

From zero to hero? The rise of Olaf Scholz and the SPD

Abstract: Germany's social democrats, the SPD, were in government between 2013 and 2021, but until just weeks before the federal election of 2021, their electoral prospects seemed poor. The party was able to turn things around and surge, in the final period of the campaign, to a remarkable victory. This paper sets out structural challenges faced by social democrats in Europe in general, and in Germany in particular, focusing on policies and voters, coalition politics and questions of party organization. It argues that in each area, the SPD with a mixture of sound strategic choices and good fortune was able to extricate itself, to some extent, from the challenges it faced, but that success owed much to the peculiarities of the 2021 election, as well as the SPD's own strategic choices.

Keywords: Social Democracy, Political Parties, Social Democratic Party (SPD), 2021 Federal Election, Party Organization, Party Competition

Introduction

Narratives about the “crisis of social democracy” are well-worn. Some of these (e.g. Kitschelt’s 1994 work¹) predated social democratic revival in the 1990s, when Germany’s social democrats (the SPD) returned to government for eight years under former chancellor Gerhard Schröder. Others (such as the influential volume by Manwaring and Kennedy²) instead focus on the crisis of the late 2000s and 2010s. In both waves of literature on social democratic decline, the SPD appeared to be a case in point: the party was out of power between 1982 and 1998, and again from 2009 to 2013, and from 2005 to 2009, and again from 2013 to 2021, it served as junior partner to CDU/CSU-led governments under Angela Merkel, struggling to maintain its profile and support.

The federal election of 2021 presents a remarkable story, both for those interested in the SPD and in social democracy more widely. Throughout the 2017 to 2021 parliamentary term, the SPD seemed doomed, often behind not only the CDU/CSU but also the Greens in opinion polls, and the debate was more whether it would succumb to “Pasokification”³ and disappear completely from the political scene, or would continue to exist but with no realistic prospect of recovery such that it could lead the government. Just two months before the 2021 election, the party trailed the CDU/CSU and Green Party in third place in opinion polls. Yet instead, by the end of the calendar year, the SPD had topped the poll, assembled a governing coalition, and seen Olaf Scholz, its candidate, installed as chancellor.

This discussion will be structured around three key challenges, drawing loosely on Kitschelt’s social democratic “dilemmas” in his 1999 discussion.⁴ The first challenge is around policy and assembling a winning coalition of voters, with the increasing difficulty of reconciling the preferences of different sections of the German population. The second challenge is around coalitions, and in this instance how to enter government in a formation which does not harm future electoral prospects. The third challenge is around party organization, and the difficulty of achieving party unity and mobilising a strong campaign in the context of a heterogenous – and ageing – membership base. In the first half of the article, the difficulties the SPD faced around each of these challenges will be discussed, while in the second half of the article, the road to their resolution in 2021 will be set out. The fundamental

argument is that, in each area, the SPD was able to overcome its structural difficulty, but we should not over-state the point: the SPD's result in 2021, gaining 25.7% of party list votes cast, was a far cry from the 40.9% achieved by party in 1998, Gerhard Schröder's heyday.

An attempt to locate any individual election result within a wider framework, across time and space, is challenging, as the context is necessarily unique, and of course one-off events may intervene which radically affect the standing of the parties (flooding in eastern Germany had a major, positive impact on the fortunes of the SPD in 2002 and proved damaging to the CDU's chancellor candidate, Edmund Stoiber, for example). Yet there are at least two features of the 2021 contest which make it especially unusual. First, it took place after over a year of the COVID-19 pandemic, which of course affected the standing of parties: the CDU/CSU moved from a position in early March 2020 when it was only narrowly ahead of the Greens with 26%, to one where, just a few months later, it reached 40%.⁵ This reflected a wider trend whereby incumbents seemed to gain support once the pandemic was underway,⁶ though one probably reinforced by the perception that Germany handled the pandemic well, at least in the early months. The pandemic also affected the way the parties were able to campaign. Secondly, after Angela Merkel announced her decision to step down in 2018, the election became the first one since 1949 without an incumbent chancellor standing for re-election.⁷ The combination of these two factors led to a series of prolonged and sometimes bitter contests inside the CDU/CSU for the party's leadership and then for the chancellor candidacy, culminating the selection of Armin Laschet, a candidate who polled weakly and who had a truly terrible election campaign, especially damaged by a catastrophic appearance after fatal flooding in western Germany in July, especially North Rhine Westphalia and Rhineland Palatinate.⁸

The remainder of this article will address each of the challenges of the SPD in turn, in the first half focusing on the difficulties prior to 2021, and then discussing how each challenge was addressed in the run-up to the 2021 election. The conclusion takes a step back, arguing that while the SPD was partially successful in addressing each of the challenges, we have not seen a return to the party's

heyday in the late 1990s, and its success owes much to the specific circumstances of the 2021 contest, as well as the SPD's strategic choices.

