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# Alternative for Germany gaining wider support

Concerns about political and economic stagnation and the rightward shift of the younger generation

Daichi Kawabata, Senior Economist, Research Division

Alternative for Germany (AfD) broadens its support

In Germany, where anti-Nazism is a national policy, the far-right party Alternative for Germany (AfD) is gaining support. AfD was formed by economists frustrated by the Angela Merkel administration's financial bailout of Greece and other countries during the European debt crisis, and was initially a strong advocate for leaving the European Union and the Eurozone. After the European refugee crisis in 2015, when many refugees from Syria and other countries flooded into the region, the group expanded its support by criticizing the immigration policies of the Merkel administration, focusing on immigration and refugee issues, and bringing its anti-Islam stance to the forefront. In addition to exclusionism, the party's extremism, including statements by party officials defending the Nazis, has been called into question, and the Federal Office for Constitutional Protection, Germany's intelligence agency, has placed the party on its watchlist as a suspected radical far-right organization.

[Chart 1: Approval ratings for Germany's major political parties]
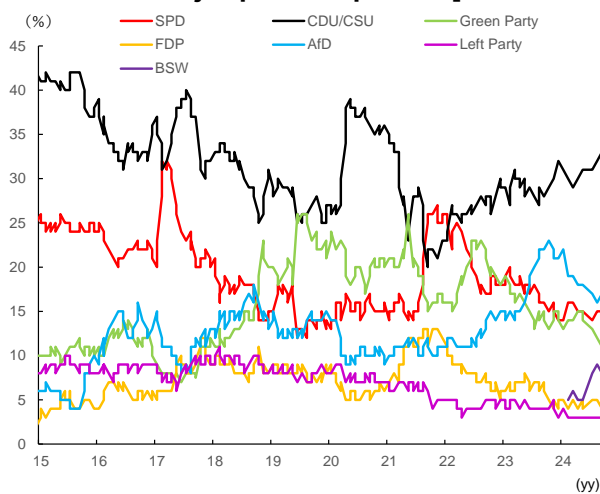
Source: Made by MHRT based on Infratest dimap.

[Chart 2: Results of elections in Germany in 2024]

(% of votes)

	European Parliament	Saxony	Thuringia	Brandenburg
AfD	15.9	30.6	32.8	29.2
CDU/CSU	30.0	31.9	23.6	12.1
SPD	13.9	7.3	6.1	30.9
Green Party	11.9	5.1	3.2	4.1
FDP	5.2	0.9	1.1	0.8
BSW	6.2	11.8	15.8	13.5
Left Party	2.7	4.5	13.1	3.0

Source: Made by MHRT based on the European Parliament, each state's website, and tagesschau.

AfD is a party that authorities are now closely watching, but in the most recent polls, the party has gained support second only to the largest opposition party, the Christian Democratic Union and Christian Social Union (CDU/CSU), while the ruling Social Democratic Party (SPD), Green Party, and Free Democratic Party (FDP) have lost ground (Chart 1). The higher approval ratings are also reflected in election results: In addition to becoming the second largest party in Germany in the European Parliamentary elections held in June, the party also won first or near-first place votes in the state parliamentary elections held this month in the former East German states of Saxony, Thuringia, and Brandenburg (Chart 2). The election results were largely in line with expectations, and although the former East Germany in particular has long been known as a strong AfD region, it was the first time since the end of World War II for a far-right party to become the leading party at the state parliament level, sending shockwaves throughout the country and abroad.

This report analyzes the characteristics of AfD supporters and the factors affecting their attitudes toward the party, as well as the impact of AfD's growing support on the German political economy in the future.

Former East-West German Differences a Distant Factor in Supporting AfD

Who are the supporters of AfD? Here we use a quantitative approach to analyze the attributes of AfD supporters.

