EXECUTIVE SUMMARY

The 2013 federal elections have been the most unpredictable elections in Germany’s recent political history. Although Chancellor Angela Merkel’s victory did not come as a surprise, the elections certainly had some unanticipated outcomes: the liberal Free Democratic Party was obliterated; the Alternative for Germany, known for its Euroscepticism, garnered 4.7 percent of the vote—just shy of breaking the 5 percent threshold—and a long-standing ambiguity loomed over the potential coalition partner of the German Christian Democrats. The election results confirmed Chancellor Merkel’s success in delivering stability to Germany and safeguarding the German interests in view of the Euro crisis. Furthermore, the outcome has also revealed the Social Democratic Party of Germany’s and the Green Party’s major problems with public image, leadership, and handling of key policy areas. In view of the grand coalition, major policy changes regarding Turkey are not expected. German-Turkish economic and foreign policy-related dialogue is likely to remain strong and open to improvement, taking into consideration changing global and regional realities. However, some interparty debates and limited policy changes related to hot topics such as double citizenship, visa liberalization, and Turkey’s accession to the EU can be predicted.

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INTRODUCTION

The 22 September 2013 federal elections in Germany were the most unpredictable elections in the country’s recent political past. The Christian Democratic Union of Germany (CDU), led by Angela Merkel won 41.5 percent of the vote together with its Bavarian sister party Christian Social Union (CSU). Securing just 4.8 percent of the vote, the Free Democratic Party (FDP), Chancellor Merkel’s former coalition partner, failed to pass the 5 percent threshold to win seats in the German Bundestag. The Social Democratic Party of Germany (SPD), which is led by Merkel’s main opponent Peer Steinbrück, received 25.7 percent of the vote. The far left party, Die Linke, unexpectedly became the third biggest party in the parliament with 8.6 percent followed by the Green Party with 8.4 percent. The Alternative for Germany (AfD), which was formed seven months ago and is recognized for its anti-Euro stance, surprisingly won 4.7 percent of the vote and just fell short of holding parliamentary seats by a slight margin. Following a few weeks of both inter and intra-party consultations, the CDU and the SPD agreed on October 17 to enter formal negotiations to establish a grand coalition together with the CDU’s sister party, the CSU. These negotiations could last several weeks or months before the participating parties reach an agreement on a coalition contract. The last grand coalition talks of 2005 took 65 days before the CDU/CSU and the SPD reached an agreement on the then coalition contract.

The Most Unpredictable Elections in the Recent Decades

The final stage of the 2013 German federal elections was marked by a nerve-racking last minute duel between the main parties CDU and SPD to build a coalition government with their respective junior partners and efforts of the smaller parties to secure their seats in the German Bundestag.¹ The final opinion polls just ahead of the elections put CDU together with CSU on 36 percent, its key opponent SPD on 25 percent, Die Linke on 10 percent, the Green Party on 9 percent, and the FDP on 5 percent.² The polls already indicated Angela Merkel’s third term as the German Chancellor whilst making her coalition partner unclear until the very last minute. The poll support for Germany’s recently established AfD and its efforts to cross the 5 percent hurdle to enter the parliament spiced up the election process. The arithmetic ahead of the national elections already pointed to the strong, yet vague, possibility of a grand coalition between the CDU and the SPD together with the Bavarian CSU. Nevertheless, differences between the two parties on essential issues such as tax hikes and a minimum wage endured.³ Coupled with these differences, skepticism over the formation of a grand coalition within the traditional left-wing ranks of the SPD paved the way for the assessment of the so-called black-green coalition between the German conservatives and the Green Party. This was seen as an alternative option until the German Greens pulled out of preliminary coalition talks with Merkel.

“Frau Germania”: Winner of the Elections

It was not surprising for Merkel to remain in power due to her popularity in the eyes of the German public. A poll published two days ahead of the elections by the forsa Institute for Social Research and Statistical Analysis showed that only 28 percent of Germans would vote for Peer Steinbrück if they could directly elect their Chancellor; Merkel would win 54 percent of the direct vote.⁴ In May 2013, Merkel topped the Forbes World’s 100 Most Powerful Women list for the third year running as the woman “[who] is the backbone of the 27-member European Union and carries the fate of the Euro on her shoulders.”⁵

Merkel won the confidence of the German public with her strong efforts to defend German interests during the fight against the Euro crisis and protect the German economy and society against its direct effects. Indeed, the “Iron Chancellor” or “Frau Germania,” as she is known nowadays in Europe, took an unexpectedly tough stance over the European sovereign debt crisis by appearing initially
reluctant to offer financial aid to countries in crisis.