The era of zero: policy and voters

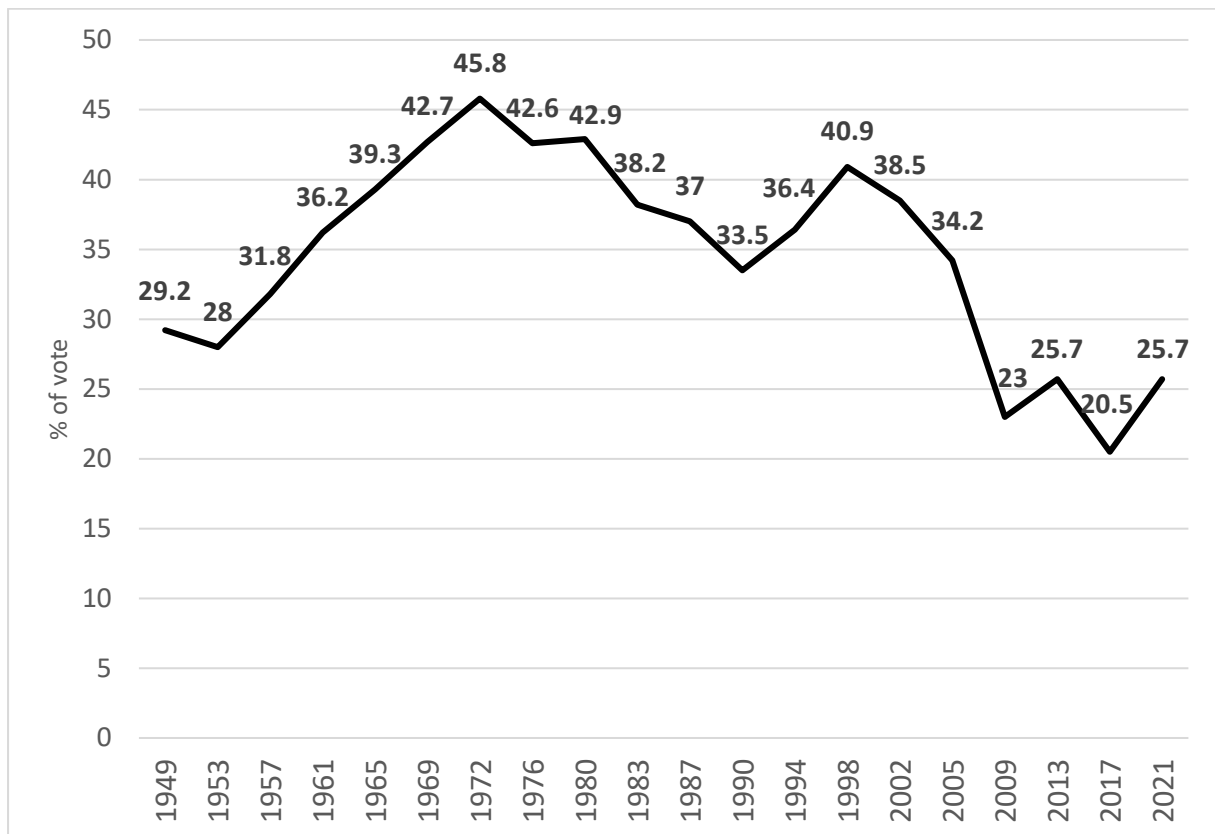
Kitschelt (1999) highlights a key dilemma of social democratic parties in developing, in particular, economic policies:

“Social democrats cannot hope to avoid economic policies of market liberalization ... What distinguishes them from conservative parties is the search for policy formulas that makes economic liberalization less painful for the most vulnerable. ... At this point, they run into the political economic dilemma of social democratic governance. ... Social democratic efforts to deny the need for liberalization have relegated social democrats to the opposition benches ... either because they lose voters who doubt the parties' credibility, or they lose potential coalition partners. ... On the other hand, where social democrats embrace ... liberalization, ... once in office ... they follow a trajectory of gradual and often accelerating electoral decline”.⁹

This analysis appears prescient in relation to the SPD. Even in the early years of SPD-led government, there was conflict over economic policy, leading the then party leader and finance minister Oskar Lafontaine to resign from all his positions.¹⁰ The package of welfare reforms, known as the “Hartz reforms” implemented in Schröder's second term of office between 2002 and 2005 had a profoundly destabilising effect on the party's electoral standing. The party lost a crucial state poll in North Rhine Westphalia, leading Schröder to engineer new elections in 2005.¹¹ At the ensuing election, which the SPD lost, it was especially noteworthy that the party lost ground to the Party of Democratic Socialism (PDS), which had at the preceding, 2002 election lost its position as a full group and ended up with just two MPs. The Hartz reforms enabled a regrouping to the left of the SPD – a new party, the Electoral Alternative for Social Justice, was formed with former SPD leader Lafontaine a leading light; it co-operated with the PDS at the 2005 election, and the two merged in 2007 to form the Left Party. The

SPD's downwards trend continued in 2009: it saw a result, at that stage the worst in its history, of 23.0%, with the Left Party polling 11.9%. Even though 2013 saw a partial recovery (to 25.7%), 2017 saw the SPD achieve a new record low, receiving just 20.5% of party list votes (Figure 1). The legacy of the Hartz reforms – perceived to have represented a major liberalization of the party's economic policy – loomed large in this decline: in the 1998 election, 54% of voters felt the SPD was the strongest party to achieve social justice, with 4% favouring the PDS. By 2017, 38% favoured the SPD on this issue, compared to 16% for the Left Party, with 80% of voters agreeing with the statement that "The SPD does not say what it wants to do for social justice".¹² The SPD's pivot to the centre ground on economic policy seemed to play a major role in changing the nature of the German party system, from one in which, in 1998, there was a major and a minor party on the centre-left (SPD and Greens respectively) and centre-right (CDU/CSU and FDP), to a more complex six party system.¹³ The Hartz reforms (representing a pivot to the centre by the SPD) allowed for a new party on the centre-left to enter the political space, and they may also have smoothed the path for the far right to become electorally relevant: in the 2017 election, for instance, amongst voters in a bad economic situation the far-right Alternative for Germany (AfD) won 22% of the vote, coming second in this group (just behind the SPD on 23%).¹⁴

Figure 1. The SPD's electoral results from 1949 to 2021



Source: Federal Returning Officer (Bundeswahlleiter)

