



Germany's Strategic Narrative of the Eurozone Crisis

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Abstract

This article outlines how Germany has sought to project a strategic narrative of the Eurozone crisis. Germany has been placed center stage in the Eurozone crisis, and as a consequence, the German government's crisis narrative matters for the future of the common currency. We highlight how the German government has sought to narrate a story of the cause of the Eurozone crisis and present policy solutions to influence policy decisions within the EU and maintain domestic political support. This focus on the public communication of the crisis is central to understanding the development of Germany's policy as it was negotiated with EU partners, the U.S. and international financial institutions. We draw on speeches and interviews by Chancellor Angela Merkel and two of her senior cabinet ministers delivered at key moments of the Eurozone crisis between May 2010 and June 2012. The article argues that while Merkel and her governments have been able to shore up domestic support for her Eurozone policies, she has struggled to find a coherent strategic narrative that is both consistent with German domestic preferences and historical memory, and with those of other Eurozone members.

Keywords

strategic narrative; Germany; Angela Merkel; Eurozone crisis.

The Eurozone crisis has had a profound impact on the European Union (EU) and Germany's role within it.¹ It has been characterized by competition among actors as

to who can best explain the reasons behind the emergence of the crisis and how best to resolve the challenges facing the Euro. Germany has taken center stage in the Eurozone crisis, due to its economic strength and the key role of Chancellor Angela Merkel in negotiating the response to the crisis. Merkel sought to project a narrative that both asserts Germany's commitment to European integration and chastises Eurozone members for their economic failures. In this way, Merkel has projected a narrative of promoting budgetary rigor and austerity, thereby portraying the crisis as being caused by overwhelming national debt, rather than as a result of structural weaknesses or imbalances in the Euro area. Merkel has attempted to dominate the narrative of the Eurozone crisis to shut out policy alternatives, which could have negatively impacted on Germany. Her longevity as German chancellor, while colleagues in other Eurozone countries have been voted out of office, has added weight to her voice, despite some of the inconsistencies we highlight below. Merkel's domestic credibility and electoral success demonstrated yet again in September 2013 has rested on her handling of the Eurozone crisis. In this article we highlight how the German government has sought to narrate a story of the cause of the Eurozone crisis. Our key argument is that by tracing how Merkel's governments have sought to narrate the Euro crisis we can highlight the difficulties of presenting a strategic narrative that offers a resolution to the crisis consistent with both German domestic preferences and with historical memory, and is acceptable to Eurozone members.² In addition to this, a focus on the German strategic narrative highlights instances when Merkel seeks to explain policy shifts through metanarratives of German European policy as a means to secure domestic support.

Our analysis is divided into two parts. In the first section, we explain how previous German governments have narrated Germany's engagement with the European

Union, whereas in the second part, we identify three strands in the Merkel government's Eurozone crisis narrative. To this end, we examine public statements made by Merkel, Foreign Minister Guido Westerwelle, and Finance Minister Wolfgang Schäuble. More precisely, we analyze speeches and interviews given by the politicians at three critical moments during the Eurozone crisis: the first Greek bailout in May 2010; the expansion of the Euro bailout fund in October 2011, and the setting-up of the European Fiscal Compact in December 2011 and its ratification by the Bundestag in June 2012. Due to limitations of space we focus on the construction and projection of Germany's strategic narrative, not its wider impact and contestation of Germany's policy position. We have selected these snapshots for several reasons. First, they have been key moments of the crisis and have therefore raised much attention in the news media. Moreover, on all three occasions, the German government needed the Bundestag's consent and therefore had to explain and justify their policies in front of parliament. Third, analyzing public statements made over the duration of two years allows us to identify elements of continuity and change in the government's Euro crisis narrative. As the Eurozone crisis has grown more acute between 2010 and 2013, we expected the government to shift its narrative, but due to Merkel's electoral success we have seen a largely consistent German narrative. In the final part of this article we discuss the implications of our findings for Germany's role in the EU and how the new German government communicates a viable solution to the policy impasse.

