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The New Government in Germany

The Social Democratic Party emerged as the largest party in elections in Germany on 27 September 1998, ending sixteen years of government by the Christian Democrat-Liberal coalition. The German parliament confirmed Gerhard Schröder as Chancellor on 27 October. This paper looks at some of the policies that the Socialist government will implement following an agreement with their coalition partners, the Greens. The implications of the new centre-left government for Europe and for Anglo-German and Franco-German relations are also considered.

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Summary of main points

Germany held general elections on 27 September 1998, in which the Social Democratic Party (SPD) emerged as the largest party. The governing Christian Democratic Union (CDU) and its Bavarian sister-party, the Christian Social Union (CSU) suffered their heaviest defeat since the War. On 27 October 1998 Gerhard Schröder took over from Helmut Kohl, who had been chancellor for sixteen years and had been trying for his fifth term in office. The last SPD-led government in Germany was that of Helmut Schmidt from 1974 to 1982. The results of the state or *Länder* governments are given in Appendix IV. Other historical and statistical information relating to previous governments is given in Appendices I-III.

The success of the SPD follows a general shift to the political left among the European Union (EU) Member States, and brings to a total of thirteen the number of EU States with a centre-left government. The four large EU States, Germany, France, the UK and Italy have moved to the left in recent elections. Italy's new Prime Minister, Massimo d'Alema, is a member of the reformed Communist Party.¹ Only Spain and Ireland are now governed by the centre-right.

Gerhard Schröder is a colourful and charismatic politician, whose lifestyle sometimes seems to be of more interest to commentators than his policies. His cabinet includes three Green Party members, in foreign affairs, the environment and health. After three weeks of coalition negotiations the SPD and the Greens agreed a reform programme in a range of areas. Some of the measures represent a compromise of SPD and Green election pledges. They include comprehensive reform of the country's complex tax system, the phasing out of nuclear energy, the restructuring of the army, reform of German nationality and citizenship laws and a reaffirmation of Germany's commitment to Europe but with a fairer German contribution to the EU budget.

The Franco-German relationship looks set to continue as the dominant force within the EU, and it remains to be seen how relations between the British Prime Minister and the new German Chancellor will develop.

¹ The coalition government of Romano Prodi collapsed on 9 October, after which Mr d'Alema took over.

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I The Election Results

The results of the elections on 27 September 1998, compared with those of 1994, were as follows:²

Party	% of votes		No. seats in <i>Bundestag</i> out of total of 669	
	1998	1994	1998	1994
SPD	40.9	36.4	298	252
CDU/CSU	35.2	41.5	245*	294**
FDP	6.2	6.9	44	47
PDS	5.1	4.4	35	30
B.90/Greens	6.7	7.3	47	49
Republikaner	1.8	1.9	-	-
DVU	1.2	-	-	-
Others	2.8	1.7	-	-
Turnout	82.3	79.0		

* 198 CDU seats and 47 for the CSU

** 244 CDU seats and 50 for the CSU

Key: CDU = Christian Democratic Union
 CSU = Christian Social Union
 SPD = German Social Democratic Party
 Bündnis 90/Greens = Alliance 90/Greens (called 'the Greens' in this paper)
 FDP = Free Democratic Party
 PDS = Party of Democratic Socialism (former Communists)
 Republikaner = Republicans (extreme right-wing nationalists)
 DVU = German People's Union (extreme right-wing nationalists)

² The full provisional official results, including a breakdown of state and local and results, are given in the *Frankfurter Allgemeine Zeitung* of 29 September 1998.

II Comment on the Results

Opinion polls over the last few months indicated a drop in support for the CDU/CSU union, although the gap appeared to be closing as the election date approached. A poll of 1,600 people over the period 11-18 September 1998 gave the SPD 41.1% against 36.1% for the CDU/CSU, with 7% for the Greens, 6.5% for the FDP and 4.7% for the PDS.³ These predictions were remarkably close to the final result. The SPD was already in control of eleven of the sixteen state governments and shared power in two others, and therefore had a majority in the *Bundesrat* or Upper House of the German parliament.⁴ In the first all-German elections in 1990 the CDU won in all but one of the new Eastern states (Brandenburg), but will now probably hold on to the Saxony government alone in the next state elections.

The extreme right-wing parties (the *Republikaner* and the DVU) won 3% of the vote between them nationally and failed to gain any *Bundestag* seats, in spite of some success in state elections over the last few years.⁵ Fears of an upsurge in right-wing extremism proved to be unfounded. The *Republikaner* took the most votes (4%) in the conservative state of Baden-Württemberg, where there was a combined extreme right-wing vote of 4.6%. In Berlin the combined vote was slightly higher at 4.8%.

The PDS, the ex-communist Party of Democratic Socialism, won 35 seats in the *Bundestag*, achieving its best election result since German unification. Although direct comparisons cannot be made between Eastern Germany and other former Communist bloc states, the success of the PDS reflects a general trend in Eastern Europe, where economic downturns have given rise to increased support for Communist or reformed Communist parties.

The loss of 50 CDU/CSU seats was unprecedented for the governing centre-right coalition. Analysts attribute the fall in support largely to disillusionment over the economy and to rising unemployment since unification. Others indicate boredom with the ruling CDU/CSU coalition. In fact the results seem to indicate that the reasons might have been different in the east and the west of the country. In the first all-German elections in 1990, Chancellor Kohl was supported by a majority of East Germans, who also rallied to the CDU/CSU in 1994, though somewhat less enthusiastically. In the September elections only Saxony's popular CDU premier, Kurt Biedenkopf, survived, and the CDU also held on to the northern part of Mecklenburg-West Pomerania. All the

³ *Frankfurter Allgemeine Zeitung*, 23 September 1998.

⁴ At the time of the election the SPD was in control of eleven states and took Mecklenburg-West Pomerania from the CDU in concurrent state elections on 27 September.

⁵ In Land elections in Saxony-Anhalt on 26 April 1998 the CDU/CSU, the FDP and the Greens lost votes to the extreme right-wing *Deutsche Volksunion* (DVU or German People's Party), led by Gerhard Frey, which won 12.9% of the vote. The DVU were also represented in the Bremen state parliament for a short time and in the Hamburg elections in September 1997 they just missed the 5% barrier with 4.98%. In elections in Baden-Württemberg in March 1996 the *Republikaner*, another extreme right-wing party, won 9.15% of the vote.

other former East German Länder were won by the SPD, with the exception of the eastern part of Berlin, where the PDS continues to dominate. In the west of the country the political landscape changed in all states but Baden-Württemberg and Bavaria, which remain CDU and CSU strongholds respectively. The remaining CDU/CSU majorities are in the wealthier parts of North-Rhine Westphalia and in the west of Lower-Saxony, where there is still a strongly traditional pro-CDU farming lobby.

The FDP, which does not have any traditional strongholds, is the junior partner in the former governing coalition, has 44 seats in the new *Bundestag*, three fewer than before but a relatively small loss compared with those of the CDU. The FDP had begun to look increasingly less viable when it lost support in state elections in 1994, but its 6.2% of the vote was perhaps better than expected, and it managed to survive amid the SPD landslide victory.