Economic policy does not represent the only area of strategic challenge for social democrats, however: much discussion of the contemporary plight of the centre left points to the difficulty of retaining socially liberal middle class voters alongside an apparently more socially conservative working class. This challenge is especially acute in Germany given the presence of a strong Green party. Yet one conclusion, drawn for instance by Matthew Goodwin, is that to stand any chance of retaining the socially conservative working class supporters, social democrats need to embrace socially conservative positions that are anathema to their “new left” supporters.¹⁵ Not all agree – Abou-Chadi and Wagner, for instance, demonstrate that in some circumstances, adopting liberal social positions is correlated with a higher level of support for social democratic parties.¹⁶ Regardless, there is no doubt that these issues weighed heavily upon the SPD, with the party struggling to finding it difficult

to navigate such issues as policy towards refugees (a key concern at the 2017 election, following the refugee crisis of 2015) or climate, which appeared to divide different strands of SPD support. For instance on refugees, in 2017 Thomas Oppermann, the SPD's parliamentary leader, called for "regaining control over migration processes" and "secure external borders of Europe",¹⁷ while the leader of the SPD's migration and diversity working group responded by calling Oppermann's proposals "cynical and inhumane".¹⁸ Arguments over the right balance between environmental concern and support for industry came to a head in the early days of the pandemic, when the SPD ruled out backing financial incentives to encourage the purchase of new cars with combustion engines: the leader of the German Confederation of Trade Unions commented that "We do not see that the SPD brings forward its one-time hallmark, the social balance between work and the environment",¹⁹ and in a similar vein Stephan Weil, the SPD's Minister President of Lower Saxony, criticised the party for prioritising the environment over jobs.²⁰

In the end, torn by the ideological dilemma between championing traditional socio-economic issues and embracing progressive socio-cultural and environmental campaigns, the SPD ended up occupying a rather centrist position, which made it vulnerable to competition coming from the Left Party, with its more left-wing economic policies, and the Greens, who had a strong appeal to voters with liberal social values and who by late 2018 had a consistent poll lead over the SPD. Social democrats were also more exposed to the challenges coming from the CDU. Indeed, while being ideologically very close to the SPD, as shown by analyses of party manifestos in 2013 and 2017,²¹ Christian Democrats were perceived as more competent on "valence" issues (on which voters broadly agree – such as delivering economic growth), mostly thanks to Angela Merkel's leadership. Lastly, the more socially conservative sectors of the traditional working class were increasingly attracted by the rising Alternative for Germany (AfD), particularly in the East.

As a consequence, the SPD seemed to sacrifice support amongst different segments of supporters: in 2017, amongst university graduates, the party scored just 16%, behind the Greens (17%); amongst the unemployed, while it was in first place (22%), it was not far ahead of the far right Alternative for

Germany (17%) or Left Party (15%); amongst working-class voters, it was behind the CDU/CSU (29% to 23%).²² The authors of a study commissioned by the SPD after the 2017 entitled their chapter discussing the SPD's electoral failings *Volkspartei ohne Volk* ("People's party without a people"), and noted that the party both failed to gain ground amongst potential new groups of voters, but also lost amongst those it felt it could rely on. They attributed this to pursuing its "core brand" of social justice in the campaign, but "without underpinning this with a modern ... and relevant programme".²³ Burned and yet still defined by the experience of the Hartz reforms, the party lacked clear definition and shed support in all directions.

The era of zero: coalition challenges

Kitschelt highlights a further dilemma for social democratic parties: if they face a competitor on the libertarian left, they face a choice between maximising their votes, or maximising their chance of elected office by forming a "centrist" coalition.²⁴ Again, this seems prescient in the German case. In its three periods of grand coalition, serving as the junior coalition partner to Angela Merkel's CDU/CSU (2005-9, 2013-17, 2018-21), the SPD was able to occupy key ministries, and indeed felt that it had a solid record of policy successes to its name. As discussed above, and precisely as Kitschelt anticipated, these periods in grand coalition allowed competitors to the SPD's left to prosper – by 2017, the CDU/CSU saw similar developments amongst its competitors on the centre-right, with the combined vote share at that election of the CDU/CSU and SPD, at 53.4%, being the lowest since the Second World War. Recent scholarship also highlights that the position of junior coalition partner can be particularly toxic, with the policy profile of that party becoming blurred and almost indistinguishable from its larger counterpart.²⁵ It should be noted that the particular nature of the German party system has made grand coalitions between CDU/CSU and SPD especially likely: the PDS and its successor, the Left Party, have for much of their existence been ruled out by the SPD as a potential partner, and all parties rule out any co-operation with the AfD. These presence of these "pariah" parties increases the

height of the hurdle which an ideologically coherent, two-party coalition (between SPD and Greens, or CDU/CSU and FDP) would have to meet.

The SPD was aware of the risks posed by repeated grand coalitions. There were doubts, in 2013, about the wisdom of the party joining, somewhat scarred by the experience of 2005 to 2009, but these were overcome: party leader Sigmar Gabriel insisted on a ballot of members to lend the result legitimacy and bring internal critics into line, and the outcome was a vote by 76% to 24% in favour of joining.²⁶ The disastrous result of 2017 saw the party initially rule out coalition talks with the CDU/CSU, only to rethink once negotiations between the CDU/CSU, FDP and Greens (to form a so-called “Jamaica” coalition) had failed. Bräuninger *et al* argue that the threat of new elections, as well as pressure from Federal President Steinmeier, himself a former SPD chancellor candidate, to entertain joining a grand coalition in the national interest, led the SPD to its *volte face*, and, perhaps as a result of this reluctance, it was especially successful in shaping the coalition treaty that resulted.²⁷ The party’s conference delegates and membership still had to be dragged into the coalition with the greatest reluctance: 362 delegates voted in favour of taking up negotiations, 279 voted against, at a special conference in January 2018,²⁸ while 66% of members voted in favour of the final agreement.²⁹

For much of the life of the 2018-2021 government, the SPD appeared to be furnishing itself with ever more unwanted evidence of the electoral price to being a junior coalition partner. From the time it entered government until its fortunes began to change in summer 2021, it failed to score above 20% in the monthly surveys by *Forschungsgruppe Wahlen*, often languishing around the 13% mark.³⁰ State election results were often dire – the 9.7% achieved in 2018 in the Bavarian state election was at that time the party’s worst in the history of the Federal Republic,³¹ only to see worse results in Saxony (7.7% in 2019), Thuringia (8.2%) and Saxony-Anhalt (8.4%). The European elections in 2019 saw a record low score in a national election (15.8%), and led to the resignation of the party’s leader, Andrea Nahles. The party appeared, for much of this period, to be trapped in an unwanted grand coalition and to be in near-terminal decline.³²

