

DIPLO Development Summaries 1

German Election 2021: The Stuttering Race to Replace Merkel

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Jamaica, Traffic Light, Pizza Connection, Red-Red-Green (more on this later), the colourful world of coalition formation in Germany is coming to the fore as the election campaign draws to a close. On 26th September, Germany goes to the polls. The CDU's Angela Merkel, who has served as Chancellor for close to 16 years – the second longest serving in modern Germany (though she may conceivably still take first position should coalition negotiations stretch into December) – is not standing for a fifth term. Whatever the outcome of post-election coalition negotiations, Germany will have a new leader.

The question as to who will succeed Merkel in office is an open one. Until February, a victory for the right-of-centre Christian Democratic Union (CDU) and its Bavarian sister-party the Christian Social Union (CSU) seemed a certainty, with polls placing them on 36%, a lofty height from which the CDU/CSU has since plunged. The Greens, for the first time fielding a candidate for Chancellor, briefly took the lead in May, peaking at 26%, though they too have since fallen back. And on 24th August, a poll placed the left-of-centre Social Democrats (SPD) at the front of the field by a single point, a remarkable turnaround given that the party has been lost in the political wilderness for the last decade, and the first time in 15 years that the SPD has risen above the CDU/CSU. These trends have since strengthened, with polling by infratest dimap/ARD on 2nd September placing the SPD up slightly on 25%, while the CDU/CSU has fallen further to 20%, as have the Greens, down to 16%.

This election cycle has been an odd one in the German context – an election of missteps and turnarounds, rather than one of platforms and policies. With the volatility in declared electoral support, it will also be the least predictable for many years. The absence of substantive debate around policies and priorities has meant that, only a month out from the election, many voters remain uncertain as to what the parties actually stand for. Instead, this cycle has been focused on the candidates for Chancellor – the CDU/CSU's Armin Laschet, the SPD's Olaf Scholz, and the Greens' Annalena Baerbock – whose travails during the campaign seem so far to have been the main determinant of electoral support.

Laschet was named Chancellor candidate for the CDU/CSU in April, despite having significantly less public support than his main rival Markus Söder. Things didn't start well for Laschet. In a poll immediately following his nomination, he found his party trailing the Greens for the first time. A former Member of the Bundestag, and subsequently the European Parliament, and current Minister-President of Nordrhein-Westfalen, Laschet has no experience at the national executive level. Although affable, he has also proven somewhat gaffe prone. Having gained respect for leading the fight against COVID-19 in his state, his

response to the July flooding which caused 177 deaths (47 in Nordrhein-Westfalen) was disastrous, at one point being forced to apologise when footage emerged of him guffawing as German President Frank-Walter Steinmeier was delivering remarks to the victims of the floods. This was quickly followed by a further apology for plagiarism in his 2009 book *The Upwardly Mobile Republic*, a problem to which the German political establishment seems particularly prone. As a consequence of these and other slip-ups, Laschet has seen his party's support slump to the lowest levels ever polled.

The Greens, too, have found the going tough. Having risen to the top of the heap in late April following their selection of Annalena Baerbock as Chancellor candidate, their decline has been precipitous. As with Laschet, Baerbock, who has been a member of the Bundestag since 2013, has no experience at the national executive level. And also as with Laschet, a number of missteps have taken the shine off her candidacy and raised questions as to her personal credibility and self-portrayal as a plain-spoken reformist: inaccuracies on her CV, accusations of plagiarism in her 2021 book *Now. How We Renew Our Country*, and a failure to fully declare income to the Bundestag authorities, among them.

