AM: There’s a piece in one of the papers, talking to CDU Party members, young party members, very active, who can’t remember anybody except Angela Merkel running the party. She has been a colossal figure in German politics hasn’t she?

PW: Well, she has. I mean, mind you, she has been at the helm of her party for 18 years and she has been Chancellor of Germany for 13 years. So she is a colossal figure, and now she has started a transition process in her party and she has initiated a process of renewal for her party, but she made clear that she remains Chancellor in her fourth term.

AM: I suppose the question is for how long does she remain Chancellor? Because there are suggestions that at the European elections early next year, if her party doesn’t do well she will have to stand aside then.

PW: Well, she has said that she wants to serve out her term, her fourth term, and Germans prize and honour stability and I think there’s no appetite in the coalition and beyond for any dramatic disruption right now. She has a mandate, and she will be an influential figure on the European stage. She has now more time to devote herself to those big challenges for the Brexit process, as far as we are concerned, no change. And she remains a reliable – as Germany does – reliable close friend of Britain.

AM: We were talking in the paper review about that moment when she opened Germany’s borders to a million migrants as being a turning point for her. Do you think that is widely regarded in Germany as being a big mistake that she made?

PW: Well, that was a turning point for Europe as a whole. Mind you, in 2015-16, this was the biggest movement of people since
the Second World War. It was not a voluntary development to take in all kinds of people, it was triggered by the instability, war and chaos in Syria. So that was the situation. It came upon Europe and she took the courageous decision to take in refugees. And a different story is the immigration policy, and that’s now a big and open and controversial and vivid debate all over Germany, and I’m glad we’re having that debate.

AM: Looking at what happened to her and the rise of Alternative für Deutschland and so on in Germany, no European leader ever again is going to allow in that number of refugees at once are they. Because they look at that experience that Angela Merkel had and say ‘never again’.

PW: Well, we’re got to distinguish between refugees and immigration.

AM: Sure.

PW: Refugees we are bound by the Refugee Convention. We want to be a humanitarian-based country. We want to adhere to international law. On immigration we’ve got to distinguish. We can’t take in all the economic migrants who want, we have got to be more robust here. And I think this is where our debate is heading. We have a new rightwing anti-immigration party, but at the same time we see a spectacular rise of the Green Party, who is very much pro-liberal immigration.

AM: It’s what’s happening around the world, the centre is imploding a bit and the left and the right are on the rise.

PW: Yes, but I’m sure that Germany, which has been governed for 70 years after the Second World War out of the centre will continue to be a country that is governed from the centre, centre-left or centre-right.

AM: What do you think this means for Europe as a whole? Because there is a kind of European reform agenda being driven very hard at the moment by President Macron of France, and he
has been looking to Angela Merkel as his great ally in all of this. Without her so strong does that European reform process start to stumble, do you think?

PW: Chancellor Merkel will be a force to reckon with on the European stage. She has been frequently underestimated, and I tell those people who want to write her off, don’t. She will be a force on the European stage. There is a reform agenda, together with the French President. We want to make Europe more competitive, we need to focus on the core business, internal external security, defence, foreign policy. Also fiscal alignment. So there are lots of things to do we can do together. And Germany and France usually work together. Of course, we can’t lead the European Union alone. There are 27 member states and everybody has a say. But if the two countries agree, Germany and France, we can make progress.

AM: That was always the case, still the case. Let me ask you about Brexit, because you’re a man with your ear close to the ground. There is a sense that we are moving towards an exit deal just at the moment. Is that your sense?

PW: Well, we have resolved 90 or 95 per cent of that withdrawal agreement. The most intractable issue, as you know, is the Northern Irish question. The backstop. Here there is a willingness of the 27 and the Commission to show flexibility. We don’t want to jeopardise the peace in Northern Ireland, nor do we want to see the re-emergence of a hard border. But there is a political will to come to a negotiated settlement and forge a new relationship, which is to be as close as possible with Britain, and Germany has a vital interest in coming to an agreement.

AM: You of course run, happily for you, a large trade surplus with us at the moment. How worried is German manufacturing industry in general – I guess the car industry in particular – about the outcome which could be described as a no deal Brexit?
PW: That is a consideration but I tell you also the business community thinks strategically. Where will we be in five or ten years? Will the integrity of the single market be salvaged? Can it be kept intact. That’s the perspective.

AM: There is an argument that actually Europe, the EU area, has been growing relatively slowly over the past couple of decades compared with other parts of the world and that it needs a different kind of model. That therefore, simply focusing only on the single market may be the wrong direction to be taking. Is there any sense in Germany that it may be time for a different economic model?

PW: Well, we’ve had a great economic run, and we’re still having it, and we are an export-orientated country. And the countries around us, due and thanks to the single market, are our greatest export destinations. So the single market is crucial and has been a guarantor of stability and prosperity.

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