

Hot off the Press 48!

Members recommend.....

Willkommen to DW's Berlin Briefing

International leaders are making an appearance in New York this week, where the United Nations is marking its 80th anniversary.

Despite his trademark emphasis on foreign policy, which has earned him the nickname of *Außenkanzler* (literally: outside chancellor), and although Germany is one of three applicants for a non-permanent seat in the UN Security Council, Chancellor Friedrich Merz will not be attending.

Some political observers suggest he might not mind missing the meeting, as [the international push to recognize a Palestinian state puts Germany in a tricky position.](#)

Merz is citing more urgent priorities at home: On Thursday, his conservative CDU/CSU bloc needs to come out in full force in the Bundestag to approve new judges for Germany's highest court — [an issue that triggered a minor government crisis just before the summer break.](#)

Even more importantly, the Bundestag is debating the 2026 budget, and the chancellor's presentation of his policy plans is one of the highlights of Berlin's political agenda.

Finance Minister Lars Klingbeil, of the center-left Social Democrats (SPD), is planning state expenditures of around €520 billion (\$613 bn) — a €18 billion increase on the current year. That means new borrowing will rise, not least because of the special funds that are to be spent on the Bundeswehr and infrastructure.

The 2026 budget will be put to a final vote in November, and until then, the debate will continue over whether to cut expenditure or increase revenue by raising taxes on the super-rich.

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Now that autumn has begun, German voters will be keen to see how the chancellor's much-vaunted *Herbst der Reformen* (autumn of reforms), will shape up. Merz has said he wants to reduce bureaucracy, improve infrastructure and overhaul the health and pension systems.



 **YouTube** [How to pay to fix Germany's social security system?](#)

Rising costs, an aging population, and political deadlock. In the latest edition of DW's Berlin Briefing podcast, DW's Chief Political Editor Michaela Küfner and her guests discussed Germany's pressing problems.

GERMAN MOBILITY CHALLENGES

A multi-billion-euro special infrastructure fund is to be used to repair and upgrade transport infrastructure, especially dilapidated bridges and railway lines.

Now, Transport Minister Patrick Schnieder is also demanding an extra €15 billion to construct extra motorways over the next three years. Merz signaled his approval in a meeting of the CDU/CSU parliamentary group in Berlin on Monday.

Also on Monday, Schnieder introduced his nomination for Deutsche Bahn's new CEO: Evelyn Palla, and [presented his plan to improve Germany's ailing railway system.](#)

While over 90% of trains in Germany's neighbors Denmark, the Netherlands and Switzerland run on time, Deutsche Bahn is now aiming for 70% punctuality

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— by 2029. Schnieder promised that the new railway management will stick to its plan to completely renovate around 40 major routes by 2036.

"Many people equate the dysfunctionality of the railways with the dysfunctionality of our state," the transport minister remarked, adding, "I find that extremely dangerous."



[Meet Deutsche Bahn's new boss](#)

[Fifty-one-year-old Evelyn Palla is the only member of the current DB executive board who can drive a train herself. Deutsche Bahn's new CEO must tackle delays, train cancellations and low morale.](#)

THE RISING COST OF LIVING

Energy prices and rising personnel costs are among the factors that will lead to a 6% rise in ticket prices for long-distance travel on Deutsche Bahn in December. In 2026, the price for the *Deutschlandticket*, the monthly pass for regional travel, will rise from €59 to €63.

The rise in the cost of living in Germany has been noticeable, albeit moderate, in 2025. With inflation at around 2.1%, the price of necessities such as food and rent remains high and continue to weigh on households, despite wage hikes.

[The rising cost of living is once again the top cause of concern for Germans, according to a new survey.](#)

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The Hotel and Restaurant Association is also complaining that Germans are eating out less often, choosing cheaper dishes, and are less likely to order more than one drink.

Affordability issues are also taking a toll on Berlin's party scene, where clubs are shutting down due to rising rents and energy costs. The term *Clubsterben* (the death of clubs) has been coined in the German capital.



 YouTube

[Why so many famous Berlin clubs are closing](#)

[Berlin built its global reputation as a party haven on all-night raves in abandoned factories. But today, almost half of Berlin's clubs are considering closing. Could this be the end of Europe's nightlife capital?](#)

BIERZELT-SELFIES — SELFIES IN THE BEER TENT

The German government is working on its *Zusammenhalt* (cohesion).

To foster harmony, lawmakers of the center-right CDU/CSU and the center-left SPD met up for a *Grillfest* (barbecue) last week. For the coming weekend, cabinet ministers will convene at Borsig castle in northern Berlin for a closed-door weekend session to hammer out the government's *Modernisierungsagenda* (modernization agenda).

Last Saturday, CDU-leader Merz, CSU leader Markus Söder and SPD co-leaders Lars Klingbeil and Bärbel Bas met in Munich for the start of this year's Oktoberfest. They posed for photos, enjoyed a brief dip into the crowd, a

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couple of beers and a *Brotzeitplatte* (snack platter). And gave no political statements.



[Oktoberfest is underway](#)

[Munich's major annual tourist event is now in its 190th edition, and expected to attract 6 million visitors. Record beer prices of €15 \(\\$17.66\) per liter \(ein Maßkrug\) at Oktoberfest this year are not expected to reduce visitor numbers. Belying its name, Oktoberfest always begins in September, running this year from September 20 to October 5.](#)