III The SPD: a historical overview⁶

The SPD was founded in 1875, when two rival socialist parties combined. Its membership increased dramatically in the years leading up to World War I, although this was accompanied by factional conflict among the radical left, the party establishment and reformists over the future direction of the party. At the end of the First World War the left wing of the SPD left to form the German Communist Party, and this removed one element of tension in the party. The Nazis banned the SPD and its leaders were imprisoned or exiled. It was not re-established until 1945 under Kurt Schumacher. Its appeal in the 1940s and 50s did not extend much beyond the industrial working-class districts. The SPD was labelled as a class party and socialism was generally associated with East Germany.

In 1959, in order to reflect economic and social changes in the post-war era, a new party programme was adopted at the landmark *Bad Godesberg Conference* which abandoned Marxist doctrine and accepted principles such as private ownership, as long as they did not obstruct the creation of a just social order. The SPD no longer aimed to abolish free competition but to improve and reform it. In June 1960 the SPD indicated that it would join other German parties in defence of West Germany against Communist threats by accepting NATO and its foreign policy requirements. The main aim of the party leadership from the 1960s onwards was to participate in government, which they finally achieved in the "Grand Coalition" with the CDU/CSU in 1966. Following federal elections in 1969, the SPD under the leadership of Willy Brandt⁷ enjoyed its first sustained period in government in a coalition with the FDP. Membership increased dramatically after Willy Brandt became Chancellor, but fell in 1974 amid factional disagreement. In that year Brandt resigned and Helmut Schmidt became Chancellor.

Factional conflict decreased during the early Schmidt period but by 1980 there was disagreement in most of the major policy areas such as economic growth, public borrowing, the welfare state and the US-led NATO deployment of cruise missiles. Some SPD *Bundestag* members felt that the SPD had lost its ideology. There was growing unease in the party, particularly on its left flank, that the SPD was ignoring important issues such as nuclear power and weapons and a number of social issues such as education, the poor, unemployment and *Gastarbeiter* (guest workers). Austerity measures were introduced that affected above all pensioners, lower paid workers and the unemployed. By 1982 poll ratings for the Schmidt government were the lowest in thirty years (at 30%).

⁶ Sources include: Gerard Braunthal, *Parties and Politics in Modern Germany*, 1996, *Parties and Party Systems in the New Germany*, edited by Stephen Padgett, 1993, and Geoffrey Roberts, *Party Politics in the New Germany*, 1997.

⁷ Willy Brandt had been SPD chairman since 1964.

While earlier attempts by the left of the party to form viable political forces had largely failed,⁸ the emergence of the Greens on the party's left proved more of a catalyst for change. Although the Greens were also factional and divided over some of the major issues facing the country, they still posed a threat to the faltering SPD. In 1982 the SPD coalition partner, the FDP, led by Hans-Dietrich Genscher, changed allegiance and supported the CDU in state elections in Hessen. The end of the relationship at federal level came in September 1982, when Helmut Schmidt was defeated in a no-confidence vote. This signalled the end of the SPD era in government until September 1998.

The party was demoralised and divided after the 1982 debacle. During its period in opposition the nature of the party membership changed. New members were generally better educated than in the past and office holders were increasingly middle-class. The SPD leadership commissioned studies of the change in order to try and widen the party's appeal. Factionalism among the left and right of the party remained almost endemic from local party level up to parliamentary level. In the early 1980s, as the Peace Movement and the Green Movement grew in Germany and elsewhere in Europe, the left gained the advantage on two significant issues: the environment and NATO missile deployment.⁹ The right of the party tried to gain the middle ground in an attempt to appeal to the growing middle-class, while also fostering relations with the trade unions.

The SPD candidate for chancellor in the 1983 elections was Hans-Jochen Vogel, but he failed to oust the governing coalition in spite of attempts to appeal to both blue-collar workers and a 'greener' electorate. Mr Schmidt resigned his deputy-chairmanship of the SPD *Bundestag* faction after the 1983 elections. The SPD leadership under Willy Brandt looked into the possibility of a coalition with the Greens, most of whom had been earlier SPD members.¹⁰ Johannes Rau was the candidate for chancellor in the 1987 elections, in which the SPD suffered its worst results since 1961. Following Brandt's resignation after twenty-three years as party chairman in 1987, Hans-Jochen Vogel led the SPD until 1991, when Björn Engholm, premier of Schleswig-Holstein, took over. Engholm resigned in May 1993 following a political scandal and Rudolph Scharping, a Brandt *protégé*, took on the leadership that June. He beat two other candidates for the post, one of whom was Gerhard Schröder. Scharping was replaced by Oskar Lafontaine as party chairman in 1995 but remained head of the *Bundestag* faction.¹¹ Political scandal, internal disputes and the economic problems suffered by SPD-led *Länder* resulted in a further loss of popular support for the party in Western Germany. In the five new *Länder* in Eastern

⁸ The Action Community for Democratic Progress (ADF) and the Socialist German Student Federation (SDS), for example.

⁹ For a discussion of the missile issues, see *The Future of Social Democracy: Problems and Prospects of Social Democratic Parties in Western Europe*, edited by William Paterson and Alastair Thomas, 1986.

¹⁰ This was tested out at *Land* level in Hessen in June 1994 but collapsed within months following disagreement over the expansion of two nuclear plants.

¹¹ The SPD distinguishes between the party chairperson, the parliamentary or *Fraktion* leader and the candidate for chancellor.

Germany, the SPD had little support, which one political scientist put down to “structural weaknesses, leadership struggles, lethargy, and discouragement”.¹²

The SPD leadership was optimistic about winning the 1994 elections and opinion polls appeared to confirm their popularity. Rudolph Scharping sought to minimise internal feuds in the pre-election period but the results were disappointing, and the CDU coalition remained in government for another term.

¹² Gerard Braunthal, *Parties and Politics in Modern Germany*, 1996.

IV The Greens: a historical overview¹³

The Greens were established at regional level some time before they entered the national arena. They took part in local elections in Lower Saxony in 1977 following a federal government decision to build a nuclear waste disposal centre in the state. Thereafter, environmentalist groups started to appear throughout the Federal Republic and the Greens held their founding conference at Karlsruhe in 1980. The movement began as a loose coalition of environmentalists, Trotskyists and radicals, with former leader Petra Kelly campaigning for environmental responsibility, democracy and non-violence. In the 1980 general election the Greens took only 1.5% of the vote, but in state elections in 1981 and 1982 they took seats in six regional parliaments and also increased their support in local elections. They came to the fore at national level in 1983, primarily on an anti-nuclear, anti-American, anti-establishment platform. When they first entered the *Bundestag* after the 1983 elections the Greens were a “motley bunch of brightly dressed young radicals”¹⁴ characterised by their informal dress as much as their radical views. They were predominantly young (under the age of 35) and from the educated middle class. By 1987 the Greens had 42 seats in the *Bundestag* and some of their hitherto unfashionable proposals were being adopted in the political programmes of the larger, more traditional parties, as pollution, climate change and other ecological issues began to make their mark on the global agenda.

The Greens initially supported German unification “as part of a larger utopian vision that included the dissolution of the North Atlantic Treaty Organization and the Warsaw Pact as well as the total disarmament of Europe”.¹⁵ However, in the belief that Russian *perestroika* made unification obsolete, their policy changed in favour of full recognition of East Germany. The Greens were the only West German party to oppose unification, favouring a “loose confederation between East and West Germany within the context of an expanded European Community that would allow the Eastern Germans to develop a market socialist economy”.¹⁶ This was a highly unpopular stand in the late 1980s. The party lost all its seats in the 1990 elections and was mired in internal conflicts over ideology.¹⁷ Many of the fundamentalists then left the party, the East and West German Greens merged and formed an alliance with another group of former dissidents from Eastern Germany, *Bündnis 90* or Alliance 90.

