

## Germany: Hamburg elections

What the results of the Hamburg elections mean for national politics and the economy



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The elections in Hamburg on Sunday were the only state elections in Germany this year. Around 1.3 million people were eligible to vote after two exciting weeks in German politics, which were affected by the political turmoil in Thuringia and the shooting in Hanau. According to the last projections of the night, the SPD came in as the largest party, despite significant losses, with 39% (from 45.6% in the 2015 elections). The SPD's coalition partner in Hamburg, the Greens, recorded their second best result ever in state elections with 24.2% (from 12.3%). The CDU had its second worst result ever in state elections, dropping to 11.2% (from 15.9%). The Left Party had a minor gain at 9.1%. In the course of the evening, both the FDP and the AfD were at risk of not entering parliament. According to the last projections, however, the FDP came in at 5.0% and the AfD at 5.3%. The final results will only be announced tonight. According to media reports, there could have been a mistake in one district, mixing up votes for the FDP and the Greens. If confirmed and corrected, the FDP could have failed to enter state parliament.

### What Hamburg means for Berlin

State elections are always a mix of regional topics and national trends. In the Hamburg elections, the events of the last weeks have clearly had an impact on the results of FDP and AfD. At the same

time, however, Hamburg is also traditionally a state with an electorate that preferably supports the broad political centre. Interestingly, according to surveys, the topics which the Hamburg electorate called most important were affordable housing, climate change and infrastructure. Immigration has dropped off the list of most important topics.

There are, in our view, several implications and lessons from the Hamburg elections for German national politics.

- Even though the SPD's strength could be labelled Hamburg-specific, it also suggests that the SPD does not necessarily have to shift towards the political left wing in order to win elections.
- The Greens look set to challenge the CDU's no.1 spot at the national level, benefiting from strong support in at least urban areas in the West. However, the Greens will need a chancellor candidate with statesman flair.
- The CDU's loss will add to the recent inner-party unrest regarding which political direction the party should take and with which personnel. The transition into the post-Merkel era will be wobbly.
- The AfD seems to lose support in West-German states but remains strong in states in the East. As the absolute votes for the AfD remained broadly unchanged, the AfD seems to have suffered from higher voter turnout.

It was 'only' a state elections with some 1.3 million eligible voters. However, the elections in Hamburg will have implications for national politics. The coalition partners of the German government in Berlin both once again lost votes in state elections. With the CDU struggling to enter a smooth transition into the post-Merkel era, a political landscape in which the centre now has three parties (CDU, SPD and Greens) and increasing political differences between West and East, German politics are likely to become more inward-looking than they already are until the next national elections (currently scheduled for Autumn 2021). This does not bode well for new significant steps towards more Eurozone integration and additional fiscal stimulus.

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