The era of zero: organizational challenges

Kitschelt points to a third dilemma, around party organization: social democratic parties can retain a mass-party organization and accountable leadership, making them stable, predictable and immobile, or they can allow for more openness and innovation from above and below, risking volatility and uncertainty about what the party stands for.³³

In the period of its electoral struggles, between 2005 and 2021, the SPD pursued a number of organizational innovations: the ballots on coalition treaties were an example, although it would be hard to claim they were an instance of “openness”, initiated as they were by party leaders and offering members a “take it or leave it” choice. Indeed, the period was characterised by the worst of both Kitschelt’s worlds: on the one hand, the party’s structures resembled those of a stable mass-party, with regular conferences passing policy resolutions and electing leaderships, paying close attention to various aspects of proportionality (according to gender, regions and ideology). On the other hand, this did not lead to stability. This is starkly illustrated by the regular changes of party leader: between 2005 and 2021, the party was led variously by Franz Müntefering (who resigned after his choice of General Secretary was not accepted by the party’s executive committee), Matthias Platzeck (who resigned on grounds of ill health), Kurt Beck (who resigned after his authority was damaged over leaks about the choice of chancellor candidate), once again Franz Müntefering (who resigned the second time after the poor election result in 2009), Sigmar Gabriel (who saw his internal support decline and stepped aside to propose Martin Schulz as leader and chancellor candidate), Martin Schulz (who was damaged by the disastrous 2017 result, re-elected, but then lacked the internal support to become a minister and resigned), Andrea Nahles (who was forced out after the 2019 European election result, and an apparent lack of support from MPs), Norbert Walter-Borjans and Saskia Esken, and finally Saskia Esken and Lars Klingbeil. This long list even excludes the various interim leaders who served after the various resignations. Such frequent changes of key personnel, with departures often accompanied by substantial acrimony, will surely have strengthened the difficulty in forging a coherent and persuasive identity for the party.

Following the resignation of Andrea Nahles, the party undertook a genuine organizational opening, proposing that, for the second time in its history, it would allow members to vote on the new party leader. A rule change was also proposed to allow two co-chairs to be nominated (indeed, such duos were positively encouraged) and the rules for nomination were relatively open, which allowed a field of six duos to make it onto the ballot. This distinguished the 2019 contest from the previous membership ballot in 1993, when members faced a straight choice between just three contenders;³⁴ it was an even bigger departure from the practice in most other contests, where a successful candidate was chosen by key party players behind the scenes and presented to a conference for endorsement. The range of candidates was ideologically and regionally diverse, although there was, at the start of the contest, some expectation that Vice-Chancellor and Federal Finance Minister Olaf Scholz, strongly favoured by the majority of MPs and leading party figures, would win through along with his running-mate Klara Geywitz. Together, Scholz and Geywitz represented the voice of the party establishment. Yet the context of the coalition, and simmering discontent about the decision to join coupled with demands for a far more distinctive profile for the SPD, created an opening for a left-wing alternative. That support, martialled by the eloquent and high-profile leader of the party's youth wing, Kevin Kühnert,³⁵ coalesced around a left-wing MP, Saskia Esken, up to that point a peripheral figure, and the internally respected if publicly little-known former Finance Minister of North Rhine Westphalia, Norbert Walter-Borjans, who in the second round of voting beat Scholz and Geywitz by a margin of 53% to 45%. Following their election, there were serious doubts about whether the coalition would last its full term, or whether the SPD's desire for a more independent profile would cause it to leave, with the media speculating that the result was a precursor for a vote on the future of the government.³⁶

The SPD's internal fragmentation was not confined to the party's leadership. The review commissioned by the SPD after the 2017 defeat noted that in the era of Sigmar Gabriel's leadership, relations between party leader and general secretary broke down, with quarrels between the leader's office and the wider party organization.³⁷ They also point to a period of "permanent ad hoc

campaigns” coming from the party HQ, rather than any consistency; so cut out from power was the HQ that it was unaware even the day before the announcement that Sigmar Gabriel would propose Martin Schulz as chancellor candidate.³⁸ The authors of this study point to a culture of mistrust and ineffectiveness in the party’s organization, dysfunctional relationships amongst key personnel, tensions with the party’s tiers of organization below the national level, and poor strategic choices, such as the drastic under-resourcing of the party’s digital capacity in the run-up to 2017.³⁹

Lösche and Walter memorably referred to the SPD in their 1992 book as “loosely coupled anarchy”.⁴⁰ In the period between 2005 and 2021, that description once again rang true, with dysfunctional levels of internal turbulence both stemming from, and contributing to, the party’s electoral woes.

The era of hero: policy and voters

In the discussion above, the strategic challenge posed by the SPD in economic policy was highlighted: a move to the left risks damaging the party’s credibility, a move to the right opens up the flank to the party’s left. Three particular factors can be highlighted which contributed to the SPD’s improved position in the run-up to its 2021 electoral success.