Strategic Narratives and the Eurozone Crisis

Jutta Weldes suggests that “crises are social constructions that are forged by state officials in the course of producing and reproducing state identity.”³ The current Eurozone crisis is a case in point, in which the German narrative fluctuates between reinforcing its pro-integrationist credentials and wishing to influence the EU’s response according to Berlin’s preferences and approaches. The concept of strategic narrative builds on Vivien Schmidt’s work, by demonstrating how member states seek to communicate strategically to shape policy responses.⁴ Furthermore, Maarten Hajer’s study on how stories in environmental policy negotiations have been central to reaching global agreements on highly complex policies is central to our analysis.⁵ The relevance of stories is especially visible in the Eurozone crisis, in the context of which domestic and EU-level narratives of member states and institutions collide. Schmidt and Claudio Radaelli argue that discourse underpins narrative constructions within policy debates. They suggest:

The story the discourse tells and the information it provides must ... appear sound, the actions it recommends doable, the solutions to the problems it identifies workable, and the overall outcomes appropriate. ... the discourse does better if it contains cognitive arguments that demonstrate the policy programme’s relevance, applicability and coherence; and normative arguments that resonate with long-standing or newly-emerging values, and that complement rather than contradict the cognitive arguments.⁶

What has been interesting about the crisis is that the EU member states and institutions have been unable to agree on a uniform explanation and a viable solution to overcoming the Euro’s problems. Crises, both protracted and short-lived, often uncover the cracks in the EU’s ability to forge a coherent response. In member states, narratives overwhelmingly reinforce the national with the EU often conceived as a power maximizer or secondary institution to pursue national interests. This situation

prevents the emergence of shared European interests.⁷ Amadine Crespy and Schmidt illustrate the interplay between France and Germany on the Euro crisis, highlighting the often-contradictory discursive frames used by Merkel and Nicolas Sarkozy.⁸ Differences in how French and German policy makers communicated the crisis demonstrate the underlying divergent ideas, norms and paradigms shaping national policy positions.⁹ Crespy and Schmidt contend that:

a bargain was only possible as French and German leaders gradually agreed to common solutions and justified them at home by using frames that are deeply historically rooted in their national traditions and thus resonate within respective public opinions.¹⁰

We also assert that communication is therefore central to understanding the Euro crisis. Our focus on narrative analysis in public policy emphasizes processes of identifying the nature of the problem at stake, outlining a solution to that problem, and indicating what the outcome will be.¹¹

This article contends that states and other actors face great incentives to project strategic narratives in the context of an evolving media ecology in which politics takes place, and that narratives are an essential element in understanding the crisis. The Euro crisis has reinforced the interconnectivity of European economies, leading to greater public awareness of the impact of European issues on national policies. We define strategic narrative as a means for political actors to construct a shared meaning of the past, present, and future of international politics in order to shape the behavior of domestic and international actors.¹² In the case of the Eurozone crisis, strategic narratives legitimate policy responses, reinforce domestic and international support, and challenge counternarratives.¹³

The concept of strategic narrative is a tool to understand how political actors seek to extend their influence, manage expectations and change the discursive environment in which they operate. These are narratives both about states and about the system

itself—both about “who we are” and about “what kind of order we want.” Narratives link seemingly unconnected phenomena to create a sense of causal transformation through a compelling explanation of the situation at hand.¹⁴ Narratives often seek to establish order from confusion or complexity.¹⁵ Strategic narratives are representations of identity, a sequence of events, a communicative tool through which political elites attempt to give determined meaning to past, present, and future in order to achieve political objectives. Amelia Arsenault and Monroe Price argue: “narratives that are strategic are anthems to the future of the state.”¹⁶