By contrast, since late July the SPD's Olaf Scholz has seen his ratings rise. Having previously served as Minister for Labour and Social Affairs, and since 2018 as Minister of Finance and Vice-Chancellor in the CDU/CSU-SPD Grand Coalition, he is the only candidate with executive experience. Initially welcomed with little fanfare, Scholz's reputation as a grey technocrat once dubbed 'Scholzomat' raised few hopes that the SPD would be a serious electoral contender. But Scholz has had a good pandemic, dispensing billions of euros from the state coffers to bolster the German economy. More importantly, however, has been the absence of major gaffes. The result has been a rise in his personal popularity: in the preferred Chancellor polls, Scholz now stands at 41%, with Laschet on 16% and Baerbock on 12% (infratest dimap/ARD, 2 September). Somewhat soberingly this close to the election, 31% of respondents still 'Don't Know'.

The Colourful Calculus of Coalition Formation

It is not all about election day, however. Merkel's successor will be determined by the politics of coalition formation in a system that will be very familiar to New Zealanders, Germany having provided the model for our own MMP system. Here, a number of other parties potentially come in to the equation. While the far right AfD (sitting around 11%) remains beyond the pale, the liberal Free Democrats (FDP, 13%) will play a part in negotiations, as conceivably might the left-wing Die Linke (7%) if major party support continues to soften. Further complicating the situation are the so-called Free Voters (FW), a coalition of right-wing candidates without the legal status of a political party. With FW politicians playing heavily on anti-vax sentiment, support for the grouping has grown. They still remain short of the 5% threshold, but are an outside chance of securing seats, or at least of further leeching support from the CDU/CSU. While the SPD and Greens have ruled out cooperation with the FW, this has not so far been the case for the CDU/CSU or the FDP.

At the start of the year a CDU/CSU-Green government seemed a certainty. However, the subsequent slump in support for both parties has meant that such a Black-Green coalition (or 'Pizza Connection', named for the discussions that took place between MPs from both parties at a Bonn pizza restaurant in the 1990s) is now unlikely. Another iteration of the 'Grand

Coalition' between the CDU/CSU and SPD is also off the cards. The SPD ruled this out after the party infighting that resulted from serving as the junior partner in such a government for the past eight years. Bringing in the FDP (whose party colour is yellow) to form a 'Jamaica' coalition (named after the colours of the country's flag) would be sufficient to form a government with Laschet at its head, though a further softening of CDU/CSU support and a resurgence of the Greens may conceivably see Baerbock take the lead. On the other side, a 'Traffic Light' coalition of the SPD (red), Greens and FDP is also a possibility, the odds on which have narrowed considerably with the recent rise of the Social Democrats in the polls. This would put Scholz in the Chancellery, though again, Baerbock could conceivably come through. FDP leader Christian Lindner has expressed a preference for the Jamaica option, but has not ruled out Traffic Light (though has long held reservations about a Green Chancellor). An outside bet would be a Red-Red-Green coalition of the left, bringing Die Linke in alongside the SPD and Greens. Neither the SPD or Greens are keen on such an option, and it is the least likely by a long stretch of the winning formulae, but the attraction of power may conceivably soften these stances.

Which all means what, exactly? How will Germany change, depending on which coalition takes power? In an election devoid of real policy debate, it is difficult to come to definitive conclusions, though a tentative answer may be 'probably not much' if the CDU/CSU or SPD gain the Chancellery – both Laschet and Scholz in various ways casting themselves as continuity candidates – though a strengthened Green voice may have a more substantive impact, and current figures, even if down on their peak, still reflect double the support won by the party in 2017.

Regardless of which candidate comes through in September, in the German system there is an important qualifier: ministers in the German federal architecture possess significant autonomy in their roles. Under the *Ressortprinzip* (principle of departmentalisation), within the bounds of the general political direction outlined by the Chancellor, ministers are free to act as they wish: they are not subordinate to the Chancellor, and the Chancellor does not have the power to instruct them on individual decisions. The impact is that junior coalition partners can still have significant influence, depending on the portfolios they receive.

In terms of potential policy change, from a New Zealand perspective, there are three areas of particular interest: European integration, foreign policy and climate change.