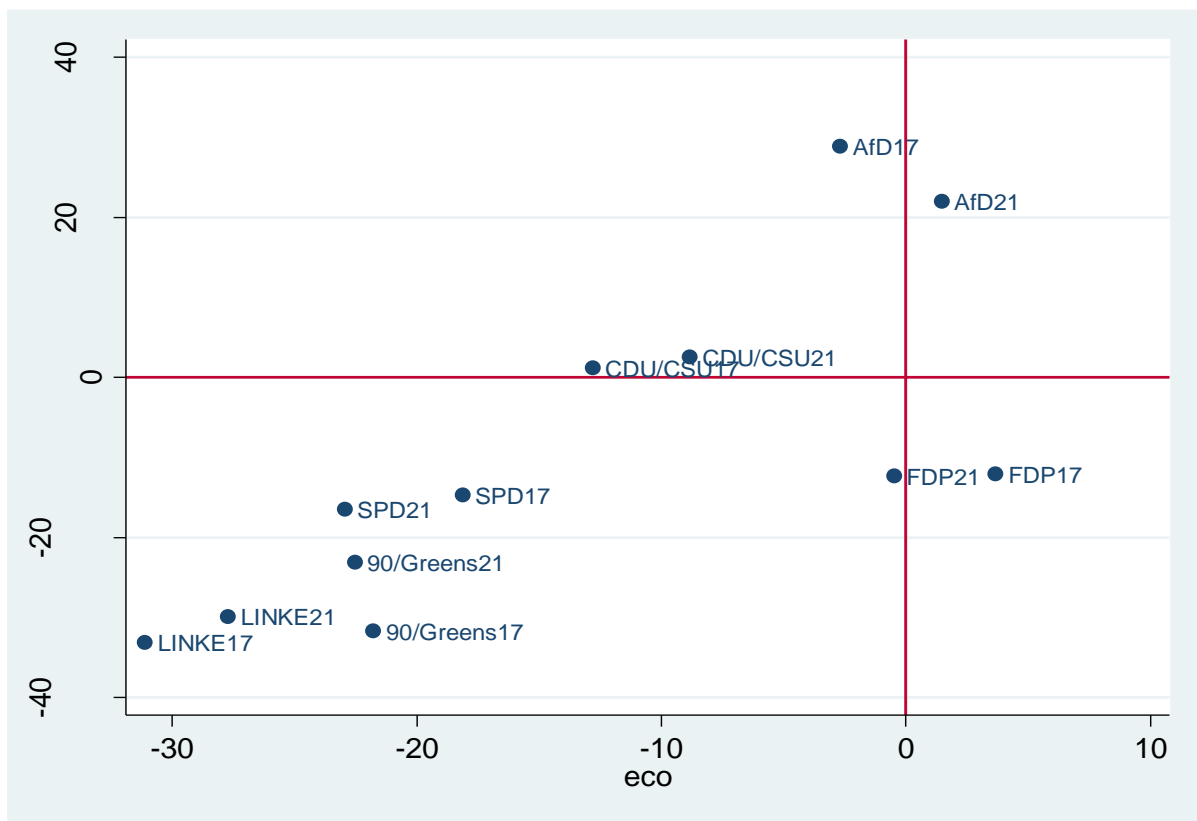
The first of these concerns the healing of wounds over the Hartz reforms. One achievement of Andrea Nahles’ period as party leader was that the party was able to agree on a new social policy programme, “A New Social State for a New Age”.⁴¹ This was presented, accurately, as a departure from the Hartz reforms. Proposals included access to full unemployment benefit (linked to previous income) for a longer period for those who had paid into national insurance, and a reduction in the use of benefit sanctions (where money is docked if, for instance, an appropriate job or training opportunity is turned down). A “perspective” of a minimum wage of 12 Euros per hour was advocated, there should be a minimum guaranteed level of income for families with children, and more support for home working, in a nod to a more modern labour market. Thus, the polarising controversies of the previous 18 years about benefit cuts and welfare sanctions were brought to an end, with the party united behind a common position, and able to signal to left-leaning voters that it had changed course.

Yet this did not mean that conflict over wider issues in economic policy was over. By 2019, the SPD engaged in regular argument over fiscal policy, with Norbert Walter-Borjans and Saskia Esken challenging the “black zero” – a commitment to balanced budgets – and indeed the Germany’s “debt brake”, the quite strict constitutional limits imposed on government borrowing at state and regional levels.⁴² By contrast, Olaf Scholz and his running mate Klara Geywitz defended the fiscally cautious policies, although Scholz pointed to significantly increased investment without the need to take on new debt.⁴³ This debate ended up being resolved by the circumstances of the Covid pandemic: Scholz identified the need immediate and dramatic measures in March 2020 to soften the impact of Germany’s lockdown, referring to his “bazooka”, with short-time working and no upper limit on the level of loans that the state investment bank could make to companies.⁴⁴ In June 2020, Scholz declared his intention to “leave the crisis with a bang”, cutting VAT, issuing a one-off increase in child benefit, and introducing a further support package for firms. There was a degree of nervousness in other European capitals at the potentially distorting effect of these German measures (with German firms disproportionately benefiting from state support compared to counterparts in other EU member states). There were also worries about the impact of the pandemic on some of the most fragile European economies, notably that of Italy, which was also particularly badly affected by the pandemic. Scholz developed, with his close team of advisors, a proposal for a European recovery fund of €500 billion, financed by EU borrowing – he hailed this as a “Hamiltonian moment” in the development of the EU; the policy was embraced first by Chancellor Merkel, agreed with France, and profoundly shaped EU’s final agreement.⁴⁵ Scholz was also keen to claim credit for his role in reaching a global deal on minimum levels of corporate taxation, declaring that it would “make the world a better place.”⁴⁶ The pandemic shifted Scholz – and the SPD – into a position where they could confidently advocate an expansionary fiscal policy, and indeed do so without their credibility being seriously called into question. The shift in fiscal policy also worked wonders for Scholz’ standing in the party – he received the endorsement of Walter-Borjans and Esken as chancellor candidate, a nomination that was unanimously agreed by the party’s executive and by 96.2% of party conference delegates.⁴⁷ This

success reflected a remarkable improvement when compared to his election as deputy leader in 2017, when he received just 59.2% of the vote (in spite of having no opposing candidate).⁴⁸

Thirdly, the SPD was able to pull these topics together into a pithy manifesto. At Scholz' own initiative, a key theme was "respect", drawing on the recognition that key workers in public and private sectors had earned during the pandemic.⁴⁹ The manifesto was shorter than usual – at 64 pages – and had some clear policies, with the proposed 12 Euro per hour minimum wage enjoying an especially high profile. Other important economic policies included major investment, notably in affordable housing, and the welfare reforms previously proposed under Andrea Nahles' leadership. Interestingly, according to the data from the Manifesto Project (Figure 2), in 2021 the SPD was on the only party on the left that on economic issues significantly moved to the left.

