

## Germany: Your quick guide to this week's CDU leadership vote

With national elections looming at the end of September and Angela Merkel not running for office, her party, the CDU, will choose a new leader this week. He, however, will not automatically lead the party into the elections, nor be the next Chancellor. Nevertheless, this week's vote is an important step on the long road to September



German Chancellor, Angela Merkel and her one-time protégé, Annegret Kramp-Karrenbauer

### Why is the vote needed?

With the pandemic dominating politics and economics for more than ten months, the background of the leadership vote almost looks unreal or at least stems from a very different era. Back in the summer of 2018 and under the pressure of lost regional elections, the rise of the populist AfD and increasing controversies on the future political course of the party, Angela Merkel resigned as party leader and announced that she wouldn't run again in national elections in 2021.

The end of an era. Merkel had been party leader since April 2000 and has been German chancellor since November 2005. In December 2018, Merkel was succeeded by her protégé, Annegret Kramp-Karrenbauer (AKK), who in turn and after several political and communicative glitches, announced her resignation as party leader in February 2020. Since then, two attempts to organise a party assembly to vote on a new leader were postponed due to the pandemic.

This week, the CDU will finally have a digital party assembly and 1001 party delegates will vote the new leader. The digital vote will take place on Saturday. Afterwards, delegates have to confirm their vote in a mail ballot. The result will be announced on Friday 22 January. Whether the party will release an unofficial result of the digital vote is not entirely clear.

## Who are the candidates?

Three middle-aged men all from the state North-Rhine Westphalia. In alphabetical order, these are **Armin Laschet**, **Friedrich Merz** and **Norbert Röttgen**. All three are political veterans, having held or are still holding different roles in the party. All three have their own personal history with Angela Merkel.

**Armin Laschet** is currently the only one of the three who holds an official post as minister-president of North-Rhine Westphalia. Laschet is largely viewed as Merkel's continuity candidate. Broadly on the party's centre-left wing, Laschet looks pragmatic enough to currently lead a conservative-liberal government. Laschet has been quoted, saying that he wanted the CDU to become 'Europe's most modern party' and wants it to appeal to more women, young people and immigrants.

**Friedrich Merz** was the CDU party whip between 2000 and 2002 and was the big rival of Angela Merkel for the party leadership. He stepped down in favour (and under pressure) of Merkel, who wanted to take both organisational and political leadership of the party, and gradually withdrew from politics. Merz returned to the political front-line in 2018 but narrowly lost the party leadership race against AKK. Merz stands for a return of the party to social and fiscal conservatism.

**Norbert Röttgen** currently chairs the Bundestag's Foreign Affairs Committee. He was once a close protégé of Merkel and federal minister for the environment between 2009 and 2012. Merkel dismissed Röttgen from office after his attempt to become minister-president of North-Rhine Westphalia ended with a severe defeat. Röttgen has emphasised that he doesn't stand for any particular political wing in the party.

## What does the leadership vote mean for the future path of the CDU?

Under Angela Merkel, the CDU has moved to the political centre in Germany, also covering typical social-democratic or green topics. This has helped it to be one of the very few parties in Europe gaining between 30% and 40% of the popular vote and being able to govern the country with only one coalition partner. In recent years, however, and partly triggered by the refugee crisis, the rise of the right-wing AfD has undermined support for the CDU, particularly in Eastern Germany and has led to a heated debate within the party over its future course.

Simply put, Merz stands for a return to more social and fiscal conservatism, Laschet and Röttgen stand for a continuation of the current political stance. Admittedly, all three candidates have avoided being too outspoken in the run-up to the leadership vote. Also, don't forget that this is a party leadership vote, not a general election. Which brings us to the following question:

## What does the CDU leadership vote mean for the general elections in September?

Unlike other countries, in Germany, the party leader is also the political leader. At least this is the tradition of the two major parties: CDU and SPD. This is why the CDU leadership race is so important for German politics as it gives the next CDU leader a clear advantage for also leading the party into the general election in September. Given the clear lead of the CDU in all polls, chances are high that any CDU candidate will also become the next government leader. However, it is not cast in stone that the head of the CDU will be the party's candidate for the Chancellory. The SPD, for example, broke earlier with the tradition of uniting the two positions and have a leadership duo at the helm of the party and a different candidate, finance minister Olaf Scholz, to lead the party into the elections.

A special feature of German politics and the CDU is that at the national level, the CDU forms one parliamentary group with the CSU. The CSU is the CDU's sister party and is only active in Bavaria. Both parties always agree on one single candidate to lead both parties into national elections. Only at two occasions was the CDU/CSU led by a CSU politician. Both times, the party lost the elections.

---

*Chances are high that two other politicians could enter the race after the party elections*

---

Given that all three candidates for the CDU party leadership are currently not really popular in the broader electorate, chances are high that two other politicians could enter the race after the party elections: Bavarian minister-president and leader of the CDU's sister party, CSU, Markus Söder, and federal Health Minister, Jens Spahn. Both according to national polls are currently far more popular than any of the three candidates for party leadership. Without getting lost in too many (though interesting) details: the party leaders of CDU and CSU will have to agree on one candidate, leading CDU/CSU into the federal elections.

The issue is whether all three potential CDU party leaders would want to run themselves or whether they would try to find a candidate with potentially better chances to win the election. In our view, in the event of Friedrich Merz winning the party leadership, chances are high that he would want to run in the general elections himself. With Armin Laschet or Norbert Röttgen winning, chances for Markus Söder running for the elections, in particular, would rise. Jens Spahn remains the promising outsider.

## What will the September elections have in store?

It is still a long road to the September elections. This week's CDU leadership vote will only be a first, though important, first step. Contrary to other European countries, neither the CDU leadership race nor the general election can be boiled down to the simple question of whether Germany will become more or less 'European'. In fact, the only potentially anti-European parties are on the far left and the far right and together claim less than 20% in the polls. The better question to ask is whether the next German government will be in favour of more or less eurozone integration. Answering this question does not only depend on the outcome of the CDU leadership race but also on the coalition partners. Currently, many configurations could be possible, ranging from a CDU-

Greens government to a centre-left government, led by the SPD.

A lot can and will still happen between the CDU leadership and the national elections in September. It's worthwhile following German politics this year.

## Author

**Carsten Brzeski**

Global Head of Macro

[carsten.brzeski@ing.de](mailto:carsten.brzeski@ing.de)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit [www.ing.com](http://www.ing.com).