

WSJ Print Edition

A Politician Speaks the Unspeakable

No, we don't mean some racial or sexual crudity. Those obstacles in politics were breached long ago. We're referring to something far more taboo in modern Western democracies: admitting that the size of the modern welfare state is no longer affordable.

Friedrich Merz, the German Chancellor, said at a Christian Democratic Union conference on Saturday that "the welfare state that we have today can no longer be financed with what we produce in the economy."

Thank you, Chancellor, for this burst of candor. Mr. Merz is doing what no one else in the top ranks of Western politics seems willing to do, which is broach the fundamental dilemma of the modern West. Nations have built welfare and entitlement states that are so large they have outstripped the ability of slow-growing economies to pay for them. Yet because the entitlement cushion is so broad and reaches deep into the middle class, it has become nearly impossible to reform.

This is true among conventional politicians of the left and right. But it's also true of the supposed radicals of the populist right. From Marine Le Pen in France to the U.K.'s Nigel Farage, the AfD in Germany and Donald Trump, the populists dodge difficult reforms of the broken welfare state.

They campaign against immigration, or foreign trade, but they won't tell voters the truth about the benefits government provides that are driving ever-higher deficits and debt— along with slower economic growth.

Thus the importance of Mr. Merz's comments, which weren't extensive but at least broke the taboo. The dilemma is coming into sharper view in Germany because of the Merz government's breakthrough on national defense. He and his coalition partners in the Social Democratic Party agreed to break deficit-spending limits to pass a military buildup to meet the rising threat from Russia. This is necessary to meet NATO obligations after so many years of neglect in favor of stressing domestic entitlements.

As France and America have shown, there's no more difficult challenge in politics than reforming government handouts—whether in pensions, jobless benefits, government healthcare, or income subsidies. It will be worth watching what Mr. Merz and his coalition propose. But the first step toward solving the problem is admitting it exists.

[Copyright \(c\)2025 Dow Jones & Company, Inc. All Rights Reserved. 8/26/2025](#)

[Powered by TECNAVIA](#)

The following is a digital replica of content from the print newspaper and is intended for the personal use of our members. For commercial reproduction or distribution of Dow Jones printed content, contact: Dow Jones Reprints & Licensing at (800) 843-0008 or visit djreprints.com.