The analysis uses data from a public opinion survey conducted by the European Social Survey (ESS) from 2023 to 2024. The analysis method is based on Nakai (2020, 2021) who also used ESS data to examine the factors that define the attitudes toward supporting right-wing parties in Europe. More specifically, the explained variable is a binary variable[1] with those who support AfD as 1 and the rest as 0. The explanatory variables are age (real number), gender (male = 1), income (1-10, with 10 being the highest income), education level (1-8, with 8 being the most educated), and occupational status (binary variables with 1 for employed, unemployed, homemaker, pensioner, and disabled/ill), as well as satisfaction with one's own life (0-10, with 10 being the most satisfied), satisfaction with one's country's democracy (0-10, with 10 being the most satisfied), support for European integration (0-10, with 10 being the most supportive), importance of tradition (1-6, with 6 being the most traditional), importance of norms (1-6, with 6 being the most normative), attachment to home country (0-10, with 10 being the most attached), importance of freedom (1-6, with 6 being the most free), impact of immigration on home country economy (0-10, with 10 being the most positive), and the impact of immigrants on home country culture (with values ranging from 0 to 10, with 10 being the most positive).We employed variables representing the respondents' political orientation and attitudes toward immigration and ran a logistic regression. Since the scales of the explanatory variables (other than the binary variables) are not uniform or suitable for comparing large and small coefficients, we conducted the estimates after standardizing them.

The results of the estimates are shown in Chart 3. Among the explanatory variables, age, gender, student, satisfaction with home country democratic politics, support for EU integration, and the impact of immigration on home culture were statistically shown to significantly affect the probability of AfD support. The interpretation of the estimation results is as follows. Checking the variables that define the socioeconomic factors first, an inverse relationship was observed for age, where a one standard deviation increase in the age variable was associated with a 51% decrease in the probability of supporting AfD. For gender, a strong rank correlation was confirmed, with males increasing the probability of supporting AfD 2.35 times (235%) more than females. Regarding

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[1] Note that the analysis in this report is limited to respondents with a specific party affiliation.

occupational status, a strong negative correlation was found, with a 0.06-fold increase in the probability of support if the person is a student (i.e., students have a 94% lower probability of supporting AfD). Next, when we examined political orientation and attitudes toward immigration, we found inverse correlations between satisfaction with the home country's democracy, support for EU integration, and the impact of immigration on home culture, with a one standard deviation increase in the variables decreasing the probability of supporting AfD by 73%, 48%, and 52%, respectively. The results indicate that the level of satisfaction with one's own country's democracy has a significant impact on the probability of supporting AfD.

Thus, while personal economic circumstances such as income level and employment status had no significant impact on the probability of supporting AfD, sociocultural factors such as dissatisfaction with the country's democracy, negative attitude toward European integration, and concern about the destruction of one's own culture due to the influx of immigrants were found to affect attitudes toward supporting AfD. Similar previous studies using European-level data have generally found that variables representing sociocultural factors affect the probability of support for right-wing parties, consistent with this analysis. Still, it is possible that these factors that significantly change the probability of support for AfD are deeply connected to the economic situation, historical background, and other characteristics of the respondents' residential area. The economic and historical differences between the former West Germany and the former East Germany are particularly significant and may have influenced the sociocultural orientation of the respondents. Comparing the mean values of the three variables that significantly influence the probability of support for AfD, namely, satisfaction with one's own democracy, support for EU integration, and the impact of immigration on one's own culture, for residents of the former West Germany and former East Germany, we found that East Germans tend to be more negative in all cases, confirming a significant difference between the two groups (Chart 4).

Germany today is a federal state formed by a confederation of territorial states and free cities in disarray since the Middle Ages. During the Cold War, the country was divided into East and West, one side adopting socialism, the other capitalism, with each region having a different economic structure and history. Looking at Germany's per capita GDP per resident by state, there is indeed an economic gap among the regions, with the five states formerly part of East Germany (new federal states[2]) standing out in particular for their low income levels (Chart 5). After East-West integration, various policies such as the solidarity tax were implemented to promote the development of the former East Germany with its inferior economic power. But even 30 years after

[Chart 3:   Analysis results of the determinants of support for AfD]

