

GERMANY VOTES 2025

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Volume 3: *Zeitenwende (Turning point): Closing Germany's defense capabilities gap*



Welcome to the 3rd Volume of Germany Votes 2025!

More than 1,000 days after Russia invaded Ukraine, the *Zeitenwende* — a turning point in defense policy tied to a €100 million special funding program for the German Armed Forces — remains unfinished. Modernizing the Bundeswehr, funding NATO's 2% target, balancing geopolitical challenges with the energy transition have seen slow progress. With a looming Trump presidency reigniting debates on European security, we explore how Germany's political parties aim to tackle these challenges and what the next government might do to overcome Germany's lack of hard power.

Best,

Caroline Mücke-Kemp

Head of Public & Government Affairs Germany

As of 27 November 2024

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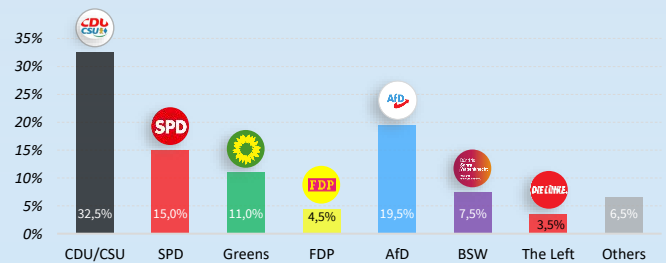
Days left until German
Federal Election on
23 February 2025

In a nutshell:

- **Chancellor Olaf Scholz confirmed as SPD Chancellor Candidate:** The decision ends weeks of speculations that popular Defense Minister Boris Pistorius might replace Scholz as the party's lead candidate. The long-drawn-out decision leaves both the party and Scholz weakened.
- **Operation 'Silver Foxes' to save The Left party:** To win the three direct mandates needed for The Left Party to reenter the Bundestag in the 2025 election it was announced that three popular party veterans will rerun for office. Should the party fail to qualify for the Bundestag, it risks drifting into political irrelevance.
- **Merkel memoir 'Freedom' published:** The former Chancellor's autobiography reignites the discussion around her legacy issues such as energy security, migration and Germany's relationship with Russia.

If Germans voted today, ...

...the CDU/CSU would likely form a coalition with the SPD. CDU/CSU leader Friedrich Merz would most likely be the next Chancellor.



Source: INSA Meinungstrend, 25 November 2024

Politician of the Week

Olaf Scholz (SPD)
Federal Chancellor

On November 25, 2024, the executive committee of Germany's Social Democratic Party (SPD) unanimously nominated Chancellor Olaf Scholz as their candidate for the upcoming federal election. The decision follows Defense Minister Boris Pistorius's decision to stand down for the candidacy.



“ *The most popular candidate is not automatically the best.* ”



After more than 1000 days of the Ukraine war, Germany's main political parties must still define their take on the 'Zeitenwende' (turning point) and how they approach defense policy in their election programs.



The parties' top candidates' positions on...

	NATO	Bundeswehr	Ukraine
 	Sees NATO's 2% target as a bottom line for military spending. Has a strong transatlantic orientation.	Supports a significant increase in the defense budget. Open to considering loosening the debt brake for solely defense purposes.	Criticizes Chancellor Scholz's perceived lack of strategic clarity and advocates more extensive military support for Ukraine.
 	Supports NATO's 2% target, emphasizing commitment to the alliance while balancing European defense cooperation and transatlantic ties.	Supportive of loosening the debt brake for defense. Seeks to balance combat readiness with an emphasis on resolving international conflicts through peace negotiations.	Has repeatedly shown more restraint than his Western partners in supplying weapons systems such as Taurus cruise missiles to Ukraine.
 	Supports NATO as a cornerstone of European security and the 2% target. Emphasizes boosting EU defense capabilities alongside NATO.	Advocates for easing the debt brake for defense funding. Prioritizes strengthened European military cooperation. Emphasizes robust defense of freedom.	Strongly supports military aid to Ukraine, emphasizing solidarity and the defense of international law.
 	Supports exceeding NATO's 2% target, emphasizing commitment to the alliance.	Strongly supports increasing the defense budget and modernizing procurement processes. Opposes loosening the debt brake for defense, advocating for re-prioritization of federal budget.	Advocates for extensive military and financial support for Ukraine.
 	Opposes NATO membership and stationing of US medium-range missiles in Germany.	Opposes increasing the defense budget, advocating for cuts and reallocation to social sectors. Advocates for disarmament and diplomatic conflict resolution.	Opposes military support for Ukraine, calling for an end to arms deliveries and "peace talks."
 	Critical of NATO's current structure, advocating for a more independent German defense policy.	Advocates for significantly increasing the defense budget. Sees the suspension of conscription as a grave mistake and calls for its reintroduction.	Critical of extensive military aid to Ukraine, advocating for "diplomacy" and a focus on "German interests".