¹³ Sources include Werner Hülsberg, *The German Greens: A Social and Political Profile*, 1988, and *The Green Challenge: the development of Green parties in Europe*, edited by Dick Richardson and Chris Rootes, 1995.

¹⁴ *Irish Times*, 3 October 1998.

¹⁵ *Parties and Party Systems in the New Germany*, edited by Stephen Padgett, 1993, p.186

¹⁶ *Ibid.*

¹⁷ A German Constitutional Court ruling on the 5% barrier being applied separately in the East and West resulted in the combined Greens/Bündnis 90 obtaining 8 *Bundestag* seats which were in fact those of *Bündnis 90*, which took 6.1% of the vote in the eastern Germany, while the West German Greens took only 4.8%.

The Greens are currently in governing coalitions with the SPD in four of the sixteen *Land* governments.¹⁸ In one of the red-green states, North-Rhine Westphalia, the experience has not always been easy and there have been serious disagreements over an allegedly environmentally damaging mining project. At federal level there might be a need for more compromise by fundamentalists if the red-green coalition is to survive. The fundamentalist wing of the Green Party, the so-called *Fundis*, are still a strong force within the party, although not as dogmatic as their predecessors. The *Independent* has commented that the structure of the party “is diffuse and painstakingly democratic. Genders have to be balanced in every post, as do the regions and the two wings”.¹⁹ Structural issues have already occupied the party in its new status. Since being invited to join the government a dispute has arisen over concurrent ministerial and parliamentary mandates, with the result that Green ministers have given up their parliamentary seats.

¹⁸ At local level they have also formed coalitions with the CDU.

¹⁹ 30 September 1998.

V Gerhard Schröder

Gerhard Schröder has been the premier of the state of Lower-Saxony since 1990 and won his third term in regional elections in March 1998. He was born in 1944 into a poor family and left school early to work as a junior salesman in a china shop. He later completed a law degree and as a lawyer he specialised in civil rights. He became well-known for having defended Horst Mahler, a founder member of the Red Army Faction (the Baader-Meinhoff terrorist group).²⁰ He had joined the SPD in 1963, was a charismatic member of the SPD student movement, and in 1978 became the somewhat less radical leader of its youth wing, the *Jusos*.

Mr Schröder's more recent political career has been described as pragmatic rather than ideological, and his close links with business have caused tensions between the left and the right of the party. He has moved gradually to the right in his political views, abandoning or adapting some of his earlier, left-wing beliefs. He came to approve Chancellor Kohl's restrictive policy towards asylum-seekers, with a view to capturing the middle ground or the "new centre", as his election campaign emphasised. His appeal to the conservative mainstream and the media has been evident in opinion polls over the last year, while his move away from socialist ideology made him less popular with many SPD faithful. Several observers have pointed to his driving political ambition. The *Guardian* commented:

He [Schröder] needs the SPD to realise his ambitions and the party needs him as its most formidable political operator and vote-winner. But it is an ambivalent and mutually suspicious relationship. For Schröder, the SPD is the vehicle to power. But he takes the main line to the masses via the media, bypassing the SPD apparatus. Schröder, like Kohl, is what the Germans call a *Machtmensch* – a man of power.²¹

Others admire his determined climb up the social hierarchy, and one commentator, in an otherwise cautious appraisal of Mr Schröder after his third election win in Lower Saxony, conceded that he "would be able to portray himself as the man who is best equipped to bring about change and take Germany into the 21st century".²²

VI Forming a Government

Following in the tradition of coalition politics, the SPD sought a viable parliamentary majority in an alliance with a smaller party. However, Mr Schröder diverged from the

²⁰ The new Interior Minister, Otto Schily, was also the defence lawyer for members of the Baader-Meinhoff group.

²¹ *Guardian*, 13 April 1998.

²² *European Voice*, 26 February - 4 March 1998

tradition in so far as the FDP did not become his coalition partner, but the Greens.²³ Early speculation about the formation of a “grand coalition” of left, liberal and centre-right was not fulfilled. Helmut Kohl quickly ruled out joining a grand coalition, as did Theo Waigel, leader of the CSU faction of the union. The FDP maintained its pre-election position that it would not join an SPD-led coalition government. The chancellor-elect had thirty days in which to form an alliance with majority support in the *Bundestag*. Under the German Constitution (the Basic Law) the President formally proposes the candidate for chancellor, who is usually the candidate with the most parliamentary support. The candidate must be approved by the *Bundestag*, and if he/she is not, the President may elect an alternative candidate within fourteen days. Once endorsed by the *Bundestag*, the chancellor then appoints members of his cabinet, who are formally appointed by the President.

Coalition talks were completed on 20 October and the parliament confirmed Gerhard Schröder as Chancellor on 27 October. The allocation of cabinet positions, the leadership of the SPD party and parliamentary faction, and the priorities announced by the Chancellor-designate almost immediately gave rise to much discussion and some dispute. Mr Schröder offered the Greens three cabinet positions (comparable with the FDP as the junior coalition partner with the CDU/CSU), although they had asked for four. Mr Schröder’s choice for economics minister, Jost Stollmann (independent), declined to accept the post, accusing the chancellor-elect and Mr Lafontaine of policies that would damage business and of renegeing on election pledges to seek the centre-ground.

²³ The choice of the Greens has given environmentalist parties their second place in government in recent European elections. As a result of the losses suffered by the Swedish socialists on 20 September, the Prime Minister, Göran Persson, also formed a coalition government with the Green Party.

VII The SPD and the Greens: Policies

A. Introduction

Mr Schröder has worked with the Greens already in an SPD-Green coalition in the state government of Lower-Saxony between 1990 and 1994, although this would be the first red-green coalition at federal government level. In his election campaign Mr Schröder emphasised the differences in the two parties' political agendas, particularly on nuclear energy, the cost of petrol²⁴ and large-scale infrastructure projects, such as plans for a high-speed rail link between Hamburg and Berlin. On 20 October, after three weeks of negotiations, the red-green coalition agreed a policy package in a range of areas, which was formally endorsed by the Greens on 24 October and by the SPD on 25 October. Some of the new policies are discussed below and compared with election and manifesto pledges.

B. Economic and Social

The SPD election campaign centred on job creation and the reduction of Germany's roughly four million unemployed. The two parties quickly agreed on an "alliance for jobs" in which Mr Schröder wanted the Church, as well as industry and the unions, to be involved. They approved plans for a jobs and training scheme for 100,000 unemployed young people, while a second round of coalition talks on 7 October concentrated on the reconstruction of Eastern Germany and unemployment. Green plans to redistribute work, based on shorter working hours and less overtime, and a ban on state subsidy of industry that was ecologically unsound, have already met with some resistance from the SPD trade unionist wing.

The finance minister, Oskar Lafontaine, called for interest rate cuts throughout Europe to help jobs and reduce fears of a global recession. Known as 'Red' Oskar in Germany, Mr Lafontaine (who challenged Helmut Kohl unsuccessfully for the chancellorship in 1990) is a committed Keynesian of traditional, old-guard socialist views, favouring wage increases across the board in order to stimulate demand and ease the problem of high unemployment.²⁵ His election pledge to "restore social justice" sought to reintroduce full pay for workers on sick leave, which the Kohl government had removed, to bring back legislation that made it difficult for companies to dismiss staff, and to introduce a corporate wealth tax.

