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Message from the Editor of the EU Political Economy Bulletin:

Dear members,

Our winter issue features several forum pieces discussing the result of the 2013 German federal election. European Union issues do not usually feature prominently in German federal elections. Scholars typically emphasize class, religious divisions, economic performance assessments, or individual candidate evaluations as the motors of voting behavior. The 2013 federal election was exceptional as voters consistently identified the Eurozone crisis -- an international factor -- as the most serious challenge facing their country. Fears about the Eurozone debt drama were not overblown, given that the turmoil constituted the biggest shock in the history of European integration. Between 2009 and 2013, the Eurozone was in a permanent state of emergency and crisis-fighting measures were crucially shaped by Germany.

It is well known that exogenous shocks are frequently toxic for the reelection prospects of political incumbents. According to this view, Germany's crisis management should have been a rather straightforward case of political incumbents paying dearly at the polls. Taxpayers might have been expected to punish the ruling coalition for extending financial assistance to member states that were not part of the same fiscal constituency. For the same reason, one might have also expected extremist political parties to do well in this election.

Yet, neither scenario materialized in 2013. Instead, the Christian Democrats (CDU) achieved their best result since 1990 and came close to securing an absolute majority -- a rare feat given the electoral system of constituency and party-list halves. The Liberal Democrats (FDP), on the other hand, failed to win five percent of the vote and will therefore not get any seats in the Bundestag -- an unprecedented debacle for the former 'king maker' in the German party system. Another upset occurred with regard to the LINKE, which has traditionally attracted the social protectionist electorate in Eastern Germany. In 2013, the LINKE managed to become the third largest party of the German political system. What accounts for these surprising results?

One answer to this question is the emergence of a new player in the game -- the Alternative fuer Deutschland (AfD). Founded in the spring 2013, this party opposed the provision of financial assistance to troubled member states and actively campaigned on the breakup of the Eurozone. Reflecting on their well-known "Chancellor Model", Helmut Norpoth and Thomas Gschwend argue that the sudden appearance of this player and lack of reliable polling data made it difficult for forecasters to predict just how much the new party might cut into the support for the governing parties.

Mark Kayser and Arndt Leininger offered predictions about the 2013 election based on the "Benchmarking Model" (Kayser and Peress 2012), wherein voting decisions are influenced by voters' assessment of Germany's economic performance compared to economic developments in important peer nations (UK, France, and Italy). While their model proved more accurate than polls taken two days prior to the election, they recognize the problems that arise with models that focus on coalition vote share (as opposed to individual party vote share).

The subsequent pieces analyze the electoral fortunes of individual parties. If the AfD was relatively successful in exploiting anti-bailout/ anti-EU feelings, why wasn't the SPD able to pick

up voters who were dissatisfied with the government's crisis management? Anke Hassel attributes the SPD's second worst result since 1945 in part to Angela Merkel's unusually high approval ratings, but also to the aftermath of the Agenda 2010 reforms, wherein the SPD – the self-proclaimed guardian of the welfare state – incurred significant reputational costs for social benefit cutbacks.

The enduring weakness of the SPD is a key reason for the strength of DIE LINKE. Mark Vail makes the case that the SPD's shift towards the center of the left-right continuum, as well as mounting concerns within the electorate about economic inequality, have transformed the LINKE from an Eastern stronghold into an influential force in German national political debates. The LINKE has also gained popularity as the only German party to criticize austerity-only approaches to economic adjustment in the EU.

Heiko Giebler analyzes the sources of the FDP's worst electoral performance in the party's history. He argues that four aspects doomed the reelection hopes of political incumbents: the Constitutional Court changed the electoral law in a way that made strategic ticket-splitting unattractive; the FDP was unable to benefit from the strong economic performance (which was attributed to the CDU); organizational problems led to a series of unsuccessful regional elections; and growing conflicts between regional and national party leaders hindered the articulation of a coherent party program.

Udo Zolleis and Carina Wertheimer acknowledge that the CDU's electoral success has temporarily strengthened its position in the German party system, but caution that this feat may not last if the CDU continues to rely on left parties to form a coalition government and/ or if rising voting volatility keeps destabilizing the party system.

The forum pieces make clear that the Eurozone crisis was by no means the only factor that influenced the 2013 election result – new players, internal party strife, and changes mandated by Germany's Constitutional Court were equally decisive. However, the high stakes in the crisis, newspaper headlines predicting an imminent Eurozone breakup, and Merkel's image as competent crisis manager all contributed to the election outcome.

Alexandra Hennessy



Forum Section

The Forum is open to all members of the EUSA Political Economy Interest Section who wish to share their views on empirical, theoretical, or policy questions relating to EU political economy.

A Near Miss for the Chancellor Model

By Helmut Norpoth (Stony Brook University, helmut.norpoth@stonybrook.edu) and Thomas Gschwend (University of Mannheim, gswend@uni-mannheim.de)

The Chancellor Model predicted a “resounding victory” for Angela Merkel’s coalition in the 2013 German federal election. As it turned out, two-tenth of one percent of the vote kept her coalition from securing a majority of seats in the Bundestag. That tiny slice of the vote is the amount by which the Free Democrats (FDP), Chancellor Merkel’s partner in government, fell short of getting five percent of the national vote, and hence any seats in the Bundestag. In the annals of federal elections, going back more than 60 years, this was an unprecedented failure for the FDP, coming on the heels of the best ever showing of this party. Yet even with its partner missing, the CDU/CSU alone captured 311 seats in the new Bundestag, just five shy of a majority. Angela Merkel was re-confirmed as German chancellor on 17 December 2013.

Turning to the point forecast of the Chancellor Model, we predicted a month before the 2013 election that the governing parties would win a combined share of 51.2 % of the vote (ZEIT Blog 2013a). This was our final forecast, following two earlier ones that predicted 51.7% (Norpoth and Gschwend 2013) and 49.7% (ZEIT Blog 2013b). The forecasts varied as a result of changing values for the predictor pertaining to chancellor popularity. But regardless of these differences, there is no denying that all of these point forecasts overshot the result (46.3%) by a considerable amount. How come the model missed the target so much in 2013? How does its performance in 2013 compare with other elections? What corrections should be made to assure a better performance next time? Could any of them have been made, with compelling justification, ahead of time? Before addressing each of these questions, let us briefly review the logic and construction of the Chancellor Model.

The Chancellor Model

Our forecast model (Norpoth and Gschwend 2003, 2010) accords a key role to the popularity of the chief policymaker, the chancellor in the German political system, hence the sobriquet “Chancellor Model.” Both rational and psychological theories of voting (Campbell et al. 1960, Downs 1957) agree that satisfaction with the incumbent government is the key to the voting decision. While economic performance is the favorite of election forecasters, having been used in forecasting German elections as well (Jerome, Jerome, and Lewis-Beck 2013), we prefer chancellor popularity as more encompassing. Our measure of this popularity is based, for the most part, on trial-heat polls between the chancellor and the challenger. Every federal election since the first in 1949 has featured an incumbent chancellor.

In addition, the model includes a measure of partisan loyalties. There is no question that German politics is dominated by political parties. The partisan division of the vote does move between elections in Germany, but rarely in big leaps. We capture the normal vote of the German electorate by averaging past returns for the incumbent parties. For the most part, we

include the last three Bundestag elections in the average. It is quite remarkable that partisanship and chancellor popularity, in the aggregate, are practically uncorrelated (0.02). This is welcome news for forecasting since each of these predictors is capable of exercising its influence on the vote to the fullest, unimpeded by any overlapping variance.

