



## Tipping the scales in a tight election - post-Covid boom to come just in time?

- The race for the chancellorship has become much more open over the last couple of weeks. The CDU/CSU's approval rates seem to have been hit by the double whammy of the long-term decline in voter support for traditional big-tent parties and recent disappointments with pandemic management and the leadership battle. The Greens have profited from the steady increase in environmental consciousness, setting the political agenda and the current positive campaign momentum around Annalena Baerbock. For both parties, the maximum voter potential is estimated at around 40%.
- Given the magnitude of the recent spike/fall in polls for Greens/Conservatives, we have asked ourselves, whether such a spike might be a one-off and if approval rates are going to mean revert any time soon? Looking at historical episodes of spikes in voter preferences shows that most of the time, approval rates tend to (partly) mean revert after a couple of weeks. Still, the Greens clearly stand out with four out of the five most recent spikes working in their favour (hot / dry summer seasons '18 & '19, Fridays for Future movement, disappointment with COVID-measures).
- Where does that leave us with respect to the tight race in September? As polls have become increasingly volatile over the last couple of years, any forecast based on polls five months ahead of the election has to be taken with a huge grain of salt. Especially since ever weakening party identification means that very short-term drivers like economic conditions/sentiment, the election campaign and the perceived image of the candidates a few days ahead of the election (or the time the 30% postal votes are being cast) will be decisive for the election outcome.
- On balance, we still think the Conservatives could win the tight race. First, they will campaign in a sentiment of "vaccination euphoria", which should enhance government approval rates. Second, a certain disenchantment with the Greens might kick in once voters become aware of the price tag attached to reaching ambitious climate goals (energy prices). Third, Baerbock's lack of executive experience might work in favour of Laschet when detailed policy proposals are discussed in talk shows. Fourth, downside risks for the Greens' positive campaign momentum are higher, as they run a higher risk of squandering voters' goodwill. Fifth, Conservatives have far more firepower in terms of campaign funding.
- As short-term changes in voter sentiment will be crucial to watch, we have started using social media tool(s) to sense the voters' pulse. We are currently developing a social media scraping dashboard in cooperation with the dbDIG team. This is still a work in progress, but we aim to monitor which themes are emerging during the election campaign. First results show that social media comments on both Laschet and Baerbock are still mainly neutral, so no signs of "dirty" campaigning yet.

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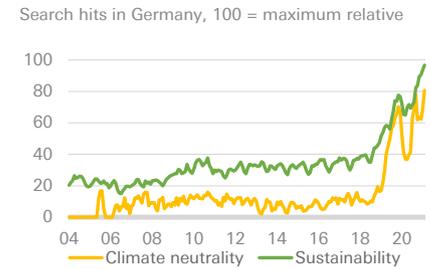




