

The Politics of the New Germany

Universität Wien
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The Politics of the New Germany takes a new approach to understanding politics in the post-unification Federal Republic. Assuming only elementary knowledge, it focuses on debates and issues in order to help students understand both the workings of Germany's key institutions and some of the key policy challenges facing German politicians.

Written in a straightforward style by four experts, each of the chapters draws on a rich variety of real-world examples. In doing so, it highlights both the challenges and opportunities facing policy-makers in such areas as foreign affairs, economic policy, immigration, identity politics and institutional reform. The book also takes a bird's-eye view of the big debates that have defined German politics over time, regardless of which political parties happened to be in power. It pinpoints three key themes that have characterised German politics over the last sixty years; reconciliation, consensus and transformation.

The book is a comprehensive, yet highly accessible, overview of politics in twenty-first century Germany and should be essential reading for students of politics and international relations, as well as of European and German studies.

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and Graham Timmins

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Introduction

Studying Germany can frequently be a bewildering experience. Germany remains an economically affluent and politically influential country at the core of the European Union (EU). The German economy has been, and still is, a powerhouse that remains remarkably resilient. German companies lead the field in such sectors as pharmaceuticals, state-of-the-art industrial products and cars (one need not think too long before stumbling on leading German global brands such as Audi, BASF, Bertelsmann, BMW, Bosch, Daimler-Chrysler, ThyssenKrupp, Siemens and Volkswagen). Germans are for the most part, as was amply illustrated during the hugely successful Football World Cup of 2006, tolerant, open and welcoming; in Germany welfare provision is broad and comprehensive, public transport functions exceptionally well, and civil society flourishes; the general quality of life is high (no matter how it is measured), crime rates are low and social dislocation, again for the most part, nowhere near as obvious as is the case in Britain, France or Italy. Germany, so it would appear to the naked eye, is a place with a lot going for it. Table 1 provides a general overview of the country compared with other key European states.

Yet a significant number of Germans – and many commentators who write on the country – can also, if they so wish, paint a much darker picture (e.g., Steingart, 2004). The German economy, they argue, is no longer producing the growth rates that it did in the immediate post-war period; unemployment, particularly in eastern Germany, is worryingly high; balancing the books remains difficult in a country that spends so much on supporting the less well off and the ever-increasing number who are no longer of working age; the spectre of neo-Nazi violence lurks below the surface in significant parts of the country (most prominently in eastern Germany); and ‘uniting’ two populations from East and West Germany has been much more time-consuming, problematic and expensive than anyone anticipated when the Berlin Wall fell in 1989. Furthermore, and in the immediate unification period in particular, Germany’s partners were also acutely aware that a newly empowered Federal Republic might perhaps abandon its ‘civilian power’ approach to foreign policy, choosing instead to throw its increased weight around rather more freely in the international arena. Would the new ‘Berlin Republic’ therefore be a much more outgoing, and potentially troublesome, partner than the ‘Bonn Republic’ had been before it (for more on the foreign policy of the ‘Berlin Republic’, see Sperling, 2003)? Germany’s rather hasty decision to recognise the independence of Croatia and Slovenia from the state of Yugoslavia in 1991, for example, did little to calm international nerves (Hodge, 1998). A significant minority wondered out loud whether the forty-five-year period between 1945 and 1990 would prove, given time, to be nothing more than a peaceful and prosperous interlude in Germany’s otherwise unhappy history.

Table 1 Germany in a comparative context

	Germany	France	UK	Italy	EU-25
Population (2005, millions)	82.5	62.4	60.0	58.5	461.3
Population density (2004, population/km ²)	231	98*	244*	197	118
Economic growth (2005, per cent)	0.9	1.2	1.9	0.0	1.7
Inflation (2005, per cent)	1.9	1.9	2.1	2.1	2.2
GDP per person (2005, compared with EU average)	109.3	108.8	116.6	102.6	100.0
Labour productivity (2005, compared with EU average)	101.5	119.1	106.6	108.1	100.0
Balance of trade (exports – imports, billion Euros)	158	–30.2	–102.5	–10.0	–105.8
Population development (births and immigrants minus deaths and emigrants, 2004, thousands)	–30,900	+386,000	+334,700	+574,200	+2,324,900

* 2003

Source: Statistisches Bundesamt, 2006b

Although the doomsayers who predicted a post-unification lurch back to political conditions that resembled those of the inter-war years have been proven wrong, it is still clear that contemporary Germany is indeed rich and yet discontented; it is open and tolerant, yet there are tinges of ethnocultural exclusivity thrown in; it is legally united but psychologically very much divided. Such contradictions are not, of themselves, uniquely German preserves. Italy, for example, has been constitutionally united since 1871, and yet the northern and southern parts of the country appear to exist in different socio-economic worlds; the French state may well be indivisible and the values of the republic unquestioned by the vast majority, but this has not prevented serious worries about increasing social dislocation – seen most visibly in regular urban riots – from becoming one of the most prominent themes in contemporary French politics. Even in the generally tranquil United Kingdom, tangible economic divides between the northern and southern parts of country and increasing ethnic and social tensions in a number of (primarily northern) cities, such as Bradford, Blackburn and Oldham, have led to increasing worries about the cohesion of British society. The particularly German twist comes from the country's uniquely gruesome past and the effect that it inevitably has had on contemporary political life, complicating political discourse in a way that is not the case elsewhere.

This book takes a new approach to understanding the challenges and dilemmas of contemporary German politics. It focuses on key debates and issues to help shed more light on Germany's key institutions and policies and to identify the principal problems and challenges faced by German policy-makers. Each of the issues under consideration is phrased as a question; moreover, each topic is structured similarly, with sections examining the background, issues and debates in turn. The chapters draw on a rich variety

of real-world examples, illustrating that governing Europe's biggest country is a task that is fraught with difficulty. The book also takes a bird's-eye perspective of the big debates that define German politics over time, regardless of which party happens to be in power, and pinpoints three key themes of reconciliation, consensus and transformation. We hope that the book therefore provides a comprehensive, yet still highly accessible, overview of where Germany is as it approaches the end of the first decade of the twenty-first century.

These three general themes appear (in different ways) throughout the course of this analysis. First, since the end of the Second World War there have been systematic attempts to learn from Germany's past mistakes and to ensure that the country never goes back to its old destructive, militaristic ways. This overt attempt at *reconciliation* has not always been easy, but, after an initial period of reluctance, significant progress has clearly been made. Worries about the dangers of extremism have led post-war policy-makers to stress the importance of *consensus* politics, and this is the second recurrent theme running through our analysis of what drives politics in Germany. The 'politics of centrality' is characterised by political institutions and political actors working together to find consensual solutions in the knowledge that a lurch to the left or right can have destabilising and ultimately destructive consequences (Smith, 1976). The need to find and cultivate consensus has served Germany well over most of the Federal Republic's history, although when politicians seek to implement rather more radical policy changes the interlinked institutional structures can provide plenty of barriers that need to be overcome. The third theme is one that has been particularly prevalent in recent times; it is one of *transformation* and adaptation to changed (and changing) circumstances. Germany has had to adapt to a new role as a unified state in an ever-deeper and -wider European Union. In recent times it has found itself expected to take on more responsibility and also to adapt to a set of difficult internal policy dilemmas. In a consensus society that is wary of taking risks that may lead to political instability, this is no easy task. Together, these three themes – reconciliation, consensus and transformation – underpin much of the writing in the chapters to come.

The first chapter analyses German history and, more specifically, how the post-war generation has attempted to deal with the legacy of Germany's unhappy past. This is important for a plethora of reasons. Put simply, Germans remain obsessed with what it means to be German, and numerous authors have attempted to analyse, define and critique the notoriously slippery concept of 'Germanness' (for a discussion of this, see Stevenson and Theobald, 2000). Given the crimes that were committed in its name between 1933 and 1945, can (or, indeed, should) Germany ever be viewed as 'normal' by the international community or even by Germans themselves? In Germany this is not simply a debate for historians; it affects everyone as well as the (very successful) system of government that has been created post-1945. And it is for this reason that this book begins by addressing issues of Germany's historical legacy. It does so by briefly outlining key stages in Germany's past, before addressing the way in which the past has been dealt with in post-1945 West Germany. Although there are clearly no hard and fast answers to difficult questions of how past experience should shape contemporary political activity, Chapter 1 indicates that German history is highly significant when attempting to understand how and why Germany's institutional framework was created, and how German politicians seek to answer complex, real-world problems today.

Chapter 2 attempts to map out the historical development of the West German state and its institutions by illustrating the role that the past played in guiding political actors

when shaping Germany's institutional architecture. It shows how West Germany sought to rehabilitate itself after the disaster of Nazi rule in political, economic and international terms. And, by any standards, this process of rehabilitation was extraordinarily successful and stands in stark contrast to the development of the GDR, with its crumbling economy and complete lack of popular legitimacy. But Chapter 2 also identifies some of the key trends that reappear later in the book. By as early as the mid-1980s, there were fears that West Germany was living beyond its means, and that labour and welfare costs were simply too high in international terms. Immigration had exploded on to the political agenda in 1980, and it has remained there ever since. The arrival of the Green Party heralded a change in both the structure and ideological composition of the party system. Corruption and political scandals were becoming more commonplace. Together, they constitute some of the challenges of transformation facing Germany in the twenty-first century.

Chapter 3 turns its attention to life in the GDR more specifically, before discussing how its regime collapsed and the unification of the two German states took place. It then moves on to analyse both the legacy of this unification process, especially in economic terms, and identity politics in post-unification Germany. The experience of living in the GDR, of seeing it collapse and then of entering a new state contributed to many citizens of what was East Germany developing (perhaps subconsciously) rather different sets of attitudes, values and interests to their western German counterparts. These have come together to make what some authors believe is a unique eastern German identity. This chapter assesses what this identity may be and what – if anything – it means for contemporary German politics.

Chapter 4 analyses one of the most distinctive elements of the German political system that in recent years has come under increasing strain: federalism and the institutions of government. The decentralisation of power that led to the creation of a federal system with inbuilt checks and balances has made governing Germany a much more difficult task than is the case in other states. The *Bundesrat* retains significant veto powers and the 'blockaded' political system has caused many to wonder whether Germany's unwieldy institutional framework is making it ungovernable.

Chapter 5 shows that the two-and-a-half-party system that characterised German politics for the majority of the post-war era is now a thing of the past. Two medium-sized (CDU/CSU, SPD) and three smaller (FDP, the Greens and the Left Party) parties now garner enough votes to make coalition formation – and consequently governing in general – a much more complex task than it used to be. Processes of dealignment (in western Germany) and partial alignment (in eastern Germany) ensure that voters have become more volatile and the traditional supporter bases of all the parties more fragile. Although unification did not spawn all of these developments, it has certainly exacerbated them and has contributed to the fragmentation of the party system and to an increasing diversity of electoral outcomes.

Chapter 6 considers two key changes to the composition of Germany's population both in recent and future decades. First, Germany has been one of the main destinations for immigration in the European Union; and, second, Germans themselves are living longer and having fewer children. The combination of these factors has created a number of difficult political challenges surrounding issues such as Germany's identity, integration and the future of the welfare state, many of which have now been on the political agenda for more than twenty-five years. At the same time, it has not been easy to develop new

solutions to some of these challenges because of Germany's long-established self-perception as a 'non-immigration country'.

Chapter 7 moves on to analyse the much-vaunted 'German Model' of economic management. For much of the post-war period, this model was held up as a success story, not only in terms of reconstruction after 1945 and the development of Germany into a major economic power, but also for the consensual nature of industrial relations. This chapter outlines the main characteristics of the German Model and examines pressures on the institutional framework of economic management in post-unification Germany, focusing on industrial relations, corporate governance and European integration. In sum, it asks to what extent the German Model remains 'fit for purpose' at the start of the twenty-first century.

Chapter 8 then discusses the problems and challenges surrounding the traditionally generous German welfare state. The comparatively high level of benefits was seen as an integral element of the social market economy and *Modell Deutschland*. However, for a range of reasons (although cost was very much paramount amongst them), pressure on this system has been building ever since the 1970s, and especially since unification. But the political challenge of reforming Germany's welfare provisions has been extremely difficult to manage, as political parties have had to impose unpalatable cuts on an electorate accustomed to generous unemployment benefits, comfortable pensions and comprehensive health insurance. The resulting political disputes have not only been some of the most contentious of recent years but are set to define much of German politics in the future.

Chapter 9 illustrates how the European Union has played a central role in the development of the German state since the 1950s. European integration provided Germany with an institutional framework to rebuild its economy, regain its international standing and establish lasting ties with its European neighbours. Along with the obvious benefits that EU membership has brought Germany, it has also presented a number of challenges. In particular, the chapter discusses to what extent Germany has, in recent years, adopted a more interest-focused position in its engagement with European integration.

Chapter 10 analyses German foreign and security policy since 1949. It shows that it has been dominated by the need to redefine Germany's role in the world after the mistakes of the first half of the twentieth century. It has been characterised by a firm commitment to co-operation within multilateral institutions and by a rejection of the use of aggressive military force as a tool of foreign policy. German foreign policy has, however, changed radically since unification, with Germany taking on more responsibility in attempting to secure international stability.

The book concludes with a summary of where Germany has come from and the challenges that it is likely to face both now and in the future.

1 Germany and the burden of history

Summary

Germany is a country where history looms larger than it does in most other places. This chapter sets the scene for the book as a whole by linking what has been, for the most part, an unhappy history with some of the main political debates in post-1945 and contemporary Germany. It begins by discussing the development of Germany from its beginnings as a *Kulturnation* ('cultural nation') through to the end of the Second World War. It then examines how post-war German politicians dealt with the legacy of this tumultuous history. Originally, they made little attempt to engage actively with Germany's past, and it was only from the 1960s onwards that Germans really began to work through their country's difficult heritage. By the mid-1980s, debates about how Germany's history should be understood became much more mainstream. Unification in 1990 complicated matters further by introducing another dimension to the debate, that of how best to understand and interpret the history of the German Democratic Republic. The chapter concludes by highlighting why an appreciation of German history is vitally important if contemporary political life in the Federal Republic of Germany is to be understood adequately.

Introduction

Even the most cursory of glances at the way in which Germany functions will reveal that the burden of history has been very significant in shaping the contemporary political system. Many historians have traditionally debated issues about Germany's role in the world, position at the heart of Europe and difficulty in feeling at ease with itself by highlighting what is frequently known as the 'German Question'. However, debates about what that question actually is have been almost as lively as what the possible answers to it might be (see Box 1.1).

Some analysts have stressed that there is a uniquely German political path (the so-called *Sonderweg*). Germans 'failed' to create a nation-state in the Middle Ages and, as a result, the cultural and political conflicts that took place around the time of the Reformation helped to institutionalise Germany into a myriad of smaller units, all with predominantly German-speaking populations. A genuinely German state therefore took

BOX 1.1 THE GERMAN QUESTION

The term 'German Question' can have a number of different meanings depending on context (see Wolff, 2003). It was first articulated in literary circles in 1797 when the influential German thinkers Johann Wolfgang von Goethe and Friedrich Schiller asked, in the simplest of terms, what Germany was, and where it could be found. They asked this for two reasons. First, Germany's territorial borders were a matter of some controversy (among Germans and non-Germans alike). This remained so long after Goethe and Schiller had died, largely as the country does not benefit from natural boundaries (such as seas and mountain ranges) in the way that states such as the USA, UK and France do. A further complication was that German nationality was, until very recently, understood as being granted on the basis of blood lineage (see Chapter 6). 'Germans' living many miles apart therefore felt some allegiance to one another through the prism of what came to be known as the *Kulturnation* ('cultural nation'). Resolving to everyone's satisfaction issues of where a German state, incorporating as many Germans as possible, should actually be therefore proved immensely difficult. The problem was not resolved even when Otto von Bismarck created the first German nation-state in 1871, as many millions of Germans continued to live outside of its borders.

The German 'problem' in this form is therefore best understood as the difficulty of reconciling where Germany is (or should be) in geographical terms with where German-speakers live and have lived. It should, then, not come as too much of a surprise that the question of how to resolve this has kept appearing – if in slightly different forms – ever since those two great German thinkers first articulated it over two centuries ago. Post-1945, the division of Germany into two states provided a preliminary answer to the 'German Question'. The final, official, answer came in the form of German unification, together with the recognition under international law of Germany's borders. Since 3 October 1990 we now know precisely where Germany is, thus defusing at least one of the traditional issues that contributed to making the 'German Question' so controversial.

The nature and meaning of the 'German Question' changed post-1945. It took on one of four forms, again depending on context:

- How should Germans seek (or have sought) to overcome the division of Germany into two states?
- How should Germans (have) relate(d) to territories in Central and Eastern Europe formerly belonging to Germany and/or inhabited by members of German minorities?
- How should millions of refugees, expellees and ethnic Germans from Central and Eastern Europe (have) be(en) integrated into German society?
- Finally, and probably most significantly in the contemporary period, what role, post-1990, should a unified and fully independent Germany play in the post-Cold War world order?

The first three of these variants took precedence pre-1989 but the fall of the Berlin Wall and the granting of complete independence to Germany post-1990 soon pushed the fourth point to the forefront of discussions.

an awful long time to come into existence and, even then, the circumstances of its birth ensured that it adopted decidedly militaristic and expansionist poses (Fulbrook, 2002). Germany's historical uniqueness subsequently came in its *Kleinstaaterei* (literally translated as 'small-statedness'). The British, French (and even, in many ways, the Americans), meanwhile, imposed – at a much earlier stage – statehood on their populations from the top down and they now celebrate historic achievements, disastrous failures, lingering legacies and missed opportunities that their respective states have experienced over a number of centuries.

The absence of a German nation-state should not blind us to the fact that the collective beginnings of what could plausibly be understood as a German national identity can nonetheless be traced back a long way in history, perhaps even to the Germanic tribes' famous defeat of the Romans in the Teutoburger Forest in AD 9. But agreeing on what constituted 'Germanness' was more tricky, and it was only towards the end of the eighteenth century that Germans began to seriously consider what this meant in practice. At this point German people lived, for the most part, in the Holy Roman Empire (AD 800 to 1815). However, defining and describing what the Holy Roman Empire was is also no easy task. At its simplest, it was a collection of territories united under an emperor who was elected by various Germanic states. It was not, though, a nation-state in the modern sense of the term and could never have become one due both to its internal structures and the differing sets of interests that existed within it. A patchwork of small states, imperial cities, free cities, principalities, monarchies and duchies existed alongside each other. In more centralised countries, such as the UK and France, they would no doubt have long since disappeared.

From Holy Roman Empire to the Weimar Republic

This Holy Roman Empire therefore existed in spite of the fact that its people possessed little allegiance to it. It was characterised by both religious heterogeneity and strong territorial distinctiveness. It is not by chance that the names of some of contemporary Germany's *Länder* (such as Saxony and Bavaria) reflect this historical territorial diversity, their names resonant of the long histories that they enjoy. The main (and for many only) common factor across the territory was the German language. Inhabitants of this diverse political landscape were also linked through various other phenomena that had their roots in this common tongue: German literature, German culture and a shared sense of a history of the German-speaking peoples all existed long before Germany existed as a political entity. Germany was a cultural nation, stressing linkages through shared customs, shared language and blood lineage. This ethos underpinning this understanding of 'Germanness' is something which remained (and in some ways remains) prominent in some aspects of contemporary politics, particularly when issues of immigration, nationality and citizenship are discussed (see Chapter 6).

