

Germany Update

Current Issues in German Politics

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I. Coalition Negotiations: Rocky start for the second Schröder administration

On October 22nd, the 15th German *Bundestag* elected **Gerhard Schröder** as chancellor; however, after four weeks of straining coalition negotiations between the Social Democrats and the Green Party, the second Schröder administration was off to a rocky start. Commentators almost unanimously criticized the coalition treaty for lacking vision and courageous steps to improve the dire economic situation. Aside from the rather timid ideas of the **Hartz commission** (see the August edition of this newsletter), no bold plans for reform of the ailing job market, social security, or health care were included. The slim margin of only 306 of 603 seats in the new parliament does not foster hopes for inventive leadership by the Red-Green coalition. Especially the budget and tax policy caused disapproving remarks. Despite his claims during the campaign, Schröder is set to increase the national debt and raise taxes—in addition to heavy cuts in tax benefits. This prompted the secretary general of the CDU, **Laurenz Meyer**, to accuse Schröder of "continuing the policy of broken promises." In the current situation, tax increases were "poisonous" for the economy, according to Meyer.

While there were not many changes in substance, the look of the new administration was widely rearranged. The most notable introduction to the cabinet is **Wolfgang Clement** (62, SPD). The former *Ministerpräsident* (governor) of Northrhine-Westphalia is the new

"superminister" for labor and the economy. The structure of this newly created department is reminiscent of **Lothar Späth**'s role in **Stoiber**'s competence team. Clement's main task is to implement the ideas of the **Hartz commission**. He is perceived as a politician in the same vein as **Schröder**, a powerful manager and a strong leader. He left his state amidst a swirl of accusations pertaining to bribery and improper business.

There are three more new ministers: **Renate Schmidt** (58, SPD) takes over the department of family, women and youth. **Manfred Stolpe** (66, SPD), the former *Ministerpräsident* of Brandenburg, was called out of retirement because the designated minister of infrastructure and the rebuilding of the eastern part of Germany. **Brigitte Zypries** (48, SPD) replaces **Herta Däubler-Gmelin** as minister of justice. Mrs. Däubler-Gmelin had to resign after making an outrageous comparison between **President Bush** and **Adolf Hitler**. The department of employment and social security has been dissolved. The employment-part has been added to **Mr. Clement'**s department. Social Security is now part of **Ulla Schmidt'**s department of health. Minister Schmidt could not make any progress on health care reform over the last term, so she is widely expected to fail as well in modernizing social security.

The supporters of the Green Party, which was the only real winner in the federal elections, are particularly disappointed. Not only could the party not gain an additional fourth seat at the cabinet table, but also had to withdraw many of their suggestions for tax reform. Adding insult to injury, the Greens were forced to accept a extension of the runtime for the nuclear power plant in Obrigheim—thus violating an earlier agreement and contradicting a basic policy issue for the Greens. Accordingly, recent polls show that the coalition today trails far behind the CDU/CSU and FDP opposition.

II. After the election: CDU/CSU opposition picks up the pieces

"We won!" proclaimed CDU-chairwoman **Angela Merkel** the day after the election. In a sense, this remains true—the CDU/CSU did improve their result from 1998 by 3.4 percent. The conservatives gained a total of 1.1 million votes more than last time, although almost all of it came from Bavaria, candidate **Stoiber's** home state. Nonetheless, the CDU/CSU failed to accomplish their two most important goals: They are not the strongest group in the new parliament and they do not provide the chancellor. The former chairman of the CDU parliamentary group, **Friedrich Merz**, pointed out: "It would be a crucial mistake to misinterpret the reasons for the outcome of the election. We did not earn a strategical victory; no, the [Christian-Democratic] Union suffered a massive defeat."

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Starting a short-lived debate about the reasons for this failure, **Dr. Merkel** identified a gap between the success of the CDU/CSU in the countryside and their relative weakness in the urban areas. The classical issues of the conservatives, such as social justice and economic growth, did not seem to resonate with the different, modern lifestyle of the city-dwellers, analyzed Dr. Merkel. There, issues such as consumer protection, child care, and public transportation seem to be of greater importance, and these issues were in large part identified with the Green Party, which was very successful in the big cities. Therefore, the CDU/CSU has to try harder to communicate their ideas about encompassing security and family policy to this specific group. The second reason for the lost election was the CDU/CSU's lack of appeal to people in the northern and eastern parts of Germany. While the south voted solidly conservative, these regions tended to prefer the incumbent leftist government. According to Merkel, this was due to religious preferences (the south is largely Catholic, whereas the east and north tend to be more secular or Protestant) and therefore hard to overcome. She did, however, point out that the CDU lacked integrating, charismatic leaders in these regions.

