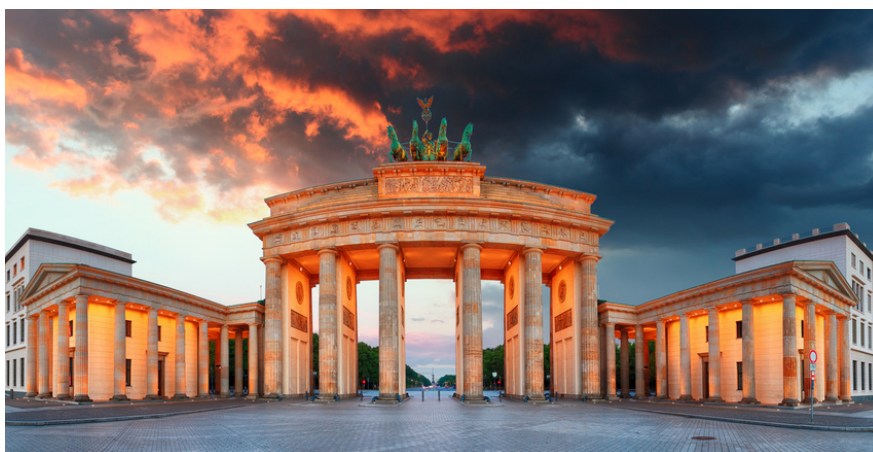


## Germany: No wind of change but stormy times ahead

The results of the two German state elections have something for everyone. The most important message for the September elections is that the electorate is looking for continuity, but it's unclear as to which continuity.



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On Sunday, the two state elections in Baden-Wuerttemberg and Rhineland-Palatinate kicked off the super election year, with another four state elections to come and the national election on 26 September. The outcomes of the two state elections broadly confirmed the political status quo in both states, with both incumbent minister-presidents - Winfried Kretschmann from the Greens in Baden-Wuerttemberg and Malu Dreyer from the SPD in Rhineland-Palatinate - winning the elections. In both states, Angela Merkel's CDU lost significantly (by around 4 percentage points) but remained the second largest party. The AfD also lost significantly in both states.

While there could still be some minor changes in the state results, possibly leading to changes in the composition of the next governments, for national politics the more important question is what the results mean for the current mood of the electorate and for the national elections in September.

Judging from available opinion polls ahead of the elections, both incumbent minister-presidents were highly popular and respected by a large number of voters. This seems to suggest that there is very little appetite for change, at least not in these two states. Instead, the strong results for

Kretschmann and Dreyer seem to indicate that the pandemic has still strengthened the executive branch. At the same time, the losses for Merkel's CDU are noteworthy, being partly the result of regional considerations but also of the latest allegations that two CDU lawmakers profited from deals to procure masks early in the coronavirus pandemic. Given that the country's entire crisis management has always been the result of close coordination between national and regional governments, it is hard to see that the success for Kretschmann and Dreyer would be the result of strong crisis management while the CDU loss is the result of any less effective crisis management. Still, for the CDU the two defeats will put pressure on party leaders to quickly nominate a candidate to lead the party into the national elections. With the Sunday results, chances for the Bavarian minister-president, Markus Söder, to be the third Bavarian leading the CDU into national elections have clearly increased.

In our view, Sunday's state elections have shown a strange mix of strong support for the two incumbents at state level but clear dissatisfaction with the national government. This is not a wind of change, yet. However, as Angela Merkel will not run in the September elections, voting for continuity will be a bit difficult.

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