



## Polarisation in Germany – fuelled but not caused by the corona crisis

- In August, two mass demonstrations against the corona measures in Berlin attracted wide media attention and rattled the public. Many felt confirmed in their feeling that the corona crisis is driving society further apart. Current surveys, however, show that 80% of Germans firmly support the government and trust in government is at a record high. Still, people are affected very differently by the pandemic, which is a potential source of social division. Faced with insecurity resulting from the threat of the corona crisis, some find a foothold in the government and have confidence in the system, while others feel confirmed in their distrust and unease and turn away from the system.
- The protestors are a heterogeneous group with supporters of right-wing populists, extreme right, but also left-alternative groups. It appears that they are not only united by their rejection of the corona measures but also by their scepticism about the system of a representative democracy and about political elites allegedly ignoring the will of the people. Many protesters share the view that the media and government are exaggerating the threat of the virus to justify restrictive measures and curb constitutionally guaranteed citizens' rights.
- In parts the protests are attacking the basis of the Federal Republic of Germany and aim to delegitimise democratic procedures. The vociferous presence of right-wing populist and extreme right sentiments in the protests is worrying. But Germany has so far proved capable of acting against and of being largely resistant to crises. There are no signs of the German democracy being in acute danger.
- The protests thus go beyond the corona crisis, which is rather used as a door opener for general system criticism. The causes for criticism and uncertainty are more likely ongoing long-term trends such as the loss of western supremacy, demographic change, climate change or digitalisation.
- Populist parties have so far not benefited from the corona crisis. This may change if the crisis persists and populist forces succeed in blaming the government for it. The diverse and constructive political landscape in Germany is a good foundation for integrating the interests of different groups and thus counteracting political and/or social polarisation. Beyond the corona crisis, social cohesion will depend on whether policymakers succeed in finding socially viable answers to the ongoing changes such as demography, climate change or digitalisation.

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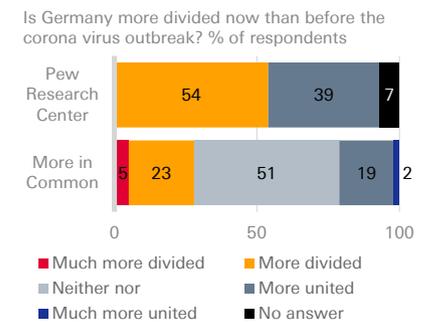
## The paradox of protests and record-high popularity of the government

In August, two mass demonstrations against the corona measures imposed by the government with 20,000 to 40,000 participants in Berlin received broad attention in domestic and international media and rattled the German public as well as politics. It triggered a public reflection on questions such as, what drives people onto the streets, especially after Germany has managed the corona crisis so far comparatively well (see [Focus Germany, June 11, 2020](#)). What unites protesters that span the political spectrum in an exceptional way? Could the protest be an indication that German society has drifted further apart during the corona crisis? The latter concern was already voiced in the spring, for example, by Health Minister Jens Spahn (Augsburger Allgemeine, May 27, 2020), when first demonstrations took place against what was perceived as excessive restrictions on civil liberties to contain the spread of the virus. These concerns seem to have manifested themselves in public perception over the last few weeks: In a recent survey, 54% of Germans felt that their country is more divided now than before the outbreak of the pandemic (Pew Research Center).<sup>1</sup> This finding is in line with another recent study conducted by the NGO "More in Common"<sup>2</sup> – although the results there are less drastic with 28% of respondents who perceived an increase in social division during the corona crisis (Figure 1). In this survey, however, 67% expect that Germany will become more divided in future.