The German government engages in substantial efforts to influence domestic and international opinion of the merits of their approach to the crisis, often encountering opposition to its understanding of the causes and solution. Strategic narratives are therefore employed and deployed by German actors to pursue their preferences and shape the expectations of third parties.¹⁷ Despite Germany’s position as the most powerful economic actor in the EU, it has not been able unilaterally to impose its preferences on the EU. Jeffrey Legro notes that “international relations are shaped not just by the power states have but the ideas the states hold about how that power should be used.”¹⁸ The Euro crisis, William E. Paterson argues, has catapulted Germany into a hegemonic role that it embraces only reluctantly.¹⁹ That increase in Germany’s relative power in the EU has not resulted in Merkel being able unilaterally to decide policy. Finnemore suggests that,

[t]he policies (of a great power) must reflect values held at home, making them legitimate domestically. At the same time, in order to induce acquiescence or support from abroad, they must appeal to the leaders and publics of the other states. Constructing policies across these two spheres—domestic and international—may be more or less difficult, depending on circumstances, but the range of choices satisfying both constituencies is unlikely to be large.²⁰

Merkel has found it a difficult balancing act to continue to demonstrate Germany's European credentials, while at the same time attempting to impose Germany's solution to the Eurozone crisis and minimize Germany's exposure to risk. Demands from France and the U.S. for Germany to contribute more to the Euro "big bazooka" to defend the currency from the market placed Merkel under intense pressure.²¹ Merkel's strategic narrative sought to minimize Germany's exposure and explain inevitable compromises emanating from negotiations when they occurred through narrative constructions of how the policy responses developed.

Germany's Narratives of the European Union

Metanarratives of Germany's role in Europe and the world have informed postwar politics in Germany. The narrative of Germany's European vocation has been divided into three stages.²² In the first, post World War II stage, European integration offered the Federal Republic an opportunity to reinvent itself as a peaceful, stable, and democratic partner in Western Europe. The second stage—which started under Chancellor Helmut Schmidt (1974-1982) and intensified under the chancellorship of Helmut Kohl (1982-1998)—was characterized by even closer political cooperation within the emerging European Union. Chancellor Kohl's oft-cited phrase that German and European unification were "two sides of the same coin," is one illustration of a strategic narrative that tied the fate of Europe to Germany and vice versa, as a means to reintegrate West Germany and the unified Germany into a peaceful and stable continent. Felix Berenskoetter argues that we should conceptualize "the nation-state as a bounded community constituted by a biographical narrative which gives meaning to its collective spatio-temporal situatedness."²³ Drawing on Anthony Giddens,

Berenskoetter asserts that a biographical narrative serves as an “anxiety-controlling mechanism” to understand the complexity of the challenges facing a state.²⁴ For our purposes, Germany’s biographical narrative is based on the explicit link with western integration (Westintegration), and, in particular, with the EU project. As Thomas Banchoff states, the skillful communication of Kohl’s historical view of twentieth-century Germany helped overcome much of the opposition to German unification.²⁵ A disruption of this relatively stable EU narrative creates uncertainty, and—if protracted—can call into question the fundamental assumptions underpinning a narrative, resulting in uncertainty.

Strategic narratives must be grounded in domestic beliefs and political culture to have credibility. For example, David Marsh argues that the decisions taken to establish the Euro at Maastricht were conditioned by a narrative interlocking the unification of Germany and deepening EU integration, leading to outcomes that in retrospect were neither in Germany’s nor the EU’s interests.²⁶ We suggest that these apparently “suboptimal outcomes” are examples of the power that narrative asserts over policy discussions. Narratives commit actors to pursuing certain solutions to policy challenges and reject viable alternatives. They constrain policy options as well as empower political agents. Germany’s pro-EU integrationist narrative has been decisive in the development of Economic and Monetary Union (EMU), but raises questions now in the heat of the Eurozone crisis. Kenneth Dyson argues that Kohl’s role as animateur was central to overcoming national and European opposition to the emergence of EMU at Maastricht.²⁷ Through his central role as German chancellor, and through the formalization of negotiations with France and other EU partners within the European Council, Kohl was able to frame the debate within the principles of ordoliberalism and Germany’s historical context post World War II. In the words

of Marsh: “The drama and pathos of unification distracted the attention of policy-makers at a crucial juncture.”²⁸