Both the SPD and the Greens would like to reform Germany's complex income tax system. The reform plan proposed by the embryonic red-green coalition is less radical than either party's election manifesto proposals and has been described as 'half-hearted'

²⁴ Mr Schröder was a member of the Volkswagen supervisory board and did not support Green proposals for massive petrol price increases.

²⁵ *Financial Times*, 4 December 1997.

by the German Taxpayer's Federation. One commentator maintained that the package "will do little to dent Germany's reputation as a high tax country".²⁶ The reform package would "provide a net fiscal boost of a mere DM10bn by 2002".²⁷ In their election manifestos the SPD wanted to reduce the lowest rate of income tax from 25.9 to 15% and the higher rate tax from 53% to 49% (the CDU/CSU wanted it reduced to 39%). The Greens wanted the high rate reduced to 45% of an annual income over DM120,000 (approximately £40,000) and the lowest rate reduced from 25.9% to 18.5%.²⁸ The reform package proposes reducing the lowest tax rate to 23.9% in 1999, falling to 22.9% in 2000 and 19.9% in 2002. The top tax rate will be cut to 51% in 2000 and to 48.5% in 2002. Corporate tax on retained profits will be reduced from 45% to 40% in 1999 and the top rate of business tax will fall from 47% to 45% in 1999, and to 43% in 2000.²⁹ The pact contained plans to cap corporate tax at 35% in 2000.

The *Financial Times* summarised the effects of Mr Lafontaine's tax proposals, as follows:

[They] have more than a whiff of the 1970s. They will shift money from the corporate sector to working families on a growing scale over the next four years, with the aim of boosting consumption. Although the ordinary taxpayer will only feel a substantial net benefit in 2002, an "average" family with two children should then be DM2,700 a year better off than today – around a 4 per cent rise. So large sums of money are to be redistributed.

In 2002, companies and high income tax payers will contribute DM44bn more in taxes following the trimming down and closure of 70 as yet unspecified tax breaks. Families and businesses will be DM54bn better off in 2002 because of lower tax rates.³⁰

Industry reacted cautiously to the SPD victory. Press reports indicated that there was some scepticism about the mooted red-green economic and fiscal reform programme and its potential effects on foreign investment. The President of the German Chambers of Industry and Commerce (DIHT), Hans Peter Stihl, said that industry expected the new government not to prevent those reforms that were essential for economic growth and for reducing unemployment.³¹ On the publication of the tax reform plans, the DIHT response was that the modest cuts would not help increase either domestic or foreign investment. Dieter Schulte, the head of the *Deutsche Gewerkschaftsbund* (DGB), Germany's trade union association, is reported to have said that the unions would be ready to contribute to the proposed 'alliance for jobs' "by moderating wage claims in return for tax cuts. However, unions would not accept reforms which led to a fall in wages".³² Hans-Olaf

²⁶ *Financial Times*, 13 October 1998.

²⁷ *Financial Times*, 21 October 1998.

²⁸ *Frankfurter Allgemeine Zeitung*, 19 September 1998.

²⁹ *Financial Times*, 13 October 1998.

³⁰ 21 October 1998.

³¹ *Frankfurter Allgemeine Zeitung*, 29 September 1998.

³² *Financial Times*, 5 October 1998.

Henkel, head of the German Federation of Industry (BDI), said that Germany would revert to the stage the UK had been at twenty years ago if the red-green goals were realised.³³ He commented that the corporate tax proposals were “worse than everything we had feared”, warning that they could cost business up to DM100bn (£36bn) over the next four years.³⁴ The business community feared that the plans would make it harder for medium-sized business entrepreneurs to increase investment and was anxious that tax relief for small and medium-sized enterprises should not be cut. Their main worry was that in order to keep overall revenues unaffected by the reforms, they will be financed “at least initially, entirely by broadening the basis of corporation tax”.³⁵

There was broad agreement between the SPD and Greens on the need for environmental protection and plans for an “ecological tax reform”, although they disagreed over the remit of the proposed energy tax. The Greens wanted to impose taxes on the use of energy to finance a reduction in the social security taxes that have contributed to Germany’s high non-wage labour costs. In their election manifesto the Greens pledged to increase fuel prices by 50 Pfennig initially and then by 30 Pfennig annually, resulting in a litre of petrol costing around DM5 in ten years’ time. More modest increases on petrol and other fuels were announced in the coalition pact of 20 October.

The SPD election campaign emphasised the need to stabilise contributions to health insurance and to introduce more competition into this market to prevent increases in health insurance costs. Their health policy also aimed to strengthen the role of family doctors, to improve cooperation among family, specialist and hospital doctors, particularly in their use of expensive medical technology. They wanted to encourage preventive medicine, rehabilitation and a strengthening of patients’ rights. The coalition pact set out plans to halt the increase in and stabilise health insurance contributions, with further measures to improve old age pensions and child care provisions.³⁶

C. Foreign Policy and Defence

1. NATO and Former Yugoslavia

Mr Schröder’s choice of a Green foreign minister might seem surprising. However, Joschka Fischer has long been interested in foreign affairs and in 1994 published a book on German foreign policy entitled *Risiko Deutschland* (roughly translated as Germany at Risk), in which he emphasised that Germany’s future lay in its links with the US and integration in the EU:

³³ *Ibid.*

³⁴ *Financial Times*, 13 October 1998.

³⁵ *Financial Times*, 22 October 1998.

³⁶ *Frankfurter Allgemeine Zeitung*, 24 September 1998.

A German democratic left that did not defend these two basic historical conditions tooth and nail in its federal policies must be out of its mind, because this would put it as well as the country into a dangerous situation.³⁷

Of Mr Fischer, the *Irish Times* commented:

... Mr Fischer is one of Germany's most popular politicians, respected by political opponents such as Helmut Kohl and the former foreign minister Hans-Dietrich Genscher. For many Germans, he is the acceptable face of the Greens, a man who talks sense about the need to make development ecologically sustainable and about the desirability of making Germany a more open, liberal society.³⁸

The Greens have traditionally favoured the eventual dissolution of NATO and the Western European Union (WEU), ending national service and reducing the size of the army. However, they have gradually moved closer to the SPD in some of these areas, as they have toned down their strongly pacifist stand. Schröder and Fischer have tried to calm fears of a radical departure in foreign policy or of Germany's imminent withdrawal from NATO.

The situation in Kosovo has presented the Greens with both an ideological and a political test. Although the SPD is prepared to countenance military action without a UN mandate, the Greens have insisted that they will continue to support the peacekeeping provisions of Chapter VI of the UN Charter rather than direct military intervention in Kosovo.³⁹ In a debate in the (old) *Bundestag* on 16 October, 503 out of 584 parliamentarians voted in favour of German participation in NATO missions in Yugoslavia, but the Greens were divided over the issue (Mr Fischer voted in favour).⁴⁰

The coalition agreement of 20 October stated that NATO was the "indispensable instrument for the stability and security of Europe as well as for the construction of a lasting European peace".⁴¹ The CDU-led government pledged to commit 14 German Tornado fighter-bombers and 500 soldiers, who could only join military missions with the approval of the *Bundestag*. The SPD leadership expressed support for the CDU decision and SPD spokesman, Günther Verheugen, told German radio that he could envisage a situation in Kosovo that would make a military strike necessary, even without a UN mandate, in order to avoid a humanitarian crisis.⁴² It is likely that another *Bundestag* vote will be needed before German bombers could take part in action in Kosovo.