The concern is that this will weaken the social fabric in general. A growing social divide means that more and more people do not feel part of society, do not identify with and trust in the overarching institutions and rules and withdraw from social interaction. A drifting apart of society is also reflected in an increasingly rougher tone and irreconcilable positions between groups. The social divide is not necessarily inflamed by long-standing conflicts such as "labour vs. capital" or "poor vs. rich" alone. Nevertheless, these seem to play some role, as one's economic situation has an influence on how strongly someone is (financially) affected by the pandemic and how a person therefore perceives the crisis. However, also the newer conflict "we the people vs. the elite", which is behind the rise of populism (see [Special Report, March 16, 2017](#)), seems to be resurgent. Polarisation is thus a rather vague expression as it can refer to political, societal or social divergence. Regardless of the roots of the conflict, though, severe polarisation can endanger the democratic process.<sup>3</sup>

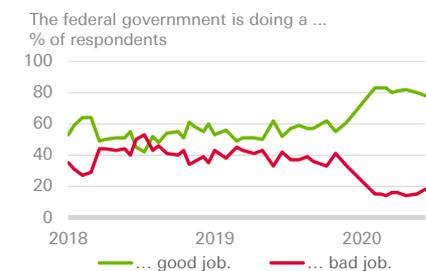
In Germany, however, the current situation is not so dramatic, although a certain divide is emerging. While the pandemic and the related politics have driven some people onto the streets, they have got others to stand firmly behind the government, resulting in record-high approval ratings. Since mid-March, a consistently high 80% of Germans have found that their government is doing a good job (Figure 2). Likewise, an overwhelming majority of Germans are in favour of the corona measures currently in force and some even wish that they were more far-reaching (Figure 3). A clear majority also supports individual measures like mandatory corona tests for travellers returning from risk areas (94% approval), the compulsory

Figure 1: Perceived increase of social division since outbreak of COVID-19



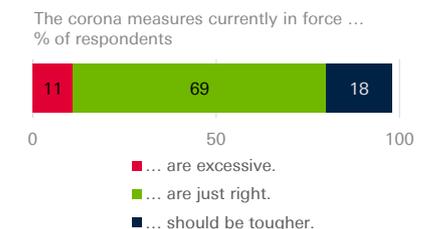
Note: The surveys were conducted between June and August 2020.  
Source: Pew Research Center, More in Common

Figure 2: Most Germans are satisfied with the government's crisis management



Source: FG Wahlen, Politbarometer

Figure 3: High approval of corona measures



Source: ZDF, Politbarometer (August 28, 2020)

1 Pew Research Center (2020). Most Approve of National Response to COVID-19 in 14 Advanced Economies.  
2 More in Common (2020). Vertrauen, Demokratie, Zusammenhalt: wie unterschiedlich Menschen in Deutschland die Corona-Pandemie erleben.  
3 Carothers, Thomas and Andrew O'Donohue (2020). Democracies Divided. The Global Challenge of Political Polarization.



wearing of masks when shopping (87%) or the restrictions for public or private events (79% resp. 70%). As for compulsory masks at work or school, Germans are less enthusiastic (42% resp. 37%).<sup>4</sup> Overall, trust in the state and the government has increased markedly during the pandemic (Figure 4). According to the Bertelsmann Foundation<sup>5</sup> these are record-high values during the 20 years they measure trust. However, the study's authors stress that, firstly, these values reflect a current mood and therefore the high level of trust is not guaranteed in the long term. Secondly, the substantial increase in trust is also explained by the fact that the level of trust in the state and government was at a very low level for Germany before the outbreak of the pandemic. At the end of 2019, the coalition in particular was perceived as feeble and divided.

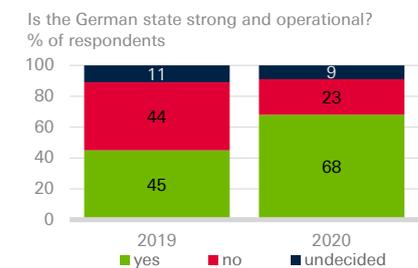
## The difficulty of capturing the current public sentiment

Against this background, the picture conveyed in the media and by various surveys remains diffuse. On the one hand, it provides valuable insights into the overall sentiment in the country and illustrates the great interest in the question of how the corona crisis is affecting society. On the other hand, it also shows that there is no simple answer to this question. The surveys give different, sometimes conflicting indications. For example, a study conducted by the Bertelsmann Foundation<sup>6</sup> concludes that social cohesion in Germany has increased during the first months of the pandemic. In addition to increased trust in the government, the study finds that social cohesion was increasingly seen as less at risk during the course of the crisis. Also, fewer and fewer people had the feeling that others do not care about their fellow citizens (Figure 5). More recent studies from the Pew Research Center and the NGO "More in Common" mentioned above, however, contradict these results.