Finally, our forecast model exacts a penalty for holding office. In American politics, party control of the White House lasts between two and three terms, on average. This signifies a cyclical dynamic that has proved useful for forecasting (Norpoth and Bednarczuk 2012). Germany is no different. Federal governments have stayed in power, on average, for three terms. The longer the tenure, the lower the incumbent vote in federal elections; in the event of a change in the party composition of a German government, the count of terms applies to the leading party. The forecast equation for the 2013 vote, estimated with data of Bundestag elections from 1953 to 2009, is:

$$\mathbf{VOTE} = -7.12 + 0.72(\mathbf{PAR}) + 0.40(\mathbf{CHANC}) - 2.72(\mathbf{TERM})$$

VOTE: Percentage of vote for incumbent parties

PAR: Partisan Base (2013: 46.4)

CHANC: Chancellor Popularity (2013: 67)

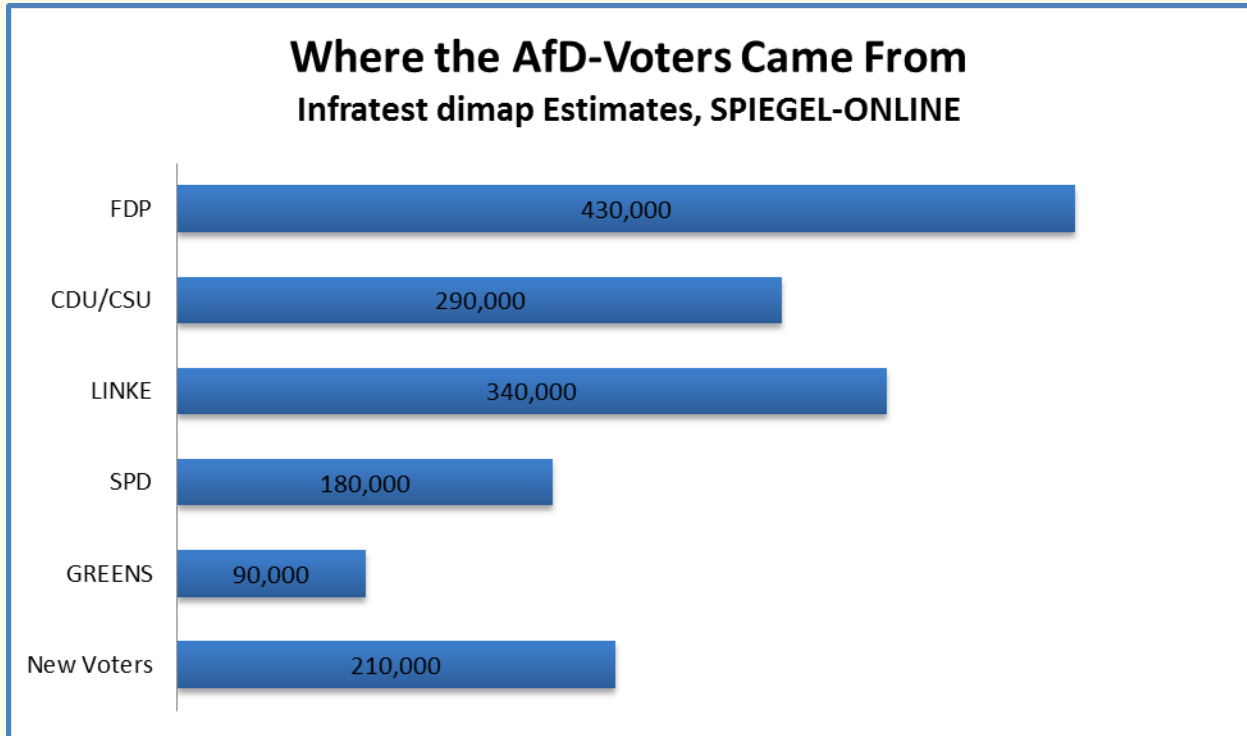
TERM: Number of terms, logged (2013: 0.693)

The model accounts for 96 percent of the vote variance, with all three vote predictors proving highly significant. The in-sample predictions fit the actual vote in German elections from 1953 to 2009 with an error of barely 1 percentage point, on average. Our first forecast, in 2002, hit a bull's-eye three months ahead of time (47.1 percent for the red-green coalition). No pre-election or exit poll, nor any model forecast matched this feat; most actually predicted a defeat for Schröder's coalition (Norpoth and Gschwend 2003). Being exactly on target was a stroke of luck that would be unlikely to repeat itself. Still, in 2005, the Chancellor Model missed the target by only three-tenth of a percentage point, again beating all competitors (Gschwend and Norpoth 2005). While the forecast overshot the vote target in 2009 by a good deal more (4.5 percentage points), it still got the winner right (ZEIT Blog 2009). The winner in this case was a coalition of Christian Democrats and Free Democrats, which replaced the outgoing coalition of Christian Democrats and Social Democrats (SPD). This was a complication that would justify some model tweaking, particularly the chancellor predictor. Our final forecast for the 2013 election (51.2%) missed the target by even more, disproving the old saw that practice makes perfect. What went awry this time? One possibility is any forecaster's nightmare: an unforeseen shock to the system. In the parlance of American election campaigning, this would be the infamous October surprise.

A New Player in the Game

The October surprise in the 2013 German election campaign occurred in the spring with the creation of a new party, the Alternative for Germany (AfD). Its trademark appeal is opposition to the euro, coupled with a demand to return to the Deutschmark. National polls first registered support for the new party in April. In July the AfD averaged 2.4% in polls conducted

by the major polling organizations (FORSA, EMNID, Dimap, Forschungsgruppe Wahlen, Allensbach, GMS); in August it averaged 2.5% (<http://www.spiegel.de/politik/deutschland/wahl-umfragen-sonntagsfrage-fuer-bundestagswahl-und-landtagswahlen-a-623633.html>). In the end, all of the polls underestimated the AfD's showing on Election Day (4.7%). By all indication, the new party was cutting most heavily into support for the governing parties, but by how much was impossible to determine ahead of the election.



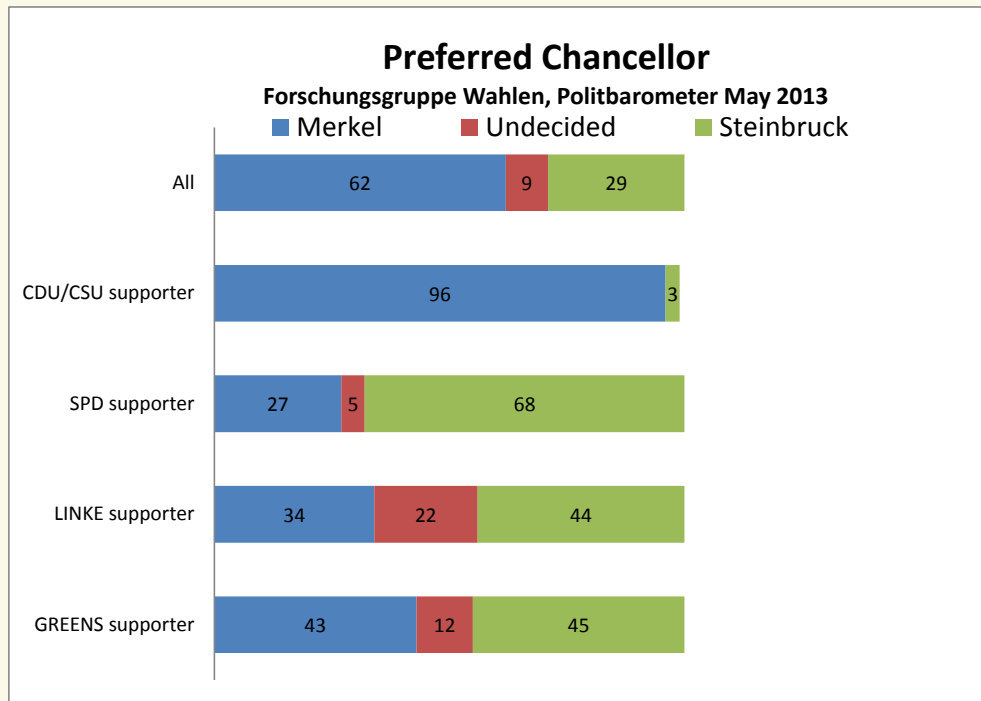
Post-election estimates of vote changes between the 2009 and 2013 elections indicate that close to half of the AfD voters abandoned one of the governing parties (CDU/CSU or FDP); about one in five AfD-votes came from *Die Linke* (The Left party), a surprisingly large portion; and the SPD as well as the Greens also suffered defections to the anti-Europe party (<http://www.spiegel.de/politik/deutschland/bundestagswahl-2013-waehlerwanderung-gewinne-verluste-direktmandate-a-923290.html#startTab=0>). In light of these estimates, it might be justified to lower the forecast of the incumbent vote in 2013 by 2.2 points. Of course, such an adjustment was unavailable in mid-August, when our final forecast was issued. At best, we could have taken the average of polling results for the AfD at that time and adjusted our forecast by that amount.

Such adjustments, based on best guesses at the time, are not uncommon in forecasting. We did so once before, in forecasting the 2005 election. At that time, the formation of a new left-wing party, appropriately calling itself *Die Linke* (The Left), challenged the prospect of the red-green coalition under Chancellor Schröder. This new party made its presence felt with a big enough bang months before Election Day, allowing us to adjust the model for this new development. In the run-up to the 2013 election, we considered making such an adjustment for the AfD, but in the end refrained from doing so. The AfD intrusion just did not appear to be a big enough deal. Like nearly everyone else we underestimated the drawing power of the new party. Yet even with the best possible adjustment for the AfD, our forecast would have

overshot the vote target by close to 2.5 points. So what else, besides a newcomer, may have caused the miss?