Figure 2: German parties' policy positions on economic and cultural dimensions at the 2017 and 2021 Bundestag elections



Source: Manifestos Project. Policy positions were constructed using the items from the state-market (economic) and progressive-conservative (cultural) dimensions developed by the Manifesto Project and available at: <https://manifesto-project.wzb.eu/>. The x-axis shows parties' positions on the economic dimension (eco) with negative values indicating state-oriented and positive values indicating market-oriented positions. The y-axis shows parties' positions on the cultural dimension (cult) with negative values indicating progressive and positive values indicating conservative positions. The dimensions theoretically range from -100 to 100.

The SPD, positioning deftly and assisted by the circumstances of the Covid pandemic, therefore repositioned leftwards on economic policy, but did so in a way which did not damage the party's economic credibility (with Scholz perceived to have been a successful finance minister during the crisis), and one which it was able effectively to communicate. In comparison to 2017, the SPD saw its support rise in amongst all social groups except for the unemployed (where its support was stable at 23%) – it rose to 35% amongst pensioners (up 11%), but was also up 5% amongst the self-employed, 4% amongst non-manual employees and 3% amongst working-class voters.⁵⁰

The SPD also tried, albeit with less success, to defuse its vulnerability on difficult issues around values and culture which might divide different sections of its support base. Its manifesto was highly ambitious on climate policy, calling for Germany to be carbon-neutral by 2045, powered only by renewable sources of energy by 2040, for big investment in hydrogen technology, but with measures to compensate those on lower incomes for adverse financial consequences from the transition. Immigration policy was not a focus, and the party moved quickly to defuse an irritating sideshow on gender issues when its former speaker of the Bundestag, Wolfgang Thierse, criticised cultural liberals for what he claimed were “bans” on the use of some forms of language.⁵¹ When asked in a TV debate by a member of the public about whether Scholz would stop him calling his favourite steak “gypsy steak”, Scholz told the man he could call the steak what he wanted, but that it was also okay if others chose different language, advising the man “not to let it get to him”.⁵² As will be discussed in the final section of this article, however, the SPD still lost ground amongst culturally liberal voters to the Greens, but it was able to counteract these losses by winning votes from former CDU voters.

The era of hero: coalition challenges

It was discussed above that being a junior coalition partner, especially in the German system, put the SPD in a highly exposed position. Just weeks before the election, it appeared that the party risked landing in an embarrassing third place in the federal election – at the end of July 2021, it was still 5% behind the Greens, and fully 13% behind the CDU/CSU.⁵³

Key advisors around Olaf Scholz, however, believed that there was a possibility of changing the dynamic presented by the fact incumbent chancellor Angela Merkel was not standing for re-election – in the weeks before the election, voters would notice this was the case, would look for a successor as chancellor who could demonstrate experience and competence, and the SPD would suddenly gain ground.⁵⁴ This strategy was assisted by Scholz' prominence in the pandemic, and the perception that he had handled well its economic fallout.

The strategy was also aided by the catastrophic mistakes of the CDU/CSU. In the case of the former, they settled late on Armin Laschet as chancellor candidate, after a bruising internal contest with CSU leader Markus Söder. Laschet had a dreadful campaign: in July, pictures of him laughing while President Steinmeier made a solemn speech at the scene of flooding in western Germany went viral: the contrast with Merkel's seriousness was obvious, and although Laschet swiftly apologised, the damage was done: in just a fortnight, the proportion of Germans who stated they thought he was suited to being chancellor fell 12%, from 47% to 35%.⁵⁵ Laschet also seemed to struggle to answer a simple question about what his top priorities as chancellor would be,⁵⁶ and was forced to apologise after accusation of plagiarism in a book he wrote in 2009 surfaced.⁵⁷

By the end of the campaign, therefore, Scholz was able to take advantage of being the leading politician in the junior coalition partner, since that coalition's leader was not re-standing, and her proposed successor from her own party had been so damaged during the campaign. Exit polls emphasised just how much of an advantage Scholz had amassed, with 45% of Germans saying in a direct election for chancellor, they would vote for him (compared to 20% for Laschet and 14% for

Green candidate Annalena Baerbock); 66% thought Scholz was up to the job of being chancellor, compared to 27% for Laschet and 20% for Baerbock. This strong leadership, combined with the clarity and credibility of the SPD's policy platform, allowed the SPD to benefit from the electoral fluidity of the post-Merkel era, and able to exploit the "window of opportunity" that Merkel's departure presented. This is illustrated by the party's impressive results in the eastern Länder: there, it scored 24.1% (up 10.2%), compared to 26.4% in the west (up 4.5%). Eastern Länder, with less established citizen-party ties, have shown significantly more electoral volatility than their western counterparts, and are more sensitive to campaign dynamics. As such, they are a good electoral barometer, and since 1990 making inroads in the east has been a prerequisite for electoral success. Indeed, the last time the SPD was able to do that was under Gerhard Schröder in 2002 – when again campaign-specific dynamics played a strong role.