This is not to say that there were no attempts to create a unified German state. There were, and they occurred periodically across the thirty-eight German territories that comprised the German Confederation (formed after the Congress of Vienna in 1815). The most famous of these movements came in 1848 when repeated calls were made for political freedoms, genuine democracy and national unity. Increases in nationalist rhetoric were noticeable as newspapers such as *Deutsche Zeitung* (*German Paper*) increased in circulation, nationalist songs such as the *Deutschlandlied* by the poet Hoffmann von Fallersleben (later to become Germany's national anthem) were written,

and worries about possible advances by the French (on the Rhineland) and Danish (on Schleswig-Holstein in the north) grew. Liberalism also gained political ground, and significant liberal pressures (such as calls for more individual rights and greater press freedoms) spread across the German-speaking lands. The increasing economic strength of Prussia led to the eventual creation of a customs union as more tangible feelings of economic interdependence spread across the German-speaking states. All of these factors nevertheless led each of the territories to experience what was to become an attempted revolution in slightly different ways. Some monarchs, fearing the fate of Louis-Philippe of France (who abdicated in 1848), accepted (albeit temporarily) some of the demands of the revolutionaries. Others defended their corner and rejected them out of hand. In the more southerly and westerly parts of Germany there were mass demonstrations as well as the creation of large popular assemblies.

No matter what form this dissent towards aristocratic rule took, the masses made similar claims: they wanted a free press, the freedom of assembly, and a parliament representing the German citizens instead of the federal council representing only the monarchs of the German states. That they ultimately failed in these aims can be attributed to a number of factors. First, the national parliament that was created in Frankfurt suffered from both weak leadership (mainly from Heinrich von Gagern, who was the most significant member) and the tendency to intellectualise and prevaricate. Second, the revolution enjoyed no military support. Third, there was a major divide between those who favoured a *Großdeutschland* (Greater Germany, which would have included Austria) and those who were happy with Austria to remain outside the state's borders, while there were also regular disagreements over a range of matters between Prussia and some of the southern German states. Finally, the fact that there were no political parties involved did not help in facilitating agreement and channelling interests into compromise solutions. By late 1848 plans to institutionalise German unity were starting to crumble as the military and the aristocracy began to regain their composure and subsequently the political upper hand. By 1851 almost all of the achievements of the revolutionaries across Germany had been revoked, the national assembly had disintegrated and the old order had been restored.

Germany had to wait another twenty years before Otto von Bismarck, a long-time schemer involved in the failure of the 1848 revolution, changed all this to create a fully fledged nation-state. Bismarck was a conservative politician from Prussia, the strongest of all the German territories. He was determined to unite the German states into a single empire (with the exception of Austria) with Prussia at its core. Beginning in 1884, Germany also began to ape Europe's traditional Great Powers by acquiring several colonies in Africa, including German East Africa, and the territories that are now Namibia, Togo and Cameroon.

As Bismarck was initially unable to persuade all of the German states to join him in forging this new and more powerful empire under Prussian leadership, he provoked war with France as a way of uniting them. His plan worked, and following Prussia's crushing victory in the ensuing conflict, the *Deutsches Kaiserreich* (German Empire) was declared in Versailles in 1871, with Wilhelm I of Prussia as *Kaiser* (Emperor) and Berlin as the new capital. As 'Chancellor' of the new Germany, Bismarck concentrated on building a powerful state with a unified national identity (see Pulzer, 1997). To this end, and given Prussia's Protestant religious profile, he targeted the Catholic Church (in the *Kulturkampf*), which he believed had too much influence (particularly in southern Germany); indeed, the sectarian divisions between Catholics and Protestants still retain

occasional relevance in German politics today. He also aimed to prevent the spread of socialism, partly by introducing national health insurance and pensions, thereby laying the foundations of the modern welfare state, not only in Germany but throughout Europe (see Chapter 8).

In the early period following the first unification of Germany, Emperor Wilhelm I's foreign policy secured Germany's position at the forefront of international affairs by forging (sometimes uneasy) alliances with neighbours and purposefully using diplomatic means to isolate France. Under his successor Wilhelm II, however, Germany, like a number of other European powers, became more overtly imperialist, and this contributed to Europe slipping towards war. Many of the alliances that German leaders crafted were not renewed over time. New alliances between other states also slowly began to exclude Germany. France, Germany's traditional foe in Central/Western Europe, even established new relationships with its traditional enemies, such as the United Kingdom (most notably in the 'Entente Cordiale' of 1904) and Russia. As war became ever more likely, Germany found itself on the same side as Austria-Hungary, Bulgaria and the Ottoman Empire in an alliance that came to be known as the Central Powers (on the basis that they were all located between the Russian Empire in the East and France and the UK in the West).

The assassination of Austria's crown prince, Archduke Franz Ferdinand, on 28 June 1914 ultimately triggered the opening of hostilities in what became the First World War. The unsuccessful Central Powers, headed by Germany, suffered defeat against the Allied Powers in what was up to then the bloodiest conflict of all time. Eventually, a revolution broke out in November 1918 in Germany and Wilhelm II and all the German ruling princes abdicated their thrones. An armistice putting an end to hostilities was signed on 11 November 1918 and Germany was compelled – in June 1919 – to sign the Treaty of Versailles in the very building where Bismarck had called the German Empire into existence forty-eight years previously. The treaty was perceived by many in Germany as a humiliating continuation of the war by other means and its harshness is often cited as having facilitated the later rise of Nazism.

The Weimar Republic and the rise of Nazism

The proclamation of a republic in the immediate aftermath of the First World War led to the meeting of a constitutional convention in the sleepy town of Weimar in what is now the eastern German state of Thuringia. The constitution of the 'Weimar Republic' was in many ways an exemplary document, offering Germany the opportunity to distance itself from its militaristic and imperial past and recast itself as a liberal, democratic state in the tradition of older democracies such as France, the UK and the USA. However, as is well known, what looked good in theory proved much less impressive in practice and the new political system's democratic credentials failed to stand the test of time.

One of the reasons why the Weimar Republic failed was the desolate economic situation from which Germany never really recovered after 1918. Like other countries, the war almost bankrupted Germany, and this, when combined with the high levels of reparations imposed in the Treaty of Versailles, left the republic very economically vulnerable. But worse was to come. In the early 1920s, and partly as a result of the war, Germany was struck by gradually worsening hyperinflation. This culminated in late 1923, by which time the value of its currency was depreciating on an almost daily basis. In a famous picture of the time, a woman is depicted using paper currency to heat her

home, as this was cheaper than buying firewood. The effects of hyperinflation were devastating, and it destroyed any remaining wealth not already lost in the ravages of the First World War, leaving millions in poverty (Feldman, 1997). This left a deep and unmistakable scar on German society.

During the mid-1920s the German economy recovered somewhat, and many parts of the country enjoyed both economic and cultural revivals. Berlin, in particular, experienced what came to be known as the 'Golden Twenties', in which – for a short period – the more well-off residents appeared to be enjoying an exciting, extremely vibrant and positively hedonistic lifestyle. Although this period lasted little more than a decade, sophisticated and innovative approaches to architecture and design (notably the *Bauhaus* school) prospered across Germany, and literary figures (such as the poet Bertolt Brecht), film-makers (such as the Austrian Fritz Lang, director of *Metropolis*), artists, fashion designers and musicians all excelled. Although Berlin was the centre of this movement, once the hyperinflation catastrophe had been overcome the diffuse and diverse forces involved spread throughout the country. But the movement did not last long. Those on the right of the political spectrum were highly suspicious of what they perceived as a socially disruptive and dangerous development, and with the increasing influence of right-wing parties through the late 1920s and early 1930s came increasing intolerance towards such alleged decadence. When the economy was once again hit hard by the Great Depression of the early 1930s (which spread following the 1929 Wall Street Crash) the Golden Twenties came to an abrupt end.

The erratic nature of the economy allowed anti-system parties of both the left and right to dominate political discourse and, before long, Germany found itself once again slipping towards authoritarianism. By 1932, the combined shackles of the Great Depression, the harsh peace conditions dictated by the Treaty of Versailles and a long succession of unstable and ineffectual governments caused Germans increasingly to question the efficiency and efficacy of their political system. Parliamentary democracy was seen as permitting foreign governments to control Germany and to prevent it from regaining any form of self-respect. The far left (communists) and particularly far-right (ultra-conservatives and Nazis) chose, in their different ways and for their different reasons, to oppose the system and to attempt to overthrow it (Fulbrook, 2002). These feelings of dissatisfaction were exacerbated by a widespread right-wing, partly monarchist, partly ethnic (or *völkisch*), partly Nazi *Dolchstoßlegende* (or 'stab in the back'), a political myth which claimed that Germany lost the First World War because of the betrayal of mainstream democrats and not because of military defeat. Radical left-wing communists, such as the Spartacus League, on the other hand, wanted to abolish capitalism altogether, preferring to install a *Räterepublik* (state based on councils). Paramilitary organisations abounded and politically motivated murders became ever more frequent. Pushed by right-wing advisers and following a succession of unsuccessful cabinets, President Paul von Hindenburg – a decorated First World War general – saw little alternative but to appoint, on 30 January 1933, the leader of the National Socialists, Adolf Hitler, as Chancellor of Germany.

The Third Reich, 1933–45

The history of the Third Reich is well known and need not detain us long here. Hitler's reign began shortly before a mysterious fire in the Reichstag on 27 February 1933, for which a Dutch anarchist, Marinus van der Lubbe, was officially convicted. Van der Lubbe

12 *The burden of history*

was the scapegoat that the NSDAP (National-Socialist Party of Germany, otherwise known simply as 'the Nazis') needed in order to convince the German people that the Communist Party was trying to take over and that it had to be stopped. It gave them an excuse to act against the thousands of anarchists, socialists and communists scattered throughout the country, many of whom were sent to concentration camps, quelling much of the natural opposition to Nazi politics. Furthermore, Hitler proceeded to abrogate by emergency decree a significant number of democratic rights more or less immediately. A so-called Enabling Act – which only the Social Democrats voted against – then gave Hitler's government full legislative powers, facilitating his aim of creating a centralised, totalitarian state where he was in complete control. The Act also authorised the government (and thus effectively the Nazi Party) to deviate from the provisions of the constitution for four years.

By June 1933 the Social Democrat and Communist parties had been banned, while the German Nationalists, German People's Party and German Democratic Party had all been forced to disband. In July 1933 the Catholic Centre Party chose to disband itself and on 14 July Germany officially became a one-party state with the passing of a law against the formation of parties. Further consolidation of power was achieved on 30 January 1934 when the federal structure of the Weimar Republic was officially transformed into a centralised state. State parliaments were wiped off the political map and the sovereign rights of the states were all transferred to central government in Berlin. This process of *Gleichschaltung* affected not just the territorial structure of Germany, but the societal structure, as youth groups, unions, courts and even the motorists' organisation were brought under direct Nazi control.

The creation of a secret police, the much-feared Gestapo, acting outside of any civil authority, highlighted the Nazis' intention to use powerful, coercive means to control German society directly. Soon, perhaps 100,000 spies and infiltrators operated throughout Germany, reporting the activities of any critics or dissenters to Nazi officials. Most ordinary Germans, happy with the improving economy and better standard of living, remained quietly obedient, but many political opponents, especially communists and some socialists, were imprisoned and in many cases tortured and killed.

Once he had stabilised his power position within Germany, Hitler took back the demilitarised Rhineland (in 1936) before proceeding to create a Greater Germany by annexing parts of what is now the Czech Republic. In September 1939 Germany's increasingly nationalist and militarist policies led it to attack Poland, an event that prompted, two days later, declarations of war by both the UK and France. Although initially the German army enjoyed much the upper hand in the conflicts with its enemies, it soon found that its surprise attack on the Soviet Union and the difficulty of dealing with a war on two fronts stretched its forces too far. Subsequently, the German army retreated on the Eastern Front and eventually, on 8 May 1945, it was defeated completely and surrendered to the victorious Red Army in Berlin.

During the Nazis' period in power approximately six million European Jews were killed in the Holocaust. This was a programme of deliberate extermination of allegedly inferior peoples and races that was meticulously planned and executed by Hitler's regime. Large numbers of Slavs, Roma, homosexuals, religious opponents and the disabled, among others, were also systematically murdered. The Nazis planned their murderous activities to take place in stages. Legislation outlawing Jews from taking part in everyday German life was enacted years before the outbreak of the Second World War, while as the Third Reich expanded eastwards, ghettos were established to contain and eventually

eliminate victims. In Western European countries occupied by the Nazi regime, Jews were interned before being deported to death camps such as Auschwitz–Birkenau in southern Poland, where murder was conducted on an industrial scale. When the Nazi state finally collapsed approximately fifty million people had died (see Fulbrook, 2002, for more detail on this period in German history).

History and its effect on post-1945 Germany

The very abnormality of Germany's history, and the crimes that were committed in its name, meant that questions of what could, and should, be done with post-war Germany were at the forefront of the minds of not just German policy-makers but also of the wider international community. Later chapters in this book analyse in more detail what this meant in practical terms. Initially, Germany was (unsurprisingly) a country in complete turmoil. The Allied powers divided – at a conference in Potsdam in August 1945 – Germany into four military zones that they proceeded to occupy: the British were in the north, in the modern-day states of Schleswig-Holstein, Hamburg, Lower Saxony and what is now North Rhine-Westphalia; US forces were in Bavaria, Hesse and the northern parts of what is now Baden-Württemberg (the ports of Bremen and Bremerhaven in the north were also put under US control); the French occupied a smaller zone including the Saarland and Baden in the very south-western corner of the country; and the Soviets held sway over what was to become the German Democratic Republic.

The former German provinces east of the Oder and Neisse rivers (Eastern Pomerania and Silesia) were transferred to Poland while East Prussia was split between Poland and the Soviet Union, effectively shifting Germany's eastern border hundreds of miles westwards. Roughly fifteen million displaced persons and expellees suffered great hardships in the years between 1945 and 1949 during their flight and at times enforced expulsion from these former German territories towards their newly demarcated state. Of the roughly twelve million Germans who in 1944 were living in territory that was soon to become part of Poland, an estimated six million fled or were evacuated before the advancing Red Army reached them. Of the remainder, up to 1.1 million died, 3.6 million were expelled by the Poles, a further million were designated as Poles, and 300,000 remained regardless (Beschloss, 2002: 233). Thousands starved and froze to death while being expelled in slow and ill-equipped trains (Petrov, 1967: 228–9). Conditions in Germany itself were better, although they were hardly pleasurable. Many soldiers from the Eastern Front returned home traumatised and there were significant numbers of home-based casualties. Most larger German cities were in ruins and industrial production had collapsed because of the non-availability of raw materials. The country's transport infrastructure had suffered widespread damage. Financially, Germany was on its knees and the East in particular was being pillaged by its Soviet occupiers.

The speed of Germany's post-war economic recovery and the stabilisation of the country as a democratic state soon ensured that, perhaps surprisingly, it became rather easy to forget over debates about Germany's past. For one thing, there was no such debate going on in one of the two post-war German states, namely the GDR. 'Anti-fascism' remained the state ideology and the repressive state apparatus prevented any genuine discussion both of what this meant and of how Germans should attempt to deal with the evils of fascism that they had just experienced. The GDR simply *was* anti-fascist, end of story, and its leaders declared that it was for the FRG to deal with the aftermath of the Nazi period. Indeed, the GDR did not see itself as a legal successor of the Third Reich

and consequently made no attempt to come to terms with the significance of 'dealing with' the crimes committed during this era.

In West Germany, meanwhile, citizens simply got on with the job of trying to rebuild their lives. They had no time or inclination to dwell on this desperate period in their history; mouths needed to be fed, family members clothed, houses rebuilt and money somehow earned. A cultural escapism developed, which was epitomised by the popularity of the rather saccharine *Heimat* film genre, which depicted an unspoiled, simple world (von Moltke, 2005). At the elite level there was a broad consensus stressing the need to deal – however imperfectly at first – with the evils of the Nazi regime and then to move on. In line with this attitude, the lesson learned from Germany's past was one of reconciliation. The newly formed Federal Republic of Germany should be absorbed into the Western alliance and should actively look to embed itself in the institutions of the international community. However, this did not mean that Germans quickly and seamlessly recognised that they may have played unsavoury roles during the period of Nazi rule. Initially there was a tendency in German society to put the blame for war crimes on just a small number of Nazi leaders. Germans wanted to look forward, to forget and move on, not to pose awkward questions of what they knew of the Nazi period and, even more delicately, what they themselves may have done in the service of the state during this era. But the process of coming to terms with such a damning legacy takes time, much head-scratching and no small amount of anguish.

As early as the 1950s, intellectuals were raising their voices in protest against the all too rapid (re)appearance of normality within the Federal Republic, stressing the apparently seamless rehabilitation of many who had worked for, and to some extent may well have believed in, what the Nazis did. The increasing affluence of Germany, successful post-war reconstruction and the apparent willingness to brush the Nazi period under the carpet of history worried many and a group of influential intellectuals began to encourage citizens to ask themselves what roles they, or their friends and family, played during this terrible period. Their ideas and arguments were greeted with particular interest by a new generation of Germans – people who were born near the end of, or even after, the war had concluded and were now making their way through Germany's education system. Such unease with the historical settlement took time to disseminate through society, but by the student protests of the late 1960s at the very latest, sections of the public at large were making it clear that some sort of genuine confrontation with the Nazi past was central to Germany establishing itself as a 'normal', liberal, democratic regime.

The student unrest of 1968 (discussed further in Chapter 2) triggered a sea-change in Germany's willingness to 'work through' its past. The open revolts that students across Germany's university campuses led were largely reactions against the perceived authoritarianism and hypocrisy of the German (and other liberal, democratic) government(s), as well as what many regarded as the poor conditions that students in the Federal Republic had to endure. The protests, some of which turned violent, were fuelled by strong reactions by the police and marked a significant shift to the radical left of previously conservative student politics.

Although the students were protesting over a large number of issues, ranging from the Vietnam War to the need to reform campus life, one of the core motivating forces behind the rebellion was their conviction that German elites had not dealt with the fallout from fascism in anything like a sufficiently thorough way. And there is little doubt that their fears were at least partially justified. Although 'denazification' had been a top priority

for the Allies, and despite the Nuremberg war trials from 1945–8, many Nazis at all levels of authority simply slipped through the net (Frei, 2003). Konrad Adenauer himself, although a proven opponent of the Nazi regime who spent much of the war in prison, was prepared to include ex-Nazis in his government so long as they expressed commitment to democracy. Most notoriously, he chose Hans Globke, one of the author's of Nazi Germany's anti-Jewish legislation, as a key adviser; elsewhere, the Minister for Refugees and Expellees during the 1950s, Theodor Oberländer, had served with execution squads on the Eastern Front. West Germany's intelligence apparatus consisted almost entirely of wartime military intelligence officers, under the leadership of the shadowy General Reinhard Gehlen. One post-war Chancellor, Kurt-Georg Kiesinger, had even himself been a member of the Nazi Party until 1945. Universities too came under fire, and many senior faculty members, especially in the field of medicine, had proven links to the Nazi regime. Even though the *Bundestag*, in a landmark debate in 1965, had voted to extend the twenty-year statute of limitations on murders committed under the Nazi regime, the leaders of the student movement considered West German society's attitudes towards its recent past to be complacent in the extreme.