The Merkel Factor

The main reason why our model forecast a “resounding victory” for the governing coalition was Chancellor Angela Merkel’s spectacular approval rating. In match-ups with her challenger, Peer Steinbrück, she enjoyed a 2-1 advantage throughout the election year, hinting at a landslide victory if Germany were to hold a popular election for chancellor. Even though Germany is not a system that allows for such a vote, chancellor support has proved to be a strong predictor of vote choice in German national elections. As it turned out, the chancellor did not deliver the expected punch this time. In an odd way, she is too popular for her parties’ good. Her appeal reaches deep into the ranks of the other parties. In reacting to Merkel, Germans do not display the intense polarization along party lines that Americans bring to evaluations of their presidents, especially Barack Obama and George W. Bush.



In match-ups with her challenger for the chancellorship, Peer Steinbrück (SPD), a quarter of SPD-supporters preferred Merkel over the candidate of their own party. So did a third of *Linke*-supporters; and about as many Green-supporters picked Merkel as did Steinbrück. Of course, CDU/CSU-supporters were practically unanimous in backing her. Merkel’s broad appeal across party lines makes her a special case as chancellor. Statistically speaking, that makes her an outlier. Her presence lowers the correlation between chancellor popularity and the vote by ten

points. Each of the two elections with her as chancellor has given the Chancellor Model fits. The 2009 election, of course, was a rare case of a grand coalition (CDU/CSU and SPD) entering the campaign and a different coalition being formed after the election. The only other instance of that kind in German federal elections occurred in 1969. For both of those elections we have since made adjustments in the chancellor-popularity predictor to remove a grand-coalition effect. This cure is not available for 2013. As of now, that election remains a challenge for the Chancellor Model.

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A Benchmarking Forecasting the 2013 German Federal Elections -- the Post-Mortem Analysis

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*Forecasts are difficult – especially if they concern the future.¹
-- Karl Valentin*

Leaving casual punditry aside, the more serious predictions offered prior to the German federal election of 2013 were nearly uniformly based on opinion polls. While polling certainly improves on the anecdotal stories and opinions of media experts, it also has its own shortcomings so that even polls conducted only days before an election can contain a substantial prediction error.² Nearly two months prior to the election and the final pre-election polls we offered an alternative: a theory-driven empirical model of election outcomes that draws on previous election outcomes; characteristics of the government and of voters; and, most originally, the relative economic performance of Germany ("benchmark" growth) in comparison to the three other most important economies in Europe, France, the UK and Italy. We were not the only ones to do so, Norpoth and Gschwend (2013), Jérôme, Jérôme-Speziari, und Lewis-Beck (2013) and Selb and Munzert (2013) offered alternative forecasts. Here, we provide a brief evaluation of our forecast comparing it to other forecasts, the polls and, of course, the actual election result. Forecasts based on fundamentals such as the performance of the economy, partisan attachment and other factors fared well in predicting the election, despite doing so months in advance of the actual event.

Our model

With our model we predicted a 47.05% vote share for the outgoing coalition parties, the CDU/CSU and the FDP (Kayser and Leininger 2013). We focused on the coalition's vote share, rather than individual parties, because it is of the greatest substantive interest. As explanatory variables in our "benchmarking model" we included

1. the vote share received by the current governing parties in the previous election,
2. the proportion of people identifying with one of the governing parties,
3. the difference between Germany's growth rate and the "benchmark", i.e., the average of the growth rates in France, the UK and Italy, hence the name "benchmarking model"
4. the (log of the) number of terms a government has been in power.

¹ „Prognosen sind schwierig — vor allem, wenn sie die Zukunft betreffen“ quote ascribed to German cabaret artist Karl Valentin (1882-1948).

² Problems include assembling and properly weighting samples in the age of mobile telephones, respondents give false replies (who admits voting for the NPD?) or most problematically, changing their minds before election day.

The most novel component of our model is benchmarked growth, a measure motivated by the results of Kayser and Peress (2012) that demonstrated that economic performance relative to other countries matters more for election outcomes than simple economic performance itself. Putting all variables in one regression model and estimating it over the elections 1980-2009 (the past 9 elections) we obtain coefficient estimates that allow us to calculate the 2013 vote share of the outgoing government by using up-to-date values for our explanatory variables. Inputting 2013 values for our explanatory variables into the below equation *we obtained the above mentioned point prediction of 47.05% as the combined vote share of the CDU/CSU and FDP in the 2013 Bundestag election.*

Election result, forecasts and latest poll predictions

	Official results "Vorläufiges amtliches Endergebnis"	(Kayser and Leininger 2013)	(Norpoth and Gschwend 2013)	(Jérôme, Jérôme- Speziari, and Lewis- Beck 2013)	(Selb and Munzert 2013)	Forschungs gruppe Wahlen, 19.09.2013	Forsa Poll 20.9.2013
Coalition	(N.A.) 46.3 %	(.75) 47.05%	(4.4) 51.7%	(.7) 47%	(-2.8) 43.5%	(-.8) 45.5 %	(-1.3) 45%
CDU/CSU	41.5 %			41%	38.1%	40 %	40%
FDP	4.8 %			6%	5.4%	5.5 %	5%
SPD	25.7 %			28%	28.2%	27 %	26%
Die Grünen	8.4 %			10%	13.5%	9 %	10%
Die Linke	8.6 %			9%	7.7%	8.5 %	9%
Others (excl. FDP & incl. Pirates and AfD)	10.9 %			6%	6.5%	10 %	10%

Notes: numbers in parentheses indicate absolute difference to official results. Allensbach, Emnid and Forsa polls all placed the coalition at 45% two days before the election. Members of the outgoing coalition in bold.

Given our sample size and large margin of error, the accuracy of our point prediction might be considered surprising. Yet before one writes off our results as luck, let us note that on average (mean=47.3), the four forecasting models conducted multiple months ahead of the election, actually proved more accurate than the polls taken two days prior to the election. This suggests predictable patterns of behavior among German voters and counters criticism of fundamentals-based models offered by analysts who favor poll aggregations. Poll aggregation can prove quite accurate (especially in the US) shortly before elections but when elections are multiple months in the future, polls, which are a snapshot of present sentiment, often perform poorly (Wlezien and Erikson 2002). In Germany, even reputable polls taken close to elections can be inaccurate. In 2009, for example, when the outgoing government was a grand coalition between CDU/CSU and SPD, Forschungsgruppe Wahlen, the non-profit company behind the ZDF's "Politbarometer", overestimated the vote share of the CDU/CSU and the SPD leading to an error of 4.2 percentage points. Theory-based forecasts usually underperform (e.g., Silver

2012, ch. 2) polls on the eve of an election but when the elections are farther in the future, fundamentals-based forecasts gain the upper hand. For the 2013 German election, the temporally distant forecasts even beat the polls taken two days prior to the election.³

A post-mortem-analysis

The 2013 election exposed two problems with models that focus on coalition vote share. It also shed light on trade-offs that seem to exist between such forecasts and more elaborate forecasts that predict vote shares for all relevant parties. First, estimating the probability of a government remaining in power is considerably more difficult than providing a point estimate of its vote share. For the former one has to identify a vote threshold that will likely guarantee a parliamentary majority. We estimated this threshold to be 45.5 % given the likely vote shares to be obtained by parties not surpassing the 5% threshold. However to calculate this threshold we ultimately had to rely on the polls that we aimed to outperform. Secondly, as we did not forecast individual party we again had to rely on polls to gauge the likelihood of all coalition parties re-entering parliament. Models such as those provided by Jérôme, Jérôme-Speziari, und Lewis-Beck (2013) and Selb and Munzert (2013) have a clear advantage in that regard as they provide predictions for all parties. However this added information seems to so far come at the expense of decreased accuracy.

Another complication arises from small sample size. For a good forecast we want the error around the prediction to be as small as possible. Given the low number of observations which is naturally limited by the history of elections a forecast modeling, besides having all coefficients significant, needs a good model fit. Most forecasting models have an R^2 well above .9. However, also due to the low number of observations one runs the risk of overfitting the model –fitting some of the random noise inherent in elections. Striking a balance to tightly fit but not overfit the model is a task every forecaster inevitably faces that seems to be an art rather than a science.

Finally, we want to point out that this election posed a unique challenge to all election forecasters due to the change in the apportionment system. A reform mandated by Germany's constitutional court eliminated so-called *Überhangmandate*, drastically reducing the incentive for strategic voting. Without the reform, forecasts could probably have been more accurate. The reduction of split-ticket voting (Bawn 1999) also goes towards explaining the increased accuracy of pre-election polling.