One possible explanation is that the mood of the population has changed over the summer. The authors of the Bertelsmann study emphasise that their findings are a positive snapshot. They warned that the picture could change and saw potential for tensions in the fact that people are affected very differently by the crisis. And indeed, the economic pain the pandemic has brought varies significantly despite the huge fiscal rescue packages implemented by the government. Small businesses and self-employed see their livelihood endangered and employees in certain sectors face a high risk of unemployment while for others the shock is cushioned by short-time working schemes and again others praise the luxury of slow movement brought about by the mobility restrictions during the pandemic. Now that the initial shock of the unknown and threatening situation has subsided, the different perceptions and experiences of the crisis could manifest themselves. Some may feel increasingly disappointed as they begin to perceive a decline in solidarity or side-effects of government action.

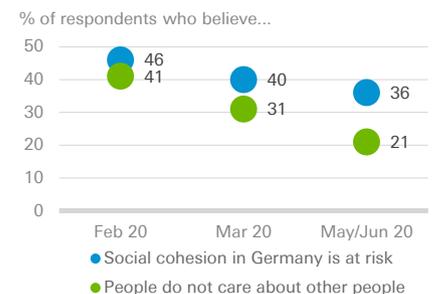
Another possible explanation could be that in the midst of an unprecedented crisis, it is difficult for people to express a coherent and conclusive opinion. A study conducted by Technische Universität Ilmenau and University of Bern shows the mixed feelings people have when assessing the current situation: While 48% see the fundamental rights severely restricted by the corona measures, 64% do not

Figure 4: Return of trust in the state



Source: Bertelsmann Stiftung (2020). Rückkehr des Vertrauens? In: Einwurf 1/2020

Figure 5: Increased social cohesion during first months of the pandemic



Source: Bertelsmann Stiftung (2020). Gesellschaftlicher Zusammenhalt in Deutschland 2020

4 ZDF Politbarometer of August 28, 2020; July, 31 2020 (obligatory tests for travellers); July 10, 2020 (mandatory wearing of masks when shopping).  
5 Bertelsmann Stiftung (2020). Rückkehr des Vertrauens? In: Einwurf 1/2020. Note: The results of this study are in line with those of a recently published "Citizens' Survey of the Civil Service 2020" by the German Civil Service Association.  
6 Bertelsmann Stiftung (2020). Gesellschaftlicher Zusammenhalt in Deutschland 2020.



reclaim these rights but reject the premature withdrawal from the measures. Furthermore, 73% feel that the government takes their concerns seriously and at the same time 85% believe that they have no influence on the government's action during the corona crisis (Spiegel, May 5, 2020). With the months passing under corona crisis management, people's minds might also undergo some change: Maybe people initially felt threatened and very unsecure seeking government guidance, but increasingly realise the negative implications and side-effects of strong government guidance and interventions, respectively. In the end, the mixed sentiment can be seen as an indication of how difficult it is for people to assess the current situation – and the crisis' impact on their future health, social and economic wellbeing – which is characterised by high uncertainty and the loss of public and private structures so far perceived as unshakeable.

