the party itself any linear progress. Its two most prominent leaders, Gregor Gysi and Lothar Bisky, withdrew for a period, after failing to persuade it that German troops needed to be available for military missions dispatched by the Security Council. Its members remained extremely advanced in years: three-quarters of them pensioners, more than half over seventy. In a sense, such severe limitations made the resilience of the PDS all the more remarkable.

A new Left

What transformed a regional into a national force was the neo-liberal turn of the Schröder government. There were demonstrations all over Germany against Hartz IV, but the PDS mobilized the largest in its Eastern bastions, some 100,000 strong. In the West, the groupings based in the unions that broke away from the SPD formed a list that ran, without great success, in the next Land polls and wary discussion of some kind of cooperation between the two forces followed. It was Schröder's decision to call a snap election in 2005 that galvanized what might otherwise have been a protracted and inconclusive process. Running on a common platform as simply die Linke—'the Left'—their combination took 8.7 per cent of the national vote, ahead of the Greens and not far short of the FDP, netting 54 seats in the Bundestag. 10 The catalyst for this success was Oskar Lafontaine, returning to the political scene as the leader of the Western wing of Die Linke. Hated for quitting Schröder's government even before its turn to the right, and feared for his tactical and rhetorical skills. Lafontaine was henceforward the bête noire of the SPD—a traitor who still undeservedly enjoyed national recognition, and could now encroach on its electoral base. So, in effect, it proved. In one

⁹ As successor organization to the DDR's ruling SED, the PDS was often dismissed in the early years after unification as simply the party of 'Ostalgia', dependent on the ageing functionaries and accomplices of a police state. In fact, more than any other post-Communist party in Eastern Europe, it succeeded in recasting itself as a lively radical movement.

¹⁰ For the emergence of Die Linke, see Dan Hough, Michael Koss and Jonathan Olsen, *The Left Party in Contemporary German Politics*, Basingstoke 2007, pp. 134–53, a study also covering the evolution of the PDS under the Red–Green coalition.

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Land election after another in the West, where the PDS had never been able to gain a foothold, Die Linke easily cleared the threshold for entry into the Assembly—Bremen, Hamburg, Lower Saxony, Hesse—with a variety of local candidates. More ominously still, national opinion polls gave Die Linke between 10 and 13 per cent of the electorate, making it potentially the third largest party.

Behind the rise of Die Linke has also lain the long-term decline of the two dominant parties of the Bonn Republic. In the mid-seventies the CDU-CSU and SPD commanded 90 per cent of the electorate. By 2005, their share had sunk to 70 per cent. Remorselessly, secularization and tertiarization have shrunk what were once the core electorates of each. Church-going Catholics, 46 per cent of the CDU-CSU vote in 1969, had plummeted to 12 per cent in 2005; unionized manual workers from 25 per cent of the SPD vote to just 9 per cent. Their memberships too have fallen steeply: the SPD from over 940,000 in 1990 to just under 530,000 in 2008; the CDU from some 750,000 to a fraction over 530,000—the first time it has surpassed its rival; the CSU, which has held up best. from 186,000 to 166,000.11 After the war, under an electoral system that distributes seats in the Bundestag proportionately to the votes of any party with at least 5 per cent of the ballots cast, the formation of a government had usually required the participation of the FDP, which held the balance between the two blocs. With the emergence of the Greens in the seventies, this three-party system gradually became a four-way contest, making a government without the FDP possible for the first time in 1998, the Red-Green coalition.

The consolidation of Die Linke, were it to hold, would transform this political calculus, making it mathematically more difficult for any two-party combination to achieve the requisite majority in parliament, other than a Grand Coalition between Christian and Social Democracy along current lines. This has long been the normal formula in Austria, and might eventually become so, *faute de mieux*, in Germany. But the

[&]quot; See, respectively, David Conradt, 'The Tipping Point: the 2005 Election and the De-Consolidation of the German Party System?', *German Politics and Society*, vol. 24, no. 1, Spring 2006, p. 13; Hermann Schmitt and Andreas Wüst, 'The Extraordinary Bundestag Election of 2005', *German Politics and Society*, vol. 24, no. 1, Spring 2006, p. 34. For the data, see Table 1 in Oskar Niedermeyer, 'Parteimitglieder in Deutschland: Version 2008', *Arbeitshefte aus dem Otto-Stammer-Zentrum*, 13, Berlin 2008.

political traditions of the two countries are not the same. The institutionalized carve-up of positions in state and economy between Catholics and Socialists in the *Proporz* system, a reaction-formation arising from the experience of civil war in the Austria of the thirties, has never had a counterpart in the Federal Republic. Here grand coalitions, anyway liable to be destabilized by the cycle of competitive Länder elections, have always been regarded by both parties as abnormal makeshifts that encourage extremism on their flanks, to be wound up as soon as possible. In the sixties, it was the CDU that lost ground in the Grand Coalition. to the advantage of the SPD. Today it is the other way around, Merkel and her colleagues benefiting at the expense of a seemingly rudderless Social Democracy, as Schröder's departure left a divided party, tacking clumsily away from the centre to counter the rise of Die Linke, to the ire of its neo-liberal wing, without much to show for it electorally. With its ratings currently around a quarter of the electorate, depths never reached before in post-war history, the SPD faces the prospect of a structural crisis. For what unification has delivered is, in effect, a new political system.

Red-Red-Green?

In the Berlin Republic, the combined forces of the SPD, Greens and Left have to date commanded a sociological majority that was never available to Social Democracy during the Bonn years: some 53 per cent in 1998, 51 per cent in 2002 and 2005, as against successively 41 per cent, 46 per cent and 45 per cent for the CDU, CSU and FDP. But this structural alteration of the underlying balance of forces in the country so far remains ideologically debarred from expression at federal level. The PDS and now Die Linke have been treated as beyond the pale of respectable partnership in national government, considered tainted by descent from Communism. In 1998 and 2002, the SPD and the Greens did not need the PDS for a majority in the Bundestag. But in 2005, Schröder ceased to be Chancellor only because of the taboo against forming a government with the support of the Left. Had the SPD and Greens been willing to do so, the three parties together would have enjoyed a robust parliamentary majority of 40. Since this combination remained unthinkable, the SPD was forced into the arms of the CDU-CSU as a junior partner, unsurprisingly to its detriment.

The record of the Grand Coalition has for the most part been an uninspired tale of wrangling over low-level social-liberal reforms as the economic upswing of 2006–07 reduced unemployment and absorbed the deficit with increased tax revenues, before the country plunged into deep recession in late 2008. Merkel, presiding over a recovery that owed little to her tenure, and a depression no less beyond her control, has benefited from both, with ratings that far outstrip any potential SPD candidate for her post in 2009. But this popularity, probably as passing as any other, owes more to a carefully cultivated manner of unpretentious womanly *Sachlichkeit*, the staging of foreign policy spectacles—G8, Eurosummit—and the current fear of instability, than to any special reputation for domestic efficacy. In opposition Merkel occupied positions on the tough right of the political spectrum, supporting the invasion of Iraq and attacking welfare dependence. In power, though more anti-Communist than Schröder, and cooler to Russia, she has otherwise cleaved to the centre, leaving little to distinguish her incumbency from his. *Fortwursteln* remains the tacit motto.¹²