Conclusion and outlook

Nearly two months ahead of the election we offered a theory- driven empirical model to predict the outcome of the upcoming Bundestag election. Our model draws on previous election

³ We also calculated the probability of the outgoing government winning reelection. Given the share of vote that would go to parties that would most likely not make the 5% percent threshold we arrived at a rough estimate that about 45.5 percent of the vote should suffice for Mrs. Merkel to continue the coalition of CDU/CSU and FDP. Our point prediction already is above this threshold; taking into account the statistical error inherent in the forecast, we concluded that there is a 83.18% probability that the current coalition will have a majority in the next parliament. This corollary prediction proved ill-starred, as the FDP fell below the threshold for inclusion in the parliament by 0.2%.

outcomes, characteristics of the government and of voters and, most originally, the relative economic performance of Germany ("benchmarked" growth) in comparison to the two other most important economies in Europe, France, the UK and Italy. Our approach, as do the other models, differs from simple polling as we rely on analysis of past elections and data available well in advance of the election. Our model fared at least as well as traditional polling, making us optimistic about the future of forecasting elections in general and forecasting German elections in particular. The results discussed support our view that predicting future election outcomes can and should be about more than just polls or prognostication.

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Quo Vadis, SPD?

By Anke Hassel (Hertie School of Governance, hassel@hertie-school.org)

On election night, September 22nd 2013, the German political establishment went through a whirlwind of emotions. The election produced a number of significant results (see table below): First, the liberal party, the FDP, missed the 5% threshold for the first time in post-war history. The party with the longest record in government in West Germany and with a vote share of almost 15% in 2009 lost 10 percentage points in 2013. Second, the CDU/CSU turned the tide of the secular decline it has been experiencing since 1983. In the preceding 7 federal elections the CDU/CSU had lost a significant part of the vote share from 48% in 1983 to a bare 33% in 2009. In 2013, the CDU/CSU gained 41.5% of the votes. Third, the Green party could not pull off a better result than in 2009 and did not stay in double-figures. After a smashing victory in the regional elections of Baden-Württemberg in 2011, where the Greens ended up as the strongest party and now head of government, they went back to a mere 8.4%. Fourthly, the newly founded AfD (Alternative für Deutschland) – a rightwing populist party which campaigned on

Election results of German federal elections, 1998-2013

	1980	1983	1987	1990	1994	1998	2002	2005	2009	2013
CDU	34.24	38.15	34.45	36.71	34.16	28.4	29.52	27.78	27.27	34.1
CSU	10.3	10.63	9.81	7.11	7.28	6.74	8.99	7.39	6.53	7.4
CDU/CSU	44.54	48.79	44.26	43.82	41.43	35.14	38.51	35.17	33.8	41.5
FDP	10.62	6.95	9.09	11.03	6.92	6.25	7.37	9.83	14.56	4.8
AfD										4.7
SPD	42.86	38.18	37.04	33.46	36.39	40.93	38.52	34.25	23.03	25.7
Grüne	1.5	5.57	8.26	5.05	7.27	6.7	8.56	8.12	10.71	8.4
PDS/ Linke				2.43	4.39	5.1	3.99	8.71	11.89	8.6

Source: <http://www.wahlrecht.de/ergebnisse/bundestag.htm>

the break-up of the Eurozone – gained 4.7% only months after its inauguration party conference: another historical achievement. And finally, the SPD recovered slightly from its historic low of 23% in 2009 and gained 25.7% of the votes. An improvement, but not a very significant one.

The fate of the SPD in the 2013 election needs to be seen in a wider context. The German party system is clearly in flux and moving rapidly toward a much more fluid set of political parties that are circled around an almost hegemonic bloc of the conservative CDU under the leadership of Angela Merkel. Angela Merkel has shifted the CDU into the center ground of German society and politics; not only during the election campaign but in the preceding years when she was in a coalition with the liberals. Starting from a much more liberal and center-right policy agenda at the party conference in Leipzig in 2003, she has gradually modernized her party to an extent that the traditionalists' and business wings of the party are permanently enraged about her leadership but politically tied as she is the guarantor for winning elections. During her government in the last four years, she has held welfare spending steady, engaged in an expansion of family policy, initiated a major turn-around in energy policy, improved her relations with the unions, occasionally criticized banks for the financial crisis and held a steady firm position on the crisis of the Eurozone, which allegedly protected German taxpayers' money. In addition, the German economy did well after the initial shock of the financial crisis and weathered the Eurozone crisis with a strong labour market. Germany's unemployment figures have actually improved since the financial crisis in 2008 and employment is at its highest level ever.

In the election campaign Angela Merkel therefore presided over German politics largely unchallenged and moreover copied popular policy proposals from the SPD such as rent control in cities; investment in childcare and even supported a minimum wage. Angela Merkel's government was in many ways as social-democratic as the red-green government a decade earlier – with some notable exceptions such as same-sex marriage and dual citizenship. Her own popularity among the electorate was the main asset for her leadership. The ongoing joke among the political establishment was that the German electorate wants a social-democratic government under the leadership of Angela Merkel. For the SPD, Angela Merkel's CDU was therefore a hard nut to crack.

However, besides the towering role of the Angela Merkel in German politics, there are a number of internal factors that contributed to the SPD's election results. The election campaign had been badly prepared as the party leadership did not manage to select its candidate strategically. After the former Foreign Minister Frank-Walter Steinmeier publicly declined to run for chancellorship, the decision was forced on to the party leader Sigmar Gabriel who, after some pressure, proposed former Finance Minister Peer Steinbrück as his own popularity rankings were low. Steinbrück was elected candidate in December 2012 but turned his campaign into a series of gaffes in the media. After he left the government in 2009 Steinbrück had joined the speakers' circuit and earned speakers' fees of more than 1 mio. €. In addition, he stated publicly that the job of chancellor was not well paid enough, that Angela Merkel had the bonus of being a woman and that he would not turn into a cuddly bear to attract the female vote. As a consequence, the SPD candidate came across as a chauvinist neo-liberal money-maker in the campaign. It did not help that he posed with a rude middle-finger gesture in a photo shoot during the last weeks of the campaign and presented a shadow cabinet containing a bunch of mostly unknown experts including the former trade union leader of the construction union, who

was one of the fiercest critics of the red-green government. The three men at the leadership of the SPD were jointly seen as uncooperative, hostile towards each other and pursued a very macho approach to power politics. All these features compared negatively to Angela Merkel, who at the same time frequently evoked the image of a Swabian housewife. As a consequence, the CDU was very successful in winning the female vote (44%). In particular young women have shunned the SPD.

At a more structural level, the SPD is still recovering from the electoral fall-out of the Agenda 2010. As for most European social-democratic parties, the Third Way Policies of the Agenda 2010 were an attempt to restore a progressive policy program in a more liberal and global world. The decline of manufacturing jobs and the growth of a new middle class tempted center-left parties to adopt a more centrist position in the political spectrum. This approach has been now taken over by Angela Merkel and the center-right.

The Agenda reforms themselves have been part of a painful restructuring of the German welfare state, ultimately forced on the government through the fiscal burden of reunification. Ironically, the strong position of the German economy after the financial crisis and throughout the crisis of the Eurozone has been attributed by most commentators, including the government itself, to the reforms of Agenda 2010. In the party itself, the Agenda 2010 reforms have nevertheless been perceived as a sell-out of social-democratic values. After Gerhard Schröder resigned as the leader of the SPD in 2005, the party changed its leader six times in four years and the party was in a constant state of turmoil. Since Sigmar Gabriel took over in 2009 the party has calmed down and open battles for power have been replaced by a more informal arrangement of a truce between opponents and supporters of the Agenda 2010. However, the party has not found its new role beyond defending the welfare state as large parts of its membership (rapidly ageing and male) still oppose the measures of the Agenda 2010. During the 2013 election campaign, the party campaigned on a much more traditional social-democratic ticket of better pensions, a minimum wage, rent controls and gender equality. These campaign themes were popular with the electorate and the SPD membership but the party was seen as lacking credibility. Even within the SPD the image of the center-left as a force for social-democracy was weak, in particular given the personality of the candidate which did not quite match the party's campaign platform.

The election results have now forced the SPD into a coalition with the CDU/CSU. Given the centrist position of the CDU, the high levels of popularity of Angela Merkel and the critical stance of the SPD membership towards its own leadership, Sigmar Gabriel has tied the coalition to a membership vote of the SPD. This is a novel element in German politics and a risky strategy. Had the SPD members voted against the coalition, new elections might have followed, possibly with an even worse election result for the SPD. But since the SPD members endorsed the grand coalition the party leader can likely count on his party's support in difficult times. The membership vote was attached to the detailed coalition treaty that the three parties have negotiated over the last three months. This has attracted much more interest in current politics than there has been in a long time and might prove to be a popular way of engaging citizens in

party membership and political discussions. The future of the SPD is therefore wide open and surprises are to be expected.