While the students failed to overthrow the status quo, the effects of the student movement are still visible today. The students were the first in Germany to articulate the need to address Germany's past publicly. They were also the first to use demonstrations, sit-ins and other forms of direct action as tools against the Establishment. They also promoted the first thorough investigations of Germany's past, provoking a sea-change in the way that the Third Reich was discussed in public. No longer was it an issue to be avoided; on the contrary, interest in the Nazi period blossomed like never before.

Attempts to analyse, digest and learn to live with their country's past through a process of *Vergangenheitsbewältigung* (literally 'working through the past') received further impetus when one of Germany's most impressive Federal presidents, Richard von Weizsäcker, made a seminal speech in May 1985 to mark the fortieth anniversary of the end of the Second World War (Weizsäcker, 1985). He referred to this moment not as a day when Germany was defeated by the Allies, but as a liberation from the inhuman system of Nazi tyranny. Von Weizsäcker therefore consciously helped to redefine the meaning of this event as a positive landmark in German history rather than as a point of agony and national defeat, as it had often been referred to before. His words appeared to many to be the final step in a long process of liberation from the guilt associated with Nazism and, somewhat unexpectedly, they helped promote one of the stranger public spats of recent years: the 'Historians' Dispute'.

The Historians' Dispute

Increased interest in Germany's recent past naturally provoked controversial interpretations of what precise lessons Germans should learn from the period. Although the public at large began to take an interest in such questions, these discussions for the most part took place between historians. Normally, such debates would be confined to the ivory towers of university campuses; not in Germany in the 1980s. The so-called 'Historians' Dispute' (*Historikerstreit*) was big news. It was essentially an intellectual and political controversy about the way the Holocaust should be interpreted. Although historians had been arguing about this before it really caught the public imagination, the main thrust of the debate took place between 1986 and 1989 (see Brockmann, 1990).

A new breed of more left-wing historians began to criticise the post-war consensus that underpinned the traditional understanding of Germans' behaviour during the Nazi period. Nazism was conventionally seen as a totalitarian movement that represented only the work of a small criminal clique. Germans therefore were, for the most part, victims of Nazism, and the Nazi era represented a major aberration in German history. A younger generation of historians such as Fritz Fischer began to challenge this assessment in the 1960s, arguing that Nazism was a logical endpoint of the unique nature of German history. Linked with this came further claims that medium- and lower-ranking German officials were not just obeying orders, but actively engaged in the making of the policies that led to the Holocaust. These 'functionalists' thereby cast blame for the Holocaust more widely than had been done previously. This in turn prompted a reaction from more conservative German historians who strongly disliked the implications of both the *Sonderweg* conception of history and the implications of the functionalist analysis. Both of these came to be identified with the left and were, in different ways, seen as being derogatory towards Germany.

This debate took on a new dimension in the mid-1980s. By then, conservative German historians were starting to feel that enough time had passed and Germans could and should start celebrating their history again. Michael Stürmer's article 'Land without History', which was published in the conservative *Frankfurter Allgemeine Zeitung* in April 1986 and bemoaned the absence of a 'positive history' in which Germans could take pride, is a paradigmatic example of this (Stürmer, 1986). The fact that Stürmer was serving as an adviser and speechwriter to the then Chancellor, Helmut Kohl, made his remarks all the more contentious. But the name more closely linked to the *Historikerstreit* is that of the historian Ernst Nolte. On 6 June 1986 he published an article, again in the *Frankfurter Allgemeine Zeitung*, in which he argued that the 'race murder' of the Nazi death camps was a 'defensive reaction' to the 'class murder' of Stalinism. Nolte declared that the gulags were the original, and greater horror, and that faced with the threat of Bolshevism it was reasonable that the German people had turned to a form of fascism (Nolte, 1986). The left-wing philosopher Jürgen Habermas quickly responded in a more liberal weekly newspaper, *Die Zeit*. He rejected this position, arguing that it could be seized upon as 'a kind of cancelling out of damages' for the Holocaust (Habermas, 1986). In this article Habermas also complained that certain historians, such as Nolte and Stürmer, were too keen to draw a curtain over Germany's troubled past, and that, in itself, was inherently dangerous. After further exchanges by various commentators in the conservative and liberal press (documented in Augstein *et al.*, 1987), the debate did eventually die down and the historians retreated to their campuses. But the effects of this debate were quite clear: German history was put firmly back into the public sphere just as the GDR was collapsing and the issue of German unity was back on the political agenda.

Post-unification Germany and the double legacy of history

The picture now, at the beginning of the twenty-first century, has therefore turned full circle from what it was as late as the early 1960s: few countries in the world are more aware of where they have come from, the mistakes that they have made and the lessons that need to be learned. But even as Germany reunified and the 'unnatural' division was overcome, issues of history refused to disappear. In fact, they reappeared in slightly different guises. With unification in 1990, attitudes to Germany's past proceeded to gain

both new relevance and new salience. Germany's neighbours became intensely interested in the self-image of the largest nation in Europe. As stated earlier, they became worried that the much-vaunted 'German Question' was likely to need answering once more. And the Germans themselves were at first very uncertain how they should deal with their newly won political freedom and the larger responsibilities that this inevitably brought with it. Should the self-restrictions that were taken for granted during the division of the country continue? These questions have definitively been answered with Germany's participation in the NATO campaign in Yugoslavia in 1999, but discussions of whether the *Bundeswehr* should go to Afghanistan, Iraq and the Congo illustrate that the past remains important in determining contemporary foreign policy. The fact that it was a centre-left government that took the first steps in this direction is even more noteworthy (see Chapter 10).

Normality and collective memory

Trying to make sense of the role that historical memory plays in shaping contemporary affairs is not a straightforward task. But, in essence, there are two distinct ways in which memories of the past are transmitted between societal groups and between generations, and both have had profound effects on contemporary German politics. On the one hand, communicative memory is a shared memory of the recent past. This is obtained through the social interaction of citizens who remember the events concerned. The scope and extent of communicative memory of the Nazi period is therefore naturally on the wane, while recollections of life in the GDR, for example, remain strong and relevant in shaping the contemporary attitudes of those affected. Cultural memory, on the other hand, is a much more formally constructed version of past events – and it is this type of memory that is intrinsically open to manipulation by groups within society (Assman, 1999; Pearce, 2007). As indicated above, the management of memory in the Federal Republic has periodically come to be seen as controversial and this has become even more so since 1990. Germany found itself compelled to come to terms with the legacies of not just one but two (the Nazi and the East German) dictatorial regimes. Although the dictatorships had fundamentally different ideological goals and adopted different methods in attempting to fulfil them, they both restricted freedoms, denied civil liberties, eliminated the democratic process and, to different extents and in different ways, disposed of their enemies. The challenge of dealing with their different legacies was huge. Post-1990, this was particularly so in eastern Germany, where many citizens (unexpectedly) found their biographies under close examination by many of their western German counterparts (see Chapter 3). The debate has often been tinged with bitterness and recrimination and easterners have found themselves having to defend their existences pre-1989 in a way that many never expected they would have to at the time of unification. Easterners have also openly reflected on the characteristics in their past that *differentiate* them from westerners – in an attempt to re-legitimise their own lived experiences (see Chapter 3).

Communicative memory in eastern Germany remains informal, non-structured and inclusive, occurring and recurring through the everyday interaction of eastern German citizens. Cultural memory, which younger eastern Germans are more likely to possess, is much less spontaneous than communicative memory, and relies on *perceptions* of the past rather than *experience* of it. Memory is, by its very essence, a creative process, deliberately selective and often conditioned through the prism of an individual's attitude to current reality – hence the GDR that easterners possess in their minds will be unique

to them, rather than a true reflection of reality. Eastern Germans across the age spectrum are in possession of pictures and assumptions about all aspects of the GDR, even if they differ from reality, from the perceptions of other easterners and, most importantly, from western Germans – on account of westerners having no or much reduced linkages to the GDR. Given this, it is not difficult to see why interpretations on the past can differ so much – and therefore why they can prompt such political controversy. (This is discussed with regard to the GDR in Chapter 3.)

Post-1990 Germany also explicitly recognised that the passing of time should not cause one of the darkest moments in human history – the Holocaust – to be erased from public consciousness. But with what means and in what form should memory of it be guarded? In the late 1980s there had been talk of erecting a central monument to remember those who had died at the hands of the Nazi regime in the centre of Berlin. The federal government and the Berlin city government even sponsored a competition to design such a memorial, but the controversy that surrounded the results simply proved how difficult it was to do justice to the memory of such crimes in terms of a single monument. After much head-scratching the architect Peter Eisenman eventually won the right to design the new memorial, in a location right in the heart of the German capital, next to the Brandenburg Gate, emphasising the importance of recalling Germany's darkest hour. It was finally completed in December 2004 and consists of a 19,000-square-metre site covered with 2,711 concrete slabs, arranged in a grid pattern on a sloping field. The slabs are all 95 centimetres wide and vary in height from 20 centimetres to 4.8 metres. According to Eisenman, they are designed to produce an uneasy, confusing atmosphere, and the whole sculpture aims to represent a supposedly ordered system that has lost touch with human reason. An underground museum beneath the memorial holds the names of all known Jewish Holocaust victims, obtained from the Israeli Yad Vashem Museum. The memorial remains the most poignant sign of Germany's willingness – no matter how painful – to confront and defeat the ghosts of its past in order to avoid allowing history to have even the slightest opportunity of repeating itself.

Yet, as time has passed, Germans have also begun to analyse critically some of the more controversial aspects of German history. The evils of the Nazi dictatorship remain at the forefront of Germans' historical understanding, but there has also been a greater willingness to look into, and articulate the interests of, *German* suffering during this period. Public discussions of such prickly issues rarely occurred in pre-1989 Germany. Post-1989 something therefore appears to have changed. This is certainly not a revisionist attempt to rewrite history, but, for example, ongoing debates on a proposed Centre against Expulsions (*Zentrum gegen Vertreibungen*) in Berlin perhaps indicate a willingness to engage more critically with complex historical matters that do not always paint the Germans in an expressly bad light. The centre is intended to analyse expulsions and ethnic cleansing wherever they occur, but there is likely to be a particular emphasis on German expulsions from Central and Eastern Europe following the end of the Second World War. A centre documenting the sufferings of a significant group of people would probably not be particularly controversial in most countries, but one focusing on German suffering at the point in history just after millions of people had been murdered by the Nazi regime obviously provokes strong reactions. Two further examples can be cited. First, Jörg Friedrich, in his characterisation of the bombing of Germany during the war as the 'politics of extermination' (Friedrich, 2002: 93), deliberately equates Allied tactics with the actions of the Nazis. Second, the release of the film 2004 film *Downfall* (*Der Untergang*), directed by Oliver Hirschbiegel and the first German production ever to

feature Adolf Hitler as the main character, not only portrayed the dictator in a human light but depicted ordinary Germans as victims in the inferno of Berlin in April 1945. By contrast, a study by the American scholar Daniel Goldhagen (1997) caused a renewed bout of soul-searching in Germany in the late 1990s by claiming that ordinary Germans had participated willingly and actively in the Holocaust. Similarly, an exhibition of the extent of the regular army's involvement in war crimes during the Second World War, the so-called *Wehrmachtsausstellung*, caused intense controversy in the late 1990s by puncturing the hitherto established narrative of the ordinary soldier's integrity in contrast with the atrocities committed by the SS. To be sure, even more than sixty years after the event, such debates over Germans as either perpetrators or victims remain highly controversial, both within Germany and internationally.

Conclusion

The discussion in this chapter has sketched out how Germany has developed in broad historical terms and provided some examples of how, in more recent times, historical memory has been very much at the forefront of public discussions of what it means to be German. Although there are clearly no hard and fast answers to difficult questions of how past experience should shape contemporary political activity, the chapter has indicated that German history is significant when attempting to understand how and why Germany's institutional framework was created and how German politicians seek to answer complex, real-world problems today.

The chapter sets the scene for the book as a whole by linking what has been, for the most part, an unhappy history with some of the main political debates in post-1945 and contemporary Germany. It discussed the development of Germany from its beginnings as a *Kulturnation* through to the end of the Second World War and illustrated that post-war German politicians have not always found it easy to deal with the legacy of this tumultuous history. Originally, they made little attempt to engage actively with Germany's past, and it was only from the 1960s onwards that Germans really began to work through their country's difficult heritage. By the mid-1980s, debates about how Germany's history should be understood became much more mainstream, and although unification, and the accession of the GDR to the Federal Republic in 1990, complicated matters, Germans remain more aware of the need to assess their past critically than do citizens of many other nations. That this is not always an easy task should not be surprising. Equally, however, the fact that Germans appreciate its importance and so are willing to undertake it should afford a quiet reassurance that Germany really has learned the lessons of its difficult history.

Questions for discussion

- 1 What is/was the German Question and why has it proven to be so controversial?
 - 2 Are Germans victims or perpetrators?
 - 3 What impact has the Holocaust had on contemporary German politics?
-

Further reading

Dahrendorf, R. (1968), *Society and Democracy in Germany* (London: Weidenfeld & Nicolson).
Despite its age, this remains a defining analysis of West Germany's social structure.

- Elias, N. (1996), *The Germans: Power Struggles and the Development of Habitus in the Nineteenth and Twentieth Centuries* (Cambridge: Polity Press). One of the most impressive studies of the German nation, encompassing imperial, Weimar, Nazi and West Germany.
- Fulbrook, M. (2002), *History of Germany, 1918–2000* (Oxford: Blackwell). A thorough and readable account of German history through the twentieth century.
- Pulzer, P. (1997), *Germany, 1870–1945: Politics, State Formation and War* (Oxford: Oxford University Press). A highly accessible discussion of Germany from first unification to collapse.

2 Germany's post-war development, 1945–89

Summary

Germany emerged from the devastation wrought by the Second World War in a desolate state. Many millions were dead and the country itself had been destroyed and discredited, as well as occupied. The end of the war therefore represented *Stunde Null* ('Zero Hour') – the end of the horrors of Nazi Germany and the beginning of West Germany's rehabilitation and gradual reintegration into the European society of states. This chapter outlines the establishment and post-war history of East and West Germany and provides the background for the subsequent chapters dealing with political, economic and social developments in contemporary Germany.

Introduction

The capitulation of Nazi Germany on 8 May 1945 constitutes a complete break in the country's history. After more than five years of war, Germany was completely, and in almost every respect, destroyed. It had, at terrible human cost, been defeated in the most comprehensive of manners. The country was occupied militarily by the victorious Allied nations – the USA, the UK, the Soviet Union and France – and divided into four zones of occupation; the capital, Berlin, was also under four-power government. Millions of homes had been devastated as a result of area bombing, and entire cities such as Hamburg, Cologne and Dresden were little more than accumulations of rubble. Germany's transport infrastructure, as well as industrial and agricultural production, had effectively collapsed. Some twelve million refugees from the eastern territories of East Prussia, Silesia and Pomerania needed to be clothed, fed and housed. Perhaps most devastatingly, Germany as nation was morally bankrupt. For these reasons, May 1945 really does constitute 'Zero Hour' in German history, marking both the end of Nazi rule and the beginning of Germany's long path to rehabilitation.

This development was to take place in difficult circumstances. The emerging stand-off between the USA and the Soviet Union in the context of the Cold War ultimately forced the division of Germany into the Federal Republic, or West Germany, and the German Democratic Republic, or East Germany. Henceforth, the two countries followed quite different paths. Over the course of the 1950s and 1960s, West Germany re-established a

economic and political setting. The challenges of integrating eastern Germany into the mainstream of German society are considerable; but they should not be seen as insurmountable.

Questions for discussion

- 1 How did life in the GDR differ from life in the FRG?
 - 2 What were the main causes of German unification?
 - 3 Why might it be argued that western Germans and eastern Germans classify themselves as different from one another in unified Germany?
-

Further reading

- Fulbrook, M. (1997), *Anatomy of a Dictatorship: Inside the GDR, 1949–89* (Oxford: Oxford University Press). Standard English-language text on the German Democratic Republic.
- Jaraus, K. (1994), *The Rush to German Unity* (Oxford: Oxford University Press). An impressive account of the complex process of German unification.
- Veen, H.-J. (1997), “‘Inner Unity’ – Back to the Community Myth? A Plea for a Basic Consensus”, *German Politics* 6/3: 1–15. A dissenting voice, claiming that Germany has already achieved inner unity.

4 A blockaded system of government?

Summary

For almost ten years, commentators have been lamenting the ‘reform blockage’ in German politics. This chapter reviews the main institutional features of government and governance in Germany, including federalism, and asks whether the current distribution of powers between and among tiers of government is capable of mastering the country’s problems.

Introduction

More than any other single area under discussion in this book, Germany’s political institutions bear the mark of history. Most obviously, as Chapter 2 discussed, the entire political system was constructed in conscious reaction to the experience of Nazi dictatorship. But the Federal Republic’s institutions also reflect the desire to avoid the authoritarianism of imperial Germany and even more so the weaknesses of the Weimar Republic. In that sense, the post-1949 political set-up has proven to be extraordinarily successful, and Germany is now without doubt one of the most stable liberal democracies in the developed world (see Lijphart, 1999).

But in recent years, the focus has been rather different. One of the themes of this book is the scale of challenges Germany currently has to master, many of which are linked directly or indirectly to unification. Yet actual policy reforms, as will become apparent in subsequent chapters, have tended, when they have happened at all, to be decidedly modest in scope, leading to widespread exasperation at the failure of political parties to grasp the nettle. Of course, political parties only reflect broader trends in society, and long-term changes in both parties and key social groupings are explored in more detail in Chapters 5 to 8. But, at the same time, a recurrent question in German public debate has been whether the country’s political system itself is to blame, and whether the division of power within the system institutionally dictates political solutions which are, frankly, inadequate when addressing the country’s increasing economic and social problems.

This chapter therefore outlines the political institutions of Germany and their patterns of interaction in order to establish whether the reform blockage is due to the political

system as a whole, or rather just the result of a lack of political will on the part of key actors. It shows that 'incremental policy change' (Katzenstein, 1987) is a defining feature of politics in Germany. In particular, it pinpoints federalism as a key source of tension, both in terms of articulating interests and in its impact on party politics (see Wachendorfer-Schmidt, 2005).

Background

Structurally, Germany's political institutions are defined by two main principles: first, they reflect that ever since its foundation as a unified country in 1871, Germany has been a federal state, with discrete political and constitutional constructions mirroring the country's geographical, religious and cultural diversity; second, the political institutions, and many other areas of public life, were designed specifically to make a recurrence of totalitarian rule impossible. The political structure of the Weimar Republic – with a weak legislature and a very strong, directly elected president – was widely held to be at least partly responsible for facilitating the rise of the Nazis; so, as Chapter 2 argued, the authors of the Basic Law in 1948 and 1949 were determined not to allow this to happen again. Thus, the Chancellor's position as the head of government was bolstered at the expense of the President, and the legislature's role was also strengthened; furthermore, the Basic Law introduced a strong Constitutional Court into the panoply of German political institutions. The key components of the resulting institutional constellation are outlined in Box 4.1 (see also Schmidt, 2003a).