Trapped into a debilitating cohabitation, its poll numbers steadily sinking, as matters stand the SPD risks a crushing defeat in 2009. Attempts to stop the spread of Die Linke with a few social gestures—call for a federal minimum wage, restoration of commuter subsidies—have made little impression on the electorate. In desperation, the party's hapless chairman Kurt Beck—the fourth in five years—called for amendments to Hartz IV, as the heaviest albatross round its neck, before being ousted by the still strong SPD right, which has installed Schröder's long-term factotum, Foreign Minister Steinmeier, as its candidate for Chancellor. Beyond such floundering, younger office-holders have started to contemplate the unthinkable: coming to terms with the Left. The statistical logic of a Red-Green-Dark Red coalition, long theoretically plain, risks becoming more and more a practical torment for German Social Democracy. In Berlin, Klaus Wowereit has held the capital for the SPD in a compact with the PDS-Linke for seven years, without even Green support. But for political purposes, Berlin counts as part of the East, and its big-city profile anyway separates it from the rest of the country—Wowereit belonging to the phenomenon of the good-time mayor of the metropolis, strong on shows and happenings, less so on budgets or utilities, that has produced Livingstone in London, Delanoë in Paris, Veltroni in Rome. Its electoral

¹² For a lucid analysis of the systemic obstacles to the taking of radical measures by any German government to date, and a pessimistic forecast for the Grand Coalition, see Wolfgang Merkel, 'Durchregieren? Reformblockaden und Reformchancen in Deutschland', in Jürgen Kocka, ed., *Zukunftsfähigkeit Deutschlands*, Berlin 2007, pp. 27–45.

arithmetic is too atypical to offer any wider paradigm. More significant has been the debacle of the SPD in Hesse, where the local party leader Andrea Ypsilanti, after sternly promising not to make any deal with the Left, attempted to form a Red–Green government dependent for a hair-breadth majority on the support of Die Linke. With this, a step would have been taken whose implications escape no one. Once the taboo was broken in a Western *Land*, it could be replicated at federal level.

Between that cup and the lip, however, there remains a considerable distance. In part this is because, for the draught of an alternative coalition to be drunk—bitter enough, for the apparat of the party—the Greens have to be willing, too. But their days of counter-cultural insurgency are long over. Once ensconced in office in the Berlin Republic, they shifted further to the right than the SPD under Schröder, embracing marketfriendly and NATO-proud policies that would have been anathema in the seventies. The party has become an increasingly tame prop of the establishment, its ranks filled with politically correct yuppies competing with the FDP as a softer-edged version of German liberalism. Fischer's own evolution, from bovver boy of the Putz faction of Revolutionary Struggle in Frankfurt to golden boy of Madeleine Albright, was an exaggerated version of this development. But his prominence as the Green talisman on the hustings, and consistent flattery in the media, meant that he could take the party further into a Kaisertreu Atlanticism than it might otherwise have gone.¹³ With his departure, the party has showed signs of trying to row back from the Western adventure in Afghanistan, if only on seeing how unpopular it was becoming. Structurally, however, the party has altered sufficiently to be a possible partner in power with the CDU. A Black–Green coalition is already in place in Hamburg and, niceties of energy policy aside, much of the party is in many ways now ideologically closer to Merkel than to Lafontaine. How far its voters would accept a connubium with the Centre-Right is less clear, and the principal inhibition on such a scenario.

¹³ In the words of a satisfied historian: 'Joschka Fischer embodies the integrative achievement of Federal Germany's successful democracy: beginning as a rebellious streetfighter, he rose through various posts to the summit of the Foreign Office, where he won respect beyond partisan frontiers. Fischer marched so long through the institutions that he became an institution himself': Wolfrum, *Die geglückte Demokratie*, p. 479. For a more astringent portrait, see Michael Schwelien, *Joschka Fischer. Eine Karriere*, Hamburg 2000. Schwelien is a writer for *Die Zeit* who spotted in advance the likely successor to Fischer in his favourite, the 'eel-smooth' Cem Özdemir, current Green chairman: pp. 62, 65–6.

If the Greens dislike talk of a 'left bloc', the SPD is more divided, with younger figures like the party's deputy chair Andrea Nahles willing to toy with the prospect of such a combination in future. But its old guard, not to speak of the eager neo-liberal modernizers, both viscerally anti-Communist, remain appalled at the idea, and enjoy widespread intellectual support. For left-liberal historians like Hans-Ulrich Wehler and Heinrich August Winkler, the very thought of the SPD supping with the Stalinist Gysi and the renegade Lafontaine recalls nightmares of Weimar, when the party failed to see the need to abandon its Marxist illusions and forge a firm alliance with the Catholic Centre and moderate Liberals against the dangers of revolutionary extremism. 14 The press, naturally, brings its weight to bear in the same sense. In Hesse, the right of the party had no hesitation in torpedoing the prospect of an SPD government, preferring to hand power back to a Black-Yellow coalition—which won a crushing victory after Ypsilanti was ditched by her own second-incommand—rather than permit contamination by Communism. Would not the SPD in any case fatally lose the middle ground, if it were tempted to treat with the pariah to its left? Such arguments could paralyse the social logic of a realignment for a long time.

What, finally, of Die Linke itself? Like any hybrid formation, it faces the task of welding its disparate fractions into a political force with a common identity. Prior to the fusion, its PDS component had suffered a yet steeper attrition of membership—biologically determined—than the large parties, even as it increased its electorate. The ability of the new party to appeal to a younger generation across the country will be critical to its future. Programmatically, resistance to further deregulation of markets and erosion of social protections gives it a strong negative position. With positive economic proposals, it is not better endowed than any other contingent of the European left. In principle—even in practice, as the experience of Berlin shows—its domestic stance is not so radical as to rule out collaboration with it for the SPD. The stickingpoint lies elsewhere, in Die Linke's refusal to underwrite German military operations in the Western interest abroad. This is where the real dividing line for the European political class is drawn. No force that refuses to fall in with the requirements of the Atlantic imperium—as the Greens in Germany did effusively; the PCF in France and Rifondazione Comunista in Italy morosely, to keep impotent junior ministries—can

¹⁴ For vigorous raising of this alarm, see Hans-Ulrich Wehler's intervention, 'Wird Berlin doch noch Weimar?', *Die Zeit*, 5 July 2007.

be regarded as *salonfähig*. Only acceptance of NATO expeditions, with or without the figleaf of the UN, qualifies a party as a responsible partner in government. It is here—the conflict over Gysi in the PDS can be taken as a prodrome—that the pressure of the system on Die Linke will be most relentlessly applied.

III. SOCIETY

If the long-run effect of unification has been to unleash an antithetical double movement within Germany, shifting the economy effectually to the right and the polity potentially to the left, the interplay between the two is bound to be mediated by the evolution of the society in which each is embedded. Here the changes have been no less pronounced, as the landscape of the Berlin Republic became steadily more polarized. At the top, traditional restraints on the accumulation and display of wealth were cast to the winds, as capital markets were prised loose and Anglo-American norms of executive pay naturalized by German business. Schröder, slashing corporation and upper-bracket income tax, and rejecting any wealth tax, gave his own enrichissez-vous blessing to the process. Structurally still more important, by abolishing capital gains tax on the sale of cross-holdings, his government encouraged the dissolution of the long-term investments by banks in companies, and reciprocal stakes in firms, traditionally central to German corporatism—or in the consecrated phrase, the 'Rhenish' model of capitalism. In its place, shareholder value was increasingly set free. The first major hostile takeover, an operation hitherto unknown in Germany, came within a year of Schröder assuming power, when Vodafone seized Mannesmann. Hedge funds and private equity companies were soon pouring into the country, as banks and firms unloaded their cross-holdings. By 2006, foreigners had acquired an average of over 50 per cent of the free float of German blue-chip companies—the top 30 concerns on the DAX index. 15 In the opposite direction, German capital surged abroad, its volume of acquisitions level with inward investment, as more and more manufacturing moved off-shore to cheaper locations. Nearly half the total value-added

¹⁵ 'The Coming Powers: How German Companies are Being Bound to the Interests of Foreign Investors', *Financial Times*, I April 2005. Lower down, the *Mittelstand* remains traditionally patriarchal, with 94 per cent of all German companies family-controlled, some of them large concerns: 'Legacies on the Line', *Financial Times*, 9 December 2008.

of German exports is now produced outside the country.¹⁶ The business press had every reason for its satisfaction at *Kapitalentflechtung*, the unravelling of an older and more restrictive *Modell Deutschland*.

