

Berlin Perspectives

Analysing German European Policy

A Sleeping Middle Power

Germany's EU Policy One Year into the Merz Government

iep Institut für
Europäische Politik

Julian Plottka

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Three Options for German Leadership Revisited

When Friedrich Merz took office as German Chancellor on 6 May 2025, many international partners hoped for greater German leadership and Federal Chancellor Friedrich Merz promised a more efficient coordination of German EU policy. To this end, [the Federal Chancellery's role in European policy coordination has been further increased](#), with former Permanent Representative Michael Clauß leading the Directorate-General for 'European Policy' in the Federal Chancellery and the Head of the Federal Chancellery Thorsten Frey now in charge of mediating conflict between the ministries related to EU policy. Individual engagement of the key actors is said to have much improved coordination compared to the previous government.

Coordination within the government is, however, only a necessary, but not a sufficient condition for effective German leadership in the EU. In 2025, [I discussed three possible options for Germany to fulfil a leadership role in the EU](#): The *first* option was a return to Germany's traditional 'Leitbilder'-driven approach to European policy. The *second* was German leadership from the Berlaymont supported by Manfred Weber in the European Parliament, Friedrich Merz in the European Council and German ministers in the Council of the EU. The *third* was a new intergovernmental approach to European policy based on mutual agreements with EU partner countries. One year after the inauguration of the current German government, the paper takes stock of German leadership in the EU.

An End of the West and Germany's 'Leitbilder' driven EU Policy?

In early 2026, it is clear that there has been no return to the traditional German approach to EU policy, driven by a federalist 'Leitbild' of European integration, which most likely ended with the Treaty of Lisbon. There are four reasons for this: *First*, the CDU to a certain and the CSU to a much stronger degree have become increasingly critical of European integration in the last three decades. "[More Europe only where Europe creates added value for everyone](#)", [cutting red tape and promoting subsidiarity](#) were keywords in the Europe section of the Conservative parties' joint electoral platform. *Second*, the topic of European policy is much more salient and polarised in the public as the end of the permissive consensus has also reached Germany.

Third, while the government is committed to a "[consolidation and reform of the EU](#)" before the next EU enlargement round and it is ready to use flexibility within the treaties to strengthen the EU's actorness, there is little appetite in the EU for the necessary reform. Even in the European Parliament, the most vocal supporter of a treaty reform during the previous electoral period, debate on this subject is muted. *Fourth*, the 'Leitbild'-driven approach to EU policy has always been one element of the larger project of Germany's integration into the West. Since the beginning of Donald Trump's second term, the normative project of the West seems to have come to an end, with some dubbing Merz already the first '[post-Atlantic chancellor](#)'.

While it is clear that the traditional ‘Leitbild’ of a federal Europe has little support within the Conservative parties, the German public, and among Member State governments, the current government has developed no alternative vision for the future of Europe that could guide German EU policy in a new age of geopolitics and geoeconomics.

German Leadership in Brussels and Strasbourg?

During her [2025 State of the Union Speech](#), Ursula von der Leyen dedicated most of her speaking time to security, defence and external relations. However, the Commission’s powers in these areas are more than limited, except for trade policy, where it has made considerable progress in [concluding negotiations on Trade Agreements with multiple partner countries](#). The German government supports the EU’s global promotion of free trade by means of bi- or multilateral trade agreements. However, it was the [Italian Prime Minister Giorgia Meloni, who achieved an extension of the deadline](#) for the Council to adopt the agreement with the Mercosur countries.

With the election of a European Commissioner for Defence, the publication of the ‘[White Paper for European Defence](#)’ and initiatives to complete the internal market for defence, the Commission is trying to set the agenda for security and defence policy, but is about to reach its limit of initiative soon. For further progress, the German government would need to take the initiative, but apart from [Merz’ proposal to use Russian frozen assets for the most recent loan to Ukraine](#), which [finally failed in the European Council](#), little impetus has come from Berlin.

‘[A competitive and prosperous Union](#)’, the second priority, which von der Leyen outlined in her last State of the Union Speech, enjoys [univocal support](#) of the German chancellor. Together with 18 other Heads of State or Government, Merz proposed the [so-called leaders retreat of the European Council](#) in February 2026 for which the [German and Italian governments agreed on a non-paper](#). This called for deregulation, digitalisation, and a more ambitious trade policy. While the [Draghi Report](#) and the [Letta Report](#) are frequently quoted, the priorities of decarbonisation, green transition, enlargement and infrastructure investments feature less prominently on the political agenda than the recommendations for deregulation and completion of the common market. The German government’s competitiveness agenda is in line with the majority of Conservative Heads of State or Government and reflects a party-political prioritisation.

The same can be found in the European Commission and more importantly in the European Parliament, where the chairperson of the European People’s Party’s (EPP) political group, Manfred Weber, is gradually replacing the traditional grand coalition with a right-wing majority. Cooperation between the EPP and the right-wing

extremist parties in the European Parliament had already [occurred during the previous legislative term](#). However, since the 2024 election, the political group seems to be following a clear strategy of limiting the left parties’ influence and allowing extremist parties to shape EU policies. The most recent example is the majority of the EPP, European Conservatives and Reformists (ECR), Patriots for Europe (PFE) and Europe of Sovereign Nations (ESN) for the joint amendment of the [Regulation establishing a common system for the return of third-country nationals staying illegally](#).

