



Guten Morgen!

We are back and welcoming both loyal and new readers of our weekly! The political summer break is over in the EU and Germany. Before Parliament heads into sessions next week, here's a wrap-up of the most important summertime happenings in the EU and Germany.

Looking ahead: We have big plans, with Krautshell (and some others), to not miss anything just follow our [Twitter-Account](#) – or keep reading the Krautshell thoroughly. Ideally, do both.

Now, back to business: Enjoy reading, ping us for more and if you have ideas or suggestions for improvement, we'd love to hear them!

Best,

Anna

Christian

FIRST, SOME SOLID INTEL:

SPD Nominates Federal Minister of Finance to Be Their Candidate for Chancellor

The SPD, the former big people's party has been in crisis for several years. Formerly, the party polled over 40 %, but currently it hovers around 17 %. And while they are part of the German government, their major coalition party CDU (Merkel's party) takes all the credit for Germany's effective Corona-related policy and the SPD is sliding further and further into obsolescence. After years and months of internal struggle, the leftist party government decided to use their last remaining trump card by nominating Federal Finance Minister Olaf Scholz to **be their candidate for chancellor**. Scholz is one of the most popular and trusted politicians in the country, only outpaced by Angela Merkel in the polls.

Given their abysmal polling numbers, one might even ask if they need a candidate for chancellor. However, if they have a shot, then this very early decision to choose Scholz as their candidate was a good move. Mainly, because the CDU is still lining up candidates like one would outfits before a big night out (currently: 4 options available).

Navalny Case Displays a BIG Challenge for Germany

It could have been a quite relaxed summer for German politics and Angela Merkel. Then someone (the Russian government?) poisoned Alexej Navalny, who is currently being treated in the Berlin Charité Hospital. Despite the personal tragedy of the whole case, it puts German and EU politicians in a difficult position: How to deal with Russia? Chancellor Merkel condemns what happened (and did so publicly and explicitly this Thursday), but the sensitive project North-Stream 2, among other ongoing conflicts with Russia, need to be taken into account.



Add the USA to the already tense atmosphere around North-Stream 2 and you can imagine the conflict Merkel is in. Latest development: Russian officials suggested Navalny was poisoned in Germany as part of a campaign against the Kremlin. #lostforwords #tbc

Show Me Your Lobbyists!

After year of negotiations, the affair concerning Member of Bundestag Philipp Amthor (CDU, we reported ahead of the summer break) was the straw that broke the camel's back on lobbying transparency. The governing parties CDU/CSU and SPD finally presented a draft bill for a lobby register for the German Bundestag.

It contains, among other things, an obligation for lobbyists to register, an obligation to adopt a code of conduct and penalties for bad behavior as high as €50,000.

Main point of criticism: The draft bill only includes the lobbying of MPs in Parliament, not the ministries or Chancellery. Still, many seem to value that Germany is trying to introduce what has become standard for many government entities, like the European Parliament, for quite some time now. If you would like more details, let us know!

Europe's Sino-American Balancing Act

It's not the first time we're reporting on EU-China relations, and things did not improve over the last months. The Huawei issue remains unsolved with the US playing a major role. The Trump administration [blocked the use](#) of American microchip technology in any of Huawei's smartphones or network products in mid-August, severely impacting European network operators. China's introduction of the National Security Bill in Hong Kong, as well as its continued repression of the Uighur Muslim minority on the mainland further strains Sino-European relations, especially with Germany. In an attempt to make amends, Chinese Foreign Minister Wang Yi [toured Europe](#) this past week. On his tour, he met with, among others, Italian Foreign Minister Luigi Di Maio, and German Foreign Minister Heiko Maas. Speaking in Rome, Wang warned of "external interference" in relations between China and Europe (who could be possibly be talking about?) Meanwhile, Maas made it clear Europe does not see eye-to-eye with the US when it comes to the Middle Kingdom, stating, "It was important for me today to convey that we in Europe wish to have a good relationship with China," after his meeting with Wang. It was only a weak cover-up for a tense atmosphere behind the scenes. We'll keep you updated on this diplomatic tug-of-war.