In these years, conspicuous among the expressions of the change was the emergence of a new breed of American-style managers with little time for sentimental talk of trade unions as partners or employees as stake-holders; downsizing in good years or bad, maximizing shareholder value without corporatist inhibitions, and rewarding themselves on a hitherto frowned-on scale. The emblematic figure of this transformation has been Josef Ackermann, imported from Switzerland to run the Deutsche Bank, the country's largest financial institution and currently leading forecloser of mortgages in the US. Embroiled in a prosecution for his role in the sale of Mannesmann, but a notable success in boosting profits and cutting staff, his salary was soon twelve times that of his famous precursor, Alfred Herrhausen, an intimate of Kohl assassinated in 1989. At €14 million a year, this is still only a fraction of the earnings of the best-paid US executives, but a sufficient alteration of scale to attract wide public comment.¹⁷ Younger bosses in the same mould at Siemens, Daimler-Benz, Allianz and the like aspire to similar levels of remuneration. Below, the growth of long-term unemployment and jobless—often immigrant—youth have created a corresponding underclass of those beneath the official poverty line, reckoned at about a fifth of the population. This too has aroused considerable public discussion, as a running sore—perhaps lurking danger—unknown to the Bonn Republic. Avarice at the top, abandonment at the bottom: neither comfort the self-image of a socially caring, morally cohesive democracy enshrined in the post-war consensus.

So far, the increasing inequality they promise remains moderate enough, by Anglo-American standards. Gated communities are still a rarity. Slums, where immigrants—now about one in five of the urban population—are most concentrated, may be coming into being. But ghetto riots have yet to break out. Comparatively speaking, German capitalism continues to be less starkly polarized than many of its competitors. But the trend, as elsewhere, is clear enough—between 2003 and 2007, corporate profits rose by 37 per cent, wages by 4 per cent;

¹⁶ 'Why Germany is Again the Engine of Europe', *Financial Times*, 29 March 2007. ¹⁷ Rainer Hank, 'Angekommen im Globalen Kapitalismus. Die Manager der Berliner Republik', *Merkur*, 689–690, September–October 2006, p. 909.

among the quarter of lowest-paid workers, real wages had actually dropped by 14 per cent since 1995. 18 Less typical is popular perception of these changes. The Bonn Republic was famous for the Americanism of its official outlook and cultural life, possessing the political establishment and intellectual class most loyal to Washington in Europe, steadfast in its 'unconditional orientation to the West', in Habermas's ardent phrase. Much of this was the reflex subservience of the defeated, as—consciously, or unconsciously—tactical and temporary as in other such cases. But there was always one striking respect in which West Germany after the war did resemble, more than any other major European society, not in self-delusion but reality, the United States. This was in the relative absence of a traditionally stratified hierarchy of social class in the country. The two national patterns were, of course, not quite alike; still less was that absence absolute. But in certain respects a family resemblance obtained all the same.

The reason lies in the fall of the Third Reich, which took down with it so great a part of the elites that had colluded with Hitler. The loss of East Prussia and Silesia, and the creation of the DDR, destroyed the bulk of the aristocratic class that had continued to loom large, not least in its domination of the armed forces, during the Weimar Republic.¹⁹ The industrial dynasties of the Ruhr were decapitated, Krupp, Thyssen and Stinnes never recovering their former positions. Individual survivors of these formations—a Dönhoff or Lambsdorff: a Porsche or Mohn—could make careers or rebuild businesses after the war. But collective identity and power were decisively weakened. West Germany, bourgeois enough by any measure, felt relatively classless, because in that sense topless. Even today, if one compares its elites to those of Britain, France or Italy, which survived the war more or less intact, it is much less clear how they are recruited: no public schools, no grandes écoles, no clerical preferment. Indeed, in that respect the Bundesrepublik appears more socially acephalous than the us itself, where Ivy League colleges have always provided a fast track to Washington or Wall Street, and the Gini coefficient is anyway far higher.

¹⁸ 'Berlin to Boost Share Ownership', *Financial Times*, 28 August 2008; and 'Politicians Focus on Filling the Pockets of the Populace', *Financial Times*, 29 September 2008.

¹⁹ For a panorama of aristocratic influence before the war, see Christopher Clark, *London Review of Books*, 9 April 2009.

But if the Bonn Republic lacked any clear-cut privileged stratum above, it contained labouring masses below with a far greater sense of their past, and position in society, than their counterparts in America. The German proletariat, historically a later arrival than the British, never developed quite the same cultural density, as of a world set apart from the rest of society. But if its collective identity was in that sense somewhat weaker, its collective consciousness, as a potential political actor, was nearly always higher. Though both are greatly diminished today, the German working class—less pulverized by de-industrialization, in an economy where manufacturing still counts for more; less demoralized by frontal defeats in the eighties—retains a practical and moral influence in the political system which British workers have lost.

In this configuration, in which the absence of long-standing elites enjoying traditional deference is combined with the presence of a-by no means aggressive, but unignorable—labour movement, the impact of sharpening inequalities and a more visible layer of managerial and other nouveaux riches has been significantly more explosive than elsewhere. Virtually everywhere in the world, opinion polls show a widespread belief that inequality has been increasing over the past decades, and that it should be reduced. They also show how few believe it will be. Passive resentment rather than active protest is the keynote. Redistribution has low electoral salience, where it acquires any at all. Germany looks like being the exception. There, public feeling has swung strongly against ongoing polarization of incomes and life-chances, forcing Merkel to toss a few sops to social solidarity, under pressure from the CSU and the labour component of her own party; and leading the SPD to attack hedge funds as locusts, and backtrack from Agenda 2010, even before the collapse of financial markets in 2008.20 This was, above all, the context that enabled Die Linke to make such widespread gains, as the most egalitarian formation on offer. Here not just the residual strength of labour organizations in the West provided favourable terrain. The party also benefited from having the deepest roots of any in the East, where labour may be weak, but inequality is least accepted as the natural order of things. Its rise is all the more striking, of course, for running so clean against the trend of the period. But if Germany, before any other country in Europe,

²⁰ In the summer of 2007, nearly three-quarters of those polled thought the government was doing too little for social justice, 68 per cent wanted to see a minimum wage enacted, and 82 per cent a return to retirement at the age of sixty-five: Thomas Schmidt, 'Demoskopie und Antipolitik', *Merkur* 709, June 2008, p. 532.

has thrown up a new force to the left of the established order, it is also because the theme of 'social injustice' has become, for the moment at least, a national argument.