BOX 4.1 THE POLITICAL INSTITUTIONS OF GERMANY

Germany is a federal country, which is made up of sixteen individual states (*Länder*), of which three (Hamburg, Bremen and Berlin) are city states. Each state has a directly-elected parliament (*Landtag*) and government (headed by a *Ministerpräsident*). The *Länder* have their own competencies (especially education and policing), although their principal task is to implement federal legislation. The *Länder* vary considerably in area, population and economic development (see Box 4.2). Each *Landtag* is elected on a four- or five-year basis. *Land* elections are not usually bundled systematically to coincide with each other or with national elections (in the way for instance that elections in the USA are), although it is common for two *Länder* to go to the polls on the same day. In practice, this means that one or more *Land* elections usually takes place somewhere in Germany every few months.

At federal level, Germany is made up of the following sets of political institutions.

1 The legislature

The *Bundestag* is Germany's national parliament and is based in Berlin. Its regular size is 598 members, although in practice there are frequently more parliamentarians than this. After the 2005 election, it had 614 members, who are normally elected for

four-year terms (see Chapter 5 for a discussion of elections). The *Bundestag* elects the Chancellor (*Bundeskanzler(in)*) and is the country's primary legislature. Like in other parliamentary democracies, a lost vote of no-confidence in the Chancellor may trigger early elections; however, in Germany there is the further option of a 'constructive vote of no-confidence' (*konstruktives Misstrauensvotum*), in which the Chancellor is simultaneously replaced by an alternative candidate, thereby providing continuity of power. In the history of the Federal Republic, this vote has occurred only twice, in 1972 (failed – see Chapter 2) and in 1982 (successful).

Subject to the approval of the *Bundesrat* (see below), the *Bundestag* discusses bills and passes laws. Much of its work is done in committees, and it is not a 'debating' parliament in the way that the House of Commons is. Most of the bills it debates are proposed by the federal government, although both the *Bundestag* and the *Bundesrat* have the right of initiative as well. The parties (see Chapter 5) are organised into parliamentary groupings (*Fraktionen*) within the *Bundestag*, each comprising at least 5 per cent of the parliament's membership. Each *Fraktion* elects a leader (*Fraktionsvorsitzende(r)*), who is its principal spokesperson in parliament. Especially for the two larger parties, this is therefore one of the most influential positions in German politics.

In addition, the *Länder* are represented collectively in federal policy-making by means of the *Bundesrat* in Berlin, in which each *Land* has between three and six votes (totalling sixty-nine), depending on its population. The votes of any single *Land* must be cast unanimously. Following the 2006 federalism reform (see below), an absolute majority of the *Bundesrat* (i.e. thirty-five votes) is required to pass laws in about 35 to 40 per cent of cases, including any legislation which incurs significant costs to the *Länder* in their implementation of federal policy. In the case of no agreement being reached between the two chambers, a conciliation committee (*Vermittlungsausschuss*) is instituted to negotiate a compromise. In all other cases, the *Bundestag* may overturn any rejection of a bill by the *Bundesrat*.

2 The executive

The Chancellor heads the federal government (*Bundesregierung*), the executive arm of the political system. In 2007, there were fourteen ministries plus the Federal Chancellery. The ministries are split geographically between Berlin and the former capital, Bonn.

Historically, the federal government has been based on a coalition, usually between one of the two largest parties and one smaller party. Although the Chancellor has a much stronger position under the Basic Law than was the case under the Weimar Republic, his or her main formal power is the ability to set the parameters of policy (*Richtlinienkompetenz*). Individual ministers are independent in the political management of their portfolios (*Ressortprinzip*) (on the power resources of the Chancellor, see Schmidt, 2003b: 27–30; Helms, 2004).

The head of state is the Federal President (*Bundespräsident*), whose role is largely ceremonial, save in exceptional cases such as an early dissolution of parliament (as in 2005). The President is elected every five years by the federal assembly (*Bundesversammlung*), drawn from the *Bundestag* and the *Länder* parliaments. He or she can serve a maximum of two terms of office.

3 The judiciary

Courts play a major role in German politics. All decisions by any form of state authority, whether at local, regional or national level, can be subjected to judicial scrutiny by administrative courts (*Verwaltungsgerichte*) – a further historically grounded check on executive power.

The highest court in the land is the Constitutional Court (*Bundesverfassungsgericht*), based in Karlsruhe. Its sixteen judges, organised into two courts (or senates) are elected jointly by the *Bundestag* and *Bundesrat* and serve terms of up to twelve years. The Court has the power, upon referral, to review and strike down any legislation passed by the *Bundestag* and *Bundesrat*. In one of the main expressions of Germany's 'militant democracy', the Court may also ban 'anti-constitutional' parties, which it has done twice, in 1952 (the neo-Nazi SRP) and 1956 (the communist KPD).

As Box 4.1 shows, power in Germany's political system is spread across a range of actors, not only within the federal government, but between the federal level and the *Länder*. The principal axes in which this fragmentation of power takes place are federalism, the dynamics of coalition politics and the impact of the Constitutional Court (Katzenstein, 1987). These dimensions are so important to understanding how German politics work that they need to be explained briefly in turn.

Federalism

First, German federalism is relatively unusual compared to other federal systems. Elsewhere, the purpose of federalism is to help manage diversity (often in geographically extensive countries such as the USA, Canada or Australia). In the Federal Republic, the constitutional aim of federalism has been to create unity, at least in financial terms, between the various component federal states. Moreover, before the 2006 reform (discussed below), there was no strict delineation of competencies between the national and sub-national levels. For instance, Article 73 of the Basic Law laid down those areas where the federation had exclusive rights of legislation, and Article 75 areas in which the federal government could issue so-called 'framework legislation' (*Rahmengesetzgebung*). But Article 74 specified a range of so-called 'concurrent' legislative competencies, to include such significant areas of public policy as regulation of the economy and labour law. These were areas in which the *Länder* were free to legislate, but only in the absence of federal legislation. In practice, these areas saw a gradual encroachment of federal law over the decades and by the beginning of the new millennium, the only significant areas of public policy remaining in the sole competence of the *Länder* were education, law enforcement

and public broadcasting. In fact, the principal task of the *Länder* was and remains to implement federal legislation (the so-called *Bundesauftragsverwaltung*); accordingly, the majority of civil servants (*Beamte*) in Germany are employed by the *Länder*, with only a small minority in the direct service of the federal government.

German federalism also differs from that of other countries in that the *Länder* do not possess independent tax-raising powers. Instead, there is an intricate division of taxes between the federation, the *Länder* and local municipalities (*Kommunen*). While the income from some taxes is wholly allocated to particular levels (for instance, petrol tax is exclusively a federal tax), most tax revenues, including those from the two main taxes (income tax and VAT), accrue to all three levels, but in varying proportions depending on the tax in question. Crucially, although the federation can unilaterally decide to raise its taxes, no *Land* and no municipality can do the same independently, even in the case of those taxes which accrue solely to these two levels. There are only very limited exceptions to this rule, such as the ability of municipalities to vary the level of administrative charges, like parking fines. This means that while the *Länder* and municipalities bear full responsibility for their expenditure, they are unable to raise taxes to cover any shortfalls in revenue (or excess expenditure), which in times of slow economic growth therefore tend to be covered by borrowing. Indeed, because most expenditure is fixed (for instance, salaries and pensions of public servants, the majority of which are in *Länder* employment), neither can the *Länder* do much to reduce outgoings. A similar situation befalls the municipalities, significant elements of whose expenditure (such as childcare provision) have in the past been prescribed by *Land* or federal governments *without* the input of the municipalities themselves. Given this institutionalised trend towards meeting shortfalls between expenditure and revenue through public borrowing, it comes as no surprise that most *Länder* and municipalities are heavily indebted (see Table 4.3).

In addition to the interconnections between the federal level and the *Länder* as a group, there are a range of political and financial mechanisms linking the *Länder* to each other. The most important of these is the horizontal fiscal equalisation scheme between the *Länder* (*Länderfinanzausgleich*), which amounted to €6.9 billion in 2005. This system aims to deliver equal levels of per capita income across them in accordance with the constitutional goal of creating equal living conditions throughout Germany (Article 72 of the Basic Law). In 2005, eleven of the sixteen *Länder* were beneficiaries, including all the *Länder* on the territory of what used to be the GDR. The horizontal equalisation scheme is supplemented by vertical equalisation payments from the federal government, amounting to over €14.6 billion in 2005, which went to the same eleven states as the horizontal payments (see Table 4.3 below). Significantly, neither of these systems existed when the Federal Republic was founded in 1949; both developed over time.

German federalism produces political interdependencies, too. The *Länder* are collectively represented in the federal policy-making process via the *Bundesrat* (as shown in Box 4.1), which must be consulted on all legislation, even that which lies in the federal government's exclusive range of competencies. While the *Bundestag* can overrule any opposition from the *Bundesrat* in such laws, the latter wields a veto in over one-third of legislation, including the most significant bills, such as tax reforms. This is a considerable reduction from the 60 per cent or so of legislation over which the *Bundesrat* could collectively exercise a veto prior to the 2006 federalism reform (of which more below), but the *Bundesrat* remains the most visible 'veto point' in German politics, and thereby casts a spotlight on the political composition of majorities within it. We shall return to this central point in the next section.

Because of this immensely complex interweaving of political competencies and financial dependencies, Germany's system of federalism has traditionally been described as 'co-operative' or 'interlocking' (Scharpf *et al.*, 1976), in that it would simply not function if the various levels, as well as the individual actors within those levels, did not co-operate with each other (for examples of how this worked in the past, see Leonardy, 1991). This theme of co-operation, or more broadly speaking consensus, is one which runs through much of German politics.

One other function of federalism in the German political system needs to be mentioned: the recruitment of elites. It is very rare indeed for politicians to emerge on the national stage without first having worked their way up through the party organisation at local and *Land* level. Indeed, *Land* elections provide a perfect opportunity for aspiring chancellors to show their party that they are capable of winning elections. Accordingly, both chancellors and chancellor-candidates are frequently either ex- or serving *Land* minister-presidents, including Helmut Kohl and Gerhard Schröder, respectively, although Angela Merkel is a notable exception to this rule. The corollary to this is that all chancellors have to deal with powerful and confident minister-presidents, not only from the opposition but from their own party, who are often looking for a way to highlight themselves at the expense of the national leadership.

The dynamics of coalition politics

The second dimension to consider is that of coalition politics. Only once, following the 1957 election, has a single party (the CDU/CSU) been in a position to command a majority in parliament without a coalition partner, although even then it chose to form a coalition. The involvement of one of the smaller parties, in particular the liberal FDP, which is the only party to have formed alliances with both of the large parties, has over time served to produce what Manfred Schmidt (1987) has described as the 'policy of the middle way', in other words a broadly centrist public policy profile. This occurs in two ways. First, each coalition partner, irrespective of their size, has a full right of veto over any government policy proposal. Second, the principle of ministerial independence (the *Ressortprinzip*) means that incumbents are free to run their portfolios as they see fit. Especially if they come from the minor coalition partner, ministers are therefore effectively immune to political pressure from the Chancellor as head of the federal government. The dynamics of coalition government also hold true at *Land* level, although there are likely to be more coalition permutations, as well as more instances of single-party government (such as the CSU in Bavaria; see below and Chapter 5).

The Constitutional Court

The third dimension of fragmentation of power is the Constitutional Court. It too represents a direct response to Nazi dictatorship, during which the courts had no remit to challenge the dismantling of liberal democracy. Like the United States Supreme Court, the Constitutional Court has had a profound impact over the years on politics in Germany (see Kommers, 1997). Its importance is based on its wide-ranging powers of judicial review, which can focus on specific laws as well as individual norms of public policy. Furthermore, the Court acts as arbiter in disputes between other political institutions, most frequently between the federal and *Länder* levels. Judicially, it has handed down

Table 4.1 Federal governments and chancellors, 1949–2005

<i>Election Year</i>	<i>Federal Government</i>	<i>Chancellor</i>
1949	CDU/CSU–FDP, DP	Konrad Adenauer (CDU)
1953	CDU/CSU–FDP, DP, GB/BHE	Konrad Adenauer (CDU)
1957	CDU/CSU, DP	Konrad Adenauer (CDU)
1961	CDU/CSU–FDP	Konrad Adenauer (CDU); from 1963 Ludwig Erhard (CDU)
1965	CDU/CSU–FDP; from 1966 CDU/CSU–SPD	Ludwig Erhard (CDU); from 1966 Kurt-Georg Kiesinger (CDU)
1969	SPD–FDP	Willy Brandt (SPD)
1972	SPD–FDP	Willy Brandt (SPD); from 1974 Helmut Schmidt (SPD)
1976	SPD–FDP	Helmut Schmidt (SPD)
1980	SPD–FDP; from 1982 CDU/ CSU–FDP	Helmut Schmidt (SPD); from 1982 Helmut Kohl (CDU)
1983	CDU/CSU–FDP	Helmut Kohl (CDU)
1987	CDU/CSU–FDP	Helmut Kohl (CDU)
1990	CDU/CSU–FDP	Helmut Kohl (CDU)
1994	CDU/CSU–FDP	Helmut Kohl (CDU)
1998	SPD–Greens	Gerhard Schröder (SPD)
2002	SPD–Greens	Gerhard Schröder (SPD)
2005	CDU/CSU–SPD	Angela Merkel (CDU)

Key: DP = Deutsche Partei; GB/BHE = Gesamtdeutscher Bloc/Bund der Heimatvertriebenen und Entrechteten

Note: This is a slightly simplified representation of the governments which have been in power in Germany since 1949. For a full breakdown, which includes full dates and transitional governments (for instance, in 1982), see Schmidt (2003b: 52–3).

rulings affecting practically all areas of life in Germany, including social and tax policy (for instance, in 2001), abortion (in 1975 and 1993), European integration (1994), the fiscal equalisation scheme between the *Länder* (1999), the deployment of German troops abroad (1994), asylum policy (1996) and repeatedly the public financing of parties (see Chapter 5). In terms of adjudicating disputes between institutions, it has occasionally been called upon to clarify the financial relationships within the community of *Länder*, as well as between individual *Länder* and the federation (of which more below). It was also asked to rule on whether the early dissolution of the *Bundestag* in 2005, which triggered federal elections later that summer, was constitutional.

Politically, the relevance of the Court for German politics should not be underestimated. The fact that it has ruled so widely means that practically all areas of German politics and public policy are potentially subject to judicial scrutiny. Moreover, as cases can be referred to the Court for consideration not only by lower courts but by individual *Land* governments, the *Bundesrat* and one-third of the members of the *Bundestag*, the

process of judicial review is also a powerful tool for opposition parties seeking to reverse a defeat in the formal legislative process. This is precisely what happened in 1993, when the Bavarian (and Catholic) CSU referred a cross-party compromise in the *Bundestag* over abortion to the Court, where the new ruling was struck down. In consequence, a veritable cottage industry of pundits has sprung up around the business of second-guessing the approach the Court will adopt to any given issue. It thus remains a highly important yet unpredictable player in German politics (Blankenburg, 1996).

Other elements in the German polity

The entire political process is overseen by the head of state, the Federal President (Table 4.2). As noted above, and in contrast to the Weimar Republic, his/her position is largely ceremonial, and although the choice and election of a president is often a highly partisan affair, the office is above party politics and thus enjoys considerable moral authority. However, in recent years, incumbents have fully exploited this moral authority to make strategic interventions in domestic politics. Thus, Richard von Weizsäcker criticised all the parties in Germany for what he saw as their obsession with power rather than making a difference, while Roman Herzog was one of the first public figures to call for a greatly accelerated pace of reform in 1997. Most recently, the current President, Horst Köhler, in 2006 refused to sign into law two bills which had already been passed by the two chambers of parliament. Certainly, the recent activism of presidents has had its critics; but, so far, successive incumbents have been insulated from such criticism by the high level of public respect their office enjoys.

Three other sets of domestic institutions need to be mentioned: political parties, parapublic institutions and interest groups (Katzenstein, 1987). As will be discussed in greater detail in Chapter 5, German political parties are unusual in that they are constitutionally recognised as political actors. Katzenstein (1987) classifies them, alongside parapublic institutions and federalism, as one of the three 'nodes' of the entire political system. Indeed, the degree to which state structures, and especially public appointments, have been penetrated by political parties has led some commentators to talk of Germany as a 'party state' (*Parteienstaat*) (see Chapter 5 and Schmidt, 2003b: 46–55). By contrast, parapublic institutions are formally state bodies, but they operate according to technocratic rather than political principles (see Katzenstein, 1987: 58–80; Busch, 2005b). Two key examples of parapublic institutions are the (now largely emasculated) *Deutsche Bundesbank*, which managed Germany's monetary policy until

Table 4.2 Federal presidents, 1949–2007

Years	President
1949–59	Theodor Heuss (FDP)
1959–69	Heinrich Lübke (CDU)
1969–74	Gustav Heinemann (SPD)
1974–79	Walter Scheel (FDP)
1979–84	Karl Carstens (CDU)
1984–94	Richard von Weizsäcker (CDU)
1994–99	Roman Herzog (CDU)
1999–2004	Johannes Rau (SPD)
2004–	Horst Köhler (CDU)

the introduction of the euro in 1999, and the Federal Labour Agency (*Bundesagentur für Arbeit*), which oversees unemployment and labour market programmes. Lastly, interest groups include not only the industry-based union movement and employers' organisations (see Chapter 7), but churches and sectoral organisations, such as farmers' and doctors' lobby groups. Often, parapublic institutions act as a nexus between government, employers and unions, and in contrast to the government, many interest groups are characterised by a high degree of centralisation (Katzenstein, 1987).

Crucially, in a further example of an institutional response to Nazi dictatorship, the state delegates the implementation of significant areas of its activities to both parapublic bodies and interest organisations. This is clearly visible in health policy, where the principle of self-governance is particularly well entrenched. Accordingly, significant elements of cost management and control are devolved to both parapublic institutions, in the form of the state health insurance administration (*Allgemeine Ortskrankenkassen*), and interest groups, in the form of the doctors' organisation which deals with the insurance companies over all billing matters (the *Kassenärztliche Vereinigung*).

One final dimension deserves consideration. Since 1957, Germany has been one of the key members of what has now become the European Union. As the competencies of the EU have increased, especially following the Single European Act in 1986, so the influence of the EU on national policy-making has risen: between 1998 and 2002 over one-third of all laws passed in Germany originally emanated from the supranational arena (Töller, cited in Schmidt and Zohlnhöfer, 2006: 24; see also Sturm and Pehle, 2005). In areas such as agriculture, of course, this proportion was even higher. Perhaps the most notable example of the impact of the EU in the German context is the entire transfer of monetary policy to the European Central Bank with the introduction of the euro in 1999. Chapters 7 and 9 discuss the impact of Germany on the EU, and vice versa, in greater detail.

Remarkably, the essentials of this institutional configuration, and especially the operation of federalism, remained relatively untouched by unification (Jeffery, 1995 and 2005: 85–6). Five *Länder* were re-established on the territory of the GDR and post-1990 the state of Berlin incorporated both the western and eastern halves of this formerly divided city. Most of the existing elements and structures of policy-making, including the parapublic institutions and the close involvement of sectoral interest groups in the delivery of policy, were transferred wholesale to the five new *Länder* plus Berlin (Jacoby, 2000). Only relatively minor structural changes were undertaken, such as the increase of the number of votes of the four largest western *Länder* from five to six to maintain their relative weight in the *Bundesrat*. Even though a government commission was set up to review the suitability of Germany's constitution in a post-unification environment, it concluded that only cosmetic amendments were necessary. But, in reality, unification has proved to be a significant challenge for the operation of the German polity, in particular the relations between the *Länder* and the functioning of the *Bundesrat* in federal politics (see below).