## Increasing political fragmentation – or is there a new big-tent party in the making?

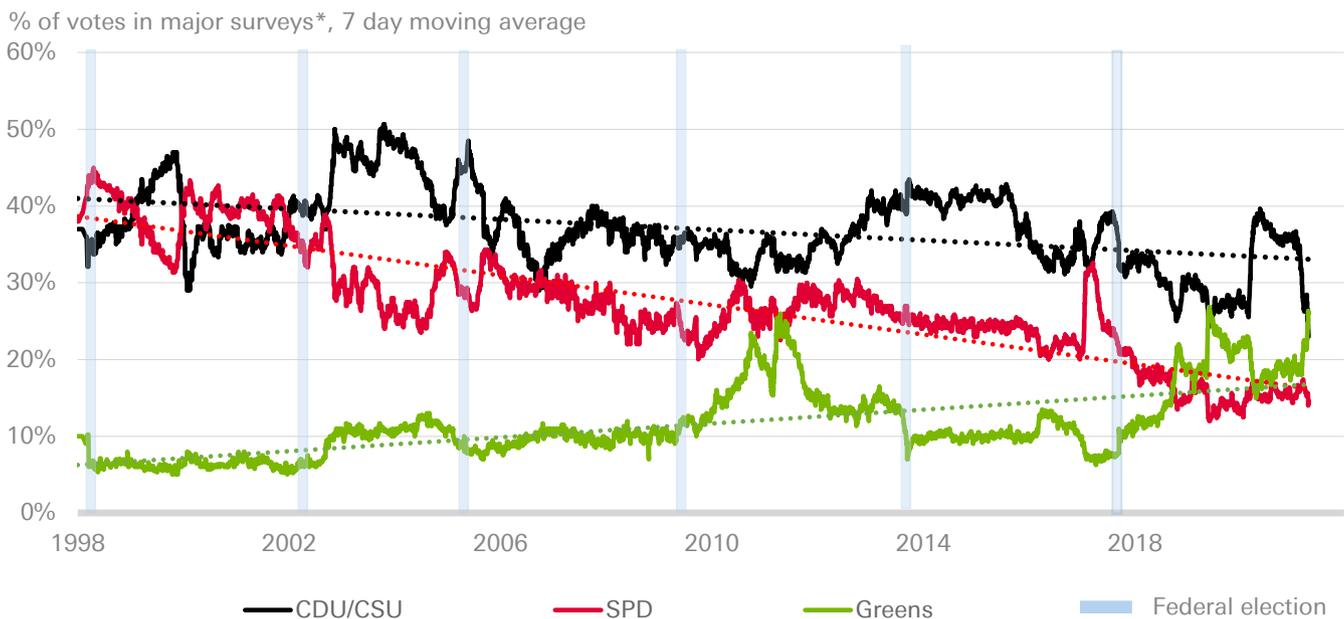
Germany’s political landscape has become much more fluid over the last couple of years due to a number of factors. First, traditional big-tent parties like the CDU/CSU and SPD are confronted with the long-term trend of declining voter support – with the SPD so far being more affected than the CDU/CSU. Party identification (around “Christianity” or “being working class”) has declined over the last couple of years. Second, new parties have entered the stage (right-wing AfD founded in 2013). Third, the steady increase in environmental consciousness (see Figure 1) and the (credible) shift of the Greens’ policy agenda to the political center has given them an impressive boost (see Figure 2). The key question now is whether the trend of increasing political fragmentation is set to prevail or whether the Greens are a new people’s party in the making? Currently, the Greens still fall short of ticking all the boxes needed to qualify as a people’s party. These are defined as: (i) parties that are of a certain size, (ii) have strong support of heterogeneous parts of the population and (iii) do not prescribe to one ideology, but combine different sets of opinions.<sup>1</sup> According to current polls the Greens have reached a certain size, but are still lagging the SPD or CDU with respect to their grassroots party members (see Figure 3). Moreover, their voters still do not represent a wide range of societal groups. Based on results from the European Parliament elections 2019, the Greens’ voter base is still tilted towards young, female and highly educated voters ([FG-Wahlen](#), [ZDF](#)).

Figure 1: Is this going to be a "one-topic" election campaign?



Source: Google trends

Figure 2: People's parties without the people or are the Greens the new big-tent party?



Note: \* major political surveys taken into account: Allensbach, Kantar, Forsa, FG Wahlen, Infratest, INSA.  
Source: Wahlrecht.de, Deutsche Bank

## Neck-and-neck race between the Conservatives and the Greens, recent spikes in voter preferences have mostly worked in favour of the Greens

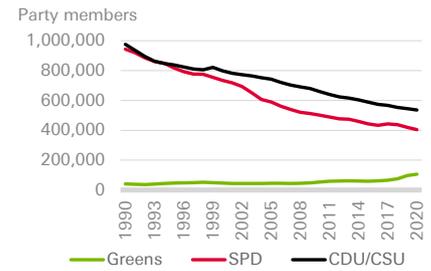
Political scientists disentangle the drivers of voting decisions into (i) more long-term