IV. CULTURE

Of its nature, this is a discourse of division: some enjoy advantages that others do not, and there is no defensible reason for their fortune and our want. Elementary thoughts, but novelties in the establishment politics of the Federal Republic. There, the leitmotif has always been, and remains, consensus—the unity of all sensible citizens around a prosperous economy and a pacified state, without social conflicts or structural contradictions. No other political system in post-war Europe is so ideologically gun-shy, averse to any expression of sharp words or irreconcilable opinions; so devoted to banality and blandness. The quest for respectability after 1945, federal checks and balances, the etiquette of coalitions, all have contributed to making a distinctively German style of politics, an unmistakable code of high-minded, sententious conformism. This was not, of course, a mere ideological mannerism. It reflected the reality of a bipartisan—Christian and Social Democratic—convergence on a corporatist model of development, designed to square all interests: naturally, each according to their station, or Mitbestimmung writ large, as a charter for social harmony.

This consensus is now, for the first time since the late sixties, under serious pressure. From one direction, demands for social justice risk splitting the fictive unity it has cultivated. The received name for this danger, abhorrent to every self-respecting pundit and politician, is populism—incarnate in the demagogue Lafontaine. It threatens the legacy of Bonn from the left. But the same consensus was also under pressure from an opposite direction. This came from opinion attacking it in the name of liberalism, and calling for a new paradigm of politics worthy of the move to Berlin. For these critics of the status quo, the vital spirit that post-war Germany always lacked is what Anglo-American societies have long possessed: a sense of individual liberty, suspicion of the state, faith in the market, willingness to take risks—the tradition of Locke, Smith, Jefferson, Ricardo, Mill and their successors.²¹ Politically,

²¹ For a pungent version of this complaint from the chief editor of *Die Zeit*, see Josef Joffe, 'Was fehlt?', *Merkur* 689–690, September–October 2006.

the marginality of the FDP reflected the weakness of any such outlook in the Federal Republic. Even the nearest German equivalent after 1945, the Freiburg School of Ordo-Liberals—Eucken, Müller-Armack, Röpke—still had, for all their positive influence on Ludwig Erhard, too limited a vision of what a free society requires, as the capture of their originally anti-statist slogan of a 'social market economy' by the clammy corporatism of later years had shown. A more radical break with inveterate national reflexes, closer to the intransigent temper of a Hayek or Popper, was required.

This line of argument, hitting the post-war settlement at an unfamiliar angle, has been a development of intellectual opinion, distant from any obvious popular mood, but resonating across a wide band of the media. How significant is it politically? German tradition, famously, tended to separate the world of culture from that of power, as a compensation or sphere superior to it. In his recent study of The Seduction of Culture in German History, Wolfgang Lepenies convicts this inclination of a significant share of blame for the country's surrender to authoritarianism, from the Second to the Third Reich, pointing in particular to the failure of so many German thinkers and writers to defend Weimar democracy; indeed, their often outright hostility or contempt towards it. In the postwar period, so this case goes, such attitudes gradually waned: 'Germany's special path eventually flowed into the mainstream of parliamentary democracy, the market and the rule of the law. Playing off culture against civilization no longer made much sense. It also no longer made much sense to think of culture as a substitute for politics.' By 1949 Leo Strauss was complaining that German thinking had become indistinguishable from Western thought in general. Actually, Lepenies comments, in such assimilation lay 'one of the great political success stories of the twentieth century'.22 The temptations and delusions of Germany as Kulturnation were eventually set aside for a sturdy adjustment to the everyday world of contemporary politics in Bonn.

From this perspective, there was a troublesome interlude around 1968, when students rejected the new normalcy under the influence of traditions now out of time—not necessarily of the same stamp as those uppermost between the wars, but in their way no less disdainful of markets and parliaments. However, such revolutionary fevers were soon

²² Wolfgang Lepenies, *The Seduction of Culture in German History*, Princeton 2006, p. 128.

over, leaving behind only a mild counter-cultural *Schwärmerei*, eventually issuing into an inoffensive Greenery. Thereafter, the intellectual climate in the Federal Republic by and large reflected the stability of the political system. No culture is ever made of one piece, and cross-currents persisted. But if Kohl's long rule, as distinct from the system over which he presided, found few admirers, the cultural 'dominant' of the period could be described as a theoretical version of the practices of government, in more left-liberal register. The two emblematic thinkers of these years might indeed be said to illustrate, each in his own way, the validity of Lepenies's diagnosis, exhibiting the reconciliation of culture and power in a pacified German democracy. They shared, appropriately enough, a common American point of departure in Talcott Parsons's *Social System*— a work which nowhere else in Europe enjoyed such a reception.

Habermas's huge Theory of Communicative Action, which appeared in 1981, supplied an affirmative variation on Parsons, developing his idealist emphasis on value-integration as the basis of any modern social order into a still loftier conception of consensus, as not only the hallmark of a political democracy, but touchstone of philosophical truth. Niklas Luhmann offered a saturnine variant, radicalizing Parsons's account of differentiated sub-systems within society—economy, polity, family etc.—into a theory of their complete autonomization as self-reproducing, self-adjusting orders, without subjective agency or structural interpenetration, functioning simply to reduce the complexity of the environments outside them. Though less palatable to polite opinion, Luhmann's tacit construction of the Bonn Republic as a matter-of-fact complex of so many mechanisms of technocratic routine disavowed any critical intent. If Habermas told his readers that things could be as they should be—and, under the protection of the Grundgesetz, mostly were—Luhmann's message was dryer, but no less reassuring: things were as they had to be.

On the heights of social theory, these bodies of thought commanded the terrain. In history, the other discipline of greatest public projection, the scene was much more varied, with significant conservative figures and schools continuously active. But here too, the cutting edge of research and intervention—the 'societal' history associated with Bielefeld—was a left-liberal loyalism, critical of the Second Reich as an antechamber of the Third, and tracing the path of a reactionary *Sonderweg* that, in separating Germany from the West, had led to disaster. Here political emphasis fell on the contrast between a calamitous past and a transfigured present: the

Bonn Republic as everything that Weimar had not been—stable, consensual, faithful to the international community. As prolific as Habermas, a close friend from schooldays, Hans-Ulrich Wehler was no less active a presence in the public sphere, sustaining the values of the post-war settlement with a distinctive *tranchant* of his own. Still more pointed as instruction for the present was the work of Heinrich Winkler on the German labour movement between the wars, dwelling on the blindness of the SPD's failure to understand that compromise with parties of the bourgeois centre could alone save German democracy, as had thankfully been upheld since the war.

Rightist dissidents

The hegemony of a left-liberal culture in essential syntony with the character of the political system—while always keeping a critical distance from its particular incumbents—was never exclusive. Powerful earlier bodies of writing, dating back to the interwar period, continued to circulate and exercise influence to other effects, less hospitable to the status quo. The Frankfurt School had been one of these, central in detonating the rebellion of the late sixties. Consensus was not a value dear to it. But once the hyper-activist turn of the revolt had passed, or was crushed, and the legacy of Adorno and Horkheimer had been put through the blender of Habermas's philosophy of communication, little memory was left of the critical theory for which they had stood. Dissonance now increasingly came from the right. There could be found the still active figures of Heidegger, Schmitt, Jünger, Gehlen, all compromised during the Third Reich, each an intellectual legend in his own right. Of these, Heidegger, the best known abroad, was probably of least importance, his post-war reception greater in France than in Germany itself, where under American influence analytical philosophy gained entry early on; his runic ontology had only a narrow purchase on the political or social issues of the period, as one generically desolate vision of technological modernity among others.