Yet, as economic and political integration have progressed, particularly since the Treaty on European Union (TEU) in 1993, we have witnessed after a wave of post Cold War euphoria, a greater challenge to presenting a coherent strategic narrative. This challenge came to the surface during the third stage of Germany’s European narrative, which began under Gerhard Schröder’s chancellorship (1998-2005) and is still ongoing. In the context of the economic difficulties Germany experienced during the late 1990s and early 2000s and a generational change in the political leadership, Germany’s European policy has become more contingent.²⁹ The “once so ubiquitous Europeanist rhetoric” has become scarcer, and Germany’s European vocation is shrinking, as Paterson writes.³⁰

Germany’s Europapolitik narrative since Chancellor Schröder has been more overtly defined by German national preferences. At the same time we have not witnessed a retreat from EU integration. By contrast, Germany has moved center stage due to its strong economy and membership of the single currency, but displays a more contingent, less unquestioning approach to further integration. In the words of Thomas de Maiziere, who was at the time Merkel’s minister of the interior: “For our European friends, they need to come to terms with the fact that Germany is going to act just as other countries do in Brussels.”³¹ European integration, coupled with the burden of unification and the emergence of international pressures, have impacted Germany’s relationship with the EU, leading to greater German efforts to shape the EU to German preferences.³² These changes are reflected in the Merkel government’s Euro crisis narrative.

The CDU/CSU-FDP Coalition's Strategic Narrative of the Eurozone Crisis

An analysis of the Merkel government's Eurozone crisis narrative between May 2010 and June 2012 shows how their narrative is shaped by historical memory. Throughout the time period covered in this article, references to the past are frequent in the government's public communications. Not surprisingly, Merkel, Schäuble and Westerwelle repeatedly refer to Germany's historical "responsibility" to support indebted Eurozone member states. This narrative is rooted in (West) Germany's postwar guilt, and it is epitomized in a speech in which Angela Merkel urged the Bundestag to ratify the first bailout package for Greece in May 2010. She stated:

Germany, the strongest economic nation in Europe, has a special responsibility in this situation, and Germany takes this responsibility. The happy history of Germany after World War II, the development into a free, unified and strong country, cannot be separated from European history, not even in thought. ... Germany lives in the European Union in a union of destiny. We owe it decades of peace, prosperity, and friendship with our neighbors.³³

The notion of the EU as a peace-promoting "union of destiny" was picked up by Foreign Minister Westerwelle two days later when he addressed the Bundestag:

Even if Europe hadn't brought anything but our peaceful coexistence on this continent over the past decades, it would have already paid off. Europe is a matter of destiny, a matter of peace, an insurance for prosperity for all citizens on this continent.³⁴

Here the political leaders follow the narrative of German postwar governments by stressing the EU's merits as a promoter of peace and prosperity. A link between this political stability and the future of Greece, however, is not explicitly made. In the meantime, severe budget cuts have led to social unrest in Greece, and most notably the strengthening of Golden Dawn, a right-wing extremist party. In this context, the German government's effort to link the Euro to political stability, peace, and

prosperity, rested on shoring up Germany's contribution to the bail-out package, rather than a clear commitment to maintaining Greece's membership of the Euro.

