

# **New Year's address**

**by Olaf Scholz, Member of the German  
Bundestag and Chancellor of the  
Federal Republic of Germany**

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My fellow citizens,

When I'm travelling round the country, I often hear, not least from many older people, "The way all this keeps coming, one thing after the other – I've never seen anything like it."

- No sooner was COVID halfway done with than Russia unleashed a relentless war at the heart of Europe.
- Then the Russian President turned off the tap on our gas supplies.
- Come the autumn, there were the brutal terrorist attacks on Israel by Hamas.

So much suffering; so much bloodshed. Our world has become a more unsettled and harsher place. It's changing at an almost breathtaking speed.

The result is that we, too, are having to change. This is a worrying thing for many of us. In some, it is also causing discontent. I do take that to heart. But I also know this: we in Germany will get through it.

Do you remember where we stood one year ago? Numerous experts had forecast an economic downturn of three, four, five percent. Many feared that prices would keep on rising. There were concerns about power cuts and cold homes.

Things have turned out differently. Inflation has gone down. Wages and pensions are going up. Our gas storage facilities are filled to the brim for the winter.

Things turned out differently because we held back that economic downturn. We saved energy, and we made timely preparations. We all did – together. We can lean into any headwind and prevail.

That does not diminish the challenges of our time. But it can give us confidence in our capacity to overcome them.

“Who will manage, if not you in Germany?” – that’s something I hear from many people around us in Europe and the rest of the world. And there’s something in that. More women and men have jobs in Germany today than at any time in the past.

That safeguards our prosperity, and it gives us the opportunity to invest powerfully in the future. And we do need to.

As anyone will have noticed who travels by train these days, or sits in a traffic jam on the approach to a crumbling bridge, our country has been driven into the ground for too long. That’s why we’re investing now – in decent roads and a better railway;

- in clean energy supplies and better protection of the climate;
- in good jobs – both in sectors where Germany has always been a world leader, and in sectors where we have catching up to do, such as the production of computer chips and batteries.

None of this has been made easier by the far-reaching decision issued by the Federal Constitutional Court in mid-November. We will not be able to implement all the plans we had envisaged. It remains the case, however, that we will again be investing a record sum in our future in the coming year. And we will continue to ease the burden for all those who get up every day and go to work – who keep our country running.

From tomorrow onwards, employees in Germany will pay EUR 15 billion less in taxes. This will leave a family of four on a normal income with over EUR 500 more to spend in the coming year. Added to the tax cut from this year, that’s over EUR 1,600 more. On top of that, there’s the higher child benefit, housing benefit and, not least, the reduction in social insurance contributions for all those on low incomes: the people delivering parcels and stacking supermarket shelves, bringing their kids to school before their shift and running their households after they get home. These people are not in the papers every day. But it’s important to me that their contributions are seen and acknowledged.

My fellow citizens, even in times like these, there are some things we can rely on, things that give us strength:

We have friends – in Europe and across the globe. These are partners with whom I discuss on a daily basis how we will guarantee our security in Germany and Europe.

Our strength resides in the European Union. When the EU presents a united front, it speaks for more than 400 million people. In a world of eight billion, soon to be ten billion people, that's a real asset.

That's why it's so important for Europe to emerge unified and strengthened from the European elections in the coming year. After all, Russia's war in the east of our continent is not over. Nor is the armed conflict in the Middle East. The year ahead will also bring presidential elections in the United States, which may have far-reaching consequences – including for us here in Europe.

Shortly before Christmas, after seven years of impasse, we reached agreement within the EU on radical reform to the European asylum system. In future, we will be better able to control Europe's external borders. On the borders to our neighbours, too, the Federal Police have increased their checks. It's working. Already, the number of people crossing those borders has gone down noticeably in recent weeks.

Our strength also resides in our democracy. It's not so long ago that courageous women and men were fighting here in Germany for free elections. That was 35 years ago, when the peaceful revolution began in the GDR.

Having a say in the discourse and in decisions – that is a precious asset. Debates about the right direction to take are part of that. So is wrangling over fair compromises – even if I could have done without some of the vociferous arguments of recent weeks and months. It is true, though, that without any debates about which direction to take, democracy doesn't work. Nothing gets better if we just talk about each other instead of to each other.

Our strength resides in our readiness to compromise – in the efforts we put in for one another. Those are the efforts we are seeing in many parts of Germany currently suffering the dreadful flooding and its consequences. My thoughts are with all those

affected as we, of course, help them in this hour of need and do not leave them abandoned. And I want to thank all the women and men of the fire brigade and Bundeswehr, the Federal Agency for Technical Relief and the rescue services, as well as the many volunteer helpers, who have been doing all they can to fight the floods. My heartfelt thanks to you all for your dedicated efforts!

My fellow citizens, our strength also resides in the realisation that each and every one of us is needed in our country – the top researcher just like the carer, the police officer just like the delivery driver, the pensioner just like the young trainee.

If we get that into our heads, if we deal with one another in that spirit of respect, then we need have no fear about the future. Then the year 2024 will be a good year for our country – even if some things do turn out differently from the way we imagine them today, on the eve of that New Year.

With all my heart, I wish you and your loved ones a healthy, peaceful and happy New Year.