The other three, all—unlike Heidegger—masters of a terse, vivid German prose, were of greater moment: Schmitt, the most ruthlessly brilliant, unstable mind of his generation, for his kaleidoscopic ability to shake sovereignty, law, war, politics into sharply new and unsettling patterns; Gehlen, for his uncanny sense of the closure of ideological and artistic forms in the 'crystallizations' of a *post-histoire*, and the

probability of student and guerrilla rebellions against it; Jünger, for the arresting arc of a trajectory from lyricist of a machine civilization to seer of ecological disaster. The calendars and areas of their influence were not the same, in part depending on their personal situations. Schmitt, institutionally the most ostracized, was intellectually the most consulted, constitutional lawyers flocking to his ideas early on.²³ Gehlen, who died much younger, was stylized as a counter-weight to Adorno. Jünger, who lived longest, regained the most complete *droit de cité*, ending up with every kind of honour, indeed decorated by Mitterrand. But, though never 'residual', in Raymond Williams's sense, the intellectual world such thinkers embodied could not compete with the post-war consensus as any kind of public doctrine. It was an alternative to the dominant discourse, inescapable yet peripheral, incapable of displacing it. Hegemony remained left-liberal.

Around the mid-eighties, there were the first premonitions of a change. Habermas's last great book, The Philosophical Discourse of Modernity, appeared in 1985. Intellectually, it was already on the defensive—a noble rescue operation to save the idea of modernity from the descendants of Nietzsche, from Bataille to Foucault to Derrida, who were darkening it once more into an ecstatic antinomianism. If the dangers Habermas discerned were principally French, it was not long before German subvariants materialized. Peter Sloterdijk's Critique of Cynical Reason, greeted respectfully by Habermas himself, had set the ball rolling two years earlier: a bestseller born of a sojourn with the guru Bhagwan Rajneesh in Poona. Over the next twenty years, a torrent of seguels poured out, zig-zagging across every possible terrain of frisson or fashion, from psychotherapy to the ozone layer, religion to genetic engineering, and catapulting Sloterdijk to the status of talk-show host and popular celebrity—a Teutonic version, more whimsical and bear-like, of Bernard-Henri Lévy. The sway of communicative reason could hardly survive this triumph of public relations. Habermas's pupils, Albrecht Wellmer and Axel Honneth, have continued to produce honourable work, on occasion more radical in tenor than that of their mentor, of late increasingly preoccupied with religion. But the philosophical props of the peace of Bonn have gone.

²³ Schmitt's juridical influence is documented in Dirk van Laak, *Gespräche in der Sicherheit des Schweigens: Carl Schmitt in der politischen Geistesgeschichte der frühen Bundesrepublik*, Berlin 1993; and his wider intellectual impact in Jan-Werner Müller, *A Dangerous Mind: Carl Schmitt in Post-War European Thought*, New Haven 2003, pp. 76ff, which, as its title indicates, extends beyond the German field itself.

In the historical field, the story was different. There the mid-eighties saw a more direct assault on left-liberal heights, which was successfully repulsed, but marked a shift of acceptable opinion all the same. The Historikerstreit of 1986 was set off by Ernst Nolte's argument that Nazi atrocities were a reaction to prior Bolshevik crimes, and should not be treated as either unique, or as absolute definitions of the German past. This soon involved a wider group of conservative historians, making less extreme claims, but in the eyes of their critics—Wehler and Habermas among them—nonetheless not only palliating the criminality of the Third Reich, but undermining the necessary centrality of the Judeocide to the identity of post-war Germany, as memory and responsibility.²⁴ National rehabilitation was not to be had in this fashion. There could be no question who won this dispute. Soon afterwards, however, the tables were turned, when in their zeal to preclude any revival of national sentiment the leading lights of left-liberalism-Winkler, Wehler, Habermasexpressed their reserve or opposition to reunification of the country, even as it was plainly about to become a reality. However justified were their objections to the form it took, there was no concealing the fact that this was a transformation of Germany they had never conceived or wished for, as their antagonists had. Here too the dominant had dissolved.²⁵

V. TROUBLE-MAKERS?

In the gradual change of intellectual atmosphere, one catalyst stands out. Since the war, Germany's leading journal of ideas has been *Merkur*, which can claim a record of continuous distinction arguably without equal in Europe. Its remarkable founding editor Hans Paeschke gave it an interdisciplinary span—from the arts through philosophy and sociology to the hard sciences—of exceptional breadth, canvassed with consistent elegance and concision. But what made it unique was the creed of its editor. Inspired by Wieland's encyclopaedism, Paeschke gave

²⁴ Habermas: Eine Art Schadensabwicklung, Munich 1987; Wehler: Entsorgung der deutschen Vergangenheit?, Munich 1988.

²⁵ Within a year of the *Historikerstreit*, there had appeared sociologist Claus Leggewie's knockabout tour through what he took to be the emergent forms of a new conservatism, *Der Geist steht rechts*. *Ausflüge in die Denkfabriken der Wende*, Berlin 1987. In this constellation, the most significant figure was Armin Mohler, secretary to Jünger and friend of Schmitt, famous as the author of *Die konservative Revolution in Deutschland*, 1918–1932: *Grundriss ihrer Weltanschauungen*, which had apeared in 1950, on whom see pp. 187–211.

the ecumenical range of his Enlightenment model a more agonistic twist, combining the capacity for Gegenwirkung that Goethe had praised in Wieland—who had published Burke and Wollstonecraft alike—with a Polarisierung of his own, as twin mottos for the journal. These remained the constants in Merkur's changeable liberalism—first conservative, then national, then left, as Paeschke later described its phases: an editorial practice welcoming opposites, and setting them in play against each other. 'The more liberal, the richer in tensions.' 26 At one time or another Broch, Arendt, Curtius, Adorno, Heidegger, Brecht, Gehlen, Löwith, Weizsäcker, Voegelin, Borkenau, Bloch, Schmitt, Habermas, Weinrich, Benn all appeared in its pages. Uninterested in the Wirtschaftswunder, hostile to the Cold War, regarding Adenauer's Germany as a 'pseudomorphosis', Paeschke maintained good relations with writers in the East, and when the political scene changed in the sixties, was sympathetic to both the student revolt and the turn to an Ostpolitik. Averse to any kind of Syntheselei, he conceived the journal socratically, as a dialectical enterprise, in keeping with the dictum Der Geist ist ein Wühler.²⁷ Spirit is not a reconciler, but a trouble-maker.

Paeschke retired in the late seventies, and in 1984 the succession passed to Karl Heinz Bohrer, pre-eminently equipped for the role of *Wühler*. A student of German Romanticism, and theorist of Jünger's early work, Bohrer made his début in *Merkur* in 1968, with a defence of the student revolt against liberal attacks in the mainstream press, praising it as the expression, at its best, of an eclectic anarchism.²⁸ Not the Frankfurt School, he argued, but the French Surrealism that Benjamin had admired and Adorno dismissed, was the appropriate inspiration for rebellion against the detestable *juste milieu* of the Bonn system.²⁹ These were the sentiments of a writer who was soon making a name for himself as editor of the *feuilleton* section of the country's leading conservative newspaper, the *Frankfurter Allgemeine Zeitung*, before falling out with his superiors and being packed off as correspondent to London. A decade later, he returned to the charge in *Merkur* with a bravura survey of the fate of the movements of 1968—compared to those of 1848 and 1870–71—as

²⁶ 'Kann keine Trauer sein', *Merkur* 367, December 1978, p. 1180: Paeschke took the title of this beautiful farewell to the journal he had edited from Gottfried Benn's last poem, written a few weeks before his death, published in *Merkur*.

