



Germany's Political Landscape and the 2025 Election

Center Forward Basics

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Overview

The shifting political landscape in Germany is shaped by key parties, their ideologies, and the results of the 2025 election. Chancellor Olaf Scholz and the center-left Social Democratic Party (SPD) have led with a focus on social policies balanced by the center-right Christian Democratic Union (CDU)/Christian Social Union (CSU). At the same time, the far-right Alternative for Germany (AfD) has gained prominence with its Euroskeptic, anti-immigrant platform. The collapse of the SPD-led coalition government highlights the economic and geopolitical challenges facing Germany as the CDU/CSU rises as the leading party. Their foreign policy stances and the potential formation of a new government are critical to addressing Germany's economic struggles and shifting international relations.

German Political Parties

Chancellor Olaf Scholtz leads the party and is currently steering the German Bundestag. As the head of the **Social Democratic Party (SPD)** since December of 2021, Scholtz enacted a legislative agenda focused on social policy and easing the tax burden on low- and medium-income households. These issues give the SPD the reputation of being the party of the working class. Founded in 1875, the SPD is Germany's oldest political party and attracted social reformers over time, making SPD politicians targets of the Third Reich during the early 20th century.

Founded in the aftermath of World War II and the Third Reich, the **Christian Democratic Union (CDU)/Christian Social Union (CSU)** led by Friedrich Merz represents the primary opposition to the SPD. While SPD occupies the center-left space on the German political spectrum, CDU/CSU occupies the center-right. CDU and CSU are technically two separate parties but are often referenced together since CSU is the regional Bavarian "sister party" of the CDU. Together, the parties focus on reducing taxes for corporations and high-income households. The CDU/CSU takes a stricter stance on migrations than the SPD, advocating for tighter asylum restrictions and the deportation of refugees convicted of violent offenses. Europe and the U.S. are traditionally seen as important partners in the policy objectives of the CDU/CSU.

The **Alternative for Germany (AfD)** gained international attention when Elon Musk used X to livestream a discussion with AfD's leader, Alice Weidel. This party, which was expected to come in second in Germany's elections, represents the far-right ideology and gains support from across the social classes for its Euroskeptical policies. Other policies include barring refugees and asylum seekers from Germany altogether, limiting NATO's operations in the country, replacing the EU, and returning to nuclear energy in denial of climate change. Neo-liberal academics founded the AfD in 2013 to protest the German use of the euro and Angela Merkel's 2010 decision to bail out Greece during Europe's financial crisis. It grew in size and platform to become nationalist, anti-Islamist, and anti-immigrant in 2015 following the arrival of refugees from Syria. Given the guardrails

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In order to meet our challenges we need to put aside the partisan bickering that has gridlocked Washington and come together to find common sense solutions.

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around far-right politics in Germany, the rise of the AfD worries domestic and international observers alike.

Other significant parties include the **Greens** and the **Free Democrat Party (FDP)**. Protecting the environment is at the core of the agenda for the Greens. The party also advocates for a mandatory minimum pension payout, a guaranteed income, and income tax exemptions for low- and medium-income households. Higher taxes on high-income households would theoretically pay for these programs. While the Greens enjoy support from well-educated urban voters, the FDP's primary voters are business owners and professionals who would most benefit from the FDP's agenda. The FDP focuses on personal freedom and restricting the power of the German state, especially in the form of tax cuts and privatization.

State of Play

Every four years, Germans go to the polls to determine who will represent them in the Bundestag and, ultimately, who will become Chancellor and lead the Federal Government. The SPD and the CDU/CSU often work as governing partners, specifically under the leadership of Angela Merkel, who represented the CDU as Chancellor from 2005 to 2021. Since December 2021, the SPD has been the largest party in the Bundestag and created a governing coalition with the Greens and the FDP. However, several factors made the reelection of SPD as the majority party unlikely.

The day President Trump's victory in the 2024 U.S. presidential elections was confirmed, the governing coalition in Germany collapsed after Scholtz fired Finance Minister Christian Lindner from the FDP. Lindner had proposed reforming a constitutional mechanism known as the debt brake, which restricts Germany's annual public deficit to 0.35% of the nation's GDP. Scholtz countered with a proposal to declare an emergency, which would have suspended the debt brake, but the coalition collapsed without a resolution. The minority coalition of SPD and the Greens lost a vote of confidence in December 2024.

Before the political drama, the German economy had faltered partially because of its reliance on cheap energy from Eastern Europe and cheap consumer goods imported from China coupled with expensive exports to the rest of the world. The war in Ukraine caused energy prices to skyrocket, especially with sanctions on Russian gas, and this coincided with rising global inflation. Germany also suffered a series of terrorist attacks, which sparked debates about immigration and asylum policy. According to German voters, Scholtz and his government have not acted quickly enough to respond to these challenges, and the CDU/CSU will have its chance to respond.

Election Results and Looking Forward

On Sunday, February 23, 2025, Germans selected a new government. The CDU/CSU party won ~29% of the vote (+4.4% from the 2021 election), the AfD placed second with ~21% (+10.4%), and the SPD finished third with ~16% (-9.3%). This would give each party 208, 152, and 120 seats in the Bundestag.

Since Sunday's elections, Merz has vowed not to govern with AfD because of the parties' differences in ideology on foreign policy, security policy, the euro, NATO, and Germany's relationship with Europe. The AfD, instead, will likely occupy the space as the largest opposition party in the German government.

The German posture toward Ukraine will likely change as Merz vowed to enhance support for the small nation fighting off the Russian invasion. Merz demanded that European powers come together to boost their defense spending in the wake of shifting geopolitical trends. He aims to achieve independence from the U.S., citing the expressed sentiments of the Trump Administration around NATO and the war in Ukraine. While the war wages on, the new German government will have to contend with the worst domestic economy since the 1990 reunification.

It will take months for the CDU/CSU to form a coalition, but Merz believes he can form a government by Easter. Voters hope a stable grand coalition between the CDU/CSU and the SPD will stabilize the German economy in the coming months.

Links to Other Resources

- AP News – [Merz prioritizes Ukraine and US, vows to tackle migration and economy after German election win](#)
- BBC – [New German leader signals seismic shift in transatlantic relations](#)
- Chatham House – [The break-up of Scholz's coalition government signals the end of Germany's old economic model](#)
- Decision Desk – [Germany Election Results](#)
- DW – [A guide to Germany's political parties](#)
- The Federal Chancellor – [The election of the Federal Chancellor](#)
- POLITICO – [How to watch the German elections like a pro](#)