## The current constructive sentiment of the German public stands out from most other countries

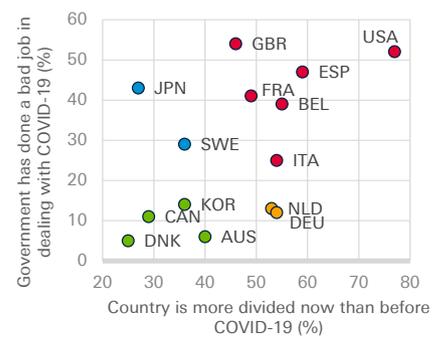
Today, the situation in Germany is therefore one of exceptionally high approval of the government and at the same time loud criticism of the government by a minority, which is estimated at around 20%. This points to a certain polarisation. The international comparison by the Pew Research Center shows that the situation is similar in the Netherlands (Figure 6). Germany and the Netherlands stand out from three other groups of countries: Firstly, countries whose governments are also rated very positively, but where a clear majority does not notice an increased division in society (Denmark, Canada, South Korea, and Australia). Secondly, countries whose governments are rated less favourably and where a large part of survey respondents also perceives a further drifting apart of society (United States, United Kingdom, Spain, France, Belgium, and Italy). And thirdly, those countries where the government is not rated that well but where most do not perceive increased social division (Sweden, Japan).

For Germany this sentiment may have arisen precisely because of the relative successful management of the crisis to date. Thus, the virus remained a much more abstract threat in Germany than in other countries. Compared with many other large European countries, fewer people in Germany know someone who has fallen ill or died from the virus or someone who has lost their job as a result of the crisis (Figure 7). This lack of personal evidence might be a reason why criticism of the measures imposed by the government is being loudly brought to the streets in Germany by some. Here, the corona measures including the lockdown of the most visible parts of the economy can be more easily presented as exaggerated because of the comparatively mild course of the corona pandemic. It even allows convictions among the protesters that politicians and the media have intentionally exaggerated the danger posed by COVID-19 in order to mislead the public and constrain democratic rights.

## Protesters are a small, mixed, yet significant group

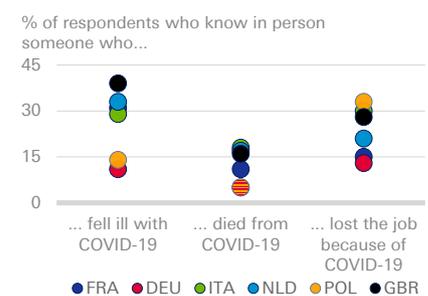
The anti-corona protests in Germany find sympathy with about 20% of the population (Figure 8). A closer look reveals that the group is very heterogeneous. On the one hand, there are right-wing and extremist right groups. Among the protesters, "Reichsbürger" (questioning the existence of the democratic state of Germany as a whole), anti-Semites, supporters of conspiracy theories, and even supporters of groups classified as extreme-right by the German intelligence service were spotted. On the other hand, supporters of alternative, politically rather left-

Figure 6: Satisfaction with the government and social division



Source: Pew Research Center

Figure 7: Threat of COVID-19 has so far remained more abstract in Germany



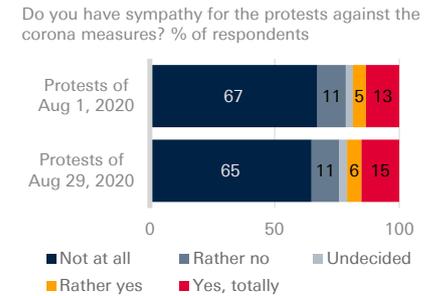
Source: More in Common



wing movements, joined the protests. They include esotherapists, anthroposophists, vaccination sceptics as well as supporters of gay pride and the peace movement (Berliner Zeitung, August 2, 2020; Zeit, August 8, 2020). The demonstrations were called by an organisation from Stuttgart in Baden-Württemberg called “Querdenken 711” (which broadly means to think against the current mainstream). The organisation was formed in spring 2020 by individuals close to business who felt that the imposed corona measures were excessive and the economic price to be paid out of proportion. The movement does not want to determine where it stands politically. It seems to be as mixed as the protesters, but highlights the difficulties in drawing a clear line against right ideologies (ZDF, August 29, 2020; Berliner Zeitung, August 3, 2020). These different views within the organisation have already resulted in conflicts (Welt, September 8, 2020).