The Case against Austerity: Die Linke and the 2013 Bundestag Elections

By Mark Vail (Tulane University, mvail@tulane.edu)

The results of the 2013 *Bundestag* elections have confirmed *Die Linke* as an enduring presence on the German political landscape and as an electorally viable alternative to the SPD on the Left of the political spectrum. Garnishing 8.6% of the vote and winning 64 seats in the *Bundestag*, *Die Linke's* performance represented a decline relative to the last election in 2009, when the party won a surprising 11.9% of the vote and secured 76 seats in the lower house of Parliament. But its performance in the 2013 vote closely mirrors the 2005 score, at 8.7% of the electorate, for *Die Linkspartei*, a then-new far-Left party founded by former PDS members and one of the parties that merged to form *Die Linke* in 2007. This decline relative to the 2009 elections, which were held during the depths of the worldwide Great Recession and favored a political discourse about economic inequality that boosted the party's poll numbers, must thus be put in a broader perspective. Perhaps most importantly for the party's long-term political prospects, *Die Linke* came in third in the 2013 election, slightly ahead of the Greens and well ahead of the FDP. The third-largest party for the first time in its history, *Die Linke* stands in a good position to enlarge its base of support and sharpen its electoral profile.

This trend of moderate but stable support also masks a more important feature of *Die Linke's* support, namely its increasingly cross-regional character. As Ben Bowyer and I have shown elsewhere, the 2009 elections, the first since the party's founding in 2007 from the merger of the *Linkspartei* the mostly-West-German WASG (*Die Wahlalternative Arbeit und Soziale Gerechtigkeit*), extended its appeal from its traditional strongholds in Eastern Germany to make significant inroads in the West, particularly in Bremen, the Saarland, the Ruhrgebiet, and parts of Niedersachsen. In addition to region, factors such as past support for the SPD and voters' perceived degree of economic precariousness also fueled support for the party in 2009.⁴ In 2013, this cross-regional appeal was confirmed, though in slightly weaker fashion, with the party retaining significant support in the West, particularly in Bremen and the Saarland, both traditional SPD strongholds.⁵ *Die Linke* has thus clearly moved beyond the former PDS's erstwhile status as a ghettoized Eastern party of superannuated, diehard Communists into an influential force in German national political debates.

⁴ Mark I. Vail and Benjamin T. Bowyer, "Poverty and Partisanship: Social and Economic Sources of Support for the far Left in Contemporary Germany," *Comparative European Politics* 10, no. 4 (2012): 505-524.

⁵ Martin W. Lewis, "Geographical Patterns in the German Federal Elections of 2013," *Geocurrents* online, 28 September 2013, available at <http://www.geocurrents.info/geopolitics/elections/geographical-patterns-german-federal-election-2013>.

The content of the party's rhetoric and the substance of its electoral appeal have been informed by both the weakness of the SPD and mounting concerns within the electorate about economic inequality and questions of social justice, coupled with alarming rises in German income inequality over the past decade. In some respects, these outcomes are causally linked. Following the SPD's embrace of liberalizing social-policy and labor-market reforms between 1998 and 2005 under Chancellor Gerhard Schröder, a stance most famously embodied in the controversial Hartz IV reform that slashed the generosity of German unemployment insurance, many former members of the left wing of the Social Democrats defected, joining the *Linkspartei* and the WASG and ultimately coming to represent a core of support for *Die Linke*. Represented by Oskar Lafontaine, himself a former member of the SPD and the *Linke's* co-leader until 2010, this segment of the party's base helped to move the party past its residual image as an anti-capitalist party of the East. Following the post-2007 financial crisis and the Great Recession that followed in its wake, the party has worn the anti-austerity mantle, sharply rejecting the CDU-FDP government's fetishization of budgetary rigor within the EU and the German- and ECB-inspired imposition of austerity and savage cuts in public spending for countries receiving EU bailouts.⁶ This stance has made the party the only full-throated, organized German political voice critical of austerity, with the exception of some on the Left wing of the SPD. Despite such outliers within the party, the Social Democrats' embrace of liberal labor-market reform in the early 2000s undermines its credibility to act in this capacity, leaving *Die Linke* as the only party untainted by support for a set of policies which are relatively unpopular in Germany, despite the country's comfort in prescribing them for peripheral Eurozone members.⁷

Such credibility on the Left has both cemented *Die Linke's* position as an electorally credible party in both Eastern and Western Germany and provided it with coherent and mutually supportive positions with respect to both domestic and foreign affairs. In the words of Wolfgang Gehrke, outgoing *Linke* MP and international affairs spokesman for the party's *Bundestagsfraktion*, in an interview in French Leftist daily *L'Humanité*:

Many German citizens are experiencing social insecurity and others continue to see their situation deteriorate. . . . We [also] stand against the clichés of the major parties on these 'lazy Greeks' for which German taxpayers will have to one day pay. But we need a left-wing critique of the European project. Otherwise, we run the risk that the Right dominates the debate. . . . Europe today is at a dead end. If one intends to preserve the euro, we must review its rules, such as the role of the European Central Bank, from top to bottom.⁸

⁶ Peter Thompson, "Don't Write off Germany's Left Party," *The Guardian* online, 5 September 2013.

⁷ As I explain elsewhere, such scepticism about the wisdom of domestic austerity led Germany to adopt one of the largest (though cleverly masked) stimulus packages among G-20 nations following the 2008 financial crisis. See Mark I. Vail, "Varieties of Liberalism: Keynesian Responses to the Great Recession in France and Germany," forthcoming in *Governance*, January 2014. For a discussion of Germany's current ramping up of public spending on domestic infrastructure, see Suzanne Daley and Alison Smale, "Germany, Austerity's Champion, Faces Some Big Repair Bills," *The New York Times*, 21 November 2013, A6.

⁸ "German Elections: Interview with *Die Linke*," *Revolt Europe* online, 22 September 2013.

This political strategy, combined with the popularity of party leader Gregor Gysi, who has consolidated party leadership under his control, resonates with a significant number of German voters. Although, in many opinion polls, a clear majority of Germans indicate support for austerity in the European periphery, recent surveys have indicated a softening of this position, with an October 2013 Gallup poll showing 53% of voters questioning the wisdom of austerity-only policies.⁹ Moreover, the popularity of the large post-2008 German stimulus package, combined with the collapse in political support for the liberal FDP, reflects a disjuncture between Germans' support for austerity abroad and their sense of appropriate policies at home.

These trends represent continuing political opportunities for *Die Linke*, as well as the likelihood of the party's continued electoral relevance and a degree of influence on public discourse that is disproportionate to its electoral scores. As the only voice in the German political system sharply skeptical of austerity and supportive of explicitly redistributive economic policies, the party has benefitted from both the ongoing climate of economic crisis and the SPD's move to the center. The latter development has opened up political space for an increasingly professionalized party of the Left, which has surmounted many of its earlier divisions, to benefit from Germans' longstanding scepticism about the wisdom of neoliberal policies (a fact reflected in the historically small and now dwindling level of support for the FDP) at home and growing international (and, to a lesser extent, German) disenchantment with the idea of austerity as a one-size-fits-all prescription.

If one takes a broader view of postwar German history, such developments are less surprising than they might seem at first glance. From its earliest inception under CDU Chancellor Konrad Adenauer and his Economics Minister Ludwig Erhard, the postwar German "Social Market Economy" was always understood as a synthesis between liberal market capitalism and social democratic policies, including a generous welfare state, public support for muscular vocational training programs, "codetermination" procedures that gave workers a strong voice in companies' shopfloor decision making, and a relatively coherent and empowered trade union movement. Such policies and institutional structures allowed Germany rapidly to replace the penury of the immediate postwar period with one of the highest levels of prosperity in the world, fueled by export-led growth that turned Germany into the world's largest exporter by the early 1960s. Policies and institutions designed to constrain the scope of market forces and to buffer workers and consumers from market-driven social and economic dislocation were thus built into the Federal Republic's constitutional and institutional design; it is therefore hardly surprising that there is a significant vein of scepticism within the German electorate about the wisdom of neoliberal policies *pace* Thatcher's Britain in the 1980s, or that German voters express mixed feelings about the wisdom of austerity-only recipes.