Another leitmotif in the German government's Euro crisis narrative is the idea that the fates of the Euro and the European Union are inextricably linked. Finance Minister Schäuble expressed this view in May 2010 when he asked the Bundestag to ratify the first Greek bailout package. He stressed: "We have to defend the common European currency. And by doing this we defend the European project."³⁵ This narrative was continued and even strengthened when a year later Chancellor Merkel was under immense international pressure to act.³⁶ In an effort to convince the Bundestag to ratify the expansion of the European Financial Stability Facility (EFSF) as a matter of urgency, she argued: 'When the Euro fails, Europe fails.'³⁷ Merkel's linking the fate of the Euro with the future of European integration is not surprising, because alongside France, Germany was the architect of the Euro, and as the EU's number one exporter, the country's economy has benefitted from the single currency and the single market.³⁸ The government therefore has a keen interest in keeping the Euro and expresses this time and again. Schäuble, for instance, has said:

Without the common currency we would have different problems. We have in Germany the lowest youth unemployment in the whole of Europe. Our economic success is strongly linked to the export strength, on which we existentially depend. We wouldn't be able to keep our standard of living and our social security if we weren't so successful on the export markets. For this, the economic integration of Europe is an important precondition. All of us in Europe are individually far too small to realize our interests in the globalized world. We need a common, capable of acting Europe.³⁹

Merkel faced a major challenge to communicate a "keeping the Euro at all cost" story that would satisfy both German and international opinion. A pro-integration strategic narrative has been difficult to construct in the absence of a unified narrative from the German government, with the result that a number of prominent politicians, such as

Schäuble, business minister and former FDP leader Philipp Rösler and CSU leader Horst Seehofer, all argued that Greece might have to leave the Eurozone for the good of the single currency. The reception of Merkel's Euro crisis narrative abroad has demonstrated the strength of opposing national positions and often a public rejection of Germany's policy preferences. In the Italian newspaper *Il Sole 24 Ore*, Merkel's statement "when the Euro fails, Europe fails" was interpreted as the chancellor's attempt to "strengthen her image" at home at a time when her coalition government was unstable, rather than as a statement of commitment to forging a collective EU response to the crisis.⁴⁰

As the Eurozone crisis has evolved, so has the narrative contestation of it. The narrative of "responsibility" has varied as the crisis has progressed. During the first Greek bailout in May 2010 the government reminded Germans of their historical responsibility to support other member states. Nevertheless, as Germany's contribution to the bailout increased in 2011 and 2012, the narrative of responsibility shifted to stressing Greece and Italy's responsibility to reform their economies and conform to stricter EU rules. Hence, in return for solidarity with indebted countries Germany's public narrative has become more conditional as the crisis developed. Merkel expressed this narrative of responsibility in terms of conditional solidarity among Eurozone members in a speech to the Bundestag in December 2011. She stated: "We have always said: those who take responsibility can count on the solidarity of the European partners. Solidarity is the second pillar of the new stability and fiscal union."⁴¹

From 2011 onwards, the responsibility of Greece and Italy to carry out economic and structural reforms has been repeatedly referred to as "doing their homework." Westerwelle, for instance, stressed in March 2012:

We are convinced that it was right to negotiate in Europe on a give-and-take basis. It means that we were prepared to give solidarity. But we also wanted to do what was in the interest of the citizens of Germany and Europe as a whole, and ask member states to do their homework.⁴²

Not surprisingly, this narrative was picked up by the Italian-speaking media. The Italian Huffington Post, for example, highlighted that more than anything else, Merkel's statement was directed towards the German public: "For the German Chancellor, Angela Merkel, everybody in the EU has to do his homework ... After all, the exams never end. Clearly, Merkel is in the midst of her election campaign."⁴³ Merkel's "everybody has to do his homework" narrative has been picked up by the President of the European Commission, José Manuel Barroso, who used it to stress that "Berlin, too, needs to do its homework if Germany wants to remain competitive."⁴⁴ By this point, then, the blame for the crisis is apportioned and the different actors hold each other responsible.