The defense policy of the next German government

A grand coalition (CDU/CSU and SPD) could face intense debate over loosening the debt brake with (1) CDU/CSU favoring limited use for defense, while (2) SPD is likely to push for broader applications, including social security projects. This debate is expected to be a key campaign issue.



The fallout of the SPD chancellor candidate decision

Trigger



- Defense Minister Boris Pistorius announced he would not run as the SPD candidate for chancellor in a video message on 21 November 2024.
- Influential SPD members had previously supported Pistorius as a potential candidate.
- Historically unprecedented for an incumbent chancellor, like Olaf Scholz, to be replaced by their own party despite seeking re-election.

The fallout

Scholz

Olaf Scholz's refusal to step aside (1) damaged his reputation as doubts about his electability within the SPD became public, (2) highlighted internal party divisions and (3) reduced confidence in his leadership.

Pistorius

Pistorius was criticized for allowing the debate about Scholz's candidacy to drag on.

SPD leadership

Lars Klingbeil (Party Chairman): Criticized for opposing Pistorius, perceived as prioritizing his own future leadership ambitions over the party's electoral success.

Rolf Mützenich (Parliamentary Group Leader): Accused by MPs of endangering their re-election chances by not supporting Pistorius, who is seen as a stronger candidate, due to disagreements over Ukraine policy.

Social Democrats' youth organization frustrated by candidate selection process



Olaf Scholz did not attend the Federal Congress of the SPD youth organization (Jusos) despite two invitations, leading to frustration among participants.

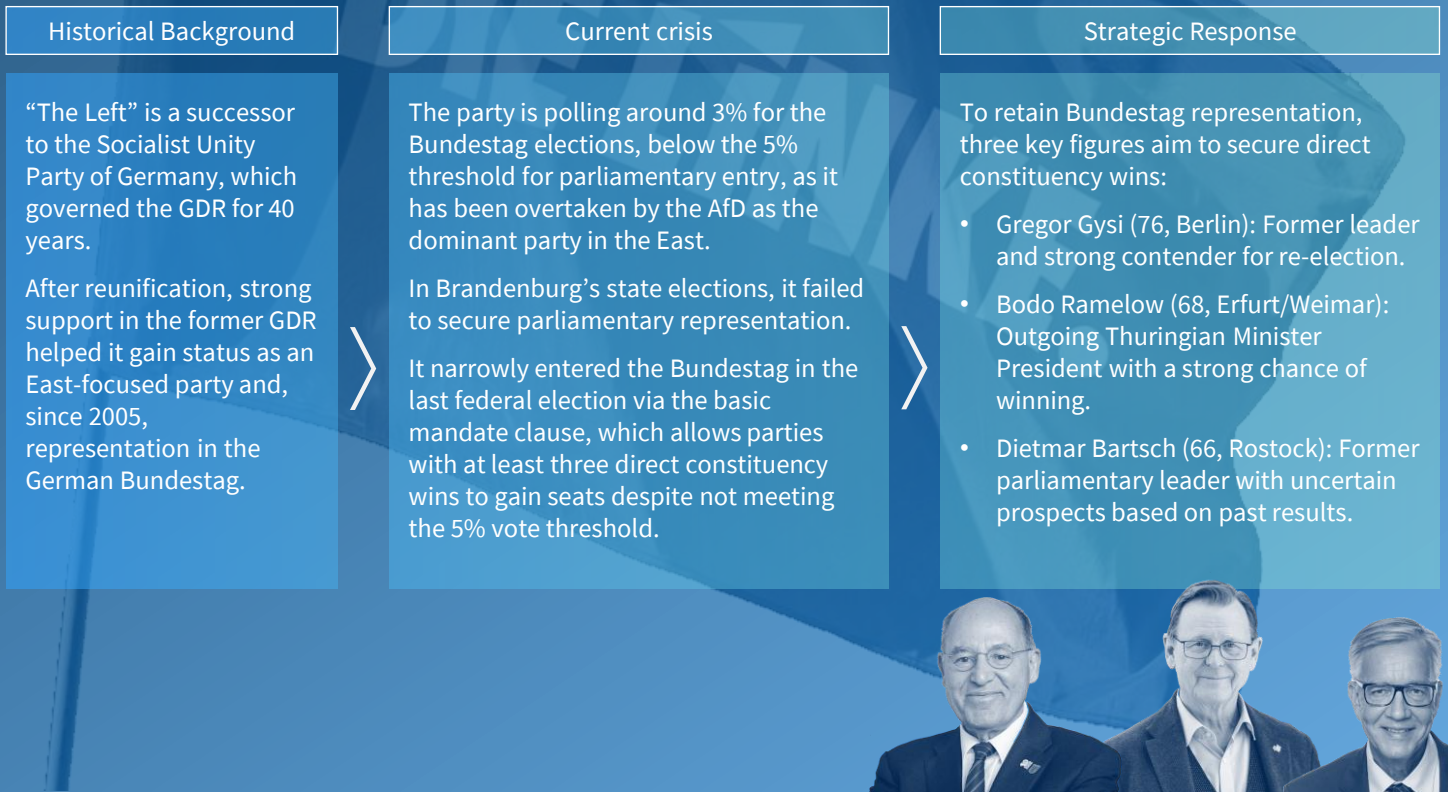
Many were still upset about the public Chancellor candidacy debate among Social Democrats, which resulted in Boris Pistorius announcing that he is not interested in becoming SPD Chancellor candidate.