After the election, the Greens and the FDP attempted to seize the initiative by holding talks between themselves in the first instance on who should form the next government. But the SPD's position was, following Kitschelt's rationale, pivotal: with both CDU/CSU and SPD keen to avoid a new grand coalition, the only remaining options were a "Jamaica" alliance of CDU/CSU, Greens and FDP, or a "traffic light" alliance of SPD, Greens and FDP. With the CDU/CSU's dramatic decline and unpopular leadership, the former would have been difficult to justify, and the SPD confirmed its escape from the structural weakness that came with its status as a junior coalition partner between 2009 and 2017. Additionally, in policy terms, if a renewed grand coalition was excluded, the traffic light coalition was the best fit.⁵⁸

The era of hero: organizational challenges

Two of the authors of the review commissioned by the SPD in the wake of the 2017 defeat returned to their material, and considered ways in which the party had improved.⁵⁹ The key point – emphasised in many other discussions – is that the SPD seemed unusually united in the 2021 campaign. Paradoxically, the election of two left-wing party leaders, who then wholeheartedly supported Olaf

Scholz' bid to become chancellor, had a powerful integrating effect in the party. The disunity and fragmentation that had been a feature of the 2017 campaign (and indeed the 2005 to 20219 era) had subsided. This can be attributed not just to the good will of the particular individuals, but also the pivot in social, economic and fiscal policy discussed above, which greatly reduced the areas of substantive disagreement within the party. The dysfunctionality of the party's headquarters was also overcome, with General Secretary Lars Klingbeil succeeding in getting all the teams based there working effectively on a campaign focused on Scholz. The party's digital campaign had also improved, with key politicians emphasising the role played by volunteers in immediately highlighting positive messages, and helping shape the digital "mood".⁶⁰ To this organizational improvement should be added the role of parliamentary leader Rolf Mützenich, the fourth member of the SPD's key team (as emphasised by Klingbeil and Esken), who ensured that the parliamentary party pulled in the same direction as the rest of the organization.⁶¹

The relative internal calm has continued since the election: over 98% of conference delegates voted for the coalition agreement, with no ballot of members being required,⁶² and ideological heterogeneity in the party's leadership remains a feature. Norbert Walter-Borjans chose to step down as joint party leader, being replaced by Lars Klingbeil – while the latter is associated with the centrist "Seeheimer" faction, he is perceived as a bridge-builder⁶³ – and the combination of Klingbeil and Esken as leaders offers a mix of ideological leanings, ages and genders. The installation of left-winger Kevin Kühnert as General Secretary suggests a continued desire to have left-wingers in leadership positions, able to shore up the party's left flank, and Kühnert has stated his desire to ensure the SPD can retain a distinctive profile, even as part of a coalition government (stating "It is important that our people know that a coalition is not a merger of three parties").⁶⁴ However, so far at least, major organizational changes are not proposed, and indeed the party's key personnel decisions were taken after negotiations in private and then ratified by the party bodies, rather than any sort of open process. If the SPD's popularity were to decline, it is open whether the heterogenous leadership would have will,

or even the ability, to prevent a lurch back towards the sort of ideological conflict and organizational dysfunction that beset the SPD in the 2005 to 2017 era.

Conclusion: how heroic was the SPD's victory?

The SPD's path to victory in the 2021 election is, on one level, quite remarkable. Victory was achieved from a position where it was polling just 13% in some national opinion polls in the run up. It had scored below 10% in four state elections, and witnessed the tearful departure of its leader, forced out after a record poor result in a European election. It was polling in a poor in third place just weeks before election day, and fielded as chancellor candidate someone who, less than two years earlier, had been rejected by the membership as party leader in favour of two largely unknown candidates astonishing. This discussion has pointed to the fact that sound strategic choices – notably in neutralising key disputes on economic policy – and making the best out of particular circumstances, notably Angela Merkel's decision not to re-stand as chancellor, and the dramatic policy shifts occasioned by the Covid pandemic – played a role. Neither the strategic choices, nor the moments of contingency and good fortune, were on their own a sufficient condition for the party's victory, but both were necessary conditions.

Yet we should not over-state the SPD's success either: the fact it won (narrowly) after a sprint finish should not be confused with a large winning margin. The party's result, at 25.7%, was not only a long way from its successes in the late 1990s and early 2000s, but was exactly the same as that in an election in 2013 that it lost: it ended up in the lead because of the high level of fragmentation elsewhere in the party system.

It is especially striking that the SPD's revival was not common across all sections of the electorate. In particular, it actually lost ground amongst younger voters compared to the 2017 election: amongst those aged 18-24, it scored just 15% (down 4%), and amongst those aged 25-34, it was at 17% (down 1%). Support amongst these groups rose substantially for the Greens, who were clearly in the lead (23% and 21% respectively), and also, surprisingly, for the FDP (21% and 15% respectively). The SPD

was able to counteract this deficiency by scoring an excellent result amongst voters aged 60 to 69 (32%, up 9%) and the over 70s (35%, up 10%). The Greens were also in the lead, albeit narrowly, amongst voters with a higher level of education (by 23% to 22%). Analysis of flows of voters shows that the SPD actually lost net support to the Greens, but was able to compensate by winning over many more voters from other parties, especially the CDU/CSU but also the Left Party and the AfD.⁶⁵ The SPD was able to arrest its decline by having a highly-rated chancellor candidate (who seemed particularly to appeal to older voters), but has not been able to integrate younger and more highly educated voters, who continue to back the Greens in very significant numbers.

Four other caveats should be added to qualify the claim that the SPD went from zero to hero. The first is that, while the SPD seems successfully, with its shift to the left, to have navigated the challenge presented by economic policies which are credible but which do not alienate voters who would see themselves as potential losers of such policies, getting to this position owed much to the context of the Covid pandemic and the strong consensus in favour of economic stimulus. The SPD will be under significant pressure, notably from its coalition partner, the FDP (which gained the Federal Finance Ministry) to pursue fiscal consolidation,⁶⁶ and the previous tensions could easily return, possibly exposing the SPD's left flank. This situation is compounded by the constitutional debt brake kicking back in, and indeed a state court verdict suggesting that some possible "work arounds" (specifically creation of funds sitting outside the debt brake) that debt brake would be unconstitutional.⁶⁷ This situation has become more acute with the decision to increase German defence spending to 2% of GDP in the light of war in Ukraine – in the immediate future, this will be met by a fund of €100 billion sitting outside the debt brake, but in the long term it compounds a significant fiscal challenge.⁶⁸