European Integration

Germany has always been in the engine room of Europe, and the role of Chancellor is therefore a significant one to the European Union. Merkel ascended to the Chancellorship in 2005, shortly following the collapse of the Union's constitutional project, the fallout from which shaped her engagement with the EU. Her approach to integration was one shorn of grand ambitions, focused instead on stability and incremental reform in the face of subsequent crises, a role for which she has been lauded. But, going forward, the EU requires more than *ad hoc* incrementalism. It is becoming increasingly difficult to reconcile the organisation's significant economic footprint with its lack of foreign policy influence at the global level: in a world where great power competition appears once more to be coming to the fore, the two are irrevocably interconnected. The role of the new Chancellor in shaping the European response cannot be underestimated.

Apart from the AfD, all of the parties are pro-European, and all envision reforms to strengthen integration, with the Greens and FDP falling at the federalist end of the spectrum. There is general consensus, for example, on the need to extend the powers of the European Parliament (the only directly elected body in the EU) to increase its legislative role. Similarly, there is broad agreement on the need for voting reform, placing greater emphasis, for example, on qualified majority rather than unanimity as a way to enhance the ability of the Union to act in foreign and security policy. Beyond that, the CDU/CSU, SPD and FDP also all support the deepening of the European Defence Union.

From a New Zealand perspective, a strong European Union is a key element in maintaining a stable and rules-based international order. This is particularly significant for a small trading power, which depends on the predictability and enforceability of global rules. Any moves to make the 27-headed Union more consistent, understandable and responsive will therefore be seen as a net positive.

Foreign Policy

Significant pressure is also coming to bear on Germany to play a stronger global role, commensurate with its economic weight, and this is something with which the new Chancellor will need to grapple. This includes taking a more robust approach to powers such as China, something that Merkel was unwilling to do. Trade relations under Merkel have been a priority, and have been explicitly separated from more contentious issues, an approach that has pleased her Chinese counterparts. But complications are on the horizon. The European Union has defined China as a 'systemic rival', and calls are being made for Germany to be more active in confronting Chinese actions on the global stage. That such calls are beginning to be heard is to be seen in the dispatching in August of a German warship to the Indo-Pacific region: in December, the frigate 'Bayern' will conduct freedom of navigation exercises in the South China Sea, the first such exercise since 2002.

The German election therefore comes at an interesting time. A CDU/CSU victory is unlikely to see significant change from the Merkel era: the party continues to prioritise trade in its international relationships, and Laschet himself has made some dubious foreign policy statements (including questioning Russian involvement in the 2018 Salisbury Novichok poisonings) that raise questions as to the voice he would bring to the global stage. The SPD, too, have a more conservative view of Germany's international engagement, aiming to avoid foreign conflicts, though Scholz has called for a new Ostpolitik and a reframing of the approach to Russia. Calling for an emphasis on the rule of law and the end to aggressive actions such as those in the Crimea, he has nevertheless backed away from overt criticism of Russia. Both the CDU/CSU and SPD also continue to support the Nord Stream 2 gas pipeline in the face of international criticism from Europe and beyond.

Climate Change

The climate crisis will be at the core of policy, regardless of which coalition comes to power. All parties have been forced to address the climate issue, a priority that has been further driven home by the July floods. Achieving climate neutrality is central to the platforms of

each of the three main parties, though differences exist on how to do this. Where the CDU/CSU prefer market-based measures, and the SPD is concerned with allowing time for businesses to adjust, the Greens advocate significant government spending and protection measures to make a reality of industrial transformation. The German direction will have a significant impact beyond its border too, with an expectation that it will play a key role in defining targets for the broader European Union. Leadership at the European level will have flow-on effects in global negotiations too, with the German approach to transformation therefore likely to cast a shadow that stretches to New Zealand's shores.

With almost a month still to go until Germans cast their votes, the election is still anyone's to win. While the SPD under Scholz is on an upward trajectory, the experiences of Laschet and Baerbock suggest that nothing is certain. A re-emergence of the Wirecard scandal, for example, for which Scholz has so far side-stepped responsibility even though as Finance Minister he oversaw Germany's financial watchdog, could dent his prospects. In the election of missteps, *ist es noch nicht aller Tage Abend*.