This complex web of institutions, and the range of interactions it produces, has famously been characterised by Katzenstein (1987) as a 'semi-sovereign' state (see also Green and Paterson, 2005). This term refers to the fact that power is highly fragmented both *within* the central (i.e., federal) government, due to coalition politics and the relatively limited direct power of the Chancellor, and *between* the federal government and the *Länder*, the Federal Constitutional Court, parapublic institutions and the key interest groups. Put differently, Germany is distinguished in international terms by an

unusually large number of 'veto players': that is, 'an individual or collective actor whose agreement . . . is required for a change in policy' (Tsebelis, 1995: 301).

The result is that there is an institutional predisposition within the German political system towards only gradual policy evolution, or, as Katzenstein (1987) terms it, 'incremental policy change' (see also Green and Paterson, 2005). In turn, this institutional bias towards incremental policy change strengthens the dynamics of historical precedence, in that policy priorities, once agreed upon by the parties via the institutional process, become very difficult to change in their essence. Known in the political science literature as 'path dependence' (Peters, 1999: 63), this dynamic is visible in a range of domestic and foreign policy areas, from the issue of conscription (see Chapter 10) to the operation of the pension system (see Chapter 7). This predisposition is complemented by a normative emphasis on consensus between the main political parties wherever possible (Dyson, 1982). Again arising as a reaction to the sometimes polarised nature of politics in the Weimar Republic, there has historically been a palpable dislike of outright adversarial politics as sometimes found in Anglo-Saxon democracies. The result has been an inherent tendency within the German political system towards the 'politics of centrality' (Smith, 1976).

But, as Katzenstein (1987: 350) notes, incremental change does not per se equate with stagnation: 'It is easy to mistake incremental change for incapacity to change . . . There is a world of difference between incrementalism and immobilism.' Indeed, the period of the 'Grand Coalition' between 1966 and 1969, and perhaps especially the run-up to unification in 1989–90, showed that the German political system has been capable of reacting relatively rapidly when circumstances require.

Nonetheless, in recent years, there has been a sense within Germany that the political system is no longer delivering appropriate outputs. For over two decades, politicians and commentators have been debating Germany's economic position in a globalising world (the *Standortdebatte*), and what reforms to its welfare and economic system are necessary to maintain this position (to be discussed further in Chapters 7 and 8). This question has become especially acute in the context of the huge additional financial burden of unification (outlined in Chapter 3, pp. 47–8). Since the mid-1990s, this debate has become ever more anguished: in 1997, the word '*Reformstau*' ('reform blockage') came into vogue and President Roman Herzog made a public plea for greater purpose in tackling the challenges of social and economic reform. Since late 1998, when the SPD–Green government under Gerhard Schröder came to power, there has been a sense either that reforms have not been politically possible, or that where they have been attempted (as in healthcare), they have simply not been sufficient to address the extent of the problem. Perhaps a provisional climax in this question was reached after the 2005 federal election, when there was no majority for either of the two main party blocs (CDU/CSU–FDP and SPD–Greens). The following chapters will discuss the challenges and the solutions sought in a range of policy areas, but the task here is to examine the notion and dimensions of a blockaded system of government in greater detail.

Issues

Given the complexity of German federalism, it is probably not surprising that much of the debate over the ability of Germany's political institutions to deliver effective policy solutions has revolved around this particular issue. In essence, there have been four main topics discussed under this heading (see also Wachendorfer-Schmidt, 2005):

- the function of the *Bundesrat* as a veto player;
- the division of competencies between the federation and the *Länder*;
- the impact of European integration;
- the future financial relationship between the individual *Länder*.

The first question, concerning the *Bundesrat*'s function as a veto player in national politics, is perhaps the most visible in the public eye: as noted above, Germany's second chamber has been arguably the most powerful veto player, with around 60 per cent of all legislation, including most significant domestic policy initiatives, requiring its approval prior to 2006. Indeed, it was this dynamic which prompted Fritz Scharpf (1988) to characterise (West) German federalism as a 'joint decision trap', in which the potential for either actor to exercise a veto over the other's wishes necessarily produced outcomes at or around the lowest common denominator.

Furthermore, the party political relationship between the two chambers is highly complex. Even when the same coalition of parties have dominated both chambers, the *Bundesrat*'s approval could never be taken for granted, although this was obviously more likely than when the coalition of parties with at least a nominal majority differed between the two chambers. Yet a hostile *Bundesrat* majority did not necessarily lead to a blockade of the federal government's bills, due both to the high value placed on consensus politics and to the ability of the federal government to offer sweeteners to individual *Länder* and hence 'divide and rule' the *Bundesrat*. A prime example of this dynamic occurred during the vote on the 2000 tax reform, when the SPD–Green federal government secured the votes of *Länder* such as Bremen, which was governed by an SPD–CDU coalition at the time, by promising federal aid for local programmes (Jeffery, 2005: 92).

The key reason why the federal government has been able to divide and rule the *Länder* is because they, like many other areas of German society, are much less homogeneous now than they were prior to unification (Jeffery, 2005: 81–5). As Table 4.3 shows, the sixteen *Länder* vary very widely in terms of population, wealth, unemployment and public debt. In consequence, it has become much harder to develop joint positions among them; with each facing different political priorities depending mainly on whether they are large or small, rich or poor and in the east or west.

This heterogeneity among the *Länder* is reflected in the political composition of the sixteen *Land* governments. Before unification, there was a more-or-less clear divide between those states governed by parties in the federal coalition and those governed by the opposition: in other words, there were two clear blocs of votes in the *Bundesrat*. However, since unification, with ever-more parties competing successfully at *Land* level, the resulting composition of *Land* governments has also become more diverse (see Chapter 5). In particular, this has meant that coalitions which cut *across* the government–opposition divide in the *Bundestag* have become more common.

This matters because, for (all-important) consent legislation to pass the *Bundesrat*, thirty-five of the possible sixty-nine votes must be cast in favour. But in cases where a *Land* coalition does not reflect the government–opposition divide at federal level, it is usual for these *Länder* to abstain from contested *Bundesrat* votes. In turn, because of the requirement for an absolute majority of votes for consent bills to pass, abstentions effectively count as rejections. A by-product of this dynamic is that it becomes much easier for the main opposition party (at least to threaten) to blockade a government bill than it is for a federal government to pass it. Federal governments since unification have, as a rule, found it difficult to build and maintain a reliable majority in the *Bundesrat*. This

Table 4.3 Diversity among the sixteen *Länder* of Germany, 2005

Land	Population (millions)	GDP/capita (€)	Unemployment rate (%)	Public debt/capita (€)	Horizontal equalisation transfers (€ billion)	Votes in Bundesrat	Composition of government (July 2007)
Baden-Württemberg	10.7	30,793	7.0	4,335	-2.2	6	CDU-FDP
Bavaria	12.5	32,378	7.8	3,133	-2.2	6	CSU
Berlin	3.4	23,433	19.0	15,907	+2.4	4	SPD-Left Party
Brandenburg	2.6	18,799	18.3	7,091	+0.6	4	SPD-CDU
Bremen	0.7	36,903	16.8	17,013	+0.4	3	SPD-Greens
Hamburg	1.7	45,866	11.3	11,721	-0.4	3	CDU
Hesse	6.1	32,451	9.7	6,093	-1.6	5	CDU
Lower Saxony	8.0	23,563	11.6	6,832	+0.4	6	CDU-FDP
Mecklenburg-Western Pomerania	1.7	18,327	20.3	7,149	+0.4	3	SPD-CDU
North Rhine-Westphalia	18.1	27,082	12.0	7,244	-0.5	6	CDU-FDP
Rhineland-Palatinate	4.1	24,015	8.8	6,894	+0.3	4	SPD
Saarland	1.1	26,162	10.7	7,804	+0.1	3	CDU
Saxony	4.3	17,729	18.3	4,043	+1.0	4	CDU-SPD
Saxony-Anhalt	2.5	19,454	20.3	8,522	+0.5	4	CDU-SPD
Schleswig-Holstein	2.8	24,356	11.6	7,792	+0.1	4	CDU-SPD
Thuringia	2.3	19,128	17.1	7,190	+0.6	4	CDU

Source: Statistisches Bundesamt; GDP/capita data taken from Schmidt, 2007: 200

was even the case under the Grand Coalition after 2005, when the federal government nominally enjoyed an overwhelming majority in both chambers of parliament. Then, especially, ambitious *Land* minister-presidents used the *Bundesrat* to parade on the national political stage at the federal government's expense. Furthermore, because of the system of staggered *Land* elections, federal governments have generally found it impossible to regain a *Bundesrat* majority once it has been lost (see Saalfeld, 2005: 64). The sole exception post-1961 was the CDU/CSU-FDP government under Helmut Kohl. Throughout the 1980s, it enjoyed a comfortable *Bundesrat* majority, but it lost this after the Lower Saxony election in spring 1990. It regained its majority through the extraordinary circumstances of unification in October 1990, when the five new, predominantly CDU-FDP-governed eastern *Länder* joined the Federal Republic. However, even this position was short-lived, and the federal government once again lost its majority in early 1991 following the Hesse and Rhineland-Palatinate elections.

The big political question arising out of Germany's intricate system of majorities is whether parties in opposition at federal level, once a federal government has lost its majority in the *Bundesrat*, can and do utilise their strong position in that chamber to obstruct the federal government's legislative agenda systematically. Certainly, the German political scientist Gerhard Lehbruch (2002 [1976]) thought so in the 1970s, when the CDU/CSU opposition was clear about its intention to use its *Bundesrat* majority in order to hinder the SPD-FDP federal government's bills. But more recently, scholars such as Charlie Jeffery (2005: 91-2) have been more circumspect about making this claim (see also Lees, 2005: 116-24). They point out that only a small minority of bills is vetoed by the *Bundesrat* (see Rudzio, 2003: 330) and that *Länder* interests are a better indicator of voting intentions than the party political composition of their governments. As a result of these interests, as noted above, the federal government has, on rare but significant occasions, been able to 'buy off' individual, and often cash-strapped, *Länder*. Nonetheless, the threat of a potential veto by the *Bundesrat* can be as effective as wielding the veto itself. It is principally this requirement for a federal government to work with the federal opposition via the *Bundesrat*, especially when the two largest parties are not in government together, that has prompted Manfred Schmidt (2002) to characterise Germany as a permanent 'grand coalition state'.

While the ability of the *Bundesrat* to act as a veto player impacts primarily on federal politics, there has also been a growing discussion between the federal government and the *Länder* about the distribution of competencies, which culminated in the 2006 federalism reform (see below). In truth, such conflicts are arguably inherent in federal systems, and the Constitutional Court has been called upon on several occasions in the past to resolve them. But the concerns of the *Länder* have arisen out of the long-term trend for the federation to encroach on their competencies, primarily through the *Bundestag*'s rigorous exploitation of its right to legislate in 'concurrent' policy areas (Article 74 of the Basic Law). In essence, as noted above, this left the *Länder* with practically no possibility to conduct their own politics: it is no surprise that the minister-president of a *Land* is known, affectionately, as a *Landesvater*, a kind of avuncular figure whose primary role is to inaugurate public works projects and spread goodwill at events such as regional garden shows (the ubiquitous *Landesgartenschauen*).

The third issue to affect federalism is related to the previous point and constitutes perhaps an even more serious challenge to the competencies of the *Länder*: Germany's membership of the European Union and the resulting process of European integration (Bulmer *et al.*, 2000: 33-40; see also Chapter 9). Since the mid-1980s, and especially

since the Single European Act of 1986, the *Länder* have collectively grown ever more concerned over what they have seen as the federal government's eagerness to transfer sovereignty to the EU in those areas which had traditionally been the *Länder's* areas of competence. In consequence, the *Länder* have demanded more input into the EU's policy process, both in the form of their own representations in Brussels (Moore, 2006) and via their right to represent issues of direct concern to them in the Council of Ministers. Indeed, they famously threatened to veto the ratification of the 1992 Maastricht Treaty if progress was not made on their demands. Similarly, the *Länder* were the driving force behind the EU's decision at the 2000 Nice European Council meeting to set up the (ultimately ill-fated) constitutional convention.

Finally, the whole relationship between the individual *Länder* has begun to be challenged from within. In particular, the comparatively rich southern states of Hesse, Baden-Württemberg and Bavaria, the three main contributors to the horizontal fiscal equalisation scheme, have emerged as the leading critics of the current system and the way in which it binds together the *Länder*. In their view, the goal of equal living conditions appears to be ever more difficult to achieve, not least because of the significant economic differences between the old and new *Länder*. In place of the current arrangements, these three *Länder*, especially Bavaria, have argued for a much greater degree of autonomy, to include the 'repatriation' of competencies, especially from the EU level, as well as less scope for the fiscal equalisation system (Jeffery, 2005: 87–8). On this basis, they challenged the entire system of the *Länderfinanzausgleich* in the Constitutional Court in 1998. Although this resulted in a partial victory for the three plaintiff *Länder*, it ultimately translated into only a marginal reduction of their payments into the system.

Three poorer western *Länder*, Saarland, Bremen and Berlin, have argued at different times before the Constitutional Court for additional financial assistance not from the other *Länder* but from the federal government. As Table 4.3 shows, all three are small states suffering from structurally weak economies, with high levels of unemployment and public debt. In 1992, the Constitutional Court ruled that Saarland and Bremen were entitled to special grants from the federal government, on the basis that they were no longer in a position to recover from their parlous financial positions by themselves. By contrast, the state of Berlin was not so lucky. During the partition of Germany, West Berlin enjoyed lavish financial assistance from the federal government, reflecting its position as an outpost of the West deep inside the Iron Curtain. But after unification, these funds dried up, and, unusually for a capital city, Berlin remains desperately weak economically: half of its population is unemployed, living on income support or drawing pensions; its total public debt is almost €60 billion; and it is by far the largest beneficiary of horizontal transfers from the financial equalisation scheme, accounting by itself for over one-third of total receipts. The city's situation has not been helped by a notorious case of corruption surrounding the collapse in 2001 of a state-owned financial institution, the *Bankgesellschaft Berlin*, which saddled the city with a further €10 billion of debt. Berlin's current Mayor, Klaus Wowereit, displayed the city's typical black humour when he famously described it as 'poor, but sexy' (*'Arm, aber Sexy'*). The capital took the federal government to the Constitutional Court in 2003 arguing that, like Bremen and Saarland, it should benefit from additional federal support. But in October 2006 its claim was rejected by the Court, which argued that the problem was not so much one of revenue as one of expenditure. In a direct reference to Wowereit's much-quoted description, the presiding judge commented that perhaps Berlin was so sexy because it was not so poor after all.

Together, these three disputes illustrate how tensions between territorial units are developing. On the one hand, the richer states are less willing to subsidise their poorer neighbours; but, on the other hand, poorer states are finding it harder to improve their financial positions without assistance. At the same time, the other main player, the federal government, has, in light of its own fiscal pressures, been unwilling to step in. So far, such disputes have therefore tended to necessitate adjudication by the Constitutional Court.

Federalism has been perhaps the most visible area of debate over the question of whether Germany's institutional structure is a help or a hindrance in the pursuit of reform, but other elements of the political system are also coming under scrutiny. Periodically, there are suggestions to replace Germany's broadly proportional electoral system (see Chapter 5), which almost by definition produces coalition governments, with a majoritarian, first-past-the-post system. The role and power of the Constitutional Court is certainly discussed critically, too, although this tends to take place internationally rather than domestically (e.g., Stone Sweet, 2000): the Court regularly ranks among the top institutions in Germany for the level of trust it is accorded by the population. Perhaps most of all, organised interest groups have been blamed for Germany's economic problems (e.g., Streeck, 2005): even a casual observer of German politics will notice the degree to which the unions, churches and dispensing chemists, to name but three interest groups, manage to influence policy in the SPD, CDU/CSU and FDP, respectively.

Debates

Despite the complexity of the issues surrounding institutional reform in Germany, there have been a number of attempts in recent years to make real progress, especially over the question of the structure and content of federalism. In the aftermath of unification, there was a lively debate about the political and financial viability of sixteen independent *Länder*, each with a full-scale parliament, government ministries, senior administrative elite and often even its own broadcasting network. A number of proposals were made to merge the smallest *Länder* (in particular the city-states) with their larger neighbours (Sturm, 1992: 131–3). But, perhaps inevitably, such initiatives did not progress beyond an initial phase: there was never a realistic chance that states such as Lower Saxony and Rhineland-Palatinate, with their considerable fiscal challenges, would agree to take on the financial liabilities of the neighbouring states of Bremen and the Saarland, respectively, both of which were saddled with even worse debts per capita. Only in one case was a merger between two *Länder* attempted, between Berlin and Brandenburg in 1996. But this was defeated in a referendum in both *Länder*, and no further mergers have since been mooted.

Yet, against the odds, the German system of government has shown itself to be capable of reforming itself. In 2003, the SPD-led federal government and the sixteen *Länder* agreed to set up a joint commission charged with the 'modernisation' of Germany's federal system. Co-chaired by the SPD-leader, Franz Müntefering, and the CSU-leader and Bavarian Minister-President Edmund Stoiber, this represented an ideal example of the informal Grand Coalition State in action. Indeed, the protagonists (mainly the CDU/CSU and SPD) soon reached agreement on a range of issues, including the reduction of consent laws from 60 per cent of the total to about 35 per cent in return for a repatriation of some competencies to the *Länder*, such as the right to regulate themselves the pay and conditions for civil servants. Although the discussions temporarily collapsed in

December 2004 over the division of competencies in education policy, they were restarted under the Grand Coalition just one year later, following the 2005 election. In late 2006, a package of reforms to the federal structure almost identical to the 2004 deal prior to its collapse became law, and this has gone some way to disentangling the policy process at the federal level.

Despite such progress, the really controversial issue – the future of the horizontal and vertical fiscal equalisation schemes – was not even part on the agenda during this debate; instead, this was postponed to a second reform commission, which began its work in spring 2007. By summer 2007, its outcome was still open, which reflected the high stakes involved for all *Länder*, irrespective of the party political composition of their government. Indeed, the financial relationships between the *Länder* have generated some highly acrimonious disputes since unification. Because the five eastern *Länder* plus Berlin are all economically much weaker than even the poorest western state, the balance of the fiscal equalisation scheme has shifted eastwards since 1990: of the €6.9 billion distributed by the horizontal fiscal equalisation scheme in 2005, over 80 per cent went to the five eastern *Länder* plus Berlin, which in total accounted for just 20 per cent of the country's population. The imbalance was even greater among the vertical equalisation payments from the federal government, under which the same six *Länder* received over 90 per cent of payments, amounting to over €13.4 billion in 2005. Inevitably, this has created 'losers' in the west: the rich western states lose because they have to pay more, and the poor western states lose because they receive less. To make matters worse, there is so far no indication that the economic situation in eastern Germany will develop enough, even over the coming decades, to allow the six new *Länder* to become independent of the *Länderfinanzausgleich*. Thus, states like Bavaria are faced with having to support the poorer *Länder* for a very long time to come, which is obviously a source of political tension within that state's governing party, the CSU. At the same time, critics of the Bavarian position are quick to point out that Bavaria itself benefited for most of the period before 1990 from the same equalisation scheme.