1 Parteiensystem im Wandel, Ralph Thomas Baus, KAS, 2013



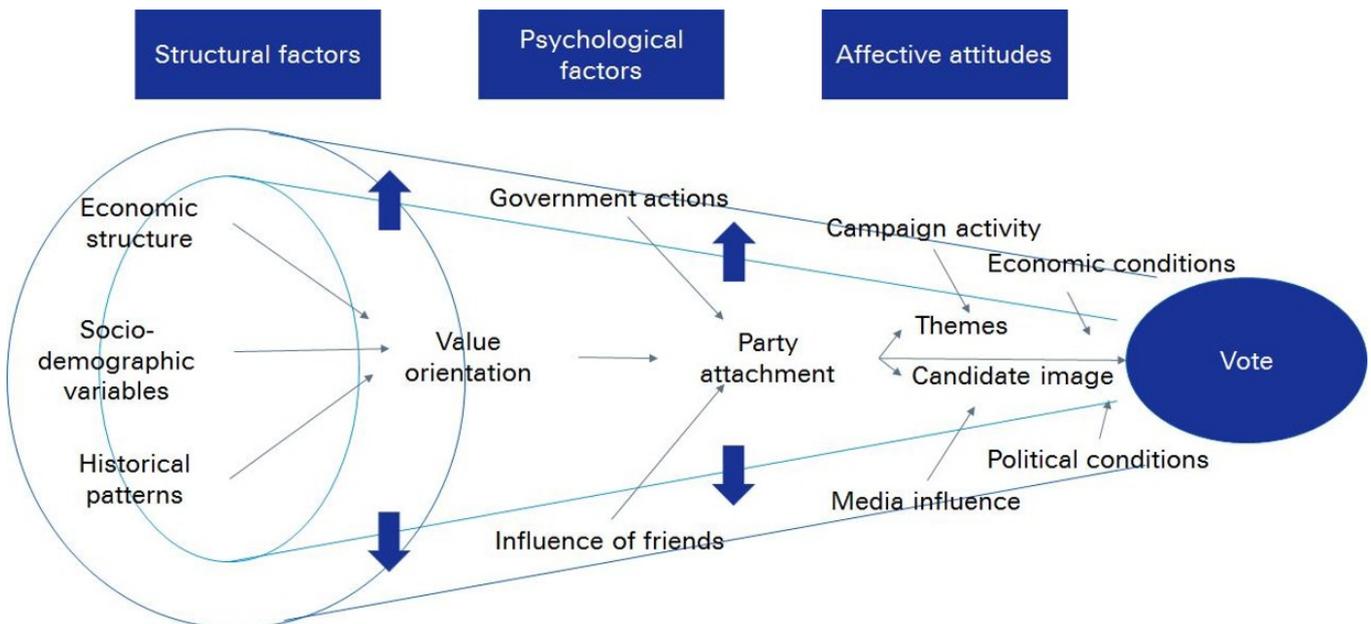
drivers like social origin leading to party ties/bonds and loyalty, (ii) medium-term drivers like party identification and government action and (iii) short-term drivers like current economic conditions, election campaign and image of the candidates. The “funnel of causality of the Michigan school” visualizes this concept. It implies that voters are logged into a limited range of party options, which further narrow down the closer we move to the election date (see Figure 4). Given ever weakening party identification and an increasing individualization of voting behavior the funnel seems to have widened over the last couple of years. According to an INSA poll, only one third of voters completely rule out voting for the Greens currently (see Figure 6). This, in turn, increases the influence campaigns, (social) media and the current economic and political conditions have on the final decision of voters.

Figure 3: Closing the gap?