Although the opportunities that such scepticism offer to a party like *Die Linke* have so far been limited by a number of factors, including many Germans' nationalistic and moralistic interpretations of the ongoing Eurozone crisis, continued associations of the party in many voters' minds with the East German Communists, and, until recently, ineffective party leadership, the party's stable levels of support in federal elections reflect durability of a vein of public opinion responsive to its appeals. Moreover, the gradual easing of some aspects of the Eurozone crisis, growing international scepticism about the wisdom of an austerity-only

⁹ Ronald Janssen, "The People versus the Masters of Austerity," *Social Europe* online, 24 October 2013.

approach to economic adjustment in the EU, the increasingly glaring inconsistency between this strategy and German officials' willingness to open the public purse for domestic purposes, and the SPD's structural move to the center of the political spectrum should all continue to offer opportunities for the party to improve its electoral fortunes in the medium term. Even if *Die Linke* stands little chance of becoming a mainstream *Volkspartei*, then, its distinctively anti-capitalist platform and unstinting advocacy of economic redistribution should continue to offer it consistent or improving electoral results and, perhaps more important to its profile, an enduring influence over the prevailing German political discourse.

A Shot Across the Bow or Already Sinking? The Free Democratic Party after the 2013 Federal Election

By Heiko Giebler (WZB Social Science Center/ German Longitudinal Election Study, email: heiko.giebler@wzb.eu)

The 2013 Federal Election in Germany brought a landslide victory for the *Christian Democratic Union* (CDU) and her Bavarian sister party the *Christian Social Union* (CSU) – or maybe, more accurately, for Chancellor Angela Merkel. This success came only as a surprise regarding its magnitude. On the other hand, the fact that the *Alternative for Germany* (AfD), a new party rallying around EU- and Euro-skeptical issues, came close to the five percent threshold caused at least some public exclamation. Looking to the past and future of Germany's party system and the nature of political competition in Germany, even the sudden success of the AfD was easily topped by the failure of the *Free Democratic Party* (FDP) to ensure parliamentary representation. Since the foundation of the Federal Republic of Germany, the FDP has won enough votes to enter parliament. Moreover, the FDP was part of the government coalition in 17 out of 22 governments in the period between 1949 and 2013. To put this into context, the CDU was in government 15 times while the *Social Democratic Party* (SPD) achieved this only nine times in the respective period. Hence, if we talk about the catastrophic electoral result of the FDP and the resulting drop out of the party from the Bundestag, we are not talking about a minor party but about a party that has had a major impact on German politics. What were the reasons behind this staggering electoral outcome? Furthermore, is there any indication as to whether this result is simply a warning "shot across the bow" or are we instead facing a permanent disappearance of the FDP – which would shake up ideological party camps and, consequently, the future political landscape of Germany?

After their best result on the federal level ever in 2009 with 14.6 percent, the FDP dropped nearly 10 percentage points and fell to 4.8 percent in 2013. In absolute numbers, they managed to lose more than 4.2 million votes while forming a governing coalition with the CDU and the CSU lead by Chancellor Merkel. When the coalition was established in 2009, it was described by the leaders of all three parties as a 'love-match'. The divorce by voters' verdict left the CDU/CSU unscathed while the FDP was severely punished. Observers agree that the FDP's very good result in 2009 was at least in part caused by the fact that German voters were unwilling to have another grand coalition of CDU, SPD and CSU (Bieber and Roßteutscher 2011). In addition, the SPD had been in government for eleven years (1998 to 2009) and there was certain fatigue in the public which manifested itself in the worst ever electoral result of the

SPD on the federal level. The only realistic alternative was a black-yellow-coalition formed by the Union parties and the FDP. The nature of the mixed-member electoral system did its part as well. Strategic ticket-splitting – nominal vote for the candidates of CDU or CSU (the latter only running in Bavaria) and party vote for the FDP – helped to ensure a comfortable majority in parliament for the black-yellow coalition (Weßels and Wagner 2011). The German Constitutional Court declared the electoral law as it was applied in 2009 to be unconstitutional and under the new electoral law strategic-ticket splitting is no longer paying off.¹⁰ This did not stop the FDP from starting a last minute panic campaign addressed to voters of CDU and CSU asking them to give their party vote to the FDP. As we know now, the campaign was not at all successful. At the same time, neither the ideal context in 2009 regarding the citizenry's will for government and policy change, nor the new electoral law are fully able to explain the massive loss in popular support for the FDP.

At least four other aspects strongly and negatively affected the FDP's electoral performance in the recent election. Firstly, the liberal core of the FDP's program was highly economy centered. While they were a social-liberal party in the 1970s and 80s, more and more they have become advocates of the neo-liberal crusade. Deregulation of markets, reduction of tax rates, more flexible labor market, and restriction of state capacities became the mantra of a new generation of FDP politicians. As the banking crisis swept over the Atlantic, leading FDP politicians still argued that this was not caused by the absence of national and international regulation but by the fact that deregulation efforts have fallen short. Their 2009 electoral campaign emphasized especially the necessity of tax reductions to ensure prosperity and economic development. Even after four years in power, they remained incapable of implementing these electoral promises. Although this failure was, at least in part, a direct consequence of the economic crisis and the reluctance of the CDU/CSU to jeopardize a more or less balanced budget, voters were rather unforgiving. In addition, it did not help that one of the few tax laws the party did manage to implement was seen as clientelist politics because it reduced the tax burden merely for the hotel industry. Even the fact that the German economy did rather well between 2009 and 2013, and that there was no perceivable economic crisis failed to change voters' perceptions: the merits were ascribed to Chancellor Merkel and her Minister of Finance, Wolfgang Schäuble, and, ultimately, to their party – the CDU/CSU.

Secondly, criticism and disappointment was not limited to the failure of policy-making: top politicians as well as ministers of the FDP rather quickly lost their popularity after the 2009 election. This became most obvious in regard to Guido Westerwelle who was the celebrated party leader responsible for the best electoral result ever in 2009 and who became foreign minister in the CDU/CSU and FDP coalition. Despite the fact that, traditionally, foreign ministers retain high popularity levels in Germany – often even being the most popular politicians – Westerwelle's standing with the public diminished rapidly. In addition, the FDP was rather unsuccessful in several regional elections following the 2009 federal election and this downward trend was linked directly to his abilities as party leader. Unfortunately, the remaining FDP ministers failed to redeem the party in the eyes of the public. On the contrary: several high ranking FDP politicians and ministers were involved in scandals which included accusations of

¹⁰ While the old system allowed for surplus seats under certain circumstances, the new system is fully proportional for all parties above the five percent threshold. In other words, the seat distribution in the Bundestag now has to be fully proportional to the party vote shares.

sexual harassment or the usage of government aircrafts to transport privately purchased furniture.

Hence, it was hardly surprising when, in 2011, Westerwelle decided against campaigning to remain the party's leader. After Westerwelle's departure in 2011, Phillip Rösler became the next party leader and he initiated some reshuffling both in regard to ministries – he himself switched from the Ministry of Health to the Ministry of Economy – as well as in regard to high ranking party officials. Despite some positive signals, these decisions were unable to stop internal conflicts and debates and, maybe more importantly, the party's electoral support dwindled even more. Polls showed the FDP consistently below the five percent threshold. It did not take long for Rösler to become the most unpopular politician in the eyes of the public either. Hence, the unsuccessful reorganization of the party leadership constitutes a third reason for the 2013 electoral loss.

Finally, although the FDP achieved some good results in regional elections in 2012 and 2013, these results were achieved at a certain price. In Schleswig-Holstein – a small northern state – the top regional FDP candidate openly opposed federal policies and federal politicians of his own party which brought the FDP the second best result ever in this state. In North Rhine Westphalia, Germany's state most populated state, Christian Lindner became the top candidate despite the fact that, one year earlier, he had stepped down from a high ranking party office on the federal level because of internal controversies with the new party leader Rösler and others. While his nomination alone was already a statement, the dissatisfaction with the federal party leadership became even more obvious when the official campaign slogan was revealed: 'THIS is my FDP' ('DAS ist meine FDP'). The slogan was clearly a reckoning with the national party leadership and their course of action since coming into power in 2009. Hence, while the party's regional electoral performance was in stark contrast to the federal polls, there was little reason to assume that this would help the FDP on the national level because these successes were, at least in part, directed against the national party leaders and their performance while in government.