Estimation method: logistic regression
Explained variable: AfD support = 1

|	Odds ratio/Standardized odds ratio	Standard error	
Age	0.49	(0.26)	***
Gender	2.35	(0.37)	**
Income	0.73	(0.20)	
Education level	1.25	(0.20)	
Employed	0.59	(1.00)	
Unemployed	1.60	(1.22)	
Homemaker	0.40	(1.18)	
Student	0.06	(1.62)	*
Pensioner	0.24	(1.04)	
Disability/illness	0.76	(1.28)	
Satisfaction with own life	1.08	(0.16)	
Satisfaction with democracy in own country	0.27	(0.20)	***
Favor European integration	0.52	(0.19)	***
Importance of tradition	0.75	(0.18)	
Importance of norms	0.95	(0.17)	
Attachment to one's own country	0.98	(0.16)	
Importance of freedom	0.90	(0.16)	
Impact of immigrants on home country economy	0.78	(0.20)	
Impact of immigration on home country culture	0.48	(0.20)	***
Constant term	0.02	(1.02)	***

Number of samples = 933

Note: The table shows logistic regression results. Binary variables (gender, employed, unemployed/job seeking, homemaker, and student) are odds ratios; others are standardized odds ratios. ***, **, and * denote significance levels of 1%, 5%, and 10%, respectively.
Source: Made by MHRT based on the European Social Survey.

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[2] The collective name for the states newly incorporated into the Federal Republic of Germany from the former East Germany (German Democratic Republic) at the time of East-West German reunification in 1990.

integration, the economic gap between East and West remains. Differences in the economic environment between East and West Germany may be a distant cause of dissatisfaction with their own democracy and European integration. The integration of East and West Germany was achieved by incorporating the former East Germany into West Germany, a politically and economically stable and developed region, with the former West German system applied in many areas. The influx of many West German elites into leadership positions in various fields in East Germany during reunification and state consolidation led by the former West Germany also hindered the career advancement of East Germans.[3] In addition, it is said the former West Germans who led the integration process eliminated East Germans from key positions due to prejudice against them. According to Bluhm and Jacobs (2016), the number of former East Germans in key positions in the political field and elsewhere is small, and it is not surprising that residents of the former East Germany may find it difficult to have their views reflected in politics. This may be one of the factors contributing to the strong sense of "second-class citizenship" among former East German citizens, which has long been pointed out, and to their growing dissatisfaction with the country's democracy. It has been pointed out in previous studies that socioeconomic conditions, rather than personal economic conditions such as income, are more relevant in determining attitudes toward right-wing and exclusionist parties. These sociotropic factors in the former East Germany, against the background of a sense of economic and political inferiority, may have led to an increase in support for AfD. For residents of the former East Germany, European integration was promoted mainly by political elites from the former West Germany, who led the integration of East and West Germany. While this free movement of people led to an influx of immigrants, the economic gap between East and West has remained even as integration deepened and is perceived negatively. This situation may have given rise to the dismissive attitude toward European integration.

[Chart 4: Comparison of means by variable between former East and West Germany]
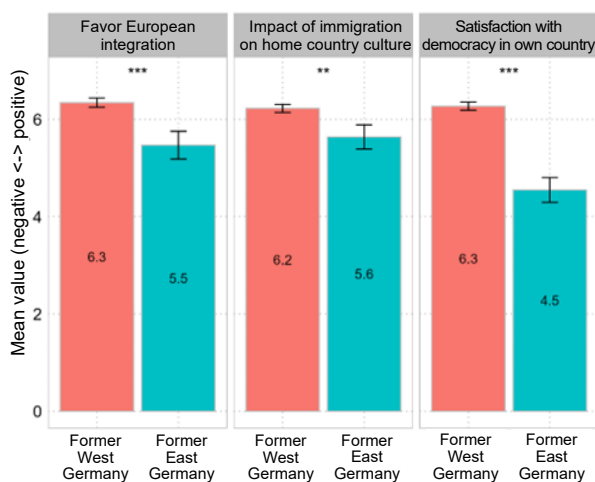
Note: The ranges attached to bars are standard error bands. ***, **, and * indicate significant differences between former East and West Germany at 1%, 5%, and 10%, respectively.
Source: Made by MHRT based on the European Social Survey.