Source: Statista, SZ Feb 14, Deutsche Bank

Figure 4: Funnel of causality with factors influencing the voting decision

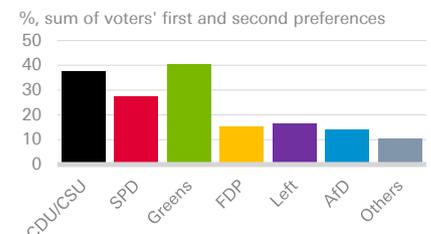


Source: Millic et al., Handbuch der Abstimmungsforschung, 2014; Deutsche Bank

### If history is any guide – which events have led to sudden spikes in voter preferences?

In order to answer this question, we first identified all episodes since 1998 where approval rates for the three major parties spiked more than 20% mom (smoothed by using the 7d average). We then clustered the episodes by looking for a common root cause of the spike in voter preferences. This exercise yielded four categories one could allocate most of the episodes to: (i) political affairs (bribery, etc.), (ii) natural disasters/extreme weather events, (iii) changes in key personnel, and (iv) disappointment with the current policy course. We then created a matrix attributing the bulk of the historical events to those four categories and the three main parties (see Figure 7). These categories relate to the short end of the “funnel of causality” and can, if they coincide with elections, lead to significant deviations from the above-mentioned long-term trends.

Figure 5: Maximum voter potential



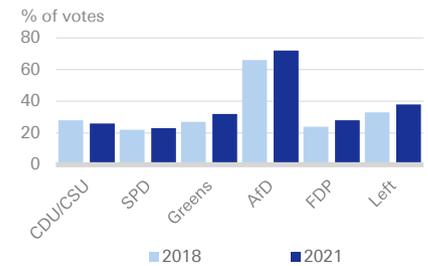
Source: KAS survey from February 2020

1. Political scandals (bribery, procurement, donations, etc.): The CDU/CSU has been most prone to be involved in political affairs with the most impactful being the donations affair in 1999. But, the Greens were also severely hit by the pedophilia debate in 2013.



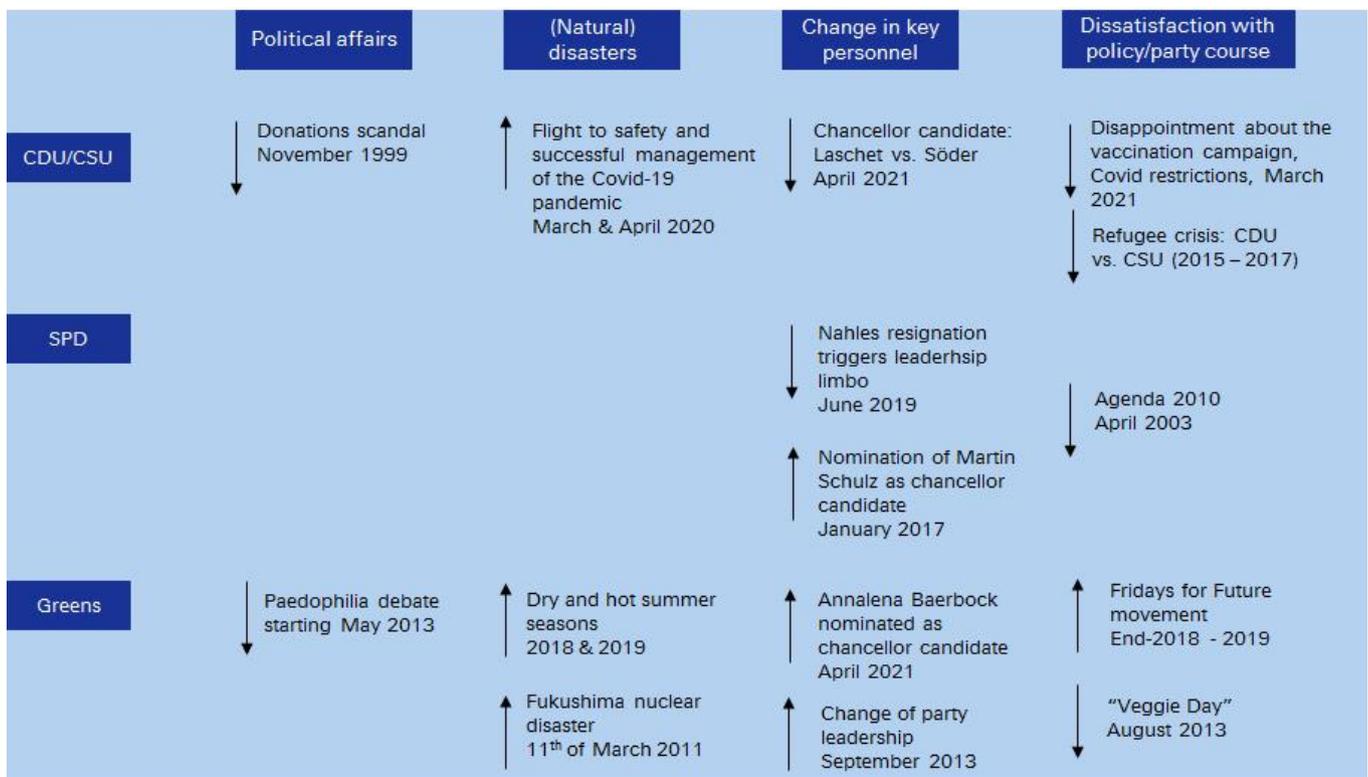
2. Natural disasters/extreme weather events: The Greens have profited most from natural disasters and extreme weather events recently (e.g. Fukushima in 2011). These events served as a catalyst for increased attention on key Green campaign topics.
3. Changes in key personnel: New leadership often signals a new awakening. The nomination of Martin Schulz as SPD chancellor candidate in 2017 is the most prominent example. But, also the resignation of the Greens' old guard in 2013 or the recent nomination of Annalena Baerbock have triggered positive momentum in approval rates.
4. Disappointment with policy/party course: When the SPD announced their Agenda 2010 (severe cuts in unemployment benefits) in November 2002, their core voter base felt betrayed. Similarly, the mismanagement of the vaccination campaign, severely damaged the CDU/CSU image of competency in crisis management.