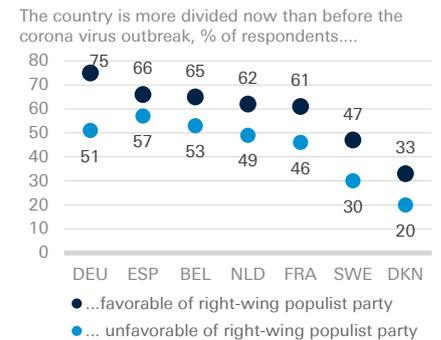
This brings us back to social cohesion, which played a decisive role in the individual experience of the pandemic: Those who felt less connected and had been sceptical before the crisis are now more likely to experience society drifting further apart. They include both people who consciously distance themselves from the system and mistrust it, and people who no longer see themselves integrated in society and do not feel valued. In contrast, those who considered themselves already well-connected before are more likely to feel confirmed by the crisis experience that society is holding together. This applies in particular to the middle class, including the cosmopolitan and self-realising milieu (“More in Common”). Moreover, political attitudes and party affiliations indicate a strong overlap between social inclusion and sympathies for the protests: According to the Bertelsmann study, especially AfD supporters and politically disenchanted people feel the social cohesion to be less strong. Accordingly, during the corona crisis, AfD supporters more often perceived a drifting apart of society than the rest of the population. In fact, this difference in the perceived social division is very pronounced in Germany compared with other European countries (Figure 9). And it is also the AfD supporters who largely sympathise with the protests (Figure 10). However, the protesters from the left-alternative milieu, who might be politically connected rather to the Green voters, do not fit into this picture. Most supporters of the Greens, as well as those of the governing parties CDU/CSU and SPD, reject the protests.

Figure 8: Most Germans do not have sympathy for corona protests



Source: Spiegel (August 3, 2020, and September 1, 2020)

Figure 9: Supporters of right-wing populist parties more often see society drifting apart



Note: Right-wing populist parties: AfD (DEU), Sweden Democrats, National Rally (FRA), Party for Freedom (NLD), Danish People's Party, Flemish Interest (BEL), Vox (ESP).  
Source: Pew Research Center

## Are the protests against corona measures or rather against the political system?

One wonders what unites the otherwise incompatible groups that are now protesting together. It appears that it is not only the criticism of the corona measures, but rather an increasing scepticism about the system of a representative democracy and about political elites ignoring the will of the people. Many protesters share the view that the media and the government are exaggerating the threat of the virus to justify restrictive – in the view of some "authoritarian" – measures. Some even suspect a conspiracy against the German people (Berliner Zeitung, August 2).<sup>7</sup>

It is precisely this alleged fundamental criticism of the political system voiced by the protesters that has stirred up the public debate. While the criticisms of the corona

<sup>7</sup> According to a study by the Konrad Adenauer Foundation (2020), conspiracy-theory views were already widespread before the corona crisis. Shortly before the crisis, 30% of Germans believed the assertion that the world is controlled by secret powers to be certainly or probably true. In the “More in Common” study, 30% of respondents agreed with the assertion that “the government is making the crisis look worse than it is to push through its own plans”.