- Jusos Federal Chairman Philipp Türmer criticized the debate as a "shitshow".
- Party-Co-Chair Saskia Esken admitted the SPD made mistakes in the nomination process, earning applause for acknowledging, "We really did not give a good impression with the nomination of our Chancellor candidate".

The Jusos emphasized focusing on policy issues, including housing, migration, social justice, and called for a radical reform of the debt brake.



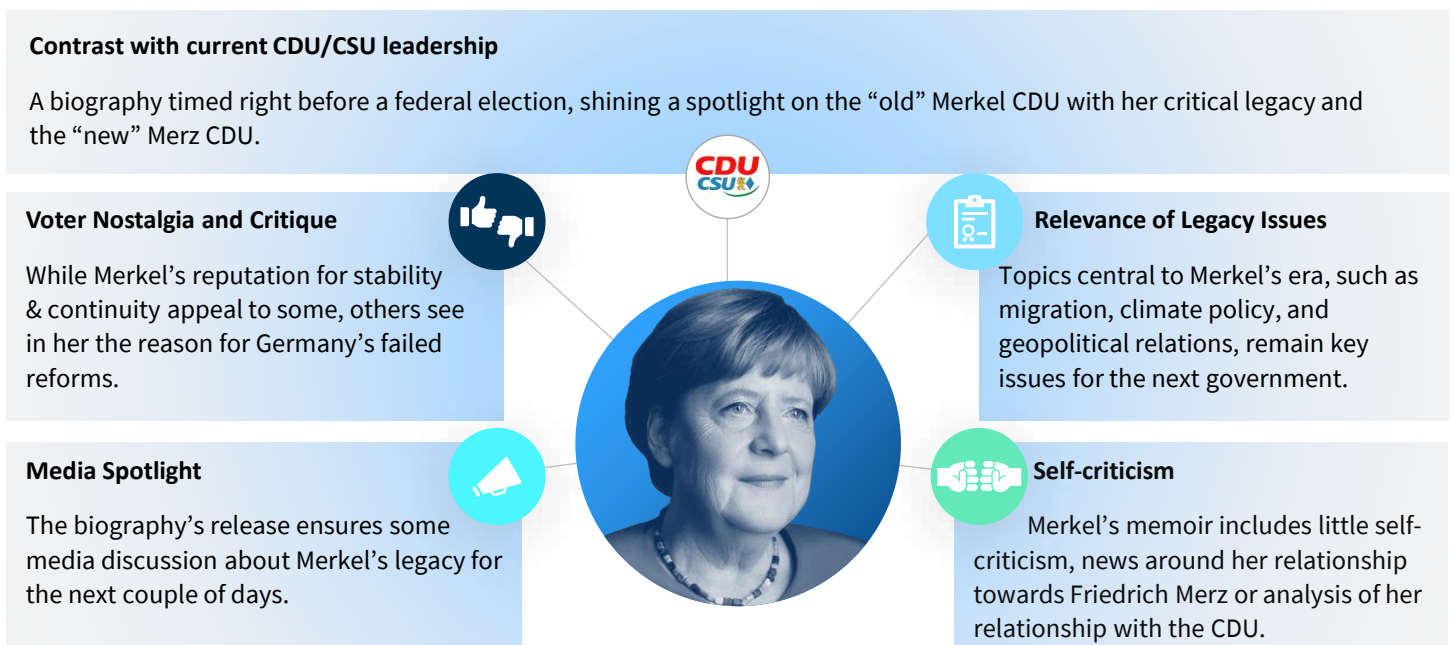
Three silver foxes to save The Left Party