History Repeating Itself: Nazis Flying German Reich flags in front of the Reichstag

Protestors, mainly from the right, storming the Reichstag, livid about coronavirus measures imposed by the government and getting into verbal and physical confrontations with law enforcement. No, this is not describing scenes from Michigan earlier this year, but rather events on Saturday, August 29th in Berlin.

What started as a [coronavirus skeptic demonstration](#) attended by roughly 30,000 people ended in hundreds of people angrily storming the grounds of the German legislative building, the Reichstag. Many of these individuals wore clothing and carried flags associated with the far-right Reichsbürger movement, which denies the legitimacy of the German government. While wanting to protect free speech and the right to demonstrate, politicians from all parties were appalled seeing pictures of Nazi flags in front of the Reichstag. Chancellor Angela Merkel decreed the protestors' actions as "shameful," and President Frank-Walter Steinmeier sharply criticized them, labeling them "despicable" and "anti-democratic."

Privacy Shield? No Thank You

In July, the Court of Justice of the European Union (CJEU) invalidated the EU-US privacy shield, on grounds that it failed to meet the stringent requirements of the EU's General Data Protection Regulation (GDPR). Europe is largely known as being the world's number one protector of privacy, and the GDPR is the foundation on which this temple to privacy is built. Since 2016, the Privacy Shield was used to facilitate data transfer between the EU and US, giving companies guidelines to follow when transferring European citizens' data across the Atlantic. Now, it is no more. While the court ruling was a reason to celebrate for privacy advocates, many businesses see it as a major, digital headache. Companies that previously used the privacy shield as a basis for data transfer now need to re-negotiate or re-draft contracts to continue data flow. So, Europeans can continue indulging in Youtube cat-video binges without fear of receiving targeted Purina One advertisements, at least for now.



By Anna,
Senior Consultant

WHAT'S ON OUR MINDS TODAY:

BACK TO SCHOOL

Summer's over, we are back, Parliament is back in session, and, most importantly (for a lot of families), school is starting in Germany again. Not in all of Germany though, because 16 states mean 16 different dates, and kids in Bavaria only started their vacations one week before the Berliners headed back to school again.

16 states mean not only 16 starting dates, but 16 different social distancing, mask, and hygiene plans. Northrhine-Westfalia (NRW): Everyone has to wear masks everywhere.

Everyone, myself included, was like:



Bavaria: Everyone has to wear masks everywhere for two weeks. Except for the teachers. And elementary students. Berlin: Everyone has to wear masks, but not in class. Bremen: Each school is free to decide. Saarland: We don't need masks.

What followed was a law suit against masks for students in NRW (successful), petitions by parents for more sensible rules (ongoing) and around 40 schools closing in Berlin because of Corona cases in the first two weeks.

Fast forward three weeks, and what can I tell you: No spreading in schools so far, schools in Berlin reopened, kids are still being educated in person and Corona-cases in Germany seem more or less stable at around 1,200-1,500 daily cases.

Everyone, myself included, was like:



I am far from saying we are out of the woods, but very pleasantly surprised to still have my kids in school 5 weeks into the new school year. Not to jinx it, but after the last few months I am enjoying every single day of it. Well, as long as it lasts...



ABOUT KRAUTSHELL:

We just assumed that you receive way too many and way too many newsletters, while still not getting the intel you need. With "In a Krautshell" we want to give pros in corporate and public politics an executive-style glimpse into what is going on in Germany and Europe. Feel free to give us some feedback, correct bad English we Germans think to be appropriate and let us know whether or not you find it insightful what we are doing here.

We are **ERSTE LESUNG** (transl. first reading), a full-service public affairs consultancy with offices in Berlin and Brussels and your on-site support for consulting and government response in Germany and the EU.



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