Another interesting change in the narrative is that from 2011 onwards, parallels between Greece's and the German Democratic Republic's (GDR) situation have been drawn by the German government. For example, when Merkel argued that the EU treaties needed to be changed in order to allow for more fiscal integration and flexibility, she made the following comparison: "Just as we managed to set up a two-plus-four treaty within six months in the context of German reunification, it should be possible to make common treaty changes because we should value the Euro."⁴⁵

Shortly afterwards on 14 November 2011, Schäuble compared the Greek economy to that of the GDR in the summer of 1990 when the D-Mark was introduced.⁴⁶ He declared:

Missed opportunities can no longer be covered up with currency manipulations. We have experienced this in Germany. When in the summer of 1990 the Deutschmark was introduced in the GDR, their economy was from one second to the other no longer competitive. Greece has to face similar pressures now. This is hard for the people. But there is

no choice: Greece has to do this. It is the price one has to pay for being in a common currency.

These comparisons can be understood as the effort to explain the extent of Greece's economic difficulties to the German public by appealing to their own experience. At the same time, the international audience could understand it as a reminder to follow Germany's relatively recent, successful example of a currency union. The comparison between Greece and the GDR is however deeply problematic: not only were financial markets and rating agencies less influential in 1990,⁴⁷ but it also needs to be kept in mind that East Germany received an enormous amount of public funding to get the economy going. By contrast, the Greek, Italian, and Portuguese governments were put under pressure to make significant budgetary cuts and to pay off their debts. The comparison of Greece during the Eurozone crisis and the GDR in 1990 is therefore misleading.

Discussion

Germany has been placed center stage in the drama of the Eurozone crisis, and as a consequence, the German government's crisis narrative matters for the future of the Euro. We have argued that the Merkel government has failed to tell a coherent and convincing story of the crisis and its solution. It is a fragmented narrative based on Germany's historical experience with European integration and reunification, drawing parallels that are not obvious. Merkel's Eurozone crisis narrative presents a paradox. On the one hand, Germany's narrative has been criticized for not forging a collective EU response due to its internal contradictions and tensions centering on Germany's demands for domestic reforms and its reluctance to recognize how the German economy benefits from the organization of the single currency. On the other hand, despite these tensions Merkel has taken up a position of political dominance in Germany and developed a growing international presence as the EU's leading politician. In an article in the New York Review of Books, Timothy Garton Ash suggests that,

As we look for German answers to the European question, there are three crucial areas to watch: economic policy; European institutions to oversee and legitimate that policy; and, last but not least, the poetry to accompany this economic and institutional prose, inspiring Europeans once again to believe in the dream we call Europe.⁴⁸

This need for poetry, or for a story, was picked up by the President of the European Commission, Barroso, who launched a project called "A New Narrative for Europe."

At the launch of the project, he explained:

A new narrative for Europe not because we don't remain loyal to the *raison d'être* of the European community and the European Union; of course this remains valid. But because I think we need, in the beginning of the XXI century, namely for the new generation that is not so much identified with this narrative of Europe, to continue to tell the story of Europe. Like a book: it cannot only stay in the first pages, even if the first pages were extremely beautiful. We have to continue our narrative,

continue to write the book of the present and of the future. This is why we need a new narrative for Europe.⁴⁹

Since Merkel's victory in the 2013 federal election, expectations on Germany to negotiate a lasting solution to the Euro's underlying challenges have not dissipated. The German Euro narrative remains split between those claiming the Euro has been a burden for Germany and those who argue Germany has benefitted more than others from the single currency and should therefore expect to contribute more to uphold the Euro.⁵⁰ This split has been reinforced by the growth in support for the Euroskeptic Alternative for Germany, with signs that it can expect to rely on support from those disaffected by membership of the Euro within Germany. Acceptance of the German Euro narrative is far from straightforward. As noted above, Germany has come under sustained criticism from the U.S. and the IMF of its handling of the Eurozone crisis and its economic policy.⁵¹ Adam Tooze argues that the incomprehension of other EU member states of Germany's domestic fiscal tightening focuses the attention on austerity and avoids serious discussion on a growth strategy to address the Eurozone's weaknesses.⁵² Germany's narrative is defined by embedded domestic narratives that limit the range of policy options available at the EU level. Konrad Jarausch argues that this German nationalized narrative, which is associated with the emergence of the Berlin Republic, hinders Germany's engagement with the challenges it currently faces. He argues that: "Only a denationalized and democratized narrative will be able fully to reflect such new and complex problems after reunification."⁵³