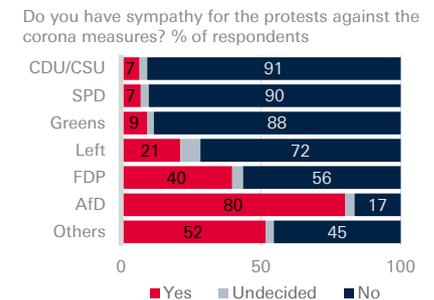
measures are part of the democratic opinion-forming process, the criticisms voiced beyond are less harmless and raises the question of whether German democracy is in danger. The threat of the virus and the associated uncertainty is deliberately used by fundamental system critics and sceptics. With their loud criticism – in some cases combined with spurious statements – they aim to delegitimise democratic procedures and thus attack the foundations of the Federal Republic of Germany. This impression emerges from pictures of protesters chanting “we are the people” and seriously considering themselves to be the legitimate sovereign, who should decide over the affairs of the Federal Republic (FAZ, September 10, 2020). This transfigured image of direct democracy, in which the people rule with a unified will, is a central idea of right-wing populists. Thus, it is not surprising that populist leaders such as the US President Trump serve as inspiration for the protesters (Tagesspiegel, September 1, 2020). And it also coincides with the strong presence of supporters of the right-wing populist AfD, right-wing conspiracy theorists such as the “Reichsbürger” as well as right-wing extremist groups in the protests. But their vociferous presence alone is not enough to jeopardise democracy. Especially as the protesters, who for the most part consist of small groups at the fringes of the political spectrum, do not share a vision for the future but are united solely by their dissatisfaction. Moreover, Germany has so far proven capable of acting against and resisting crises. The government entrusted with crisis management at the beginning of the pandemic therefore enjoys the trust and support of a clear majority of citizens. The well-being and continuity of democracy cannot be taken for granted, but so far there are no signs that German democracy it is acutely endangered.

## Protests do not come out of the blue

Observers have different views and explanations as to where the protests ultimately come from. Some see the roots of protests in the changes that took place already in the years before the pandemic: The loss of Western supremacy, the globalised economy and the unequal distribution of profits from it, demographic change, climate change, digitalisation or the refugee crisis. People experience these changes with a sense of losing control over their lives. The increased uncertainty and complexity of the economic, political and societal environment encourages the respective individuals to seek strong leadership and easy answers to today’s problems. Others view the protests as a consequence of longstanding German consensus politics and as a revival of the Pegida protests against the refugee’s policy in 2015/ 2016. In this sense, the movement could be seen as a “negative coalition”, united by a diffuse dissatisfaction but without a common vision of what society should look like and lacking a real democratic representation in Germany’s political landscape.

Whether these protests will disappear once the pandemic is under control or find new issues, which fuel the system scepticism is difficult to answer but the observations mentioned might indicate that the resentment of the protesters is going beyond the rejection of the government’s corona policy. Thus, the pandemic could indeed fuel a further polarisation also with respect to the attitude towards politics and institutions – while some find a foothold in the government and the trust in the system, others feel confirmed in their distrust and unease and turn away from the system.

Figure 10: AfD supporters show strongest sympathy for the protests



Source : Spiegel (September 1, 2020)



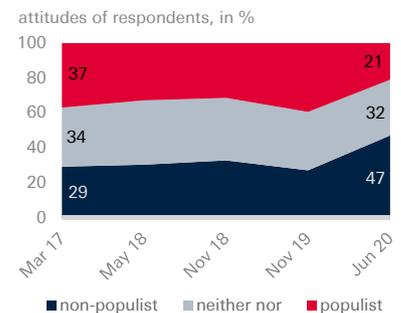
## Politicians find it difficult to react adequately to the protests

For politicians, it is difficult to react adequately to the protests. On the one hand, they are expected to take the protests and the concerns of the people seriously. On the other hand, they should take a clear stance against rule breaking as well as undemocratic attitudes and actions. The prompt reactions from the political arena to the protests show different ways of handling this balancing act: The governing parties CDU/CSU and SPD expressed their incomprehension of the protesters' failure to comply with hygiene and distancing rules. Some exponents described this as "irresponsible" and the SPD co-chair, Saskia Esken, went as far as to use the hashtag "#Covidioten" in social media (Berliner Zeitung, August 2, 2020; Zeit, August 3, 2020). AfD chairman Jörg Meuthen expressed reservations about the protests, particularly in order to distinguish the party from the extreme right. Other prominent party members, however, called for participation, were present at the protests themselves and did not clearly distance themselves from extreme right groups (Spiegel, September 2, 2020). The Greens' leadership also distanced itself from the protesters – including those from their own ranks – and emphasised that the party supported the corona measures and the policy course so far (Spiegel, September 2, 2020).