²⁷ 'Vorbemerkung', in *Merkur. Gesamtregister für die Jahrgänge I–XXXII*, 1947–1978, Stuttgart 1986, p. x. The phrase comes from Burckhardt.

²⁸ 'Die Missverstandene Rebellion', *Merkur* 238, January 1968.

²⁹ 'Surrealismus und Terror', Merkur 258, October 1969.

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uprising and counter-culture, covering politics, theatre, film, art, theory and music, and marking 1974 as the end of a revolutionary epoch in which Blake's tiger had stalked the streets. A mere restoration of 'old-bourgeois cultural piety' was no longer possible, but the new culture had by now lost its magnetism: only an artist like Beuys retained an anarchic force of subversion.³⁰ Bohrer's own deepest allegiances were to 'suddenness' as the dangerous moment, without past or future, in which true aesthetic experience ruptures the continuity of existence and so, potentially, the social fabric. Captured by Nietzsche, Kierkegaard, Hofmannsthal and Jünger—in their own way Woolf or Joyce, too—the sudden found its political expression in the decisionism of Schmitt.³¹ The central figure in this pantheon, combining more than any other its aesthetic and political moments—epiphany and act—remained Jünger, the subject of Bohrer's *Ästhetik des Schreckens* (1978), the work that won him a chair in Modern German Literary History at Bielefeld.

On taking charge of Merkur soon afterwards, Bohrer opened his editorship in spectacular fashion, with a merciless satire on the petty-bourgeois philistinism, provincialism and consumerism of Bonn politics and culture, complete with a ruinous portrait of Kohl as the personification of a mindless gluttony.³² This was a state, wanting all aesthetic form, that could only be described in the spirit of the early Brecht, or Baudelaire on Belgium. A three-part pasquinade on the German political class followed, depicting both the new-found CDU-FDP coalition and the SPD opposition to it with blistering derision.³³ Time did not soften these judgements. At the turn of the nineties, Bohrer unleashed another ferocious fusillade against German provincialism, in a six-part series covering government, literature, television, advertising, press, songs, stars, movies, cityscapes, and culminating in special scorn for delusions that the enthusiasm of his compatriots for Europe was anything other than a tourist form of the same parochialism. From the 'pastoral boredom' of *Die Zeit* and the FAZ, to the 'fussy sentimentalism' of Grass or Walser, to the grotesqueries of Kohl as 'Giant of the Caucasus' and Genscher as his Sancho Panza, little

³⁰ 'Die ausverkauften Ideen', Merkur 365, October 1978.

³¹ 'Der gefährliche Augenblick', Merkur 358, March 1978; themes developed in Plötzlichkeit: zum Augenblick des ästhetischen Scheins, Frankfurt 1981, of which there is an English translation, Suddenness: on the Moment of Aesthetic Appearance, New York 1994.

³² 'Die Ästhetik des Staates', Merkur 423, January 1984.

^{33 &#}x27;Die Unschuld an die Macht', Merkur 425, March 1984; Merkur 427, May 1984; Merkur 431, January 1985.

escaped Bohrer's scathing report. At best, the Frankfurt of the sixties had not been quite so dreary as Düsseldorf or Munich, and Fassbinder was a bright spot.³⁴

The polemical élan of such broadsides was never just destructive. From the beginning, Bohrer had a normative ideal in mind. Germany was in need of a creative aesthetics of the state. It was the absence of one that produced the dismal landscape scanned in his first editorial, and its many sequels. To those who taxed him with that 'aestheticization of politics' which Benjamin had identified as peculiar to fascism, he replied that in fact every democratic state that respected itself had its own aesthetic, expressed in its capital city, public buildings, ceremonies, spaces, forms of rule and rhetoric—contemporary America, England, France or Italy supplied the evidence, to which a special issue of *Merkur* was devoted.³⁵ It was in these that the identity of the nation acquired tangible legitimacy and shape: a state without its own distinctive symbolic forms, in which politics was reduced to mere social assistance, was hardly worth the name. It was time for Germany to put the stunted half-life of the Bonn Republic behind it.

When the Berlin Wall came down five years later, but reunification was still quite uncertain, and resisted by the liberal left in the West, Bohrer was thus well positioned to publish, in the *Frankfurter Allgemeine*, perhaps the most powerful single essay of the time in favour of German unity: 'Why We Are Not a Nation—and Why We Should Become One'.³⁶ His leading adversary was Habermas, treated with the respect Bohrer had always shown him. The contribution to *Merkur* immediately following his famous 'Aesthetics of the State' had, indeed, been an article by Habermas on the peace demonstrations against the stationing of Pershing missiles, and when the *Historikerstreit* came two years later, Bohrer had not hesitated to side with him. But Habermas's resistance to unification,

³⁴ 'Provinzialismus', *Merkur* 501, December 1990; *Merkur* 504, March 1991; *Merkur* 505, April 1991; *Merkur* 507, June 1991; *Merkur* 509, August 1991; *Merkur* 512, November 1991.

³⁵ 'Ästhetik und Politik sowie einige damit zusammenhängende Fragen', *Merkur* 451–452, September–October 1986.

³⁶ Frankfurter Allgemeine Zeitung, 13 January 1990; for an English version of this text, see *New German Critique*, no. 52, Winter 1991. Its translator, Stephen Brockmann, would later describe Bohrer's arguments as 'a foundational discourse for the triumphal conservatism that emerged on the German right in the wake of reunification'. For this judgement, see his *Literature and German Reunification*, Cambridge 1999, p. 57.

worthy though his notion of a disembodied constitutional patriotism might be as an abstract ideal, was a delusion. Behind it lay a 'negative chiliasm', in which the Judeocide stood as the unconditional event of the German past, barring the country from any recovery of a traditional national identity, with its own psychic and cultural forms. 'Did our specifically "irrational" tradition of Romanticism have to be so thoroughly destroyed by the bulldozers of a new sociology?', he asked pointedly.

Deficiencies of form

With reunification and the transfer of the capital to Berlin came possibilities of another kind of Germany, for which Bohrer had polemicized. For with them faded the intellectual nimbus of the old order. But if the arrival of the Berlin Republic marked the passage to a new situation, it was not one which Bohrer viewed in any spirit of complacent vindication. When *Merkur* took stock of the country in late 2006 with a book-length special issue 'On the Physiognomy of the Berlin Republic', under the rubric, Ein neues Deutschland?—a virtuoso composition, containing essays on everything from ideology to politics, journalism to architecture, slums to managers, patriots to professors, legitimacy to diplomacy—Bohrer's editorial, 'The Aesthetics of the State Revisited', made clear how little he had relented.³⁷ Germany was now a sovereign nation once more; it had a proper capital; and globalization ruled out any retreat into the self-abasing niche of the past. These were welcome changes. But in many respects the lowering heritage of the Bonn era lived on. In Berlin itself, the new government quarter was for the most part a vacuous desolation, inviting mass tourism, redeemed only by the restoration of the Reichstag—even that banalized by fashionable bric-à-brac and political correctness, not to speak of the droning addresses delivered within it.38 Alone had dignity the ensemble of Prussian classicism, at length recovered, extending east from the Brandenburg Gate to the Gendarmenmarkt. Nor had Berlin's return to the position of a national capital had any transformative effect on other German cities, or even aroused their interest: if anything, each had become more regional, the country more centrifugal, than ever. The feel-good patriotism of the World Cup of 2006, with its sea of bon enfant

³⁷ 'Die Ästhetik des Staates revisited', *Merkur* 689–690, September–October 2006. The title of the special number alludes, of course, ironically to the official daily of the former DDR.