All in all, there have been many reasons leading to the FDP's drop from their best to their worst result on the national level in only four years. Whether we witnessed only a singular event or the beginning of the end of one of the traditional German parties remains to be seen. For example, if we look to parliamentary representation on the regional level, the FDP is in much better shape today than it was in the mid-90s early 2000s. Currently, the party has parliamentary representation in nine out of 16 regional chambers; in the period between 1996 and 2000, the FDP only held seats in four chambers. Moreover, the unsuccessful and rather unpopular party leader Rösler stepped down – as did several other high ranking party officials – directly following the 2013 elections. In December 2013, Christian Lindner became party leader and a new board of surrogates was elected. This represents a clear effort to wipe the slate clean in terms of personnel. At the same time, the speeches during the party congress called for a reversion to clear liberal policy positions as part of a rebuilding process.

It is much too early to see any effects of this restructuring on public opinion – the December polls still locate the FDP below five percent. With the exception of the elections to the European Parliament (EP) in May 2014, there are no events besides local elections in the first half of the coming year. For the EP elections, the legal threshold is mere three percent which should

guarantee parliamentary representation for the FDP.¹¹ Moreover, only five out of 16 states hold elections in the next two years. In other words, the FDP has some time for restructuring and redefinition of their political program. This situation could prove to be blessing and curse at the same time: Blessing because the party dearly needs a new start and a new image. But it is also a dangerous situation because a party without representation on the national level gets much less attention in public and there are only limited possibilities to achieve positive electoral results on the regional level in the near future. Other parties might use this window of opportunity and take over both classical policy issues of the FDP as well as traditional FDP voters. The ship might not be sinking – but it has received a crippling blow while being far away from the shore.

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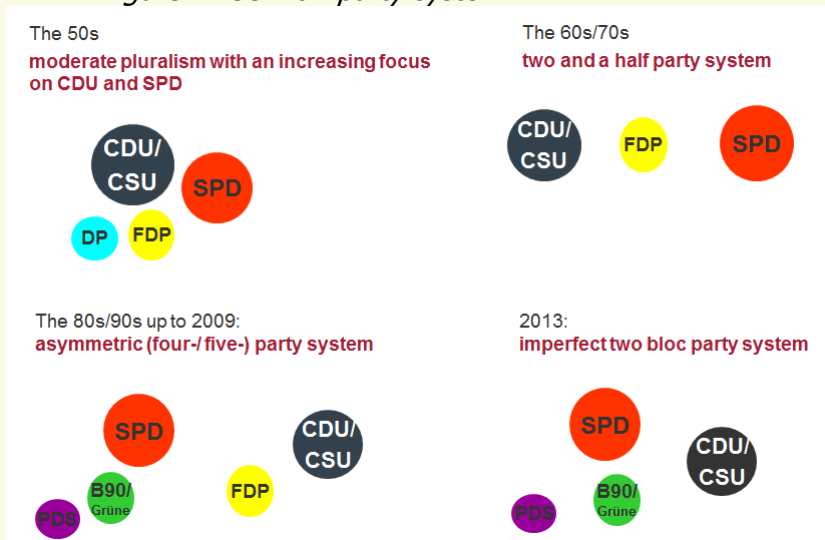
Merkel's CDU – The Pivotal Party in Germany

By Udo Zolleis (University of Tuebingen, email: udo.zolleis@ifp.uni-tuebingen.de)
and Carina Wertheimer

In the aftermath of the 2009 federal election, many political scientists proclaimed the end of the German Volkspartei. According to their view, the general trends of individualisation, secularisation, and fragmentation are responsible for the decline of catch-all parties. For these pessimists, however, the excellent performance of the CDU in 2013 came as a surprise. Does the election result really represent a turning point in the history of the CDU, or is it simply a last victory of a fallen star? We argue that the 2013 election has changed the German party system, with the CDU gaining a pivotal position within it. Two factors caused this transformation: 1) the left parties are still unable to transform their numerical parliamentary majority into a solid and more permanent power basis, and 2) the CDU had an unusually popular chancellor candidate. Thus, the German party system has been transformed into an imperfect two block party system, providing at least a short-term advantage for the CDU.

¹¹ The German Constitutional Court accepted a formal complaint against this threshold. Hence, it is possible that there will be no threshold at all.

Figure 1: German party system.



Whereas the West German party system of the 1960s and 1970s was a two- and a half party system with the FDP in the crucial position to form a government, the German party system of the 1980s until 2009 became a two block party system with a spectrum of center-right and left-wing parties.

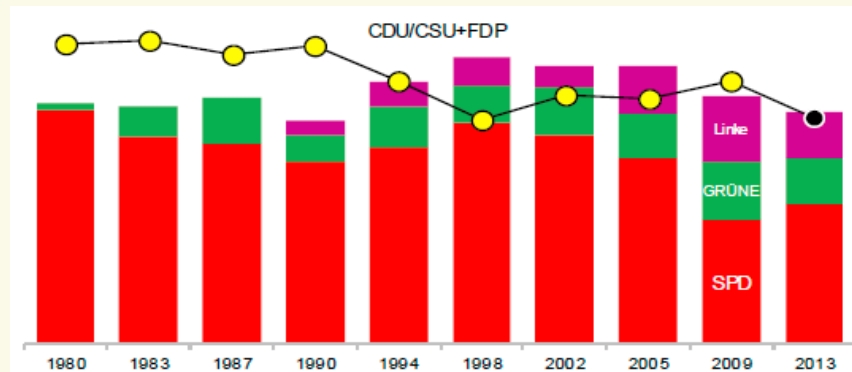


Figure 2: Left vs. right block (Source: Infratest dimap 2013).

The center right parties had an overwhelming majority until 1994, but lost their dominance between 1998 and 2005. However, in 2009 and 2013 the right-wing block (including the FDP) achieved a nationwide majority. The center-right parties are currently a minority in the Bundestag because the FDP failed to enter parliament. However, the numerical left majority in the Bundestag has failed to build a solid political power base. This peculiarity in the German party system is caused by "Die Linke". The Left party's electoral gains mostly consist of former social democratic voters. These shifts have not only weakened the SPD, but created a power vacuum. So far, the weakened SPD has ruled out any kind of government coalition with the former communist party due to the LINKE's foreign policy ideas and position towards NATO. Therefore, the German party system resembles an imperfect two-block system. Because of the internal division within the left block, the CDU is now in a strong position.

Yet, the CDU should not necessarily count on selecting the chancellor in the future because Merkel's clout is not based on a center-right majority. The reliance on a coalition partner from

the left constrains the CDU's power. Therefore, the 2013 election should be viewed as a transition period of the German party system rather than a critical election. It remains to be seen whether the CDU can regain the dominance of the right-wing block or whether the SPD will form a coalition within the Left. Both options are equally likely because of the dramatic voting volatility the German party system has experienced in the past decades.

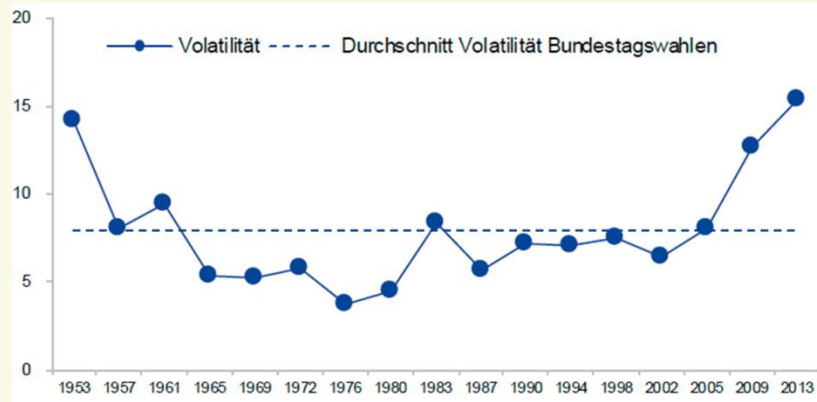
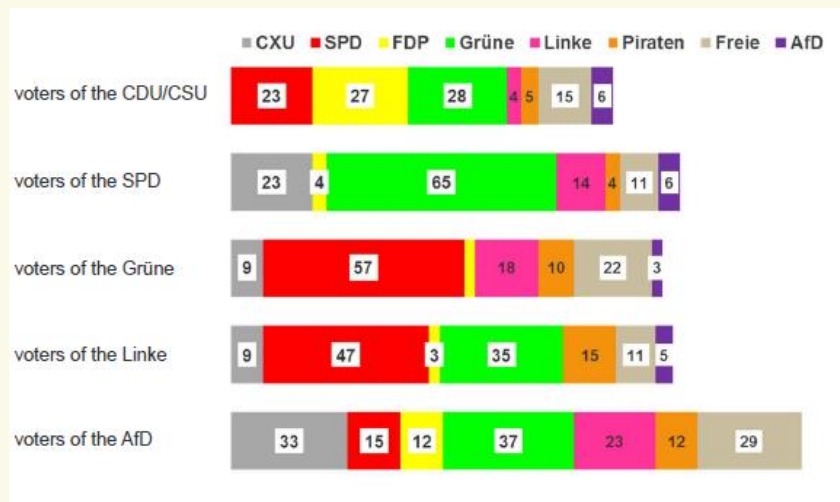


Figure 3: Variation at federal elections (Source: Infratest dimap 2013).

