



## Germany Should Avoid Another Valueless, Issueless “Grand Coalition”

Doug Bandow

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Three months ago German voters rejected the colorless status quo. The two traditional governing parties, the Christian Democratic Union (its sister party, the Christian Social Union, runs only in Bavaria) and Social Democratic Party, hemorrhaged votes, together barely collecting half the total, down from two-thirds four years before.

The liberal (in a European sense) Free Democrats reentered the Bundestag. More dramatically, the right-wing, anti-immigrant Alternative for Germany won almost 13 percent of the vote and became the third largest party. The hard left Die Linke and Greens completed the spectrum, leaving a sharply divided body. Counting the CSU seven parties now sit in parliament.

The CDU and CSU saw many of their voters shift to the AfD; with an election next year in Bavaria, the CSU is particularly determined to take a tougher stand on immigration. The SPD continued to lose supporters on the moderate left who saw their old party as a shill for Chancellor Angela Merkel’s rule. After the vote Party leader Martin Schulz firmly ruled out a new “grand coalition,” insisting his party would go into opposition. The FDP also felt used by Chancellor Merkel during its time as coalition partner, which ended in its electoral elimination in 2013.

For understandable reasons, the (West) Germany reborn from World War II emphasized stability. The Bundestag cannot be easily dissolved and parties must hit a five percent threshold to enter. Until the absorption of East Germany there was no party to the left of the SPD. Until September no party to the right of the CDU/CSU sat in the Bundestag.

Chancellor since 2005, Merkel advertised herself as being a pair of “safe hands” for Germany. But she more than anyone else is responsible for the rise of the political extremists. By squeezing serious disagreement and debate out of the political system, she destroyed the credibility of the centrist parties, fueling Die Linke and especially AfD.

During her first term she ruthlessly stole issues from the SPD, minimizing differences between the two parties. That allowed her to win a noteworthy victory in 2009 over her partners after their first “grand coalition.” She then joined with the FDP, but thwarted its pro-business agenda in their coalition rule through 2013. Having seemingly governed without purpose, the Free Democrats dropped from 14 percent of the vote in the previous election to less than five percent, and thus fell out of the Bundestag. That led to another grand coalition, further mixing the two party’s positions. Both lost heavily in September; the SPD no longer even looks like a governing party, receiving a dismal one-fifth share of ballots.

The issue that proved most damaging was immigration. Amid the onrush of refugees from the Middle East and elsewhere Germany took in a million people, mostly men and Muslim, in 2015. The social consequences, though not as dire as sometimes forecast, were serious. Merkel's ratings dropped and the AfD surged. When the refugee flow subsequently slowed the chancellor hoped to repeat her past dominance. But the impact of her policies lived on. For instance, some German cities are creating "safe zones" for women for New Year's eve celebrations tomorrow. In September the CDU/CSU suffered its worst result since 1949, looking good only in comparison with the hapless Social Democrats.

The SPD initially rejected another turn as junior partner and Merkel placed the AfD beyond the pale, leaving the only option to form a stable government the so-called Jamaica coalition, the CDU/CSU, FDP, and Greens, whose combined party colors matched those of the Jamaican flag. But agreement on a common program was hindered by the Greens' support for immigration, antagonism to economic growth, and enthusiasm for the European Union. The FDP eventually walked out, arguing that the differences were too great—and apparently believing Merkel again was undercutting the Free Democrats.

Germany could run an election repeat, but polls suggest little change in the result, leaving the problem unsolved. Merkel could set up a minority government, seeking support from other parties on an issue-by-issue basis. However, this has never been done in the new Germany and runs against the broad desire for stable governance. So pressure increased on the SPD to reverse course and agree to form another grand coalition.

Schulz soon caved. At its congress in early December the party decided to formally enter into discussions with the CDU/CSU. Explained Andrea Nahles, the SPD Bundestag leader: "it's no more and no less than having talks at the moment" and "It's not automatic that we'll end up in a grand coalition." The talks, which begin on January 7, theoretically could lead to new elections or a CDU/CSU minority government. However, Merkel has dismissed the latter possibilities, and most observers expect another grand coalition to result.