German leadership by von der Leyen and Weber is changing the course of European policy towards deregulation and further reducing migration, but it is also altering the functioning of the EU’s political system. While the European Parliament has in the past been governed by the tradition of large compromises, Weber is currently strengthening party-political competition. In principle, a parliamentarisation of EU governance, where a parliamentary majority supports the Commission against an opposition could have been a step towards [enhancing European democracy](#). However, offering anti-European extremists access to EU decisions-making is no democratic progress. The EPP’s engagement with these political groups is so close that even the [chairpersons of CDU Merz and CSU, Markus Söder clearly disapproved of it](#).

An Transactionalist Approach to European Policy?

The third option of a new intergovernmental or even [transactionalist](#) approach to European policy based on mutual agreements with EU partner countries was the biggest hope for leadership by the German government. Traditionally, the Franco-German couple is considered the centre piece to such an approach. Following [strained relations between French President Emanuel Macron and former German chancellor Olaf Scholz](#), a restart of the Franco-German engine was expected under Chancellor Merz.

However, good personal relations between the French President and the German Chancellor do not guarantee joint political success. Instead, both governments are struggling to cooperate. Once dubbed [the future of Europe](#), the Future Combat Air System (FCAS) is likely to be terminated as the [last mediation attempt has failed](#). While strongly supported by Germany, France voted against the trade agreement with the Mercosur countries. Even more irritating was that the [German Chancellor unilaterally announced unanimous support of all Member States](#) for the agreement following the European Council in October 2025, when [neither its President Costas nor the French President could remember a debate on the topic](#).

The French President shares the German government’s priority on deregulation but supports a different industrial strategy and calls for more investments in Europe as he has [called for a more autonomous European Union since](#)

[he was elected in 2017](#), but received little support for this from three consecutive German governments. Traditionally, diverging views within the Franco-German couple are seen as a precondition for receiving wide support for joint initiatives among other Member States, but currently the German government seems to consider the French President already a lame duck before next year's election.

German-Polish cooperation was the second bilateral relationship Merz wanted to rely on in his European policy with the aim of reviewing the Weimar triangle of Franco-German-Polish cooperation. The return of Donald Tusk to government in 2023 provided a positive outlook for productive German-Polish cooperation. However, on 7 May 2025, the [German Federal Minister of the Interior Alexander Dobrindt issued instructions](#) to refuse entry to asylum seekers arriving from safe states. This directive, [which contravenes European law](#), put the governing Liberal Platform under considerable pressure as it [mobilised right-extremists to protest at the German border](#) and provided the then candidate backed by the 'Prawo i Sprawiedliwość' opposition party and now President of Poland Karol Nawrocki with a topic for his electoral campaign.

The German government's behaviour repeated [an established pattern of going alone without the consultation](#) of European partners, which could be observed in the cases of Germany's exit from nuclear energy, the decision to stop the readmission of asylum seekers to EU Member States, and the building of the 'Nordstream 2' pipeline. The latest 'Alleingang' has so far put an end to the revival of the Weimar triangle.

An unexpected prospect for bilateral cooperation is Merz' close relations with the post-fascist Italian Prime Minister Giorgia Meloni. Merz nurtured the debate on a '[new power couple](#)' when he stated during his first visit that '[\[t\]here is a very broad consensus between our two countries on virtually all issues relating to European policy](#)'. This is, however, not the case, as the Italian government did not support Merz' plan to use Russian frozen assets for the latest Ukraine loan, demanded additional safeguards for farmers to support the Mercosur agreement, and has traditionally a different approach to fiscal policy than Germany. In addition, it is unclear how Meloni's initially appeasing approach to Trump will evolve since [she criticised his interference in Greenland and the Middle East as well as his attacks on the pope](#). Whether this relationship will turn into a permanent basis for Germany's European policy remains to be seen.

A New German European Policy?

After one year in office, transformative impulses have come from German leadership in the Commission and the European Parliament. The German Chancellor and his party support this agenda of deregulation, while the Social Democratic coalition partner disapproves it. That the EPP group in the European Parliament is offering right-wing extremists access to shaping EU policy bears considerable risks for the EU's future as [the integration of extremist parties has failed as a strategy for containing them](#). Therefore, Manfred Weber should stop repeating mistakes on the EU level that have already been committed in several Member States.

Despite the support for the EU's competitiveness agenda and the call for a more sovereign Europe, the current German government has not developed a vision for the future of Europe that could guide its EU policy. Especially during the upcoming negotiations on the Multiannual Financial Framework (MFF) for the years 2028 to 2034, it will be necessary to develop a clear perspective for EU policy beyond deregulation if the next MFF is to [strengthen the EU's geopolitical actorness](#).

'Alleingänge', unilateral decisions, which do not consider effects on partners, have become a key element of the EU policy of multiple German governments. Merz has created a new variant of it, the declaratory 'Alleingang', where the German Chancellor announces European policy objectives or even achievements without having the necessary support. [Liana Fix has recently warned that rearmament is on course to become Germany's next 'Alleingang'](#) describing nightmare scenarios of a return to balance of power politics in Europe, which could result from it. To avoid this and further 'Alleingänge', the German government should return to the long established, but recently neglected tradition of inclusive consultations with all EU Member States. Considering their views is the first step to building support coalitions for German initiatives. The investment in long-term trust building with European partners is worth the investment and key to German leadership in the EU.

About the author

Julian Plottka is Scientific Senior Project Manager at the Institut für Europäische Politik in Berlin.

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Institut für Europäische Politik e. V.
Bundesallee 23
10717 Berlin

info@iep-berlin.de
www.iep-berlin.de

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