A growing amount of voters have changed their minds during one election to another, and even more voters can imagine to do so in the future. The amount of voters who can envisage voting for a different party has increased significantly within and across ideological blocks.



Figures 4: I could also picture myself voting... (Source: Forschungsgruppe Wahlen 2013).

This implies not only that the ideological boundaries between parties will become increasingly blurred, but also that party competition will become harder as ideological tools may be ineffective. Consequently, the CDU's current pivotal position is unlikely to remain permanent since its electoral base is unstable and volatile. Most importantly, the CDU's victory is not based on structural factors, but mainly on Angela Merkel's popularity.

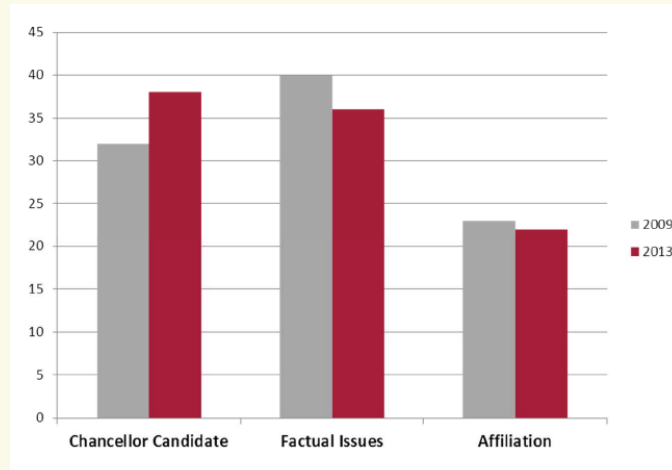


Figure 5: Election decision CDU/CSU (Source: Infratest dimap, 2013).

Many Christian Democratic voters opted for the CDU because of Angela Merkel's personality, which is unusual in Germany. In 2005 and 2009, most Christian Democrats voted for the CDU because of their party affiliation, not because of the candidate. That was also the case in 2002 and 1998. Gerhard Schröder has always been a popular candidate compared to his opponents, but SPD-voters had a strong party affiliation at that time. This has changed -- now the candidates are increasingly likely to influence the election outcome. Therefore, voting volatility is likely to increase further because party affiliation is usually longer lasting than attitudes towards (changing) candidates. In sum, it is evident that the CDU's electoral victory has neither consolidated a center-right majority nor has it established a new power structure. Therefore, the 2013 election has not been a critical one.

Merkel's CDU has demonstrated a capable crisis management in terms of external shocks, but not in terms of coherent government policy. While the chancellor's management skills decisively contributed to her reelection success, conceptual skills will become much more important in the future, particularly in the area of EU politics (as it will be important to deepen EU integration) and the welfare state (since Germany's aging population will increase the pressure on the health care system and social security pensions). Angela Merkel will not just be judged based on her crisis management skills, but also on her ability to adequately address the challenges resulting from these policy areas.



Members' Recent Publications

Anderson, Karen and Anke Hassel (2013), Pathways of Change in Coordinated Market Economies: Training Regimes in Germany and the Netherlands. In: Anne Wren (ed.) The Political Economy of the Service Transition. Oxford: Oxford University Press, pp.171-194.

Frasher, Michelle (2013), Transatlantic Politics and the Transformation of the International Monetary System. Routledge. More info:
<http://www.routledge.com/books/details/9780415822725>.

Hassel, Anke (2013), Employment Relations, Welfare and Politics. In: Carola Frege and John Kelly (eds.) Comparative Employment Relations in the Global Economy. Routledge, pp.131-148.

Hennessy, Alexandra (2014), The Europeanization of Workplace Pensions: Economic Interests, Social Protection, and Credible Signaling. Cambridge University Press. More info:
<http://www.cambridge.org/gb/academic/subjects/politics-international-relations/european-government-politics-and-policy/europeanization-workplace-pensions-economic-interests-social-protection-and-credible-signaling>.

Hennessy, Alexandra (2013), Informal Governance and the Eurozone Crisis. Journal of Contemporary European Studies, vol. 21, no. 3, pp. 430-447.

Hennessy, Alexandra (2014), Redesigning Financial Supervision in the European Union (2009-2013). Journal of European Public Policy.

Otero-Iglesias, Miguel and M. Zhang (2014), EU-China Collaboration in the Reform of the International Monetary System: Much Ado About Nothing?. The World Economy.

Schmidt, Vivien and Mark Thatcher (2013), Resilient Liberalism in Europe's Political Economy. Cambridge University Press. More info:
<http://www.cambridge.org/us/academic/subjects/politics-international-relations/european-government-politics-and-policy/resilient-liberalism-europes-political-economy?format=PB>.

Schmidt, Vivien (2013), Speaking to the Market or the People? A discursive institutionalist analysis of the EU's sovereign debt crisis. *British Journal of Politics and International Relations*, May 2013.

Schmidt, Vivien and Elisabetta Gualmini (2013), The Political Sources of Italy's Problems: Between Opportunistic Political Leadership and Pragmatic Technocratic Leadership. *Comparative European Politics*, vol. 11, no. 3, pp. 360-382.

Rose, Richard (2013), Representing Europeans: A Pragmatic Approach. Oxford University Press. More info: <http://ukcatalogue.oup.com/product/9780199654765.do>.

Vail, Mark (2014), Varieties of Liberalism: Keynesian Responses to the Great Recession in France and Germany. *Governance*, vol. 27, no. 1 (January), pp.63-85.

Vail, Mark (2014), Europe's Middle Child: Statist Liberalism, Keynesianism, and the Politics of Austerity in France. In Mark Blyth and Mattias Matthijs (eds.), *The Future of the Euro*, Oxford University Press, forthcoming 2014.

Vail, Mark (2014), Between One-Nation Toryism and Neoliberalism: The Dilemmas of British Conservatism and Britain's Evolving Place in Europe. In "Interpreting British European Policy," special issue of *Journal of Common Market Studies*, forthcoming 2014.

Wren, Anne (2013), Ed., The Political Economy of the Service Transition. Oxford University Press. More info: <http://ukcatalogue.oup.com/product/9780199657292.do>.

External Grants & Fellowships

ERC Starting Grants aim to support up-and-coming research leaders who are about to establish a proper research team and to start conducting independent research in Europe. The scheme targets promising researchers who have the proven potential of becoming independent research leaders. More info: <http://erc.europa.eu/starting-grants>.

The Marie Curie Intra-European Fellowships for Career Development provides support for experienced researchers. Applicants can be of any nationality, but applicant host institutions must be located in an EU member state. Projects shall be for a period of 12-24 months.

Deadline: 14 August 2013. More info:

<http://ec.europa.eu/research/mariecurieactions/about-mca/actions/ief/>.

The American Institute for Contemporary German Studies (AICGS) announces the DAAD-AICGS Research Fellowship Program. The program is designed to bring scholars and

specialists working on Germany, Europe, and/or transatlantic relations to AICGS, which is located in Washington, DC, for stays of two months each. For fellowships between July and December 2014, the **deadline is 28 February 2014**. More info:

<https://www.daad.org/aicgsresearch2>.

Fritz Thyssen Foundation Scholarship. The scholarships are intended for junior researchers, generally one to two years after they have received their doctorate. No scholarships are awarded for doctoral dissertations or postdoctoral theses. **Deadline: rolling.**

More info: <http://www.fritz-thyssen-stiftung.de/funding/types-of-support/?L=1>

Visiting Scholars Program, Minda de Gunzburg Center for European Studies, Harvard University. Every year, the Center is pleased to host a number of Visiting Scholars from the US and abroad. The Center welcomes applications from post-doctoral social scientists and historians who are working on modern Europe. Deadline for the 2014-15 academic year is 15 January 2014. More info: https://ces.fas.harvard.edu/#/visiting_scholars.



Deadline

for submissions to the Summer 2014 issue:

- **Friday, 30 May 2014**

Please direct all correspondence to the editor:

- Alexandra Hennessy, email: alexandra.hennessy@shu.edu

In particular we are looking for:

- Members' recent publications (since this issue)
 - Members' news (since this issue)
- Suggestions and Contributions for the Forum section
 - Calls for papers
 - Notice of forthcoming events