

A programme for the future: moving into the post-Corona era

Crisis and crisis competence

The pandemic at the beginning of the new decade has acutely threatened the lives and health of millions of people around the globe. In the fight against the coronavirus disease, almost all governments have imposed massive restrictions which have had a significant negative impact on the development of the global economy.

After almost a decade of uninterrupted growth momentum, we are now faced with the central task of protecting the health of our citizens and securing employment. At the same time, we must maintain the productive substance of our economy and, if possible, also renew it in a way that is fit for the future. As Social Democrats with a sense of responsibility we must give the citizens of our country a secure economic perspective during and after this crisis. The history of the Federal Republic has shown that such times require decisive and energetic economic policy action.

Since the beginning of the pandemic, we have been working purposefully in the Federal Ministry of Finance on a set of instruments with aid that is as tailored as possible to those who have been particularly affected by the crisis. A look at other countries and regions shows that we have succeeded quite well so far. The support measures include, for example, the expansion of short-time working and targeted support for companies in the event of serious business disruptions.

We are providing comprehensive economic stimuli to stabilise demand, and we have simplified access to basic welfare benefits. We have developed and implemented all of this at a tremendous speed. In dialogue with unions, associations, companies and academia, we are constantly adapting and developing our instruments.

Now in the “autumn lockdown”, we are helping businesses, craftsmen and solo self-employed people quickly, unbureaucratically, at short notice and precisely with a generous lump-sum solution. At the same time, we are extending important instruments. And we are learning from our experience in

the spring: day-care centres and schools will remain open as long as possible. In this way, we will guide our country through these difficult times as well as possible.

Structural challenges and future competence

Regardless of the pandemic, our national economy faces major tasks. Germany and its economic model are at the beginning of a new era. This can be illustrated by three points:

First, the shift in the global balance of power. In 2050, we will live in a world with 10 billion people. Alongside China, India will be one of the biggest powerhouses of the global economy, further shifting the balance in favour of the Asian continent. The role of Germany and Europe in this new distribution of economic power is far from clear.

Second: Man-made climate change. As a driving force in this government, the SPD has played a key role in advancing the “climate package”. The same applies to the “future” section of this summer’s economic stimulus package, with which we are driving forward and flanking the transformation towards what will, in time, be a CO₂-free economy and society.

Third: The digital transformation. It will change our social and economic model with enormous and ever-increasing speed. Only those who lead the way technologically will be able to help shape this change and avoid being overwhelmed by it in the end.

For me, it is therefore quite clear that we need a new strategic industrial policy. A policy that formulates specific innovation goals and aligns both the regulatory framework and state support to them. We need a programme for the future in 2030 with clear objectives, ideally embedded in a European agenda for tackling the major challenges of our time.

Government has a crucial role to play here. After all, basic government research, extensive R&D funding and very good public networks and infrastructures are necessary conditions for successful entrepreneurial innovations. Equally important, however, are functioning structures for good education, legal and public safety, and reliable public services.

More than ever, the upcoming transformation of the economy requires targeted public investments. They open up market opportunities, focus on economic and ecological sustainability and create new, future-proof jobs. This includes, above all, investments in the network infrastructure for renewable

energies, in the development of the hydrogen economy, and in the internet and mobile communications technologies of the future.

With a clear plan for the necessary restructuring and for public investment, we create entrepreneurial planning security and ensure that innovative and bold entrepreneurs also invest in sustainable value creation in Germany. To this end, our country, with its skilled workforce, excellent research facilities, legal certainty and attractive tax system, offers a decisive competitive advantage that must be preserved.

Social cohesion and social competence

It is the special responsibility of the SPD to think through accelerated ecological and digital modernisation, including its social consequences. This gives rise to another central task for the 2020s. It is about respect and social cohesion. An efficient community, a strong welfare state, a reliable health-care system – what is currently helping us through the crisis must not be sacrificed in the future.

Every job deserves respect, and that must also be reflected in the income that everyone who works hard should be able to get by on. This is part of the basis of our economic and social success – and it must continue to be worth a lot to us.

Brexit and the polarisation of US society, which has by no means been overcome by the election of Joe Biden, are examples of what happens when social cohesion and respect for others dwindle in a time of economic upheaval. Here, in addition to a clearly forward-looking economic policy, an equally clear social democratic stance is needed to resolutely stand up for the achievements of our welfare state.