With their reactions, politicians can make a decisive contribution to increasing – at least perceived – social division, but also to reducing it. Indeed, Chancellor Merkel and Health Minister Spahn directly or indirectly tried to calm the waters. Mr. Spahn repeatedly affirmed that it was important to approach each other during the crisis and to be willing to understand each other. At the same time, he condemns the hatred and the refusal to talk of some protesters (Welt, September 1, 2020). Mr. Spahn tried to take a step towards the protestors by publicly and self-critically reflecting on the measures taken – stating that based on today's knowledge about the virus, shops and hairdressing saloons will no longer be required to close. But instead of taking this as progress, many protesters saw it more as an admission by the health minister that the measures taken at the beginning of the pandemic were excessive (Zeit, September 2, 2020). At the same time, Chancellor Merkel declared the safeguarding of social cohesion as one of three priorities for the next six months. She recognises that the pandemic affects people differently and wants the government to pay special attention to groups who are most affected (press conference, August 28, 2020). An important contribution will also be made by parliament, which is debating the corona measures in public, taking into account various views of the political spectrum.

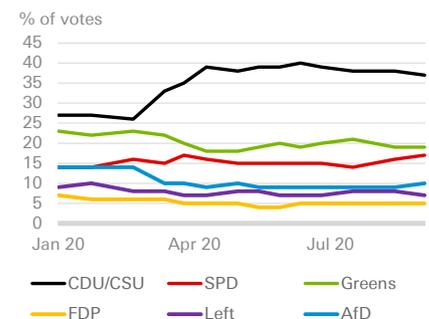
We assume that with a considerate and dialogue-based approach, politics could reach above all those who sympathise with the protests on the basis of concrete everyday concerns. For example, people who are economically affected by the corona measures or people whose family life was disrupted because their children could not attend school or their relatives were not allowed to be visited. Policymakers can offer solutions to those people, although it is certainly not always an easy task. However, it is much more difficult for politicians to reach those who express fundamental criticism of the political system with concrete responses beyond the corona-linked measures. Of the parties in the Bundestag, the AfD seems to be the only one that could present itself as the political voice of this part of the protesters. To what extent the party will do so is still unclear, as at present an internal dispute over the political orientation of the party and the distancing from the extreme right is taking place. It is also conceivable that the discontented and sceptical protesters would form their own political movement. From today's perspective, however, there is nothing to suggest that that will happen.

Figure 11: Populist attitudes on the decline in Germany?



Source: Bertelsmann Stiftung (2020). Populismusbarometer 2020

Figure 12: Crisis management works in favour of CDU/CSU



Source: FG Wahlen, Politbarometer



## Populist parties' support so far not increasing during the pandemic

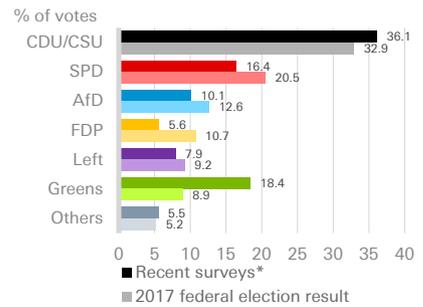
Contrary to widespread expectations, populist parties have so far not benefited from the crisis. This is also true for Germany, where the proportion of the population with populist attitudes<sup>8</sup> has decreased. This trend already started in 2019 and it continued during the corona crisis in spring 2020 (Figure 11). The AfD approval ratings dropped from a high 14% to 10% at the beginning of the pandemic and have stagnated on this level ever since (Figure 12). However, it should also be noted that the AfD is currently preoccupied with an internal power struggle.

Germany is not an exception, as an international comparison by the IfW Kiel shows. The study found that although populist and non-populist governments took similar measures to combat the pandemic, non-populist governments gained more support than populist ones. A possible reason for this is that the “elites” can hardly be blamed for the outbreak of the pandemic – as opposed to the global financial crisis in 2008, for example. Without a culprit, the populists’ arguments will be in vain. This turns the political debate away from the causes of the problem towards the solution. And this is where the mainstream parties in Germany have shown their strength so far.