Figure 6: Voting for this party is not an option



Source: INSA

Figure 7: Matrix of historical episodes of spikes in voters' preferences



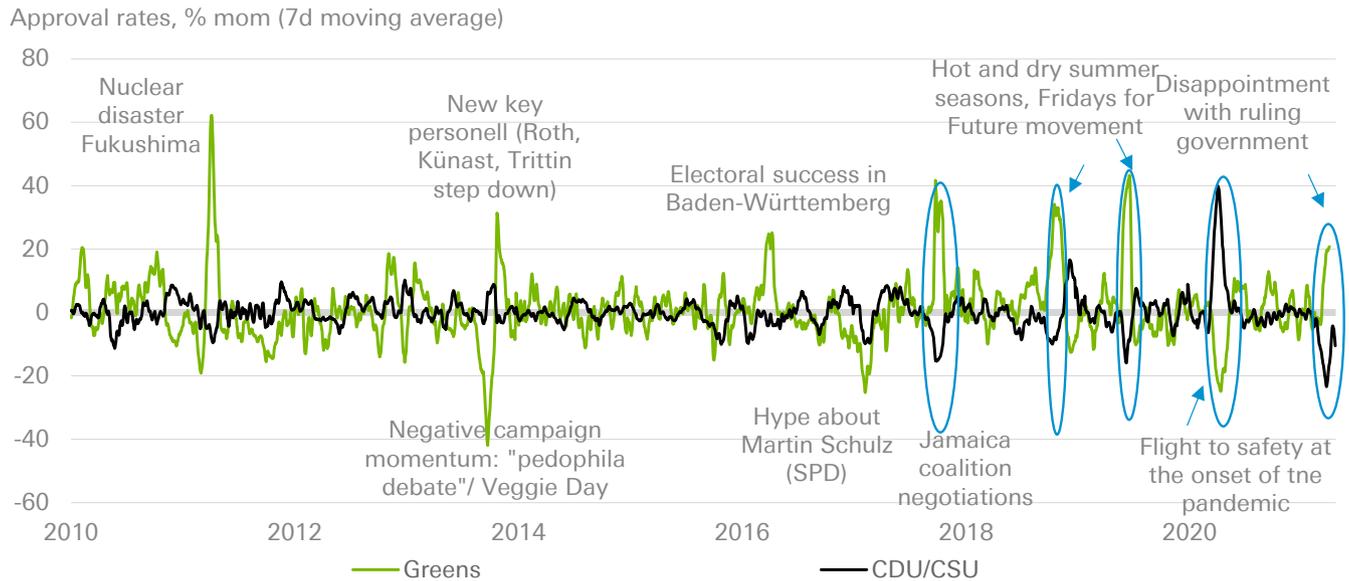
Note: Selection of 20% mom (7d moving average) spikes in the poll of polls  
Source: Deutsche Bank