³⁷ Extract from Mr Fischer's book, cited in *Frankfurter Allgemeine Zeitung*, 24 October 1998.

³⁸ 3 October 1998.

³⁹ *Frankfurter Allgemeine Zeitung*, 14 October 1998.

⁴⁰ *Frankfurter Allgemeine Zeitung*, 17 October 1998.

⁴¹ *Frankfurter Allgemeine Zeitung*, 21 October 1998.

⁴² *Frankfurter Allgemeine Zeitung*, 1 October 1998.

2. The *Bundeswehr*

The German army, the *Bundeswehr*, will retain its current strength but will be the subject of a restructuring exercise that will take into account European Union foreign, security and defence policies. The new defence minister, Rudolph Scharping, would like more investment in the *Bundeswehr* rather than less, and more attention paid to improving the morale of soldiers. The Greens would like to reduce the size of the army from 340,000 to around 200,000. The new government will order a commission to look into reform of the armed forces that will include parliamentarians, defence experts, academics and representatives of the Church.⁴³

3. The European Union

a) General

The SPD election campaign emphasised German interests in Europe, and Mr Schröder's campaign rhetoric was much less "European" than Chancellor Kohl's. Chancellor Kohl was a committed 'Europeanist' and at the forefront of moves towards political and economic integration. Mr Schröder is more cautious about the EU. He pledged to put German interests above European ones and to fight for a fairer contribution to the EU budget, a response to both public and political views that the German contribution is unfairly high.⁴⁴ He supports EU enlargement to the east and sees reform of the Common Agricultural Policy (CAP) as a prerequisite for enlargement, insisting that there must be long transition periods for prospective Member States, so as to protect Germany from an influx of cheap labour from new members. He is also more enthusiastic than Mr Kohl about opening a new dialogue with the Turkish government.

The coalition pact emphasised Germany's commitment to the EU and to efforts towards a Europe-wide reduction in unemployment in particular. It also called for a more 'reasonable' German contribution to the EU budget.

Mr Schröder attended the informal EU summit in Austria on 24-25 October, where he confirmed the new government's commitment to reducing unemployment and added that he wanted not only "a place for economic competition but also a social and cultural community".⁴⁵ Germany takes over the Presidency of the EU in January 1999 and will have responsibility *inter alia* for directing the ambitious *Agenda 2000* reforms of the CAP and regional spending with a view to enlargement to the east.⁴⁶

⁴³ *Frankfurter Allgemeine Zeitung*, 15 October 1998.

⁴⁴ Germany is the largest net contributor to the Community budget and receives back proportionally less than other Member States. For an analysis of the German contribution, see Research Paper 97/137, *EC Finance*, 12 December 1997.

⁴⁵ *Guardian*, 26 October 1998.

⁴⁶ See Research Papers 98/55 and 98/56 on the political and economic aspects of EU enlargement and the *Agenda 2000* proposals.

b) Economic and Monetary Union (EMU)

As long ago as 1925, the SPD referred to economic unity in Europe in its so-called "Heidelberg Programme", stating that the SPD was "in favour of the creation of European economic unity, a unity which has become necessary for economic reasons, and is in favour of the foundation of the United States of Europe".⁴⁷

By 1945, the SPD under the leadership of Kurt Schumacher was less clear about the project, taking the view that emphasising the defence of Germany's national interests would be more of a vote winner for the party. In 1950 the SPD also objected to the Schuman plan to establish the European Coal and Steel Community (ECSC), which it considered to be undemocratic and prejudiced against West Germany.

The modern SPD has had an uneasy and at times ambiguous attitude towards EMU, sometimes taking a sceptical view that it should be postponed, and at other times siding with the CDU/CSU government's view that it is desirable and should be implemented according to the established timetable. In December 1996 Günther Verheugen, the SPD's foreign policy spokesman, told the *Bundestag* that the SPD would not make EMU an election issue with which to attack the government, but would support Bonn, although it would take a different approach towards interpreting the convergence criteria and adopt a somewhat less stringent view on their fulfilment. Oskar Lafontaine had endorsed Chancellor Kohl's assessment of the Euro as an important building block in creating the "European House" and warned that a delay in implementation would cause a crisis in the Union.⁴⁸

Dissent over EMU came from Gerhard Schröder. He was critical of a "slave-like adherence to timetables" in pursuit of the euro, which could, in his opinion, be introduced at a later date. Although many politicians were critical of Schröder's "crisis talk", the rise in Germany's unemployment rate to over four million by February 1997 gave rise to fears about the imposition of yet more economic and fiscal burdens. Schröder, according to a report in the *European*, envisaged "serious problems of legitimacy if the single currency is seen to have been imposed on an unwilling electorate" and he did "not rule out the issue being taken up by extremists".⁴⁹ In his view there was no reason why the SPD should decide in favour of EMU immediately, and its decision as to whether or not to support EMU should be made dependent on developments.⁵⁰ Mr Schröder warned that EMU could mean increased German contributions to EU regional funds to help weaker euro-zone members and accused Chancellor Kohl of stifling debate on the implications of the single currency. In an interview published in *Der Spiegel* on 24 February 1997 Mr Schröder made a strong commitment to delaying a single currency until after 1999.

⁴⁷ S.Padgett and W.Patterson, *A History of Social Democracy in Postwar Europe*, 1991.

⁴⁸ *Handelsblatt*, 31 December 1996; *Financial Times*, 31 December 1996.

⁴⁹ 6 February 1997.

⁵⁰ *Financial Times*, 30 December 1997, quoting interview in *Focus*, 30 December 1997.

There was no SPD consensus on Schröder's views. Mr Verheugen told the *Bundestag* that the SPD would uphold the coalition's support for EMU in the 1998 election campaign while other leading SPD politicians distanced themselves from their leader's sceptical position on EMU. In the run-up to the elections Gerhard Schröder endorsed the move to EMU, perhaps for reasons of political pragmatism and ambition, rather than conviction.

Mr Lafontaine's relations with the embryonic European Central Bank (ECB) look uncertain at the moment. He has already expressed disagreement with the ECB President, Wim Duisenberg, over the exchange-rate policy for the euro. The former favours target zones for the euro, dollar and yen, which the latter rejects. Mr Lafontaine has also attacked the monetary policy of the *Bundesbank*, saying that it is "too narrowly focused on price stability and hinders economic growth".⁵¹ The neo-Keynesian approach favoured by Lafontaine and his adviser, Heiner Flassbeck, could have serious implications for EMU. The *Financial Times* commented:

Mr Lafontaine is a strong supporter of EMU itself, but he has been a fierce critic of its neo-classical economic and legal foundations. He believes that price stability should not be the exclusive strategic objective of a central bank. He supports central bank independence, but not of the extreme variety that the European Central Bank enjoys. He believes that central banks and governments must work together.⁵²

In a book entitled *Keine Angst vor der Globalisierung* (Have No Fear of Globalisation), Mr Lafontaine supported the formation of a European economic government, involving more cooperation on taxes and spending. He would also bring in employers and trade unions into the coordination of macro-economic policy.