Merkel laid down strict rules for the aid including domestic tax increases, spending cuts, as well as politically difficult market reforms. She also included the IMF in the so-called troika of creditors, along with the European Commission and the European Central Bank. In fact, Merkel's tough stance over the handling of the Euro crisis garnered support from her conservative constituency and opponents. Holger Schmieding, chief economist at Berenberg Bank, stated in a recent report that "70% of German voters and all mainstream parties from the centre-right and centre-left support Germany's tough-love approach to the euro crisis."6

The SPD: Problems with Public Persona and Key Policy Areas

Merkel’s popularity complicated the situation for both the SPD and Steinbrück. As SPD’s candidate for chancellor, Steinbrück had a very poor start after his nomination to run against the incumbent chancellor. Right after the announcement of his candidacy, Steinbrück needed to admit to having earned nearly 1.25 million Euros since 2009 speaking at a total of 89 banking and business meetings, making him the top earner in the German Bundestag. His public image was further damaged when he snubbed the German chancellor’s salary for being too low.

Next to Steinbrück’s problematic public persona, the SPD lost votes among the party base mainly due to its mistakes in two key policy areas: integration and the labor market. First, with respect to integration, German voters with immigrant background, particularly of Turkish origin, turned away from the SPD when the party acted too slowly to distance itself from the high-profile SPD member and former Berlin Senator of Finance Thilo Sarrazin's controversial views in his book Deutschland schafft sich ab.7 Released in 2010, Sarrazin’s book came under strong criticism for claiming that immigration has had largely negative effects for Germany’s society and economy. Sarrazin focused also on genetic heritage arguing that “genetic factors could be partially responsible for the failure of parts of the Turkish populations in the German school system.”8 Second, the SPD distanced itself from the significant labor market reform package entitled Agenda 2010 passed by former Chancellor and leader of the SPD Gerhard Schröder when he was in office before Angela Merkel. The reform package set out to make Germany’s heavily regulated labor market more flexible. It contained the renowned Hartz IV Law, merging unemployment and welfare benefits and urging the unemployed to take action. The package also reorganized the German labor office and encouraged the creation of temporary jobs and also “mini-jobs” where the worker earns up to 400 euros per month without having to pay taxes or social security contributions. While leading representatives of the German business world as well as the CDU/CSU and the FDP supported the reform package, Agenda 2010 caused a strong upheaval within Schröder’s own party. As a reaction to the reform package about 100,000 SPD members left Schröder’s party and by the end of his time in office as German chancellor, the SPD had distanced itself from Agenda 2010.

Merkel continued Schröder’s course of reforms and took the credit for the German economic wunder. Today, German magazine Der Spiegel describes Agenda 2010 as “one of the reasons that Germany has managed to weather the numerous financial, currency, and economic crises that have struck Europe since 2008,”9 whereas the Economist calls it the Wunderreform.10

The German Institute for Economic Research (DIW) stated in a recent press release that the German gross domestic product (GDP) would increase by 1.7 percent11 in 2014 compared to an expected GDP growth of just 1.0 percent12 in the Eurozone.

Junior Partners, Big Problems

It was the difficult situation of main parties’ respective junior partners, which led to election excitement in the streets of Berlin right up until the very last moment. The FDP, junior partner to
Angela Merkel’s CDU, seemed to be able to enter the parliament by securing 5-6 percent of total votes according to the polls until the final days ahead of the federal elections. However, results of the Bavarian state parliamentary elections held on September 15, 2013 already hinted at the FDP’s defeat at federal level. With just 3.3 percent of total votes, the FDP fell way below the 5 percent threshold needed to enter the state parliament. Following the election outcome in Bavaria, FDP leader Philipp Rösler stated, “We all know that things are different in Bavaria, and from now on, it’s all about Germany.” Indeed, Bavaria is unique among the German states, since it has always been a stronghold of conservative politics in Germany and consequently a bastion of the CSU. Since 1957 the CSU has led all Bavarian governments gaining absolute majority from 1962 to 2008.