While some leading figures, such as Mr. Merz, CDU vice-chairman Christian Wulff, or Peter Müller, the *Ministerpräsident* of Saarland, welcomed Dr. Merkel's analysis, others differed in their interpretation. The *Ministerpräsident* of Bavaria, Edmund Stoiber, underlined that the CDU/CSU should not pander to the left. They should rather continue to sharpen their profile on core competences such as the economy and employment. Moreover, a study by the Konrad-Adenauer-Foundation contradicted the one-sided argument that the CDU had to strengthen their turnout among the young urban professionals in the big cities. According to this study, the crucial setback occured among senior citizens. Only 45% of the people of at least sixty years of age voted for the CDU/CSU—usually the share is well above 50%. The *Ministerpäsident* of Hesse, Roland Koch, warned that eager reformers might overlook the outstanding importance of the Iraq issue for Schröder's success. Mr. Koch encouraged his party to find a more coherent platform on foreign policy and to put a new emphasis on the family policy of the CDU, which was modern and based on values. On the other hand, it was essential to stay firm on the economic message instead of getting lost in self-conscious debates about the presentation of the party.

Regardless of this debate on strategy, the enlarged parliamentary group of the CDU/CSU reassembled its forces to serve as a strong opposition to the Schröder administration. The CDU-chairwoman **Angela Merkel** became chairwoman of the parliamentary group as well. Her predecessor, **Friedrich Merz**, is one of nine vice-chairmen. He is responsible for all matters pertaining to the economy and finances. Vice-chairman **Wolfgang Bosbach** (interior) achieved the best result with 179 of 183 votes, whereas **Wolfgang Schäuble** (foreign policy) received only 133 votes, the worst result of all elected vice-chairmen. The 60-year-old former CDU-chairman, former minister of the interior, and former member of Stoiber's competence team was widely

regarded as too much of a part of the "old CDU" to hold yet another leading position. The parliamentary group also elected new spokespersons. Most noteably, **Friedbert Pflüger** became the new spokesperson on foreign affairs, and **Christian Schmidt** (CSU) succeeded **Paul Breuer** as spokesperson on defense.

III. German Military: New role in Afghanistan and debate at home

At the NATO summit in Warsaw, German minister of defense **Peter Struck**, declared the German military is willing and able to take over the command of ISAF in Afghanistan from the Turkish side. This was widely understood as a first try to mend the ties with the U.S. after **Chancellor Schröder**'s campaign, which heavily relied on anti-American sentiment. Probably in February 2003, German and Dutch forces will replace the Turkish commando.

This move earned a lot of criticsm back home in Germany, because it is perceived as blatantly inconsistent with the military policy of the Schröder administration. Currently, there are about 1,300 German soldiers in Afghanistan. It is understood that this number needs to increase substantially in order to effectively lead ISAF. Even minister Struck himself acknowledges that this will reach the limits of the Bundeswehr's capability. With troops in the Balkans, Kuwait, and at the Horn of Africa, the under-equipped and under-financed forces are already insufficiently prepared to do their job. While the forces are under increasing pressure to fulfill ever more tasks abroad, the re-elected Red/Green-coalition does not intend to push necessary reform. France and Great Britain, for instance, spend between 2.3 and 2.9 % of their GDP on defense; Germany, in contrast, only 1.4 %. The much-anticipated reforms, which were suggested by the so-called Weizsäcker commission in 2000, are still not about to be implemented. Instead, SPD and Green Party again agreed upon another revision of the Bundeswehr and especially the compulsory military service in the years to come . . . To the former CDU-spokesperson on defense, Paul Breuer, this is "a policy without concept, a mere muddling-through", which "has a deteriorating effect on substance and morale of our forces" and which "endangers our capability to fulfill our duties in the international alliance."

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