The *Times* 'Opinion' column noted:

Along with France's Dominique Strauss-Kahn, he will form half of a Keynesian axis at the heart of European economic policymaking. This axis, however, will be hugely constrained by the neo-monetarist framework of the stability pact and the European Central Bank. The politicians may find themselves in serious conflict with the institutions of EMU sooner than they had expected.⁵³

The *European* emphasised the significance of the new German finance minister for the EU and the whole EMU project:

Lafontaine will be an exceptionally powerful figure in the most important government in Europe. He is the head of the SPD, the leading figure on the

⁵¹ *Guardian*, 26 October 1998.

⁵² 26 October 1998.

⁵³ 20 October 1998.

party's left and finance minister with an extended brief. Under Lafontaine the finance ministry's role will be enhanced by taking European policy work and the function of economic analysis away from the economics ministry. The German finance ministry will emerge as an unusually powerful department that combines finance and economic functions, as does the British Treasury. He will not only be a powerful minister. Lafontaine is a man with a sharp intellect who knows his own mind. His is an economic agenda fundamentally at odds with the orthodoxies upon which the ECB and monetary union are founded. Lafontaine's priority is jobs. He wants to cut unemployment and his chosen approach is a macroeconomic stimulus to demand, to come from monetary policy and fiscal policy. Domestic interest rates should be cut and fiscal policy should be expansionary. Lafontaine has little use for the constraints of the European Union's growth and stability pact. In his model, deficits have an important part to play in putting Europe back to work. He repeatedly voices strong views on exchange rate management, namely that the trading range of the euro against the dollar and yen should be managed, not left to the vagaries of the market. It amounts to a consistent Keynesian economic agenda, diametrically opposed to the ECB's supposed monetary bible.⁵⁴

D. Nuclear Energy

The coalition pact set out targets for a gradual but irreversible phasing out of nuclear power stations. Nuclear power currently supplies 32% of Germany's electricity supply.⁵⁵ A 100-day plan envisaged first a change in the law on nuclear energy, followed by consultation with the energy providers in the *Länder* on a new energy policy and in the third stage a new law to introduce time limits for the safe decommissioning of all nuclear power stations. A phase-out could take as long as thirty years, if all nineteen reactors are allowed to operate until the end of their technical lifetimes. The Greens would like the deadline to be much shorter.

The commitment to ending Germany's dependence on nuclear energy provoked a strong reaction from the head of the nuclear industry, Wilfried Steuer, who said that compensation claims would cost Germany "triple billion" Deutschmarks. The *European* quoted Mr Steuer who said that "Ending nuclear power is neither economically sensible nor legally possible. We are not even prepared to negotiate on the issue".⁵⁶ A press release issued by Greenpeace International stated:

The SPD/Green policy commits the new government to altering the German Atomic Law's provisions for the disposition of spent nuclear fuel discharged by the country's reactors. In the past, the Law allowed the German utilities to export highly radioactive spent fuel to Britain and France as part of "reprocessing"

⁵⁴ 19 October 1998.

⁵⁵ *Nuclear Engineering International*, June 1998, p.12.

⁵⁶ *European*, 5 October 1998.

contracts with the British and French state-controlled plutonium companies, BNFL and Cogema.

Under the new SPD/Green policy, to be initiated within the first 90 days of the new government, the German utilities will instead be forced to directly store their spent fuel at the reactor site where it is created. The new coalition government state that they will give the German energy utilities twelve months within which to propose how and by when to completely shut down Germany's 19 reactors.⁵⁷

E. Nationality and Citizenship

Current provisions on German nationality are based on 19th century laws derived from the doctrine of citizenship by descent (*jus sanguinis*). German nationality is virtually impossible to acquire other than by descent and dual citizenship is not allowed. According to figures for 1995, out of a total population of 81,593,000, there were 6,990,500 non-nationals living in Germany, of whom nearly two million were of Turkish descent.⁵⁸

The SPD and Greens have agreed on the need for reform, although their approaches have differed. The SPD has proposed that German nationality should be available to anyone with a parent born in Germany, whereas the Greens wanted it to be available to anyone with a parent who had spent the main part of his/her life in Germany. Both parties have agreed that dual nationality will be allowed, which will make it easier for many Turkish guest workers and their children to acquire German nationality or dual nationality, if they wish. There is also broad agreement on a more liberal approach to asylum policy.⁵⁹

F. Other Policies

Abortion law in Germany has been an issue in Germany, particularly since unification when the more liberal East German laws were gradually replaced by more restrictive West German ones. The two parties have a different approach to the controversial paragraph 218 of the German penal code, which makes abortion a criminal offence except in certain circumstances. The SPD manifesto emphasised its consensus on the subject, which was to offer help and counselling to women, rather than punishment. The Greens called for paragraph 218 be deleted from the penal code altogether. They have also called for equal rights for homosexual and heterosexual relationships, for same-sex marriages to be officially recognised⁶⁰ and for soft drugs to be legalised. The SPD has said that the legalisation of soft drugs is non-negotiable.

⁵⁷ 16 October 1998.

⁵⁸ Eurostat, *Demographic Statistics*, 1997.

⁵⁹ *Frankfurter Allgemeine Zeitung*, 15 October 1998.

⁶⁰ *Frankfurter Allgemeine Zeitung*, 17 September 1998.

VIII Anglo-German Relations

Anglo-German relations under Mrs Thatcher's government were not altogether friendly. Chancellor Kohl was known to refer acerbically to Mrs Thatcher's assertive bargaining postures at EU meetings and jokes were often made about his "handbag wounds". Relations improved when John Major became Prime Minister and observers often point to Mr Major's reference to the Chancellor as "my dear friend Helmut". Differences over the future structure of the EU and the pace of European integration remained, however, with Chancellor Kohl a firm supporter of a federal Europe and the British Prime Minister equally firmly in the nation-state camp.

The change of political orientation in the British Government left a question mark over the future of relations with another CDU-led German government. Following the UK General Election in May 1997, the new Foreign Secretary visited France and Germany with the message that the Labour Government wanted Britain to make a new start in Europe. The then German Foreign Minister, Klaus Kinkel, referred to the "special friendship" between the UK and Germany, and spoke of Germany's "vital interest" in good relations with London, as well as the need for good relations between Germany, France and Britain.⁶¹ The three countries had agreed on greater co-operation in arms control and issued a joint statement on their support for a legally binding, international agreement on the abolition of anti-personnel mines. The two foreign ministers agreed a common position on the Israeli settlement policy, warning against the further building of settlements in East Jerusalem and other Palestinian territories. Mr Cook also supported Mr Kinkel in his Iran policy and assured him that the British Ambassador to Iran would not resume his position until the German Ambassador had done likewise. In one of the biggest joint European defence procurement orders, France, Germany, Britain and the Netherlands agreed to buy a total of 5,000-6,000 multi-role armoured vehicles from a consortium of European companies including the UK company GKN.⁶²

There has been growing confidence in Germany that the Labour Government would conform more with German and French views on European integration and on social and foreign policy matters, although Mr Schröder's meeting with French political leaders, even before assuming office, indicated a desire not to neglect the long-standing Franco-German alliance. Joschka Fischer told the French newspaper *Libération* that he wanted to "inject new life into Germany's partnership with France",⁶³ but was less clear about future relations with the UK. He called on the UK Government to "clarify a series of debates regarding its relationship with Europe", its entry into EMU, for example.⁶⁴

⁶¹ *Frankfurter Allgemeine Zeitung*, 9 May 1997.

⁶² *Financial Times*, 22 April 1998.