### Greens benefitted from a number of positive shocks recently – mostly to the detriment of the Conservatives

A key finding of our analysis is that the Greens not only experienced a steady increase in their popularity, but their approval rates were boosted by a series of positive spike events relating to different triggers (hot and dry summer seasons in 2018 and 2019, Fridays for Future movement, disappointment with the government's pandemic management). Figure 8 shows that each positive shock for the Greens was mirrored by a negative shock for the Conservatives.

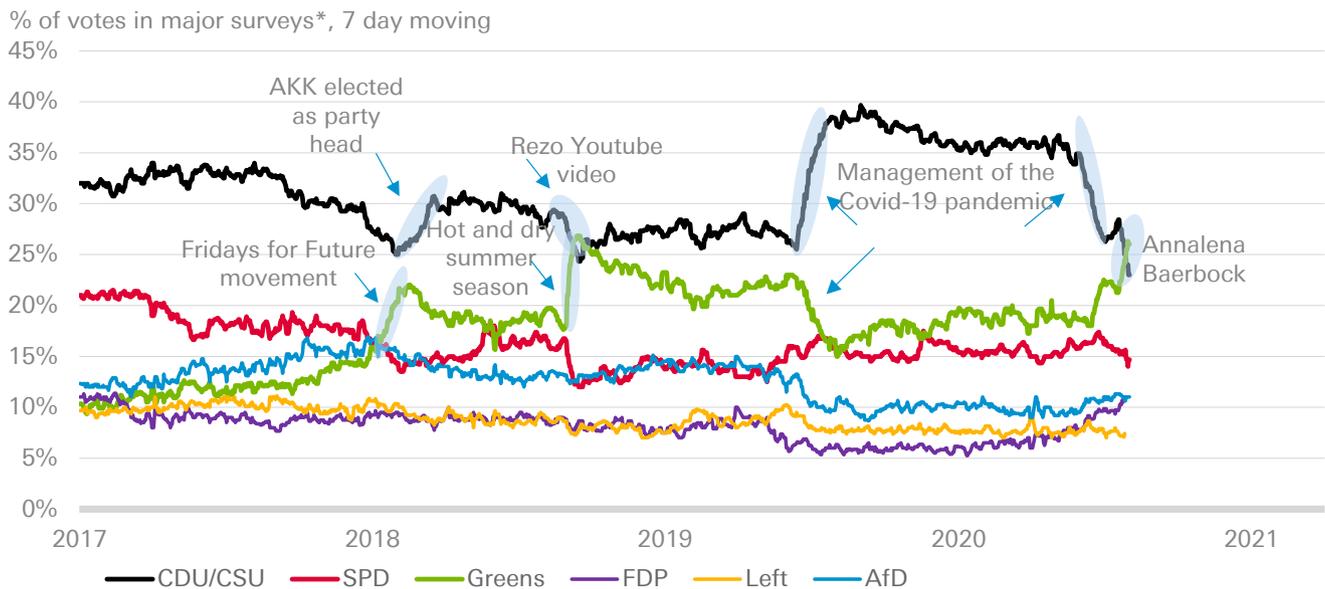


Figure 8: The Greens – far more positive spikes in voter preferences than negative ones



