

Friedrich Merz to face fresh round of challenges as Germany's next chancellor

...And he's made it. In the second round, Friedrich Merz won the parliamentary vote to become the next German chancellor



Olaf Scholz congratulates the newly elected German Chancellor Friedrich Merz at the Bundestag in Berlin

After another historic day for German politics, Friedrich Merz will become the next German chancellor, and the designated government coalition of CDU/CSU and SPD can finally begin. Merz received 325 votes – nine votes more than needed, but also three votes less than the total number of seats of the CDU/CSU and SPD. The second round today was only possible due to the fact that the CDU/CSU and SPD managed to gain a two-thirds majority in parliament, allowing for an agreement on today's second vote and a change in the official procedure.

Just two months ago, the new German government was off to a strong and impressive start with a U-turn on fiscal policy, an announcement of the €500bn infrastructure package and changes to the fiscal debt brake to allow for unlimited defence spending. Unfortunately, what has since followed has been a series of slip-ups and sometimes clumsy political moves. However, the lack of far-reaching structural reforms and unclear financing plans in the coalition agreement had been partly offset by presenting some fresh faces in the designated government, keeping hopes alive that it could go beyond the ambitions of the coalition agreement.

Today brings something of an inglorious climax to recent events; the new German government is off to an unfortunate start. We're reminded of a sprinter who stumbles immediately at the start of

an Olympic final. As the votes are secret, we won't know the official reasons for the failed first round this morning – but to us, it looks as though some MPs from the CDU/CSU wanted to show their clear dissatisfaction with Merz's U-turn on fiscal policy following the elections.

Looking ahead, today's events are a painful reminder that it will be hard for the incoming government to fulfil the high expectations regarding investments and reforms. It seems that not everyone in the coalition parties has fully understood the sense of urgency towards the necessity of a functioning government. Friedrich Merz and his government now face the monumental challenge of restoring economic strength while keeping everyone in their own parties aligned.

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