Despite a unique Bavarian political landscape, the outcome of Bavaria’s state elections has in fact been a strong indicator of the national mood ahead of the federal elections. The primary reason for the steep decline in FDP’s support has been its inability to satisfy its voters, predominantly, the powerful family business sector in Germany, by delivering promised tax cuts.

The Green Party, junior partner to Peer Steinbrück’s SPD, also had difficulties in attracting its traditional voters. The support for the German Greens reached its peak in 2011 when the Fukushima nuclear disaster strengthened the anti-nuclear movement in Germany. Subsequently, the Greens polled mid-twenties in federal surveys. In the very same year, the top candidate of the Green Party, Winfried Kretschmann, was elected as Baden-Württemberg’s Prime Minister, a historic electoral victory for the party. Nevertheless, when Merkel unpredictably decided to close down the country’s remaining nuclear power stations by 2022 after the Fukushima nuclear disaster, the Greens lost their trump card and public support rapidly vanished. This swift loss of support for the Green Party was recently further triggered by shocking news about about the call of some members of the Green Party to legalize pedophilia in the 1980s. Following the elections, the federal board of the Green Party offered to resign at the next party convention to open the door to new leadership.

The above analysis summarized the key determinants of the 2013 German federal election outcome pointing to the internal dynamics behind the success/defeat of the political parties. The election results as well as the structure and the nature of the coalition government will have important implications for the German-Turkish dialogue. The subsequent parts of this paper will seek to elucidate the potential effects of the election outcome on German-Turkish relations by taking into account various aspects of these relations.

A New Grand Coalition: The Implications for German-Turkish Relations

The results of the 2013 German federal elections and the composition of the new coalition government will undoubtedly have important implications for the deep-rooted relations between Germany and Turkey, which have been resting upon a multidimensional dialogue for decades.

The formation of a grand coalition between the CDU/CSU and the SPD could predominantly affect four important aspects of German-Turkish relations: the situation of the Turkish community in Germany; German-Turkish economic relations; German-Turkish foreign policy related partnership; and German preferences on Turkey’s EU accession process.

The Situation of the Turkish Community in Germany

One of the key differences between the CDU/CSU and the SPD agendas are policies related to immigration and integration. The CDU supports an immigration policy, which responds to Germany’s labor force needs and contributes to economic growth in the country. The election program of the Christian Democrats emphasizes the need for a Willkommenskultur for high qualified
people. Furthermore, the CDU/CSU have set forth the Assessment and Recognition of Foreign Professional Qualifications Act, which entered into force on April 1, 2012, to facilitate the recognition of professional qualifications acquired outside Germany. CDU/CSU’s election program aims at recruiting more German citizens with a migration background in the public sector. The CDU/CSU rejects the idea of dual citizenship on the premise that naturalization is a “commitment to our country and our values.” For the German conservatives, German citizenship is “a question of loyalty to the German state.” Contrary to the conservatives, the SPD wants to have not only a culture of welcoming but also a structure for active participation emphasizing the need to modernize the existing nationality law. In this respect, the party supports the dual citizenship.

As stated above, the SPD lost support of German-Turkish voters due to Sarrazin’s controversial book. According to a poll published by the online newspaper Deutsch-Türkisches Journal (DTJ) in mid-August, 42.9 percent of German-Turks had planned to cast their votes for the SPD, which is well down from 50.2 percent in 2009, whereas 20.3 percent had supported the CDU, up from 11.3 percent during the last federal election. German voters with Turkish origin started to turn toward the CDU following Sarrazin’s statements and the SPD’s inability to relax the restrictions on immigrants seeking German citizenship, as promised in previous years. Furthermore, with Turkey’s prospective EU accession far away, German-Turks focus more on domestic issues including economic welfare, and Merkel’s capability to minimize the direct effects of the Euro crisis on Germany’s economy and society.

Economic relations are at the forefront of the German-Turkish bilateral dialogue. Germany is Turkey’s most important trading partner, with a record bilateral trade of more than 32 billion Euros in 2012 despite the Euro crisis. The number of German companies and Turkish companies with German capital interest in Turkey has risen to approximately 5,300. The CDU/CSU often emphasizes the importance of the enhancement of German-Turkish economic relations for both countries.