So far, the issue has been dealt with by the federal government stepping in and shouldering most of the costs via the vertical equalisation scheme. In 1995, a first solidarity pact (*Solidarpakt I*) was negotiated between the *Länder* and the federal government. This was renewed in 2003, with the *Solidarpakt II* running until 2019. However, in both cases, the final deal depended on the willingness of the federal government to underwrite much of the additional expenditure that this involved (Sally and Webber, 1994; Jacoby, 2005: 39–44). In consequence, the *Solidarpakt II* continues to commit the federal government to long-term support of the *Länder*, as the €14.6 billion paid through the vertical support mechanism in 2005 (more than double the total generated by the horizontal mechanism) illustrates. But what this debate underlines most of all is that unification has brought out tensions in the organisation of German federalism which the existing structures have so far failed to resolve.

Conclusion

This chapter has provided a broad overview of the institutional configuration of Germany's political system. It has shown that its structure and consensual norms of operation clearly reflect the historical legacy of the Weimar Republic and the Third Reich. It has argued that the wide dispersal of power within the system, combined with a comparatively high number of 'veto points', has conditioned the political system to

only gradual policy change. Significantly, even in times of rapid change, most notably the period leading up to unification in 1989 and 1990, there was little change in the institutions themselves, as the wholesale 'transfer' of structures, and especially of federalism, to the east illustrates.

In thinking about whether Germany has a blockaded political system, therefore, it is useful to distinguish between policy change and institutional change, as well as the links between these two factors. As many of the following chapters will go on to illustrate, policy change has indeed continued to demonstrate the incremental tendencies inherent in the political system. But, as this chapter has also shown, the institutional structures themselves have not changed much since unification: even after the 2006 reform, the most important characteristics of 'co-operative federalism', in particular its financial arrangements, remained in place, despite the fact that Germany's sixteen *Länder* are now a highly diverse range of entities with corresponding political priorities.

In turn, this heterogeneity of the *Länder*, which has translated into a lack of party political majorities in the *Bundesrat*, has frustrated the federal government's ability to make policy. Simultaneously, even the potential of a *Bundesrat* veto has made it possible for the main federal opposition party to act as a 'status preserver' for electoral reasons. Since the financial pressures created by unification mean that most political debates in Germany now revolve around cuts in provision rather than distribution of extra expenditure, it is difficult not to conclude that Germany's highly consensual political system makes it easy to fudge, if not block outright, the formulation of the painful measures most commentators agree are necessary to improve economic performance.

In other words, post-unification Germany's political institutions are faced with a challenge that they were simply not set up to manage. Therefore, it is difficult to deny that the political system in Germany, with its tendency towards the 'joint-decision trap', does not at least contribute to the ponderous public policy response to rapidly accelerating social and economic challenges. Yet, ironically, a full-scale revision of political structures towards a more majoritarian, 'Westminster' type of democracy is not necessary (Lijphart, 1999). Two relatively simple measures would probably suffice to break up the logjam. First, the requirement that consent laws attract an absolute majority of *Länder* votes could be inverted; in other words, the *Länder* would only be able to *block* consent legislation by an absolute majority. Second, by bundling *Land* elections around a set date in the calendar, mirroring, for instance, mid-term congressional elections in the United States, the phenomenon of constant electioneering, which has frustrated the ability of any government to make a sustained effort to solve difficult political problems, would also be reduced. Of course, the flip-side of this is that *Land* elections would become a de facto referendum on the federal government, whereas at present they reflect, at least to some extent, regional peculiarities (Jeffery and Hough, 2001). However, these remain nothing more than theoretical options at present.

Germany's political institutions remain locked in their pre-unification structures. The 2006 federalism reform has indicated that structural reform is possible, although notably only within the framework of a formal Grand Coalition. Crucially, the most fundamental reforms, in particular to the number of *Länder*, as well as to the financial arrangements between them, remain as elusive as ever.

Questions for discussion

- 1 Who has power in German politics?
- 2 'The *Bundesrat* is the main reason for *Reformstau* in Germany'. Discuss.
- 3 How does the position of Chancellor compare to: a) the British Prime Minister; b) the French President; and c) the US President?

Further reading

- Conradt, D. (2004), *The German Polity* (London: Addison Wesley). Definitive analysis of the German political system.
- Green, S. and Paterson, W. (2005), *Governance in Contemporary Germany: The Semisovereign State Revisited* (Cambridge: Cambridge University Press). A full-scale re-examination of Katzenstein's landmark semi-sovereignty thesis, covering a wide range of institutions and policy areas.
- Schmidt, M. (2003), *Political Institutions in the Federal Republic of Germany* (Oxford: Oxford University Press). An outstanding and student-friendly examination of Germany's political system.
- (2007), *Das Politische System Deutschlands* (Munich: Verlag C.H. Beck). The most recent and comprehensive book in German on the political system.

5 The party system and electoral behaviour

The path to stable instability?

Summary

The two-and-a-half-party system that characterised German politics for the majority of the post-war era is now a thing of the past. Two medium-sized (CDU/CSU and SPD) and three smaller (FDP, the Greens and the Left Party) parties now garner enough votes to make coalition formation – and consequently governing in general – a much more complex task than it used to be. Processes of dealignment (in western Germany) and partial alignment (in eastern Germany) ensure that voters have become more volatile and the traditional supporter bases of all the parties more fragile. Although unification did not spawn all of these developments, it has certainly exacerbated them and has contributed to the fragmentation of the party system and to an increasing diversity of electoral outcomes.

Introduction

Political parties play pivotal roles in all modern, Western democracies. They act as critical stabilising institutions in democratic systems of government. In more concrete terms, they bring people with similar political philosophies together and facilitate the selection of representatives to take up high office. They give voice to the interests of narrow groups within society – whether they be trade unions, environmental organisations, business associations or myriad sectional interests – and create policy packages that, if elected, politicians with executive power then seek to implement. Finally, political parties are vital mechanisms in simplifying the complex and messy business of day-to-day politics into messages that the wider population can understand and subsequently evaluate. Life in a democratic polity such as the Federal Republic is therefore unthinkable (for the vast majority of people) without the input of political parties.

Germany was long distinguished by a stable party system that rarely changed in basic structure from one election to the next. At the first federal election in 1949, ten parties managed to poll over 1 per cent of the vote, and all of them managed to gain some sort of representation in parliament. Through the 1950s, the German party system consolidated rapidly and political competition became highly structured. The centre-left Social Democratic Party and centre-right Christian Democratic Union (along with its Bavarian sister party, the Christian Social Union) grew to cover most of the moderate

terrain in the political centre, accumulating the vast majority of the votes, with one of these parties subsequently forming governments with the smaller, liberal, Free Democratic Party. From 1957 to 1983 these were the only three parties in parliament, dividing political jobs between themselves, overseeing the flourishing German economy and helped to embed democracy. The rise of the Greens in the late 1970s and early 1980s – culminating in their entry into the *Bundestag* in 1983 – broke up the happy cartel, as party political life in Germany became more complicated (see Frankland and Schoonmaker, 1992). In 1993, the Greens merged with a range of eastern German civil rights groups to become Alliance 90/The Greens (*Bündnis 90/Die Grünen*), further stabilising itself as a serious centre-left actor with a long-term future. The unification of Germany in 1990 exacerbated this gradual process of party system diversification, as the successor party to the communist SED, the Party of Democratic Socialism (recently renamed the Left Party), entered the federal parliament not just in 1990, but in 1994 and 1998. A dip in support saw it all but leave the federal arena in 2002, but it returned triumphantly in 2005, polling 8.7 per cent of the popular vote (see Hough *et al.*, 2007).

This chapter examines these processes of consolidation, stabilisation and gradual fragmentation within the German party system in more detail. It begins by analysing the institutional setting of the parties before moving on to discuss the development of the two *Volksparteien* ('catch-all parties') and the other, smaller actors within the German party system. It analyses voters' views of the parties as well as their worries about an ever-increasing sense of disillusionment with their political representatives. The chapter then moves on to analyse some of the major challenges that face German parties – many of which were highlighted in clear and unflattering fashion in the 2005 federal election.

Background

Unlike in many other Western countries, German parties have been granted a privileged position within the constitutional order, and Germany is often referred to as a *Parteienstaat* (party state). This status grants parties not only particular rights and privileges, but responsibilities and obligations that go beyond those evident in most other democratic polities. Germany's constitutional forefathers were clear in their aim of forcing political parties actively to shape and mould political life within the country. They believed that structured competition between parties within a democratic system of governance would facilitate popular representation and ensure political accountability – things that had evidently been missing in the dismal Weimar Republic (1919–33) period of German history.

German parties are therefore granted legitimacy through the Basic Law. Article 21 stipulates that they are required to 'participate in forming the political will of the people' before stressing that they must be organised in an internally democratic way and must publicly account for all of the funds that they accrue (see Schmidt, 2003b: 20–1). The drafters of the constitution thought that parties should help define and shape public opinion rather than simply follow what they perceived to be the random and – at times – dangerous whims of the electorate. They were highly sceptical of direct democracy and subsequently limited referenda almost completely to the *Land* and local levels. The weakness of direct democracy at the federal level has subsequently enhanced the position of parties at the apex of political life (*ibid.*: 47). Furthermore, the *Parteienstaat* allows parties to monopolise political recruitment, as well as to enjoy extensive patronage rights. Regardless of the fact that appointments to public office are supposed to be made on merit

alone, it is clear that posts in some parts of the judiciary, public administration, public broadcasting as well as some of the parapublic bodies are made with party interests firmly in mind (*ibid.*: 48). The apparent ubiquity of political parties has contributed to increasing disenchantment with them in recent times. Through the 1990s these feelings of what came to be known as *Parteienverdrossenheit* (disenchantment with parties) grew precisely because it appeared that they seemed rather more interested in looking after their own interests in this complex web of state regulation than those of the wider public at large.

Given this pivotal position, parties were given ample resource channels to fulfil their tasks as well as to educate the wider citizenry in political affairs, with the most prominent and well known of these channels being the political foundations that are linked to each of the parties that enter the *Bundestag*. Over 90 per cent of the funding for these organisations – the Konrad Adenauer and Friedrich Ebert foundations are affiliated to, albeit theoretically independent of, the CDU and SPD; while the Hanns Seidel, Friedrich Naumann, Heinrich Böll and Rosa Luxemburg foundations co-ordinate their activities with the CSU, FDP, Greens and Left Party, respectively – comes from the public purse, and they retain clear political profiles.

The prominent position of the political parties was further concretised in a 1967 'Law on Political Parties' which stipulated in more detail precisely what role they should play in the German polity. This law addressed such issues as how parties should be organised; it offered further direction on the rights and obligations of members of political parties; and it gave detailed advice on such issues as candidate selection and party finance. Despite the Federal Constitutional Court rejecting a newer, revised version of the law (passed in 1988) granting parties even more state support, German parties now gain roughly a third of their income from public sources – justified largely because of the pivotal role that they are seen to play in consolidating and protecting German democracy (Scarrow, 2006). We will return to the controversial nature of party funding later.

The party system

Although far from dominant in 1949, the two main parties – the SPD and the CDU/CSU – quickly expanded their voter bases to monopolise electoral competition. They thus became *Volksparteien*, an idea which was developed as an ideal type in the 1960s by Otto Kirchheimer. Although many authors have sought (with differing levels of success) to illustrate the flaws in Kirchheimer's argument, it has remained remarkably resilient. In essence, he posited that socio-structural change was in the process of altering the environment within which the mass membership parties of the post-war period existed, with Germany's major parties undergoing a particularly radical process of change themselves (Kirchheimer, 1966). The SPD and CDU/CSU no longer sought to integrate particular social groups and directly articulate relatively narrow interests; rather, the two *Volksparteien* grew to dominate the political process, maximising electoral potential over and above policy goals. In order to do this they broadened their ideological platforms and transcended traditional economic, religious and territorial divides. Furthermore, the experience of the Second World War and the close proximity of the Eastern Bloc fostered a strong aversion among political elites to parties of both the extreme right and the extreme left and encouraged a concentration of political competition in the centre. The ideologically driven development of catch-all parties, based loosely on two poles slightly to the right and slightly to the left of the centre, therefore became apparent in Germany before it did in other countries. This was complimented by a heady mixture of increased

economic affluence and broad-based social consensus, progressively encouraging both the CDU/CSU and the SPD to move towards the political centre and garner support from an increasingly undifferentiated electorate (Padgett, 2001: 51–4).

The early leaders of the CDU, in particular, strove to create what in effect was Europe's first *Volkspartei*. During the Weimar Republic, political conservatism had been split by religion, with Catholics and Protestants generally voting for different parties, which in turn were unable to set aside their differences and unite against the rise of Hitler and the NSDAP. The CDU, which had not existed before 1945, therefore explicitly sought to incorporate both sides of the sectarian divide in a party which remained broadly conservative, broadly pro-Church and largely supportive of pro-business policies. Its aims were not to 're-Christianise' an increasingly secular Germany, but to apply a rather generalised set of Christian principles and values to practical politics. This involved a strong commitment to an organic model of society and a stress on integrating different social groupings into a unified, harmonious whole (Huntington and Bale, 2002: 45). The leaders of the CDU, and Konrad Adenauer in particular, were expressly keen to stress that the CDU was a *Volkspartei* of the centre, not of the right. Adenauer built a broad coalition based on anti-socialism and Christian values, without stressing the importance of ideology or class in the CDU's self-understanding. The CDU of the 1950s and 1960s therefore focused on social responsibility and a clear commitment to the social market economy, ensuring that the SPD was inevitably forced leftwards as the CDU came to epitomise many of the economic and social successes with which West Germans identified so closely. The CSU – the CDU's sister party which stands for election only in Bavaria (where, in turn, the CDU does not compete) – has traditionally been rather more conservative and yet also rather more 'social' in its orientation than its Christian Democratic partner. Consequently, it has developed a unique role as both a very successful Bavarian regional party and a nationally significant actor. Although they are separate political organisations, the CDU and CSU sit together in the federal parliament and have proven to be a potent electoral force. Together, they have embraced a broad alliance of voters as they prospered, in particular, in the *Bundestag* elections of the first three post-war decades.

It was not long, however, before the SPD – Germany's oldest party, dating from 1863 – realised that the CDU had created a clear recipe for success and attempted to follow suit. With the abandonment of the 1925 Heidelberg Programme, and subsequently its (at least symbolic) Marxist orientation, the SPD chose to dilute the importance of ideology and the class struggle in its own self-understanding. The programme that it adopted in Bad Godesberg in 1959 distanced the party from socialist doctrine and pleaded for a social market economy that also offered a safety net with which to support the less well off. The SPD attempted to broaden its profile rightwards and, most importantly, tried to remain competitive with the CDU. Electoral goals were overcoming ideological ones, even though the SPD undoubtedly remained a party whose members were still prone occasionally to indulge in electorally damaging programmatic disputes. Slowly, the party nevertheless realised that the class conflict it had espoused for most of its existence was not only outdated but was a major hindrance when competing in elections, and it gradually attempted to open itself up and win voters from all sectors of society. The SPD therefore became the model for the social-democratic *Volkspartei*.

The remoulding of the CDU and the SPD into genuine, broad-based, catch-all parties of the centre-right and centre-left, respectively, enabled them to expand and concretise their positions as dominant actors within the political process (see Figure 5.1). By the 1961 election, they were able to mobilise over 80 per cent of the popular vote, a figure

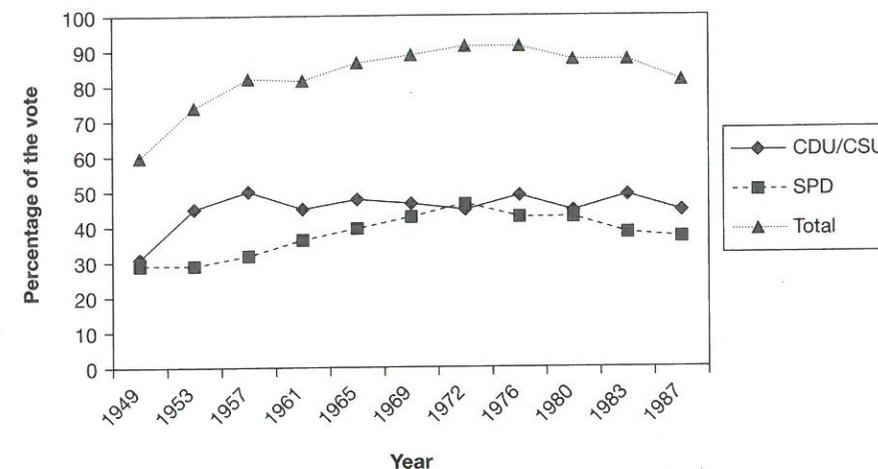


Figure 5.1 The proportion of the vote polled by the CDU/CSU and SPD in *Bundestag* elections, 1949–87

that they progressively expanded through the 1960s and into the 1970s. By 1976, over nine out of every ten voters were casting their second vote for one of the two *Volksparteien*, indicating the stranglehold that the CDU/CSU and the SPD had over the political process.

The only small party initially to forge a niche for itself was the FDP, developing away from its original national-liberal ethos and articulating both greater economic liberalism and a strong defence of civil liberties. The FDP's base is composed mainly of middle- and upper-class professionals and it has frequently been mocked as a party for those who earn above-average salaries (*Partei der Besserverdiener*). The FDP nonetheless developed into the king-maker, working first with the Christian Democrats (until 1966), then, after a brief three-year spell in opposition, swapping sides to form a coalition with the SPD (1969–82). Furthermore, as the wind went out of the sails of the social-liberal (SPD–FDP) coalition in the late 1970s, the FDP slowly became more interested in the advances of the CDU, and, in 1982, moved back to its traditional coalition partner by supporting a constructive vote of no-confidence in the *Bundestag*. Helmut Schmidt was defeated by Helmut Kohl, who now commanded majority support within the chamber and took over as Chancellor (see Box 4.1).

However, the position of the FDP has become much less comfortable in recent years. No longer is it simply the pivot party safely ensconced between the two *Volksparteien*, opting to work with whichever of the two larger parties fits its policy agenda. The rise of the Greens has pushed the FDP ever more into the arms of the CDU/CSU, as two blocs of parties have established themselves either side of the political centre. As was noted in Chapter 2 (p. 33), the Greens grew out of the social movements of the 1970s and 1980s, invoking a pacifist, environmentalist and libertarian agenda (Poguntke, 1993). Originally, they viewed themselves as an 'anti-party' party, stressing their opposition to conventional politics, claiming that post-industrial society was systematically abusing the planet, always liable to lurch towards militarism and dabbling with such dangerous projects as nuclear power. Early activists such as Rudi Dutschke and Petra Kelly subsequently sought

a new society, claiming that they were 'neither left nor right but simply forward'. No matter what they claimed to be, the more right-wing parts of the party were unhappy with this agenda and broke away in 1982 (by which time the Greens were present in six western German *Land* legislatures) to form the Ecological Democratic Party. Those who chose to remain continued to stress their anti-military stance and their opposition to restrictions on immigration and on abortion, as well as their liberal policies on drugs and same-sex rights. They also displayed a penchant for overt political activism.

The 1982 split did not see the end of the Greens' internal feuding; on the contrary, high-profile arguments between so-called *Realos* (realists) and *Fundis* (fundamentalists) over party strategy shaped much debate in the party through the 1980s. The *Realos* adopted much more pragmatic approaches to everyday politics, seeing a role as a more constructive opposition and, ultimately, a party in government as being the best way to 'march through the institutions' of German democracy to help shape political outcomes. The more radical *Fundis* were committed to a fundamental restructuring of society and politics; they had little truck with power-sharing aims and rejected attempts to co-operate with all other parties. The ultimate victory of the *Realo* wing is critical in explaining how the SPD–Green coalition of 1998–2005 came about. Although to the left of the political centre, the Greens appeal to a slightly different 'new politics' electoral market than the more 'traditional left' SPD, and after testing out a number of red–green (the respective colours of the two parties) coalitions at the *Land* level, the Greens are now regarded as a political party much like any other.