³⁸ For a mocking tour of the fixtures and fittings of the new Bundestag, and of the government district at large, see Gustav Seibt's deadly squib, 'Post aus Ozeanien', *Merkur* 689–690.

flag-waving youth, as vapid as it was vulgar, was the obverse of the lack of any serious statecraft at the helm of the republic, of which Merkel was only the latest dispiriting, institutionally determined, incarnation. Missing in this order was any will to style. The expressive deficit of the Bonn Republic had not been overcome.

True independence of mind, Bohrer would subsequently remark, was to be found in those thinkers—Montaigne, Schlegel, Nietzsche—who replaced Sinnfragen with Formfragen,39 a substitution that could be taken as the motto of his own work. But Sinn and Form are not so easily separated. Bohrer's critique of the deficiencies of the German state, both before and after the move to Berlin, could by its own logic never remain a purely formal matter, of aesthetics alone. From the beginning, his editorial interventions in Merkur had a substantive edge. A state that respected itself enough to develop a symbolic form was one that knew how to assert itself, where required, in the field of relations between states. From his post in London, Bohrer had admired British resolve in the Falklands War, and he thereafter consistently backed Western military interventions, in the Balkans or the Middle East. The deficit of the German state was thus not just a matter of buildings or speeches, it was also one of arms. Bohrer was a scathing critic of Kohl's failure to join in Operation Desert Storm; advocated the dispatch of German ground troops to Yugoslavia; and handed Schröder a white feather over Iraq. With such belligerence has gone a shift of cultural reference. Paeschke subtitled Merkur 'A German Journal of European Thought', and kept his word—Gide, Eliot, Montale, Ortega, Russell appearing alongside his native eminences. Few German intellectuals of his generation were as well equipped to maintain this tradition as Bohrer, whose contempt for the provincialism of Bonn and all it stood for was rooted in personal experience. Steeped in Anglo-French culture, after working in London he later lived much of the time in Paris, editing Merkur from afar.

But by the turn of the century, a change had come over the journal under him. The presence of Europe faded. Contributors, topics and arguments were now more insistently American. Bohrer had never been an enthusiast for the EU, his view of it close to a British scepticism—he liked to invoke the *Spectator*—he had long admired. Intellectual sources in the United States, however, were something new. The combination of a hawkish *Aussenpolitik* and multiplying signatures from the Heritage

³⁹ 'Was heisst unabhängig denken?', Merkur 699, July 2007, p. 574.

Foundation or Cato Institute can give the impression that a German version of us-style neo-conservatism has of late taken shape in Merkur. Bohrer rejects any such classification. If he is to be labelled at all, it should be as a 'neo-liberal' in the spirit, not of the IMF, but of Richard Rorty, at once patriot and ironist. That he cannot, in fact, be aligned with either kind of transatlantic import is clear not only from his more accurate selfdescription elsewhere as an 'anti-authoritarian, subjectivist liberal', but also the occasion that produced it, an essay on the fortieth anniversary of the student revolt in Germany. 'Eight Scenes from Sixty-Eight'—clipped reminiscences of that year: so many strobe-lit flashes of Dutschke and Krahl, Enzensberger and Adorno, Habermas and Ulrike Meinhof—is sometimes acerbic, but for the most part unabashedly lyrical in its memories of the intellectual and sensual awakening of that year: 'Who has not known those days and nights of psychological, and literal, masquerade and identity-switching, does not know what makes life exciting, to vary Talleyrand's phrase'.4° Reitz's Zweite Heimat offered an unforgettable recreation of them. The worst that could be said of 68ers was that they destroyed what was left of symbolic form in Germany. The best, that they were never Spiesser. If they left a residue of fanaticism, today that had perhaps become most conspicuous in root-and-branch denunciations of 68 by former participants in it. Bohrer had little time for such renegades. He was not Daniel Bell: the antinomian held no fears for him.

VI. WORLD POWER

Looking back on Paeschke's command at *Merkur*, Bohrer once remarked of it that though Schlegel's *Athenaeum* was a much more original journal than Wieland's *Teutsche Merkur*, it was the latter—which lasted so much longer—that marked its epoch; regularity and consistency requiring that eccentricity be curbed, if authority was to be gained. This was a lesson Paeschke had learnt. He himself, however, came out of the Romantic, not the Enlightenment tradition, and took some time to see it, before attempting to conjugate the two.⁴¹ As Bohrer's tenure moved towards its appointed end, the results of that effort were visible. In intention, at any rate, authority has increasingly materialized, in the shape of contributors from just those organs of opinion Bohrer had once castigated as

^{4° &#}x27;Acht Szenen Achtundsechzig', Merkur 708, May 2008, p. 419.

⁴¹ 'Hans Paeschke und der *Merkur*. Erinnerung und Gegenwart', *Merkur* 510–511, September–October 1991.

the voices of a pious *ennui*: editors and columnists from *Die Zeit, Die Welt*, the *FAZ*, coming thick and fast in the pages of the journal. Here a genuinely neo-liberal front, excoriating the lame compromises of the Schröder–Merkel years, is on the attack, aggressively seeking to replace one 'paradigm' with another. Flanking it, if at a slight angle, is the journal's theorist of geopolitics, Herfried Münkler, author of an ambitious body of writing on war and empire,⁴² whose recent essays in *Merkur* offer the most systematic prospectus for returning Germany, in the new century, to the theatre of *Weltpolitik*.

The logic of the inter-state system of today, Münkler suggests, may best be illustrated by an Athenian fable to be found in Aristotle. In an assembly of beasts, the hares demanded equal rights for all animals; the lions replied, 'But where are your claws and teeth?', whereupon the proposal was rejected, and the hares withdrew to the back rows again. Moral: for equal rights to obtain, there must be a reasonable equality of powers. In their reaction to the American lion's attack on Iraq, countries like France and Germany protested like so many hares, earning only leonine contempt. Even united, Europe could not itself become a lion overnight, and should realize this. But what it could, and should, become is a continental fox in alliance with the lion, complementing in Machiavelli's formula—the force of the one with the cunning of the other; in contemporary jargon, American hard power with European soft power. The loyalty of the fox to the lion must be beyond question, and each must overcome current resentment against the other—the lion feeling betrayed, the foxes humiliated, by what has happened in the Middle East. But once good relations are restored, the fox has a special role to play in the cooperation between them, as a beast more alert than the lion to another, increasingly prominent species in the animal kingdom—rats, now multiplying, and spreading the plague of terror. Such rodents do not belong to the diet of lions; but foxes, which have their own-lesser, but still sharp-teeth and claws, devour them, and can halt their proliferation. That zoological duty will require of Europe, however, that it develop a will to fashion a world politics of its own—ein eigener weltpolitischer Gestaltungswille. The necessary self-assertion of Europe demands nothing less.43

⁴² For a penetrating critique of his major recent work, *Imperien*, which came out in 2005, see Benno Teschke, 'Empires by Analogy', NLR 40, July—August 2006.