In view of the Euro crisis, Chancellor Merkel attaches great importance to German economic stability. German exports and regional diversification of German foreign direct investments have been the two vital ingredients for Germany’s economic stability.

In February 2013, Merkel visited Turkey with an exceptionally high-level business delegation. The Chancellor delivered a speech at the German-Turkish CEO Forum in Ankara, jointly organized by the Turkish Industry and Business Association (TUSIAD) and the Federation of German Industries (BDI). In a similar vein, the Economic Council of the CDU (Wirtschaftsrat der CDU e.V.) organized this year a symposium entitled “German-Turkish Economic Relations: Pacemaker for Growth and Innovation.” The SPD, on the other hand, also emphasizes Turkey’s value as an important economic partner both for Germany and the EU frequently. Thus, during the new legislative period the further enhancement and strengthening of the economic dialogue between Germany and Turkey, two of the fastest growing economies in Europe, is expected.
German-Turkish Foreign Policy Related Partnership

The federal foreign minister of the grand coalition, who is traditionally an SPD minister, will shape the scope and content of German-Turkish dialogue on foreign policy together with his or her Turkish counterpart. In this respect, SPD’s Frank-Walter Steinmeier, former Federal Foreign Minister and Vice-Chancellor, might be a consensual choice for this post within the SPD. Steinmeier, a close friend of Turkey and highly experienced in foreign affairs, is then likely to continue the path of the FDP, former holder of the post, and strive to deepen the bilateral partnership in light of changing global and regional dynamics through German-Turkish Strategic Dialogue Mechanism. The mechanism was founded in May 2013 to enhance the close bilateral cooperation between the two governments in key issues such as the fight against terrorism and extremism, security policy, regional and international issues.21

Although high-level SPD politicians have often criticized CDU-led German government’s visa policy towards Turkey when their party was in the opposition, the visa liberalization was not placed in the SPD election program. This hot topic will likely remain contentious during the new legislative period with increasing criticism from Turkish officials and the business world, and construct an important aspect of German-Turkish foreign policy related dialogue.

Thus, how the SPD-led Foreign Office could react to the debate during the new legislative period needs to be followed closely.

German Preferences on Turkey’s EU Accession Process

German preferences with reference to Turkey’s membership in the EU greatly shape the scope, intensity, and characteristics of bilateral relations between the EU and Turkey. The European Council has been in a position to make a positive decision on the acceleration of Turkey’s EU accession process only at times when the German government has explicitly spoken for the enhancement of Turkey’s EU perspective.22 The previous coalition agreement of the CDU/CSU and the FDP officially pursued a pacta sunt servanda policy vis-à-vis Turkey. However, in practice, Chancellor Merkel lobbied for Turkey’s privileged partnership with the EU,23 and former Foreign Minister Guido Westerwelle of the FDP openly supported Turkey’s EU perspective as reflected in the Joint Declaration on the Establishment of a Strategic Dialogue Mechanism.24

The controversy between the Federal Chancellery and Federal Foreign Office led to an explicit inconsistency in German policy making regarding Turkey due to the German government speaking with two different voices. This inconsistency will most likely persist during the new legislative period as a result of the conflicting opinions between the CDU/CSU and the SPD on the issue.

While the SPD election program calls for bringing new momentum to Turkey’s EU accession process,25 the Christian Democratic election program rejects Turkey’s full membership of the EU due to Turkey’s so-called inability to meet the conditions for membership.26 The SPD is a more powerful coalition partner compared to the FDP and could have more impact on the formation of government policies, including the ones concerning Turkey. In the 2013 election program, the CDU/CSU dropped the use of the term “privileged partnership” emphasizing the need for a strong cooperation between Turkey and the EU as well as close strategic collaboration on foreign and security policy related questions. Almost a decade ago the German conservatives had started to promote the concept of a privileged partnership with Turkey instead of a full EU membership. Although the CDU/CSU remains skeptical about Turkish membership in the EU, it ceased using this terminology mainly due to increasing criticism from the Turkish government and its own party base about the inappropriateness of the concept for Turkey’s EU accession process.27

A more balanced distribution of power in the new grand coalition government compared to the former CDU/CSU-FDP coalition, as well
as the increasing skepticism regarding CDU’s policy on Turkey’s EU accession process from its own members, may lead to limited changes in German policy making pertaining to Turkey’s EU membership.