⁶³ *Reuter Textline*, 25 October 1998.

⁶⁴ *Ibid.*

VIII Franco-German Relations

The desirability of close Franco-German relations after 1945 was acknowledged not only by the French and German leaders but also by the British Prime Minister, Winston Churchill. In recent times, and above all in European Union matters, Franco-German co-operation has been an important and influential element, particularly in foreign policy initiatives. This has sometimes given rise to criticism from the smaller Member States that the Franco-German axis is the dominant force in the EU and that their voices no longer count.

There have also been a number of disagreements between the French and German governments over the last few years, however. In 1996 President Chirac opposed German proposals for a 'stability pact' for EMU. During the course of the IGC negotiations in 1997, the French voiced their increasing frustration over the lack of progress in certain areas of Treaty reform (institutional reform, for example). Germany was firmly opposed to the French resumption of nuclear testing in the Pacific and to French defence reforms which would disrupt planned co-operation between the two countries. Bonn was doubtful about France's reliability in bringing Economic and Monetary Union into effect, since in mid-1997 it looked as though the French deficit of 3.5-3.8 per cent of GDP would not allow it to qualify for participation in the first wave of EMU. (When the Commission released figures in February 1998 France did qualify). In June 1997 the new French Socialist government of Lionel Jospin disagreed with Chancellor Kohl over proposals for EU spending on employment programmes and a few months later the French government took advantage of a dispute between the German Chancellor and his Finance Minister, Theo Waigel, to strengthen its hand in the EMU process. The French government has placed more emphasis on a flexible EMU process and a firm commitment to job creation, while Bonn insisted on a strict adherence to fulfilment of the EMU convergence criteria and no extra spending on jobs.

Bilateral relations have survived these tensions, perhaps due more to *Realpolitik* than a genuine meeting of minds, and the Franco-German axis has remained a powerful force within the EU. At the 70th bilateral Franco-German summit in September 1997, Lionel Jospin and Helmut Kohl agreed on a number of bilateral cultural and educational links, although differences remained over EU employment programmes. In February 1998 French and German protesters joined forces to demonstrate against high unemployment.

With Mr Schröder at the helm the dynamics of relations between the two socialist leaders might take a different course. In an article in the *Frankfurter Allgemeine Zeitung* President Chirac called for a renewal of the Franco-German relationship.⁶⁵ The new Franco-German partnership had to continue to provide the "push and pull in the interests of the whole of Europe". Mr Chirac emphasised the need to underpin the ethical, political and institutional construction of Europe, the importance of the new stage in the dialogue between the two peoples and the impetus they will give to Europe.

During his visit to France immediately after his election victory, Mr Schröder reaffirmed Germany's special relationship with France, calming fears that the SPD government

⁶⁵ 29 September 1998.

would weaken ties with France in favour of a closer alliance with the UK. The German Chancellor-elect supported French proposals to set up a commission to prepare for the launch of EMU, institutional reform and EU enlargement to the East. He also endorsed French plans to reform international financial institutions and to improve monitoring of world-wide capital flows.⁶⁶

⁶⁶ *Financial Times*, 1 October 1998.

IX Conclusion

Developments in the German economy will clearly have considerable bearing on the introduction of EMU in 1999 and beyond. Mr Schröder has called for an alliance between the government, employers and trade unions in support of measures to boost enterprise and innovation in the German economy, but there has already been criticism of some of his proposals from employers and trade union associations.

The new government has yet to be 'tested' in EU fora. It is looking increasingly likely that the Schröder team will not be as 'difficult' at European level as some commentators have suggested. The leadership still has to resolve its internal conflicts between modernisers and traditionalists, particularly in the area of economic policy. This might prove to be more problematic for the SPD than accommodating the Greens. For their part, the Greens have already toned down some of their more radical commitments and the desire to be in government might prove a stronger force than adherence to ideological principles.

Appendix I

The German Electoral System

(by Oonagh Gay, Home Affairs Section)

The German electoral system uses the Additional Member System for elections to the *Bundestag*. It was introduced under British influence in 1949 in an attempt to mitigate the proliferation of parties under the 'pure' PR system used in Weimar Germany. Voters have two votes, one for an individual candidate for an individual constituency, and one for a party in a separate party list, drawn up on a regional or state basis. Voters can therefore vote for a different party from that chosen for the constituency element, and this 'split-ticket' voting has grown in importance since 1949. Half the seats in the *Bundestag* are constituency seats and half are list seats. A party has to win at least three constituency seats or five per cent nationally to qualify for list seats.

Voting is counted on a First-Past-The-Post basis for the constituency element and list seats are determined by the largest remainder system, using the Hare quota. The list seats are allocated in a corrective way to ensure proportionality. The total number of list seats for each party is calculated and allocated to *Land* or state lists, in mathematical proportion. The seats won by the parties in the single member constituencies are then subtracted from the total seats allocated in any given *Land*. The result of this subtraction determines the number of additional members that each party is entitled to. However it is quite possible for a party to gain more constituency seats in a particular *Land* than those to which its share of the vote there would entitle it. Whenever this happens, the party is allowed to retain its extra seats (known as overhanging seats) and the *Bundestag* is temporarily enlarged until the next general election. Until 1990 the number of these seats had never exceeded five in any one election, but in 1990 there were 6 (all CDU/CSU) and 16 in 1994 (4 SPD and 12 CDU/CSU), giving the CDU/CSU/FDP coalition a comfortable majority of 10, rather than 2, if the overhanging rule did not apply.⁶⁷

German voters have no say over the rank ordering of the party list, that is, the ordering of the candidates are decided by the party. Where a party wins 10 seats the first 10 candidates are selected. It is common for candidates to stand in both the constituency and the list seats, as Helmut Kohl did. Smaller parties are more likely to win seats in the list element, and so their effort is concentrated there. The FDP encourages its supporters to use their constituency vote in favour of the current coalition partner, and to vote FDP on the list to help it over the 5 per cent threshold. Split ticket voting appears to be on the increase, with more than 10 per cent of voters adopting this strategy since the 1980s, and it is particularly common with FDP supporters. Geoffrey Roberts has noted that because of split ticketing, it has become easier for large parties to win more seats than their list

⁶⁷ See 'Neglected Aspects of the German Electoral System' in *Representation* Spring/Summer 1996 for detail about overhanging seats since 1949.

share would allocate to them; parties in regional strongholds may win nearly all the constituency seats on less than a 50 per cent share of the vote, but obtain a smaller share of list seats, so producing surplus seats.⁶⁸ In the 1998 election there were 13 overhanging seats, all won by the SPD.

One feature of this system is that although many CDU/CSU candidates lost to SPD opponents, they retained their seats in the *Bundestag* because they were also nominated on the *Landliste*. The share of second votes for each party determines how many candidates obtain a *Bundestag* mandate. For example, Helmut Kohl lost his constituency in Ludwigshafen in the Rhineland-Palatinate, but he was returned to the parliament because he was top of the *Landlist* in that state.