Angela Merkel’s autobiography: “Freedom”

Angela Merkel’s memoir, *Freedom*, has reignited debates about her political legacy. Reflecting on key moments like the 2015 migration crisis, she asserts, “When it comes to human dignity, we cannot make compromises”. This stance has sparked discussions within the CDU, with leader Friedrich Merz blaming her policies for the rise of the far-right AfD. Her insights on global leaders, including Vladimir Putin’s “power games” are described on 736 pages with little emotion.

Main takeaways





Re-strengthening Europe`s turntable for the continent`s defense

“Zeitenwende” (Turning Point) for the German Armed Forces (Bundeswehr)

Thanks to its €100 billion special defense budget until 2027, Germany for the first time in three decades reaches NATO`s 2% funding target in 2024. On top of that, it is taking on increased operational responsibility by, for instance, driving the European Sky Shield Initiative or being one of the first countries to commit to the new force model of NATO to protect the Eastern flank.

Things are changing in Germany. After years of governments neglecting an active defense agenda due to lack of public support, the public perception is shifting. A current Ipsos study shows that 57% of respondents support a higher defense budget and 49% percent a reintroduction of conscription service.

Top defense policy priorities for a new government

- **Meet Germany`s increased responsibilities:** With a new Trump administration and 70 % of NATO capabilities being provided by US forces Europe`s independent defense capability requires immediate action. The Bundeswehr`s ability to respond swiftly and effectively to a potential defense scenario must be regained until 2029, meeting Russia`s estimated readiness status for an attack on NATO.
- **Budget and procurement reliability:** After Germany`s current special defense budget runs out in 2027, the country will face an estimated financing gap of €30 billion per year to achieve the 2% target. Synchronizing procurement planning, weapon system platforms and ammunition storage across Europe`s armed forces will be key given tight budgets everywhere. In addition, the German procurement system is still too complicated and bureaucratic to ensure a smooth and innovative cooperation with the private defense sector.
- **Modernize war concepts and capability profile:** With Germany being the second largest supplier of Ukraine support the deficits in heavy weapon systems and ammunition loom even greater. In addition to refilling the current gaps, Germany will have to raise combat readiness beyond pre-Ukraine-war levels. Concepts and planning will have to be adapted to modern scenarios and hybrid warfare; e.g., use of drones within the Bundeswehr, modern artillery warfare, cyber resilience and strike capability, civilian infrastructure to support defense measures, protection of critical private sector infrastructure, logistical planning for rapid deployments etc.
- **Create relevant mass:** With currently 184,000 soldiers the Bundeswehr is at an all-time low, missing critical mass for a defense scenario. A strong and active reserve force and the consideration of reintroducing a modernized conscription service is needed to ensure exponential troop growth in a defense scenario.



“ While current defense scenarios might look dire, they also present a catalyst to finally achieve a strong and synchronized capability approach across Europe with Germany at its heart. This is ideally underpinned by a revitalized close cooperation with a top-notch private defense sector. ”

Eike Alexander Kraft
Defense Sector Lead Germany



“ The night watchman state is back: internal and especially external security are playing an increasingly important role in the political agenda. This will trigger additional distribution conflicts. Money is tight. ”

Claas Bansemmer
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Contact

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