Conclusion

The 2013 German federal elections were the most unpredictable elections that have been held in Germany in recent decades. Chancellor Merkel’s election victory was expected, but the FDP wipeout, the success of the Eurosceptic AfD, and the emergence of the grand coalition as the only suitable option to form a government rattled Germany’s political landscape. The election results confirmed Merkel’s success in delivering stability to Germany and safeguarding the German interests in view of the Euro crisis. They also revealed the major problems of the SPD and the Green Party regarding public image, leadership, and the handling of key policy areas. Merkel’s CDU gained significant strength and self-confidence with the election results. Nevertheless, the SPD, the second biggest party in the German Bundestag, is likely to be a better counterbalance to the Christian Democratic faction within the grand coalition government than the smaller FDP, former coalition partner of the Christian Democrats in Germany.

In view of the grand coalition, no major policy changes vis-à-vis Turkey are foreseen. German-Turkish economic and foreign policy related dialogue is likely to remain strong and open to improvement taking into consideration changing global and regional realities. Although the visa-liberalization was not placed within the SPD election program, in the likely event that the party leads the Foreign Office, it will need to tackle this issue due to increasing criticism from Turkey. As a result of the SPD’s decreasing popularity among voters with a migration background as well as changing demographic conditions, some restrictions on dual citizenship may be loosened based on a compromise agreement between the coalition partners. As far as Germany’s policy toward Turkish membership in the EU is concerned, the German government will theoretically pursue a *pacta sunt servanda* policy vis-à-vis Turkey while presumably continuing to speak with two contrasting voices; those of the German Federal Chancellery and the Federal Foreign Office. Nevertheless, a balanced distribution of power in the new grand coalition government compared to the former coalition, as well as increased skepticism of the CDU’s policy pertaining to Turkey’s EU accession process from its own members, may lead to limited changes in German policy making regarding Turkey’s EU membership.
END NOTES

1 | In Germany, federal legislative power is divided between the Bundestag and the Bundesrat. The Bundestag, Germany’s federal parliament, is the highest organ of the legislative branch in Germany. The Bundesrat, the second legislative body, represents the governments of the German Länder (federal states) at the national level.


3 | While the SPD had campaigned for the introduction of a €8.50 per hour minimum wage, the CDU/CSU had preferred minimum wage deals reached with trade unions and employers in different industry sectors and regions. Likewise, the SPD had planned an increase in the top income tax rate, whereas the German conservatives had opposed any tax hike during and after the election campaign. Following the third round of exploratory talks the CDU/CSU and the SPD pointed to the possibility of a compromise on these issues and agreed to enter the formal coalition talks.


7 | In English: “Germany is Abolishing Itself”.


14 | In English: “Culture of welcoming”.


16 | Ibid., 41.


20 | German economy grew by 4.0 percent and 3.3 percent in 2010 and 2011, respectively. In 2012, Germany’s GDP expanded by 0.7 percent despite the Euro crisis, while EU-27 fell 0.4 percent. Turkish economy grew by 9.0 percent and 8.8 percent in 2010 and 2011, respectively. In 2012 Turkish economy expanded by 2.2 percent. Source: Table Real GDP growth rate – volume, Eurostat, accessed October 10, 2013, http://epE-neurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tec00115.


24 | “The Federal Foreign Office of the Federal Republic of Germany and the Ministry of Foreign Affairs of the Republic of Turkey are conscious of the increasing importance of their bilateral cooperation with regard to international affairs, including their common neighbourhood, and in view of Turkey’s ever closer ties with the European Union as reflected by its accession negotiations, which they deem beneficial for both Sides.” Auswärtiges Amt, Joint Declaration between the Federal Foreign Office of the Federal Republic of Germany and the Ministry of Foreign Affairs of the Republic of Turkey on the establishment of a Strategic Dialogue Mechanism, 1.


27 | See on criticism from the CDU’s own party base about the inappropriateness of the concept for Turkey’s EU accession process Daniela Vates, “Polenz will die Türkei an die EU binden,” Frankfurter Rundschau, February 23, 2013,