That might be convenient in the short-term, but likely would prove corrosive in the long-term. As long as nothing seems to change under the two main parties, voters will be more likely to seek alternatives which offer a choice rather than an echo. That risks a further disintegration of the center and rise of the extremes.

Worse, at the SPD congress Schulz offered an agenda almost certain to accelerate the flight of average Germans to other parties. He criticized immigration caps, endorsed a "United States of Europe," proposed defenestrating from the European Union countries which didn't agree to a new consolidated government, and advocated a eurozone budget.

Even as an opening bid to the CDU/CSU, this list likely is a nonstarter. The Merkel government opposed previous proposals to transfer more national authority to Brussels. Moreover, the weakened chancellor will have a harder time promoting unpopular policies: the CSU has challenged her in taking a hardline position on immigration. With Bavarian elections looming, it cannot afford to be outflanked on the issue which fueled the rise of the AfD and since has been picked up by the otherwise liberal FDP.

Past bail-outs, especially of Greece, also were unpopular with the CDU/CSU rank and file even as Merkel won European acclaim for her supposed statesmanship. More important is public

opposition: the AfD initially was created in response to the Euro, or common currency. Only later did more xenophobic leaders seize control and focus on immigration. During the abortive “Jamaica” negotiations the FDP clashed with the Greens over the transfer of more authority to Brussels and also is seeking to strip away dissatisfied CDU/CSU backers.

Indeed, in September the SPD, too, lost votes to the AfD. The latter’s strongest backing is in what was once East Germany among members of the working class. Unfortunately for Schulz, support for a United States of Europe is far stronger in EU office buildings in Brussels—where he served as President of the European Parliament before returning to Berlin—than the streets of Saxony, where people feel left behind in post-unification Germany.

Thus, campaigning to transfer more of the nation’s sovereignty to the European superstate is likely to lose more votes to the AfD than the number gained from the Greens, the strongest repository of “Eurocratic” sentiment. Forcing such views onto a renewed grand coalition almost certainly would accelerate flight from an already much shrunken center. Voters would become even more desperate to find, yes, an “alternative for Germany,” whether the AfD or someone else.

Even if Merkel manages to rebuff Schulz’s agenda for EU aggrandizement, another round of mushy coalition government likely would frustrate anyone dissatisfied with continued government at the lowest common denominator. The main parties would have proved themselves to have no role other than guardians of the status quo, encouraging a further fracturing of the political system. Change would require voting for someone else. France, Greece, and Spain all have gone through this process, with once dominant parties reduced to fringe status, while new leftwing and nationalist groupings dominate.

Germany has an additional concern with the AfD. Although not a fascist party, despite its illiberal positions and rhetoric, the AfD has moved politics to the right of the CDU/CSU. The AfD could further drift toward extremism—nationalists defeated moderates at its recent party congress—opening historic wounds. That is more likely if the CDU/CSU joins with the SPD, again demonstrating that there’s not a Euro’s worth of difference between the main parties.

Although Merkel undoubtedly feels more comfortable with the center-left, which shares her belief in little other than governing, another possibility is trying to forge a coalition with the FDP and AfD. Creating another formless, valueless grand coalition primarily intended to ensure outsiders stay out is only likely to increase the appeal of the AfD. Indeed, the latter would become the formal opposition in the Bundestag, making it the most visible agent of change.

As it stands, a reduction in immigration/refugee admissions seems inevitable, given the CSU’s demands. Chancellor Merkel could use that shift to pull AfD outsiders into government, forcing uncomfortable responsibility upon them. It’s not a good solution, obviously, but it wouldn’t be a step into the unknown. Other European nations have faced similar challenges in forming majority coalitions. In Austria and Finland, for instance, right-wing nationalists were coopted and found it tough to be bomb-throwers while participating in government.

How Germany’s political games will end no one knows. But another grand coalition would again advertise the bankruptcy of Germany’s political system. And the need for more radical change. It would be better for the establishment parties to acknowledge people’s frustrations and address

their criticisms. If not, German voters might eventually decide to empower new, less acceptable governing parties.

*Doug Bandow is a senior fellow at the Cato Institute.*