The rise and stabilisation of the final party that is currently in the *Bundestag* – the Left Party – emphasises much that has changed in the German party system over the last few years (Hough *et al.*, 2007). The Left Party grew out of the primarily eastern German PDS – which itself grew out of the former ruling party of the GDR, the Socialist Unity Party – as it attempted to make its socialist platform more marketable in western Germany. It changed its name in mid-2005 in anticipation of its proposed merger with another left-wing protest party, the predominantly western German Electoral Alliance for Labour and Social Justice. The two parties finally joined forces in June 2007 under (another) new name *Die Linke* (Left Party). Although the Left Party is rarely perceived as possessing genuine policy competence, it has developed recognisable profiles in the areas of social justice, pacifism and particularly the articulation of eastern German interests (Hough, 2005). The successful candidature of former Finance Minister and SPD leader Oskar Lafontaine on a Left Party open list in 2005 enabled the party to poll 4.9 per cent of the vote in western Germany, and 25.3 per cent in the eastern states, thereby surpassing the Greens as the fourth-largest party in the *Bundestag*. This was followed up with a major success at the 2007 Bremen *Land* election, when the Left Party, which had hitherto been represented only in eastern *Land* legislatures, polled over 5 per cent in a western state (albeit an atypical one in terms of its size and social profile) for the first time.

Table 5.1 shows the federal election results for all five main parties since 1949.

Extremist and anti-establishment parties

The anti-totalitarian consensus that underpins German party democracy, the elaborate rules that were created to keep smaller (potentially extremist) parties out of the *Bundestag* (see below) and strong popular sensitivities against extremism have made the German party system much less open to new parties (of whatever colour) than is the case in other European states. The consolidation of the party system in the 1950s led to stable

Election	CDU CSU	SPD	FDP	BUNDES 40 DIE GRÜNEN	DIE LINKE. PDS	Others	Seats	CDU CSU	SPD	FDP	BUNDES 40 DIE GRÜNEN	DIE LINKE. PDS	Others	CDU CSU	SPD	FDP	Green 0 B90/Gr 8	DIE LINKE. PDS	Others	
14.08.1949	31.0%	29.2%	11.9%	–	–	27.9%	402	139	131	52	–	–	–	–	–	–	–	–	–	80
06.09.1953	45.2%	28.8%	9.5%	–	–	10.0%	487	243	151	48	–	–	–	–	–	–	–	–	–	45
15.09.1957	50.2%	31.8%	7.7%	–	–	10.3%	497	270	169	41	–	–	–	–	–	–	–	–	–	17
17.09.1961	45.3%	36.2%	12.8%	–	–	5.7%	499	242	190	67	–	–	–	–	–	–	–	–	–	0
19.09.1963	47.6%	39.3%	9.5%	–	–	3.6%	496	245	202	49	–	–	–	–	–	–	–	–	–	0
28.09.1969	46.1%	42.7%	5.8%	–	–	5.4%	496	242	224	30	–	–	–	–	–	–	–	–	–	0
19.11.1972	44.9%	45.8%	8.4%	–	–	0.9%	496	225	230	41	–	–	–	–	–	–	–	–	–	0
03.10.1976	48.6%	42.6%	7.9%	–	–	0.9%	496	243	214	39	–	–	–	–	–	–	–	–	–	0
05.10.1980	44.5%	42.9%	10.6%	1.5%	–	1.5%	497	226	218	53	–	–	–	–	–	–	0	–	–	0
06.03.1983	48.8%	38.2%	7.0%	5.6%	–	0.4%	498	244	193	34	–	–	–	–	–	–	27	–	–	0
25.01.1987	44.3%	37.0%	9.1%	8.3%	–	1.3%	497	223	186	46	–	–	–	–	–	–	42	–	–	0
02.12.1990	43.8%	33.5%	11.0%	Green 3.8% B90/Gr 1.2%	2.4%	4.1%	662	319	239	79	Green 0 B90/Gr 8	–	–	–	–	–	–	17	–	0
16.10.1994	41.4%	36.4%	6.9%	7.3%	4.4%	3.6%	672	294	252	47	–	–	–	–	–	–	49	–	–	0
27.09.1998	35.1%	40.9%	6.2%	6.7%	5.1%	6.0%	669	245	298	43	–	–	–	–	–	–	47	–	–	0
22.09.2002	38.5%	38.5%	7.4%	8.6%	4.0%	3.2%	603	248	251	47	–	–	–	–	–	–	55	–	–	0
18.09.2005	35.2%	34.3%	9.8%	8.1%	8.7%	3.9%	613	225	222	61	–	–	–	–	–	–	54	–	–	0

Table 5.1 Bundestag election results, 1949–2005
Source: <http://www.btwos.de>

inter-party relationships and predictability in both party and voter behaviour. Smaller parties – with the exception of the FDP and, in later years, the Greens and the Left Party – were, for the most part, eased out of the electoral fight as the *Volksparteien* shaped political affairs. The number of parties in the 1953 *Bundestag* halved from twelve to six, while only four made it into the Bonn parliament in 1957. The Refugee Party (GB–BHE) managed to poll 5.3 per cent of the vote in 1953 but its interests were thereafter incorporated mainly into the CDU/CSU; the German Party (DP) experienced a similar fate, although it was not until 1961 that it left the federal political stage. The far-right National Democratic Party (NPD) enjoyed a number of successes in *Land* elections in the 1960s, but only once seriously threatened to enter the federal parliament – in 1969, when it polled 4.3 per cent of the vote. By contrast, the far left in the shape of the German Communist Party (KPD), which was banned by the Constitutional Court in 1956, only to reconstitute itself as the DKP in 1968, was unable to build on the 5.7 per cent it registered in 1949.

The unification of Germany in 1990 altered the rules of the game somewhat. Changes in the western states have been less pronounced than is the case in eastern Germany and four-party systems still tend to be the norm in western German *Land* politics. Occasional ‘flash’ parties do nonetheless make an appearance, particularly in the northern city-states. The most prominent of these was led by ‘Judge Merciless’, Ronald Schill, in Hamburg. Schill’s Party of Law and Order (PRO) won 19.4 per cent in the *Land* election in Hamburg in 2001 and the former judge (who was dismissed from this position because of his excessively harsh judgements) took on the job of Home Affairs Minister. Schill’s tenure was not a happy one and by December 2003 he had not only lost his ministerial job (amid, among other things, seedy allegations of cocaine abuse as well as numerous policy failings) but had been expelled by his own party. Schill’s final dramatic act was to form a new party (Pro DM) with five former colleagues and threaten that if his party was not returned to the state parliament in the next election, he would leave the country for good. Pro DM polled a mere 3.1 per cent in the 2004 poll and Schill promptly decamped to South America, marking the end of a short but turbulent political career.

Other – less wacky – issue parties have also made an impact: the *Statt Partei* (literally, the Instead of Party) polled 5.6 per cent in Hamburg in 1993 and spent a number of years governing the state alongside the SPD and Greens; *Arbeit für Bremen* (Work for Bremen) – another group of disaffected former SPD members – did even better in Bremen in 1995, polling 10.7 per cent. The nature of small-party influence in areas such as Baden-Württemberg has tended to be that of the far right making an impact, and the periodic rise and fall of the *Republikaner* in Germany’s south-west has been a regular facet of party competition there.

The introduction of seventeen million eastern Germans with (much) weaker ties to (the ostensibly western German) parties prompted, unsurprisingly, a more diversified form of political competition to take hold in their *Länder*. All eastern German *Land* parliaments, with the possible exception of Saxony (where the SPD is very weak), have three relevant parties – the CDU, the SPD and the Left Party – and each of these is of roughly comparable strength. The Greens and the FDP struggle, as a rule, to clear the 5 per cent hurdle (see below), but other ephemeral parties do periodically appear in eastern legislatures. As the Left Party has become ever more accepted as a political actor and its function as a genuine protest party has receded, parties of the far right have occasionally risen to fill the ‘protest party’ role. The right-wing populist German Peoples Union (DVU) was the first to make an impact, polling 12.9 per cent of the votes in a *Land* election in Saxony–Anhalt in 1998, and following up this success by entering the Brandenburg state

parliament in 1999 (with 5.3 per cent of the vote). The DVU was founded by a Munich-based publisher, Gerhard Frey, as an informal association in 1971 and established as a party in 1987. Financially, it is dependent on Frey and he is the pivotal figure in directing its activities. The DVU managed to re-enter the Brandenburg parliament in 2004 with an increased share of the vote (6.1 per cent), but its success was soon overshadowed by a potentially more dangerous competitor as a rejuvenated NPD entered the Saxony parliament a few months later, having polled 9.2 per cent of the vote. Later, in September 2006, it entered Mecklenburg–Western Pomerania’s state parliament after recording 7.3 per cent of the vote there.

The NPD is the largest, and frequently the most militant, of the far-right parties, and even before its recent breakthrough the federal government attempted to set a process in motion that would lead to it being banned on account of the anti-constitutional activities of some of its members. But the Federal Constitutional Court – the only institution that can take such a decision under the Basic Law – threw out the case when it was discovered that a large percentage of the party’s leadership were in fact undercover agents sent in by the German secret services. The Court claimed that it was impossible to decide which moves by the party were based on genuine party decisions and which were dictated by the secret services in an attempt to secure the ban. In the context of this book’s discussion, this episode is particularly important for highlighting the checks and balances imposed even on the Federal Republic’s self-granted right to defend itself against threats to its existence (the idea of ‘militant democracy’ – see Chapter 2, p. 24).

The electoral system

The decision to regulate the activities of Germany’s political parties reflects the lessons that the constitutional drafters wished to draw from the disastrous Weimar Republic period. And in the immediate post-1945 era such thoughts appeared well founded as a multiplicity of parties attempted to enter the *Bundestag*. The largest of these groups was the CDU/CSU (polling 31 per cent in the first election in 1949), closely followed by the SPD (29.2 per cent). The year 1949, however, proved to be the highpoint in terms of party system fragmentation for two reasons: first, the so-called 5 per cent clause – which permitted a party to enter parliament only if it managed to accrue 5 per cent of the vote in any one state – was expanded, ensuring that in order to qualify for parliamentary representation a party was required to register at least 5 per cent of the vote across *all* of the territory of the Federal Republic; and, second, the two strongest parties expanded their influence across the political spectrum, hoovering up most of their erstwhile opponents.

The electoral system used for all elections since 1949 is a variant of proportional representation known as the additional member (AMS) or mixed member proportional (MMP) system. Germans have two votes. The first is for a candidate in a single-member constituency, who is elected on a ‘first-past-the-post’ basis. In 1949 and 1953 there were 242 constituencies, while in 1957 and 1961 the number rose to 247. Post-1965 the number remained constant at 248, before jumping to 328 with unification in 1990. Post-2002, amid fears that the *Bundestag* was becoming too large, the number was reduced to 299. Much as is the case in the UK, the boundaries are drawn by an independent commission and are dependent on population size; currently, the industrial state of North Rhine–Westphalia has the most constituencies (sixty-four) while the small city-state of Bremen possesses the least (two). The second of the votes that Germans are asked to cast does not go towards electing an individual to represent them but to a party. Each party’s

strength in the federal legislature will match (or be as close as is mathematically possible to) its percentage of second votes. The second vote is therefore – in most normal circumstances – the more important of the two. The MdBs (*Mitglieder des Bundestages*, or Members of Parliament) that represent a party in Berlin will therefore be a combination of directly elected constituency MdBs and members of national party lists – selected from closed party lists in each of the sixteen states – who together ensure that the party's delegation matches the proportion of second votes that it receives.

This delicate mathematical balancing act can on occasion lead to the strange anomaly of a party gaining more directly elected candidates in a state than it should theoretically be allowed to send to the *Bundestag*. The SPD, for example, won every one of the thirteen constituency seats in Brandenburg in 2005 – yet, in terms of the proportion of second votes that it received, it should have been permitted to send only ten MdBs to the *Bundestag* from that state. When such anomalies occur – and they have occurred ever more frequently in recent years – the party simply keeps the extra seats that it is lucky enough to obtain. In 2005 the SPD won nine extra seats (*Überhangmandate*) in this way, while the CDU/CSU won seven, compared to four and one, respectively, in 2002. Significantly, at the 2002 election, when the CDU/CSU and SPD both polled 38.5 per cent of second votes, the three extra seats won by the SPD played a major role in giving the incumbent SPD–Green government a stable, albeit slim, majority in parliament.

In order to placate claims that the electoral laws disadvantaged smaller, regionally concentrated political parties – and mainly those representing national minorities such as the Danes in Schleswig-Holstein and the Sorbs in a number of eastern German states – a *Grundmandatsklausel* (direct mandate rule) was also introduced. This stipulates that if a party manages to win three (or more) constituencies outright, then it can forgo the need to poll 5 per cent of the vote to be eligible for distributed seats. Rarely do small parties achieve this. The Free Democrats have been represented in every *Bundestag*, but they have won only one constituency since 1957 – and that was in exceptional circumstances when former Foreign Minister Hans-Dietrich Genscher's huge popularity in his home town in eastern Germany, Halle, enabled the FDP candidate to poll a relative majority of the votes there in 1990. The Greens have managed to win seats directly only twice – when the charismatic Hans-Christian Ströbele won Friedrichshain-Kreuzberg in Berlin in 2002 and 2005. This rule was therefore a footnote in election rulebooks, as the smaller mainstream parties achieved 5 per cent of the vote (if sometimes barely) while concurrently never registering three directly elected MdBs. But this changed in 1994 when the eastern German PDS became the first modern party to break this trend. In 1994, it managed to register only 4.4 per cent of the vote nationwide, but it won four constituencies in its heartland of eastern Berlin. It therefore entered parliament with 30 MdBs, 26 of whom came from its party lists. Eight years later, the experience of the PDS illustrated how fine the line is between success and failure – it polled more or less the same number of second votes as it did in 1994 (4 per cent) but, crucially, won only two constituencies in eastern Berlin. The PDS was therefore represented in parliament solely by two MdBs as it had failed to gain that one, decisive, extra constituency which would have allowed that 4 per cent to be translated into MdBs.

Voter volatility

Elections in recent years have illustrated that German voters are now much more willing to change party allegiance than they used to be. Germany – like other Western demo-

cracies – has witnessed an increased willingness on the part of voters to 'dealign' themselves from the parties that they have 'traditionally' supported (Campbell *et al.*, 1960). Whereas once the cleavages of social class and religious orientation provided stable bases of support for both of the catch-all parties, the modern-day watchwords are 'floating voters', 'personalities', and 'issue-based politics'. This is not to say that voters are now devoid of ties to particular parties or that they are not influenced by their own social milieu; it is more a recognition that ever more voters are making ever later decisions over whom they choose to elect (Dalton, 1996).

Both of the main parties have subsequently seen their core electorates shrink. The electorate is ageing remarkably rapidly – in 2005 there were as many people over sixty as there were newly born children; and by 2050, Germany will have 4.5 million more over-sixty-fives than it does now (Statistisches Bundesamt, 2006b) – and a creeping conservatism aiming to preserve and defend pension levels, welfare benefits and social security spending is becoming evident (see Chapter 8). The SPD has witnessed a gradual but persistent decline in its core electorate – unionised workers. This is particularly important as traditionally social class has been seen as a key shaper of the vote. The shrinking number of people who see themselves as members of a particular class has inevitably led to a decline in what can be termed 'class voting' (Dalton, 2002). In 1957 – the zenith of class voting in Germany – the Social Democrats were receiving a clear majority of support from working-class electors (61 per cent), while middle-class voters were much more reluctant to support them (24 per cent). As Russell Dalton (2003: 63–4) argues, this is the type of divide one would normally associate with societies where class is the *primary* shaper of the vote, such as the UK. Over the next forty years this differential steadily eroded, hovering in the low-teens. The other pillar of German electoral behaviour – religion – has also declined in significance in recent years. The relationship between Catholics and Protestants has long played an important role in German political life, but the creation of the genuinely cross-denominational CDU/CSU took much of the energy out of their disagreements. Although religion rarely makes an overt impact on German politics now, it does shape voting behaviour in the western states. Catholics, particularly church-goers, are much more likely to support the CDU/CSU, as are – if to a lesser extent – active Protestants. The fact that there are – in quantitative terms – now far fewer regular church-goers than there once was therefore does nothing for the CDU/CSU's electoral prospects. A gap, however, still exists between the religious and the non-religious in terms of voting behaviour, with the SPD performing much better among agnostics, atheists and those who do not have any preference.

This picture becomes even more complicated if one looks solely at the eastern states: there, the centre-right CDU polled *better* among the working classes in both 1990 and 1994 as an inverse class–party relationship appeared to be developing. Although this has since changed, alignments remain weak and unstable, and evidence of genuine class voting is thin on the ground. Given that two-thirds of Easterners (compared to one-sixth of Westerners) say that they are non-religious, it is also not surprising to see that religion is much less significant in prompting voting preferences in the six eastern *Länder*. Short-term factors are therefore much more influential shapers of the vote than they are in western Germany.

The 2002 and 2005 elections illustrate some of these general tendencies well. Germans in both the east and the west – although the trend is certainly more evident in the former – take issues and candidate-perception ever more into account when casting their votes. The prodigious campaigning skills of Gerhard Schröder, for example, enabled him to

turn around an apparently forlorn position in 2002 as he used issues surrounding the Iraq War and severe flooding in eastern Germany to pull off an unlikely Social Democratic victory (Paterson and Sloam, 2005). The SPD may not have won the election three years later in 2005, but – in a highly disadvantageous situation of high unemployment, low economic growth and general dissatisfaction with the government – it still managed to reduce a 20 per cent point gap to the CDU/CSU in the polls in June 2005 to a mere 1 per cent on polling day in September (Infratest Dimap, 2005a). Much of the reason for this lay in the lacklustre performance of Angela Merkel and the erratic behaviour of high-profile members of her ‘competence team’: namely, Edmund Stoiber’s criticism of ‘frustrated’ eastern Germans and, more pressingly, the controversial tax plans of Merkel’s prospective Finance Minister, Former Constitutional Court judge Paul Kirchhoff.

An increasingly dealigned electorate is also much less willing to actively take part in party politics. Membership numbers have been dropping for decades, the only blip being the years around unification. Through the late 1990s and into the 2000s, the figures for all parties showed clear negative trends (see Table 5.2) and the era of mass-membership parties appears to be well and truly past. Coupled with lower turnout levels, this gives Germany’s parties – like those in other Western European countries – plenty of food for thought as far as the strength of their links to the society they seek to represent is concerned.

Issues

Increasing party system fragmentation and voter dealignment need not necessarily be viewed negatively. Parties may have to fight harder to garner support, and rather than casting their vote as something akin to a reflex action, voters may conceivably be acting in more rational and logical ways that suit their own particular interests. Yet, reaching such a conclusion as a result of recent changes in both party system dynamics and voter perceptions in Germany would be misguided. Much has indeed changed and German politicians are faced with a number of issues that they need to confront if the stability of the 1950s, 1960s and 1970s is to be rekindled.