⁴³ Münkler, 'Die Selbstbehauptung Europas. Fabelhafte Überlegungen', *Merkur* 649, May 2003.

What of Germany? In contrast to the Second Reich and the Weimar Republic, both deeply insecure, and the rabid attempt to over-compensate such insecurity in the Third Reich, the Berlin Republic exhibits a new and warranted self-confidence. Post-war Germany for long sought to buy its way back into international respectability, simply with its cheque-book. Kohl, helping to defray the costs of the Gulf War without participating in it, was the last episode in that inglorious process. Since his departure, Münkler argues, the Federal Republic has finally assumed its responsibilities as an outward-looking member of the European Union: dispatching its armed forces to the Balkans, Afghanistan and Congo, not in any selfish pursuit of its own interests, but for the common good, to protect others. Such is the appropriate role for a medium power, which must rely more on prestige and reputation than repression for its position in the world, and has naturally sought a permanent seat in the Security Council commensurate with its contribution to the operations of the UN.44 Yet Germany, politically integrated into the EU and militarily into NATO, still relies too much on its economic weight for its role as a sovereign state in the world. It needs to diversify its portfolio of power, above all by recovering the ideological and cultural attraction it formerly possessed, becoming once again the Kulturnation und Wissenschaftslandschaft of old. The attraction of the new Berlin as an international city, comparable to its radiance in Weimar days, will help. But soft power alone will not be enough. All Europe, and Germany with it, confronts resistances to the existing world order of capitalism, not from a China or India that are now sub-centres of it, but from the periphery of the system. There, terrorism remains the principal challenge to the post-heroic societies of the West, of which Germany is the deepest example. It would be naïve to think it could be defeated by mere economic aid or moral exhortation.⁴⁵

Propositions such as these, adjusting Prussian modes of thought to contemporary conditions, aim at making policy. Münkler, no figure of the right but a frequenter of the SPD, is listened to within today's Wilhelmstrasse, which has organized ambassadorial conclaves to discuss his ideas. German diplomats, he writes with satisfaction, are readier to play on the different keyboards of power he recommends than are, so far, politicians. Here is probably the closest interface between the

⁴⁴ Münkler, 'Die selbstbewusste Mittelmacht. Aussenpolitik im souveränen Staat', *Merkur* 689–690, September–October 2006.

⁴⁵ Münkler, 'Heroische und postheroische Gesellschaften', *Merkur* 700, August–September 2007.

review and the state to be found in Merkur. The influence of a journal of ideas is never easy to measure. Bohrer's enterprise has certainly played a critical role in dethroning the comfortable left-liberalism of the postwar intellectual establishment. But its destructive capacity has not—or not yet—been equalled by an ability to construct a comparable new consensus. The kind of hegemony that a journal like Le Débat for a period achieved in France has been beyond it. In part, this has been a question of form: the essays in Merkur, closer to a still vigorous German tradition of belles lettres, remain less 'modern' than the more empirical, better documented, contributions to the French review. But it has also been a function of Bohrer's own distinctive handling of his office. In the tension between Schlegel and Wieland, although he would respect the goal of authority, his own higher value has always been idiosyncrasy—that is, originality, of which the strange cocktail of themes and positions he developed out of Romantic and Surrealist materials in his own texts, effervescent and potent enough by any measure, was the presiding example. Editorially, even in its late neo-liberal moods, Merkur always comprised contrary opinions, in the spirit of Paeschke's Gegenwirkung. But the underlying impulse was polarizing, not in his but in the avant-garde sense inaugurated by the Athenaeum. To Bohrer's credit, conventional authority was forfeited with it.

VII. DISPLACEMENTS

The distance between trenchancy and influence can be taken as the index of a wider disconnexion between the political and cultural life of the Berlin Republic at large. Under the dispensation of Bonn, notwithstanding obvious contrasts between them, there was a basic accord between the two. In that sense, Lepenies's thesis that in post-war Germany culture by and large ceased to be at odds with politics, as both became in the approved sense democratic, is sound. Habermas's notion of a 'constitutional patriotism' peculiar to the Federal Republic can be read as a tacit celebration of that harmony. Since 1990, on the other hand, the two have drifted apart. When, midway through the eighties, Claus Leggewie published his polemic *Der Geist steht rechts*, he was previous. Twenty years later, that such a shift had occurred was plain. Intellectual energy had passed to the right, no longer just a *fronde*, but a significant consensus in the media—a climate of opinion. The political class, however, was still tethered to its familiar habitat. Neither Red–Green nor Black–Red

coalitions had much altered the *juste milieu* of Bonn descent. The equilibrium of the West German system of old, however, was broken. A series of torsions had twisted its components apart. The economic sphere has been displaced to the right. The political sphere has not yet drifted far from the centre. The social sphere has moved subterraneously to the left. The intellectual sphere has gravitated in the opposite direction.

What the eventual outcome of these different tectonic shifts might be remains beyond prediction. The crash of the global economy, wrecking German export orders, forced the country into a downward spiral as the coalition in Berlin entered its final year, amid mounting tension between its partners. If the CDU maintains the lead it currently enjoys over the SPD in the opinion polls, and if the FDP holds up sufficiently, a Black-Yellow government could emerge that, till yesterday, would have had a freer hand to deregulate the social market economy more radically, according to neo-liberal prescriptions. The slump will put these on hold. But since the FDP's identity depends on an assertive antistatism, a drift back to older forms of corporatism, beyond emergency measures, would not be easy. If, on the other hand, electoral dislike of growing inequality and social insecurity combines with widespread fear of any kind of instability, the vote could tilt back to the dead-point of another Grand Coalition. Changes in intellectual climate must affect the working through of either formula, though the extent of their incidence could be another matter. A few years ago, the international soccer championship was promoted with billboards across the country proclaiming 'Germany—Land of Ideas'. The country's traditions of thought have, fortunately, not yet sunk to the reductio ad abiectum of an advertising slogan for football. But that their specific weight in society has declined is certain.

Viewed comparatively, indeed, German culture in the past third of a century has been distinguished less as a matrix of ideas than of images. In that respect, one might say that it exchanged roles with France, philosophy migrating west across the Rhine, while painting, photography, cinema travelled east. It is in the visual arts that German culture has been most productive, often pre-eminent. In their different ways: Beuys, Richter, Trockel, Kiefer; the Bechers, Struth, Gursky, Ruff; Fassbinder, Syberberg, Reitz—no other European society of the period has had quite this palette. More of it, too, has touched on the history of the country and its transformations than anywhere else; and more explosively. The cinema, as one

might expect, has been the directest site of this. Fassbinder's *Marriage of Maria Braun*, with the final immolation of its heroine as the bellowing commentary on the World Cup final of 1954 reaches a crescendo, closes with a pallid, reversed-out image of Helmut Schmidt filling the screen, as the grey death's-head of the *Wirtschaftswunder*. Reitz's *Heimat* trilogy, the first part of which was released in 1984, just as Kohl was consolidating his power, ends in the prosperous, united Germany of the new century with the destruction by financial predators of the family firm of one brother, the crash of the plane of another into the cliffs above the Rhine, the suicide of a Yugoslav orphan in the river below, the burial of a fabled trove of paintings by an earthquake: settings and intimations of a modern Ring Cycle. Its final image is of the youngest female survivor, looking out into the darkness, her features slowly resembling, as the camera closes in, the mask of a haunted animal. Art has its premonitions, though they are not always right.

20 April 2009