Source : Wahrecht.de, Deutsche Bank

Figure 9: Major spikes in voter preferences over the current parliamentary term



Note: \* major political surveys taken into account: Allensbach, Kantar, Forsa, FG Wahlen, Infratest, INSA.  
Source : Wahrecht.de, Deutsche Bank

### Tipping the scales in a tight September election race: Weather, sentiment, campaign momentum?

The federal election in September is likely to be a neck-and-neck race between the Conservatives and the Greens. Thus, short-term spikes in voter preferences (even single-digit deviations) might be decisive for the final result if they coincide with the weeks/days before the election. In our view, three of the above-mentioned drivers are important to watch: (i) extreme weather events/natural disasters (i.e. a hot summer), (ii) (dis)satisfaction with the current policy course (i.e. speed of



vaccination, freedom of travel), (iii) self-fulfilling campaign momentum (i.e. repetition of the Veggie Day communication debacle ahead of the 2013 elections).

### Black-green coalition (with the Greens as junior partner) remains our baseline, for now

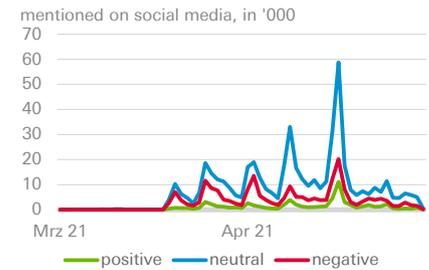
The Greens profit from the steady increase in environmental consciousness (see Figure 1), setting the political agenda and current positive campaign momentum around Annalena Baerbock. On balance, however, we still think that the Conservatives could win the tight race. They will campaign in a sentiment of “vaccination euphoria”, i.e. with shops and restaurants reopening and most Germans being vaccinated, leading again to a pro-government sentiment. They have far more firepower in terms of election campaign funding (three times the budget of the Greens). Third, a certain disenchantment with the Greens might kick in once voters become increasingly aware of the price tag attached to reaching the ambitious climate goals (energy prices, tax increases, etc.) Fourth, Baerbock’s lack of executive experience might work in favour of Laschet when detailed policy proposals are being discussed in talk shows. Fifth, the downside risks for the Greens and their campaign momentum are higher, as they run the risk of squandering voters’ goodwill.

### Social media tool(s) to sense the voters’ pulse

(Social) media often work as an amplifier of all of the above-mentioned triggers of spikes in short-term voter preferences (examples are the “Veggie Day” in August 2013 and the Rezo YouTube video in May 2019). As short-term changes in voter sentiment will be crucial to watch, we have started using social media tool(s) to sense voters’ pulse. We are currently developing a social media scraping dashboard (using the natural language processing tool Talkwater) on the German elections in cooperation with the dbDIG team. This is still a work in progress, but we aim to monitor which themes are emerging or disappearing during the election campaign and whether social media (mainly Twitter) posts on the key candidates have positive or negative connotations. First results show that social media comments on both, Laschet and Baerbock, are still mainly neutral, so no signs of “dirty” campaigning yet (see Figure 10 and 11).

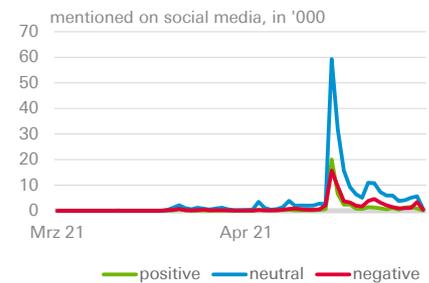
We thank Jenny Franke and Ursula Walther for her valuable contribution.

Figure 10: Laschet: mostly neutral commentary



Source: dbDIG

Figure 11: Baerbock: not polarizing either



Source: dbDIG



# Appendix 1

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