First and foremost, there is now the real threat that elections may not produce practicable government options. The steady two-and-a-half-party system of the pre-

Table 5.2 Party membership, 1995–2004

Year	SPD	CDU	CSU	FDP	Greens	PDS
1995	817,650	657,643	179,647	80,431	46,054	114,940
1996	793,797	645,852	178,573	75,038	48,034	105,029
1997	777,899	631,700	178,457	69,621	48,983	98,624
1998	775,036	626,342	178,755	67,897	51,812	94,627
1999	755,066	638,056	183,569	64,407	49,487	88,594
2000	734,693	616,722	181,021	62,721	46,631	83,475
2001	717,513	604,135	177,852	64,063	44,053	77,845
2002	693,894	594,391	177,705	66,560	43,795	70,805
2003	650,798	587,244	176,989	65,192	44,052	65,753
2004	605,807	579,484	172,892	64,146	44,322	61,385
Change, 1995–2004	–211,843	–78,159	–6,755	–16,285	–1,732	–53,555

Source: Scarrow (2006: 380)

unification era made coalition formation straightforward and essentially uncontroversial (Blondel, 1968). The disputes that followed the 2005 election result – when neither of the two blocs of red–green (SPD–Green) and black–yellow (CDU/CSU–FDP) managed to achieve a parliamentary majority – were both unseemly and unifying, and the weeks of bickering between politicians illustrated some of the difficulties that are likely to recur when five parties sit in parliament and, in particular, when one of them (the Left Party) is not (yet) ‘coalitionable’. Yet, at the *Land* level, there is plenty of evidence to suggest that creative coalition-making is both practical and possible. To illustrate this point, Table 5.3 shows the wide range of coalitions that were in existence in January 2005, just before the gradual collapse of the SPD–Green federal government (see Table 4.3, for *Land* governments in mid-2007). Only one state (North Rhine–Westphalia) had the same SPD–Green coalition that was in existence at the federal level, and the SPD in particular was more than happy to work with every other party in one way or another: with the CDU in Brandenburg and Bremen, with the FDP in Rhineland–Palatinate, and with the Left Party in Berlin and Mecklenburg–Western Pomerania (it governed alone in Schleswig–Holstein). Since unification, one can also add to this an SPD–Green minority government in Saxony–Anhalt that was tolerated for four years by the Left Party; coalitions of establishment parties with non-establishment protest groups in Hamburg (SPD–*Stattpartei*; CDU–FDP–PRO); and ‘traffic light’ (SPD–FDP–Green) coalitions in Brandenburg and Bremen. Diversity, therefore, is very much the order of the day in the *Länder*. Creative patterns of government formation may be possible at the federal level, too, before too long, if only the politicians dare to give them a chance.

Table 5.3 Coalition alignments in the *Länder*, January 2005

<i>Land</i>	Aligned with the federal government (SPD–Green)	Cross-cutting federal government and opposition	Aligned with the government federal opposition (CDU/CSU–FDP)
Baden-Württemberg			CDU–FDP
Bavaria			CSU
Berlin	SPD–Left Party		
Brandenburg		SPD–CDU	
Bremen		SPD–CDU	
Hamburg			CDU
Hesse			CDU
Lower Saxony			CDU
Mecklenburg–Western Pomerania	SPD–Left Party		
North Rhine–Westphalia	SPD–Green		
Rhineland–Palatinate		SPD–FDP	
Saarland			CDU
Saxony			CDU
Saxony–Anhalt			CDU–FDP
Schleswig–Holstein	SPD		
Thuringia			CDU

Source: Jeffery and Hough, 2006

The diversity within the party system has clearly taken on proportions unheard of in the post-war period. Essentially, Germany has three regional party systems:

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- Eastern Germany (Mecklenburg–Western Pomerania, Brandenburg, Thuringia, Saxony, Saxony–Anhalt and Berlin). Three more-or-less similar-sized parties compete for votes. The SPD remains the ‘pivot’ party between the centre-right CDU and socialist Left Party. The FDP and Greens play little, if any, role.
- Southern Germany (Bavaria, Baden–Württemberg). The CDU in Baden–Württemberg and especially the CSU in Bavaria enjoy a structural majority in each of these states. The ability of the CSU to dominate Bavarian politics is particularly impressive and the party has been able to secure an absolute majority of seats in the *Land* parliament at every election since 1962. Because of the CSU’s crushing dominance, politics in Bavaria is often said to work to a different time to the rest of the country (*‘In Bayern gehen die Uhren anders’*).
- Western and northern Germany (Schleswig–Holstein, North Rhine–Westphalia, Lower Saxony, Saarland, Rhineland–Palatinate, Bremen, Hamburg, Hesse). Although either the SPD or the CDU may have governed for long periods of time in the past, there now remains a more-or-less equal balance between centre-left and centre-right. Regular changes in *Land* governments are imaginable. Small parties are of some significance, particularly in northern Germany.

Regional party systems are the norm in many other European states, and the current period of diversification is perhaps simply a signal that Germany is continuing to normalise itself. Although this classification applies to the federal and the *Land* levels of party competition, it is clear that the permanent election campaigns that are fought by the parties on account of the staggering of *Land* election dates may prompt a degree of disillusionment among the electorate following the motto of ‘so many elections, so little output’. The phenomenon of *Politikverdrossenheit* (disenchantment with politics) first appeared in the 1980s and quickly became *Parteienverdrossenheit* (disenchantment with parties), as ever more citizens became sceptical of the parties’ abilities to solve contemporary problems in Germany. The hangover that followed the euphoric uniting of West and East Germany in 1990 quickly metamorphosed into disillusionment with politics and politicians, and – following a short period of hope when Gerhard Schröder took over the reins of power – descended further in the first years of the twenty-first century. The 2005 election will be remembered for the ineffectual and unattractive posturing by Schröder that dominated the newspapers in the weeks following it, lending further credence to claims that politicians have indeed lost appreciation of the needs of the ‘man-on-the-street’ and instead live in the small world of Berlin politics. Lower turnout levels – in all elections – are ample evidence of the loss of faith that German citizens have experienced towards their elected representatives, and it will take a concerted and systematic effort from all sides to re-establish positive links with the citizenry.

Long-running debates on the funding of political competition have not assisted politicians in their attempts to increase their standing within German society. Indeed, the thorny issue of who should fund party politics in Germany – and to what extent – remains one of the polity’s perpetual sagas. Parties regularly claim that as their obligations as public actors expand in scope, their funding situation has grown ever more difficult. Many commentators, on the other hand, decry the black hole into which public money seems to be disappearing as parties suck in ever larger subsidies. Funding comes initially from membership contributions, donations from corporate sponsors and – since 1959 – public funds. Any party that gains 0.5 per cent of the vote in national elections is entitled to receive state funding. But the sum they receive has – much to the chagrin of critics –

increased steadily over time. Post-1967 they received the equivalent of €1.25 from the state for every vote cast in their favour at federal elections, but this rose to €1.75 and then, from January 1984, to €2.50. This was replicated for parties at the *Land* level in *Land* elections. Parties also receive free campaign advertising time on public television and radio, based on their performance in the previous election. However – in stark contrast to parties in countries such as the USA – they are not permitted to purchase any additional spots.

The relatively clear rules on financing parties did not prevent regular instances of abuse of the rules. Donations were sometimes made in highly creative ways – through completely fictitious firms or dummy bank accounts, for example – in order to facilitate tax scams. As was noted in Chapter 2 (p. 34), one of the most spectacular cases of illegal party funding came in the so-called Flick Scandal at the beginning of the 1980s when it was revealed that the Flick consortium had created a series of clandestine accounts for the purpose of ‘cultivating the political landscape’ – in layman’s terms, bribing all of the parties (with the exception of the anti-establishment Green Party) to craft tax policies that suited Flick’s interests. A national outcry and further efforts by the Constitutional Court in 1992 to clarify parties’ financial affairs did not wipe out malpractice. Parties now received the equivalent of €0.50 per year for every valid vote they received in elections to the European Parliament, the *Bundestag* and each of the sixteen *Länder*. The only stipulation was that they still had to poll at least 0.5 per cent of the popular vote. Smaller parties – who had regularly claimed that the larger ones benefited from the previous system on account of their size and attractiveness to outside donors – were allowed to claim the equivalent of €0.65 for every vote up to five million votes. Furthermore, every party was permitted to claim matching funds from the state for the membership dues and donations they received from individuals (up to the equivalent of €3,000 per person), with the contributors permitted to write off their donations against tax. Box 5.1 gives a breakdown of the main parties’ income in 2004.

The tightening of the rules gives the immediate impression that German parties now have little room to manoeuvre in terms of financing their activities. Strictly speaking, this is accurate, but – as a scandal in 2000 involving long-time CDU/CSU leader and Chancellor Helmut Kohl illustrates – parties remain adept at circumventing the rules.

BOX 5.1 POLITICAL PARTIES AND THEIR INCOMES, 2004

- SPD – €186.9 million, of which 27.1 per cent stems from membership contributions and 18.9 per cent from donations
- CDU – €154.3 million, of which 28.2 per cent stems from membership contributions and 29.9 per cent from donations
- CSU – €40.4 million, of which 25 per cent stems from membership contributions and 24.4 per cent from donations
- FDP – €36.9 million, of which 16.3 per cent stems from membership contributions and 27.4 per cent from donations
- Greens – €26.5 million, of which 20.4 per cent stems from membership contributions and 32.1 per cent from donations
- PDS – €32.2 million, of which 28.9 per cent stems from membership contributions and 10.2 per cent from donations

Source: Scarrow (2006: 383)

Kohl's ability to steamroller through this intricate legislative framework cost his party dear, and German politicians remain periodically susceptible to financial malpractice. Stories of other leading CDU politicians such as Wolfgang Schäuble accepting suitcases stuffed with banknotes from alleged arms dealers buttress the impression that while Kohl was at the centre of an illegal bank accounts affair, he was by no means the only person who was bending (or plain ignoring) the rules set out in the Party Law. In Bavaria, where the CSU's dominance has meant that the boundaries between party and state have often become blurred, political figures, and particularly its late leader Franz Josef Strauss, have periodically become embroiled in allegations of financial impropriety. SPD politicians, too, have been found guilty of collecting illegal contributions to party coffers, and Gerhard Glogowski, for example, was forced to resign as Minister-President of Lower Saxony after just thirteen months in office on account of his alleged involvement in dubious financial activities; in 2000, various SPD officials in Cologne were revealed to have had their 'hands in the till'. A steady trickle of similar affairs has sent confidence in the honesty and competence of the political classes plummeting.

Debates

Given that the German party system and party politics are faced with a multitude of challenges and tests, it is not surprising to find that currently there is a heated debate over where Germany's party democracy goes from here. There is clearly a need to restore faith in the political process. Interestingly, empirical evidence indicates that while Germans are generally disdainful of their political leaders, the situation is even worse in a number of other Western countries (Israel, Portugal, Slovakia and Poland, for example; see Infratest, 2005b: 1) and there is little evidence of any sort of widespread rejection of democratic principles. Be that as it may, there is – and has been for at least the last decade – a strong sense of *Politikverachtung* (literally, a contempt for politics) in German society. The 2005 election campaign, and particularly the unseemly battle for ministerial portfolios that followed it, did little to alleviate the impression that politicians remain both aloof from the citizens whom they claim to represent and, even worse, unable to pursue concerted policies of reform.

The Grand Coalition of the two largest groups in parliament under CDU leader Angela Merkel therefore has plenty to keep it busy. The 2006 federalism reform (Chapter 4, pp. 71–2) is likely to ease the institutional barriers to implementing a reform-orientated agenda, although quite how that will affect the constitutional standing of the political parties (if, indeed, it affects them at all) remains unclear. Talk of Merkel being a German Margaret Thatcher is misplaced in that the structural context within which she has to work – institutionally, socio-economically and culturally – remains very different from that which existed in the UK in 1979. The new Chancellor is certainly unlikely to change fundamentally the structural shape of German politics, even though her government has begun a process of institutional and policy regeneration.

While it is unlikely that debates on the financing of political activity will ever completely be resolved, there appears little likelihood that the fundamental tenets of the party finance infrastructure will substantially change. Parties in Germany – as elsewhere – are not only fighting many election campaigns (European, federal, regional, local) but are doing so in an environment that makes this an exceedingly costly exercise. Although the state provides considerable subsidies for the day-to-day activities of political parties, it is still clear that sophisticated marketing strategies, slick advertising techniques and

modern campaign gimmicks drain party funds more drastically than was the case just a few years ago. Striking a balance between funding genuinely integral party activity and allowing parties to generate funds so that they can market themselves is no easy task, and – as the remarkable resilience of the parties in recent years illustrates – it is unlikely that future chancellors will seek any sort of wholesale reform of the web of financial incentives that currently exists.

One thing that *did* change with the 2005 election, obviously, was the gender of the Chancellor. Germany has, for the first time, a female head of government, and this has prompted much debate on the role of women in German society and within the political process. The proportion of women who are active in the upper echelons of German politics is at an all-time high (McKay, 2004). Most of the main parties realise the importance of breaking up the male-dominated, hierarchical structures that previously existed, and parties such as the Greens and the Left Party have not been scared to introduce quota systems to facilitate this. Indeed, in 2005, eight of the twelve members of the executive of the Left Party's parliamentary party were female, as were the two MdBs who represented it in the *Bundestag* between 2002 and 2005. Such quotas have nevertheless not engendered genuine equality just yet. Between 2002 and 2005, only 32.3 per cent of MdBs were female; even though this is well above the European average of 17.6 per cent, it is evidence that German parties – and particularly those of the centre-right – remain male-dominated organisations (McKay, 2004: 57). The CDU/CSU and FDP, in particular, are generally male parliamentary bodies, while the Left Party (which was 60 per cent female from 1998 and 2002, and 48 per cent female after the 2005 election) and Greens (regularly over 50 per cent female) possessed the most gender-balanced parliamentary parties. The quota system and attempts to feminise party political culture have not yet completely levelled the playing field. Silvana Koch-Mehrin – a young, high-flying MEP for the Free Democrats with a young family – epitomised the frustration that many women feel within German parties by famously responding to a journalist's question of how she juggles family and career by bluntly asking why she is constantly asked that question while her husband is not.

The rise of the NPD in parts of eastern Germany has prompted worries about the stability of Germany's democracy in the eastern states. Are Easterners still unconvinced of the democratic structures with which they have now lived for fifteen years? Given the desolate economic situation in the eastern states, are they prone to search for populist solutions to their apparently intractable problems? In light of Germany's troubled past, the rise of any right-wing party is treated with considerable alarm. The NPD's entry into two state parliaments in 2004 and 2006 was no different, particularly when it became clear that in Saxony's Holger Apfel the party had finally found a parliamentary leader with at least a modicum of political skill. Attempts to ban the party (discussed above) collapsed amid farcical scenes in 2003, and although it is not beyond the realms of possibility that Merkel's government may again attempt to go down this route, such a concerted effort appears unlikely at the moment. Should the rise of a right-wing extremist organisation be seen as a dangerous threat to Germany's (and particularly the east's) political culture, or is this yet another sign of the normalisation of political life in Europe's largest country? After all, Germany was one of few countries that *did not* – and in many ways still does not – have a strong right-wing party at the national level. These questions need to be articulated and addressed in the coming years.

However, the most significant debate – in many ways dwarfing all of those mentioned above – is much more straightforward: which way now with the process of socio-

economic reform? As Chapter 7 will show, Gerhard Schröder's *Agenda 2010* package of reforms for modernising the labour market and Germany's extensive social support network was, in many ways, a radical departure from the consensus politics that had existed for decades. The old model of redistribution between the generations no longer appears to function as effectively as it once did, as Germans grow older and the state's finances become ever more precarious. Schröder's attempt to develop new strategies for providing for old-age pensions and public health nonetheless represent nothing more than a first step towards larger reforms of the welfare state and should therefore be seen only as a starting point for kick-starting the once fearsome German economic machine. The Grand Coalition of CDU/CSU and SPD may, some analysts argue, provide the sort of cross-party consensus that is needed to implement radical processes of reform. It will be easier to secure majorities in the *Bundesrat* and – providing internal one-upmanship does not take over – there is reason to believe that the government will continue, in some form, along the reforming path on which the SPD–Green coalition embarked in 2003.

But, a darker, more negative scenario is also feasible: the coming together of Germany's two catch-all parties leaves just the smaller parties in opposition. While the Greens and the FDP can be relied upon to oppose government policies in good spirit, there is also the worry that parties to the left and right may agitate on an overtly populist agenda – pulling votes away from the middle and towards the extremes. This scenario remains the less likely, but the CDU/CSU–SPD government needs to be aware of the responsibility that rests on its shoulders. For forty years through the Cold War era, the German party system and German democracy were beacons of stability. A consolidated party system, based on two and half parties, steered Germany through economically prosperous times, but things have clearly changed since 1990: partisan dealignment has increased and Germans are much more sceptical of the parties that represent them. Coming to terms with this disillusionment is something that the German political parties have yet to do effectively.

Questions for discussion

- 1 **Is the German party state in need of fundamental reform? If so, in what way?**
- 2 **Are forces of increasing dealignment a challenge or an opportunity for German political parties?**
- 3 **How best should German party politics be funded?**

Further reading

- Lees, C. (2005), *Party Politics in Germany: A Comparative Politics Approach* (Basingstoke: Palgrave). A very thorough and systematic linking of theories of party competition and development to the practical realities of German politics
- Padgett, S. (2001), 'The German *Volkspartei* and the Career of the Catch-All Concept', *German Politics* 10/2: 51–72. An excellent discussion of the electoral performance of Germany's two most significant parties, the SPD and the CDU/CSU.

Useful websites

- <<http://www.wahlrecht.de/english.htm>> provides full election results for *Land*, federal and European elections.
- <<http://www.wahl-o-mat.de/>> provides an interactive voting recommendation based on the parties' programmes at respective elections (in German only).

6 Citizenship and demographics

A country of immigration?

Summary

This chapter considers two changes – one current and the other future – to the composition of Germany's population. First, Germany has been one of the main destinations for immigration in the European Union; and second, Germans themselves are living longer and having fewer children. The combination of these factors has created a number of difficult political challenges surrounding issues such as Germany's identity, immigrant integration and the future of the welfare state, many of which have now been on the political agenda for more than twenty-five years. At the same time, it has not been easy to develop new solutions to some of these challenges because of Germany's long-established self-perception as a 'non-immigration country'.

Introduction

Over the past fifty years, immigration has transformed many Western European countries into ethnically and culturally diverse societies. While such inflows have affected a range of countries, including France, the UK, Austria and the Netherlands, by far the most significant destination for immigration in the European Union has been Germany. For example, Germany has by far the largest foreign population in absolute (although not relative) terms. In particular, it has a very large and well-settled Turkish population, consisting of 1.7 million people in 2006. In that year, around one-quarter of all foreign residents of Berlin were Turkish nationals, giving the city the largest Turkish community outside Turkey itself.

Inevitably, Germany's Nazi history makes its response to immigration particularly sensitive. Incidents of racially motivated violence, although common throughout EU member-states, are usually reported particularly thoroughly in the foreign press when they occur in Germany. For historical reasons, politicians in Germany have until recently felt unable to articulate an assertive definition of political values to which they expect immigrants to adhere, in contrast to the way that French republicanism always did (and still does). Furthermore, and precisely because of Nazi persecution during the 1930s, political asylum is imbued with a moral significance in Germany which is unparalleled anywhere else in the EU.