Nevertheless, there are concerns that this could change in the long term. It is conceivable, for instance, that populist forces could grow stronger because they succeed in accusing the government of mismanaging the crisis. After all, the AfD succeeded in exploiting parts of the German (centric) public unease over the euro area crises as well as the refugee crisis. Still, looking at the current sentiment surveys on party popularity, we expect Germany to remain on a constructive political path post-Merkel. The German political landscape is rather broad and diverse and the upcoming federal elections in autumn 2021 are likely to produce a composition of the Bundestag where a stronger opposition can challenge the new government and prevent the often criticised deficit of democratic discussions and debates during the last decade. In current polls the CDU/CSU is still benefiting from the “chancellor bonus”, although with 36% it is slightly less strong than in previous months. Following the nomination of Olaf Scholz as candidate for chancellor, the SPD has gained a little ground and now stands at 16%. The Greens remained stable, slightly below the 20% mark (Figure 13). A coalition between the CDU/CSU and Greens is currently far more popular than a continuation of the grand coalition between the CDU/CSU and the SPD. However, the latter is still more popular than a left-green coalition of SPD/Left/Greens or a “traffic light coalition” of SPD/FDP/Greens – neither of which could currently form a majority (Figure 14).

The diverse and constructive political landscape in Germany can be seen as a good foundation for balancing and integrating the interests of different groups and thus counteracting social polarisation to a certain extent. The current common will to find solutions for those who are strongly affected by the pandemic will meet at least that part of the protests that is directed against the economic and social hardship of the corona crisis. However, due to limited (economic) resources as well as the lack of the organisation and visibility of some interests, it will not be possible to do justice to all, in particular when taking into account the broader picture of political challenges for Germany, above all the ageing of the society, digitalisation and

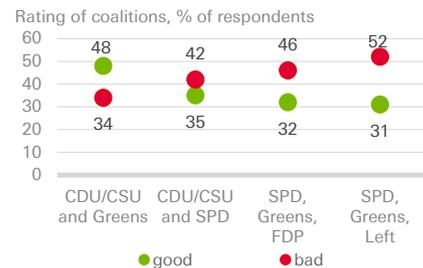
Figure 13: Major political parties' popularity & result of the last federal election



\* Average of major recent surveys (Forsa, Kantar, INSA, FG Wahlen, Infratest Dimap)

Source: Wahlrecht.de, September 18, 2020

Figure 14: Strongest support for a conservative-green coalition



Source: ZDF Politbarometer, August 28, 2020

8 Populist attitudes are based on the following three ideas: Anti-establishment (“true people vs. corrupt elites”), popular sovereignty (idea of a common popular will), and anti-pluralism (idea of a homogenous society). (Bertelsmann Stiftung (2020). Populismusbarometer 2020).



climate change. All of them entail significant potential for distributional conflicts. Beyond the acute threat of the pandemic, we consider these long-term changes as the main drivers of the current elevated uncertainty and diffuse dissatisfaction with politics carrying the risk of driving society further apart.

We thank Ursula Walther for her valuable contribution.



# Appendix 1

## Important Disclosures

### \*Other information available upon request

\*Prices are current as of the end of the previous trading session unless otherwise indicated and are sourced from local exchanges via Reuters, Bloomberg and other vendors. Other information is sourced from Deutsche Bank, subject companies, and other sources. For disclosures pertaining to recommendations or estimates made on securities other than the primary subject of this research, please see the most recently published company report or visit our global disclosure look-up page on our website at <https://research.db.com/Research/Disclosures/CompanySearch>. Aside from within this report, important risk and conflict disclosures can also be found at <https://research.db.com/Research/Topics/Equities?topicId=RB0002>. Investors are strongly encouraged to review this information before investing.

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