Secondly, in relation to the challenge presented by coalition government, while the SPD found that the period in grand coalition opened up spaces for competitors, notably on the left, the formation of the three-party, "traffic light" coalition, on the basis of having seen significant numbers of voters

switch from supporting the CDU/CSU to backing the SPD, leaves an opportunity for the CDU/CSU to regain support on the centre-right, especially if it able successfully to mobilise on issue dimensions where the new government may be out of step with public opinion. Early moves by the CDU/CSU to criticise the new government's policy on refugees, fiscal policy and renewable energy provide early hints about how this might occur.⁶⁹

Thirdly, while some relatively minor aspects of the SPD's organization have improved since the disaster of 2017 (for instance, its social media capacity), the party's internal functionality has been in large part predicated on key figures from different ideological traditions in the party being able to cooperate and develop a close working relationship. That may continue, but it is at best a contingent rather than structural solution to the SPD's dilemma on this score, and if the party lost ground in key state elections, declined sharply in the polls, or had to make major policy concessions to its partners, those relationships would be tested. Moreover, because of the unexpectedly good election result, the SPD's parliamentary group has seen major change and is characterised by pluralism in terms of both the background and ideology of its members – 104 of the 206 members of the group are new, and 49 are aged 35 or under.⁷⁰ This would leave some potential for disagreement with the government if the party's position declined.

Finally, the SPD's strong result clearly owed much to the appeal of Olaf Scholz, borne out of his position as the leading incumbent and strong performance as federal finance minister during the pandemic. Fully 48% of SPD voters stated that they would not have voted for the party were it not for Scholz; when asked to identify one reason for their support for the SPD, 36% of SPD voters mentioned the candidate, 44% the party's policies and just 15% a long term affinity with the party.⁷¹ Olaf Scholz might have been the SPD's hero of the hour, but electoral success forged on support for a particular politician is necessarily fragile.

In conclusion, the SPD was able in 2021, at least partially, to address key challenges faced by social democrats across Europe in its policy platform, assembling a coalition of voters to enable it to top the

poll, extricate itself from the challenge presented by being a junior coalition partner in a grand coalition, and resolve major organizational difficulties which had presented themselves hitherto. Nonetheless, in each of these areas, success owed something to being dealt a good hand, as well as playing the cards that had been dealt well: whether the SPD's stronger position reflects a further structural shift in German party politics or just a fortuitous "blip" remains to be seen.

Notes

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² Rob Manwaring and Paul Kennedy, eds., *Why the left loses: The decline of the centre-left in comparative perspective* (Bristol, 2018)

³ The term "Pasokification" originates from the Greek Panhellenic Socialist Movement's (PASOK) epic fall from power during the government-debt crisis (from 43.9% of the popular vote in 2009 to 4.7% in 2015) and became a synonym for the decline of traditional centre-left parties in Europe.

⁴ Herbert Kitschelt, "European Social Democracy between Political Economy and Electoral Competition" in *Continuity and Change in Contemporary Capitalism*, eds. Herbert Kitschelt, Peter Lange, Gary Marks, and John D. Stephens (Cambridge, 1999), 317-345.

⁵ A comprehensive summary of polling data is available at <https://www.wahlrecht.de/umfragen/index.htm>, accessed 10 February 2022.

⁶ Catherine De Vries, Bernd Bakker, Sara Hobolt, and Kevin Arceneaux, "Crisis Signalling: How Italy's Coronavirus Lockdown affected Incumbent Support in other European Countries," *Political Science Research and Methods* 9, no. 3 (2021): 451-467.

⁷ <https://www.sueddeutsche.de/politik/spd-cdu-csu-merkel-1.4664036-2>, accessed 10 February 2022.

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⁹ Kitschelt (see note 3), 323.

¹⁰ <https://www.spiegel.de/politik/freie-hand-fuer-den-kanzler-a-7c008c6b-0002-0001-0000-000010208952?context=issue>, accessed 11 February 2022.

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¹⁴ <https://www.tagesschau.de/wahl/archiv/2017-09-24-BT-DE/umfrage-werwas.shtml>, accessed 13 June 2022.

¹⁵ For a pithy exposition, see Matthew Goodwin, “Can Social Democracy Survive?,” *Unherd* 27 September 2018, available at <https://unherd.com/2018/09/can-social-democracy-survive/>, accessed 11 February 2022.

¹⁶ Tarik Abou-Chadi and Markus Wagner, “The Electoral Appeal of Party Strategies in Postindustrial Societies: When can the Mainstream Left Succeed?,” *The Journal of Politics* 81, no. 4 (2018): 1405-1419.

¹⁷ <https://www.spdfraktion.de/themen/wir-brauchen-kontrollierte-einwanderung>, accessed 11 February 2022.

¹⁸ <https://www.zeit.de/politik/deutschland/2017-02/thomas-oppermann-spd-fraktionsvorsitzender-kritik-aeusserungen-fluechtlinge-mittelmeer-nordafrika>, accessed 11 February 2022.

¹⁹ <https://www.sueddeutsche.de/politik/spd-gewerkschaften-kritik-abwrackpraemie-1.4931918>, accessed 12 February 2022.

²⁰ <https://www.spiegel.de/wirtschaft/stephan-weil-im-interview-viele-auto-zulieferer-werden-im-herbst-in-existenznot-geraten-a-7ee5503c-234f-44fb-a53d-4a7027891abd> accessed 12 February 2022.

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²² Jana Faus, Horand Knaup, Michael Rüter, Yvonne Schroth, Frank Stauss, *Aus Fehlern Lernen. Eine Analyse der Bundestagswahl 2017* (Berlin, 2018), 37-45.

²³ Faus et al. (see note 21), 45.

²⁴ Kitschelt (see note 3), 328.

²⁵ Heike Klüver and Jae-Jae Spoon, “Helping or Hurting? How Governing as a Junior Coalition Partner Influences Electoral Outcomes,” *The Journal of Politics* 82, no. 4 (2020): 1231-1242.

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³³ Kitschelt (see note 3), 332.

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- ³⁸ Faus et al. (see note 21), 52.
- ³⁹ Faus et al. (see note 21), 50-67.
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