Merkel has had to walk a fine line between a domestic audience that was unforgiving of the presumed transgressions of Southern Europeans, on one hand, and Germany's continued national interest in an integrated Europe, on the other—the latter required Germany to make the extra commitments (mostly of financial support) that the domestic audience did not want to make. On balance Merkel has pursued a

narrative that mostly favors the preferred policies of the domestic audience (as well as a number of other fiscally conservative member states), namely imposing the burden of adjustment on the peripheral countries of Europe. But, this also points to the fact that there are several enduring cleavages among member states that no narrative on its own can fundamentally alter.

We suggest the following implications of this analysis. First, the Merkel government's EU narrative will continue to balance competing domestic and European pressures. Merkel appeals to feelings of solidarity and unity from her domestic audience, but also promotes austerity for Greece and other debt-ridden countries. She is under increasing pressure to promote economic growth, not least from within her own coalition government with the SPD. Secondly, the government's "we're all in the same boat" language is unconvincing so long as Merkel makes clear that Germany is not in a crisis and that Germany has "done its homework" (by lowering production costs etc.), presenting a German position which seems out of touch with many of its EU partners, and avoiding collective responsibility. At times, the German *Musterknabe* (model boy) appears more like the class swot, rather than setting an inclusive example.

A final point emerging from our analysis is the issue of audience. To whom are the strategic narratives of the Eurozone crisis addressed? Taking Robert Putnam's two level game metaphor,⁵⁴ it might be suggested that the German narrative is designed to enlarge domestic and European "win sets," which may allow heads of government and state to find an intergovernmental agreement. Crespy and Schmidt's analysis suggests that rather than separating the domestic and the international win sets in line with Putnam's argument, the Euro crisis demonstrates a "double game" of simultaneous attempts to shape the discursive terrain on which the Euro crisis is

negotiated.⁵⁵ Merkel has been adept in adapting her Euro narrative to respond to negotiated agreements with her EU colleagues to maintain a majority within Germany for her stance, while reinforcing her preference for the need for reforms in Portugal, Italy, Ireland, Greece, and Spain. Ireland's response to the impact of the Euro crisis has been praised by Merkel and viewed as a signal that her policy is working.⁵⁶ As such, this suggests that, despite calls for a softening of Germany's position, Germany will continue to stress a narrative made in Berlin and Frankfurt.

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Notes

¹ The authors would like to thank Sarah Colvin, Ben O'Loughlin, Felix Heiduk, and the anonymous reviewer for their helpful comments on draft versions of this article.

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- ¹⁹ William E. Paterson, "The Reluctant Hegemon? Germany Moves Centre Stage in the European Union," *Journal of Common Market Studies*, Annual Review 49 (2011): 57-75.
- ²⁰ Martha Finnemore "Legitimacy, Hypocrisy, and Social Structure of Unipolarity: Why being a Unipole isn't all it's cracked up to be", *World Politics* 61 (2009): 58-85, here 65. This understanding is reminiscent of Putnam's "win set" within a two level game approach.
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In times of crisis even individuals can write history. Our lame political elites, who prefer to read the headlines in the tabloids, must not use as an excuse that the populations are the obstacle to a deeper European unification. For they know best that popular opinion established by opinion polls is not the same

thing as the outcome of a public deliberative process leading to the formation of a democratic will. To date there has not been a single European election or referendum in any country that wasn't ultimately about national issues and tickets. We are still waiting for a single political party to undertake a constructive campaign to inform public opinion, to say nothing of the blinkered nationalistic vision of the left (by which I do not just mean the German party The Left). With a little political backbone, the crisis of the single currency can bring about what some once hoped for from a common European foreign policy, namely promoting a cross-border awareness of a shared European destiny.

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