⁶⁸ *Representation*, Spring/Summer 1996

Appendix II

Federal Coalition Governments since 1949

<i>Bundestag</i>	Chancellor	Coalition Partners
1949-53	Konrad Adenauer (CDU)	CDU/CSU, FDP, DP
1953-7	Konrad Adenauer (CDU)	CDU/CSU, DP,GB, FDP
1957-61	Konrad Adenauer (CDU)	CDU/CSU, DP
1961-5	Konrad Adenauer (CDU) Ludwig Erhardt (CDU) (from Oct.1963)	CDU/CSU, FDP
1965-9	Ludwig Erhardt (CDU) Kurt-Georg Kiesinger (CDU) (from Dec.1966)	CDU/CSU, FDP
1969-72	Willy Brandt (SPD)	SPD, FDP
1972-6	Helmut Schmidt (SPD) (from Apr.1974)	SPD/FDP
1976-80	Helmut Schmidt (SPD)	SPD/FDP
1980-82	Helmut Schmidt (SPD)	SPD/FDP
1982-83	Helmut Kohl ((CDU)	CDU/CSU, FDP
1983-87	Helmut Kohl (CDU)	CDU/CSU, FDP
1987-90	Helmut Kohl (CDU)	CDU/CSU, FDP
1990*-94	Helmut Kohl (CDU)	CDU/CSU, FDP
1994-98	Helmut Kohl (CDU)	CDU/CSU, FDP
1998-	Gerhard Schröder (SPD)	SPD/Greens (+ Alliance 90)

* First all-German elections following the unification of East and West Germany

Appendix III

Percentage of valid votes for the three main parties in elections since 1949

Date	CDU/CSU	SPD	FDP
1949	31.0	29.2	11.9
1953	45.2	28.8	9.5
1957	50.2	31.8	7.7
1961	45.3	36.2	12.8
1965	47.6	39.3	9.5
1969	46.1	42.7	5.8
1972	45.8	44.9	8.4
1976	48.6	42.6	7.9
1980	44.5	42.9	10.6
1983	48.8	38.2	7.0
1987	44.3	37.0	9.1
1990	44.2	35.9	10.6
1994	41.5	36.4	6.9
1998	35.2	40.9	6.2

Appendix IV

The New Cabinet and other Political Offices

The new *Bundestag* confirmed Mr Schröder as Chancellor on 27 October⁶⁹ by 351 votes in favour to 287 against, with 27 abstentions. The red-green coalition has 345 out of 669 seats in the *Bundestag* (a majority is 335 seats) and has a comfortable majority in the *Bundesrat* as well as the *Bundestag*.

The composition of Mr Schröder's cabinet is as follows:

Bodo Hombach (SPD)	Head of Chancellor's Office
Oskar Lafontaine (SPD)	Finance
Werner Müller (independent)	Economy
Rudolf Scharping (SPD)	Defence
Joschka (Joseph) Fischer (Greens)	Foreign and Security and Vice-Chancellor
Franz Müntefering (SPD)	Transport, Cities and Construction
Otto Schily (SPD)	Home
Jürgen Trittin (Greens)	Environment, Nature Conservation and Nuclear Safety
Herta Däubler-Gmelin (SPD)	Justice
Walter Riester (SPD)	Labour and Social Security
Heidemarie Wiecezorek-Zeul	Economic Cooperation and Development
Karl-Heinz Funke (SPD)	Agriculture, Food and Forests
Edelgard Bulmahn (SPD)	Education, Research and Technology
Christine Bergmann (SPD)	Family, the Elderly, Women, Youth
Andrea Fischer (Greens)	Health
Rolf Schwanitz (SPD)	Chancellor's Office, Eastern German development
Michael Naumann (SPD)	Chancellor's Office, Culture
Ludger Volmer (Greens)	Foreign Office minister
Günther Verheugen (SPD)	Foreign Office minister
Wolfgang Thierse (SPD)	<i>Bundestag</i> President
Anke Fuchs (SPD)	Deputy President of <i>Bundestag</i>
Peter Struck	Leader of SPD Parliamentary Faction
Kerstin Müller & Rezzo Schlauch	Leaders of Green Parliamentary Faction

Mr Schröder has proposed that Johannes Rau (SPD), the Prime Minister of North-Rhine Westphalia, should take over from Roman Herzog as Federal President when he steps down next year.

⁶⁹ He is the seventh post-war chancellor.

Appendix V

Land second vote results

Region	year	%							
		Turnout	CDU	SPD	B90/Greens	FDP	PDS	Rep.	DVU
Schleswig-Holstein	'98	82.7	35.7	45.4	6.5	7.6	1.5	0.4	1.6
	'94	80.9	41.5	39.6	8.3	7.4	1.1	1.0	-
Hamburg	'98	81.1	34.9	45.8	10.7	6.4	2.3	0.6	2.1
	'94	79.7	34.9	39.7	12.6	7.2	2.2	1.7	-
Lower Saxony	'98	84.0	34.1	49.4	5.9	6.4	1.0	0.9	0.6
	'94	81.8	41.3	40.6	7.1	7.7	1.0	1.2	-
Bremen	'98	82.0	25.4	50.2	11.2	5.9	2.4	0.6	1.6
	'94	78.5	30.2	45.5	11.1	7.2	2.7	1.7	-
Northrhine-Westphalia	'98	83.9	38.0	43.1	6.9	7.3	1.2	1.0	0.9
	'94	81.9	38.0	43.1	7.4	7.6	1.0	1.3	-
Hessen	'98	84.2	34.7	41.6	8.2	7.8	1.5	2.3	1.0
	'94	82.3	40.7	37.2	9.3	8.1	1.1	2.4	-
Rhineland-Palatinate	'98	83.9	39.1	41.3	6.1	7.1	1.0	2.1	0.7
	'94	82.3	43.8	39.4	6.2	6.9	0.6	1.9	-
Baden-Württemberg	'98	83.1	37.8	35.6	9.2	8.8	1.0	4.0	0.6
	'94	79.7	43.3	30.7	9.6	9.9	0.8	3.4	-
Bavaria	'98	79.3	47.7	34.4	5.9	5.1	0.7	2.6	0.6
	'94	76.9	51.2	29.6	6.3	6.4	0.5	2.8	-
Saarland	'98	84.8	31.8	52.4	5.5	4.7	1.0	1.2	0.9
	'94	83.5	37.2	48.8	5.8	4.3	0.7	1.6	-
Berlin	'98	81.1	23.7	37.8	11.3	4.9	13.5	2.4	2.4
	'94	78.6	31.4	34.0	10.2	5.2	14.8	1.9	-
Mecklenburg-West Pomerania (a)	'98	80.3	29.3	35.4	29.0	2.2	23.6	0.6	2.7
	'94	72.8	38.5	28.8	3.6	3.4	23.6	1.2	-
Brandenburg	'98	78.2	20.8	43.5	3.6	2.2	20.3	1.7	2.7
	'94	71.5	28.1	45.1	2.9	2.6	19.3	1.1	-
Saxony Anhalt	'98	77.2	27.2	38.1	3.3	4.1	20.7	0.6	3.2
	'94	70.4	38.8	33.4	3.6	4.1	18.0	1.0	-
Thuringia	'98	82.3	28.9	34.5	3.9	3.4	21.2	1.6	2.9
	'94	74.8	42.5	29.6	4.5	3.2	16.6	1.3	-
Saxony	'98	81.6	32.7	29.1	4.4	3.6	20.0	1.9	2.6
	'94	72.0	48.0	24.3	4.8	3.8	16.7	1.4	-

(a) Meckland-West Pomerania, which held concurrent state elections won by the SPD, opened coalition negotiations with the PDS.

Source: *Frankfurter Allgemeine Zeitung*, 29 September 1998

Table compiled by Alex Adcock, Statistics Resource Unit