[Chart 5: Germany GDP per capita by state]

State	GDP per capita (Euro)
Hamburg	69,100
Bremen	51,000
Bayern	48,300
Hesse	45,922
Baden-Württemberg	45,821
Berlin	43,400
North Rhine-Westphalia	39,553
Lower Saxony	37,474
Rhineland-Palatinate	37,114
Saarland	35,100
Schleswig-Holstein	34,300
Saxony	32,239
Brandenburg	31,100
Saxony-Anhalt	30,900
Thuringia	30,100
Mecklenburg Vorpommern	29,400
Former West Germany	43,161
Former East Germany	31,046

Note: Data as of 2022. States in red are former East German states.
Source: Made by MHRT based on Eurostat.

The difference in attitudes toward immigration is presumably related to historical differences between East and West Germany. According to Weisskircher (2020), unlike the former West Germany, which received a large

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[3] Tanaka (2019) states that upon East-West reunification, an "elite exchange" took place in which the ruling class of the former East German region was eliminated and replaced by leadership from West Germany.

influx of immigrant workers from Turkey and other countries after World War II, the former East Germany only received small numbers of immigrant workers from other socialist countries. Therefore, the former East Germany is considered to be culturally homogeneous with little cross-cultural experience. This historical background may also have contributed to strong concerns about cultural destruction caused by the inflow of immigrants and support for AfD in the eastern states.

As mentioned above, AfD tends to be supported in the former East German states, and this seems rooted in the East-West divide, including economic disparity.[4]

Concerns about the spiral of political and economic stagnation and growing support for AfD among young people

Given the above analysis and discussion and the recent socioeconomic situation, support for AfD is likely to remain firm for the time being, especially in the eastern parts of the country, and the impact on the political economy of Germany and Europe in general is a concern. In addition to the recent rise in illegal immigrants, the backlash against immigrants and refugees has increased after the indiscriminate killing spree by a man who had applied for refugee status in August, leading the German government to introduce border controls with France, Luxembourg, the Netherlands, Belgium, and Denmark on September 16.[5] The economic gap between East and West (East-West GDP per capita gap) is also widening again, albeit slowly, against the backdrop of a prolonged economic slowdown caused by high energy prices and interest rates, among other factors, creating an environment where AfD support may easily soar.

Under such circumstances, Germany is scheduled to hold Bundestag elections in September next year. Based on current opinion polls (Chart 1), although the CDU/CSU is likely to be the leading party, they are unlikely to win a single-party majority. This raises the concern of a political deadlock with coalition negotiations proving difficult. The main parties have established a quarantine line (cordon sanitaire) and ruled out a coalition with AfD, but the party is expected to become the second or third largest power in parliament. Also expected to make a breakthrough is the Zahra Wagenknecht Alliance (BSW), an emerging far-left party (leftist in terms of economy but with a rightist sociocultural dimension, i.e., its anti-immigrant stance) that was established last year.[6] On the other hand, the current ruling SPD, Green Party, and FDP are expected to lose significant power, and the CDU/CSU may find it difficult to form a majority without these radical parties, even if they top the polls. If political uncertainty increases due to prolonged coalition negotiations, an adverse impact on the economy is inevitable. The current government of the SPD, Greens, and FDP[7] has not been able to establish policies in such areas as measures against high energy prices and fiscal policy, problems that have persisted since the Ukrainian

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[4] In addition, Weisskircher (2020) points out that the two major parties (CDU/CSU and SPD) entered the former East Germany from West Germany after East-West integration, weakening the ground for these parties and making it easier for emerging parties such as AfD and BSW to grow their support.

[5] Germany is a signatory to the Schengen Agreement, which allows free movement between member countries. Member states of the agreement have the authority to introduce temporary border controls when there is a serious threat to domestic security, and Germany had already introduced screening at its borders with Poland, Czech Republic, Austria, and Switzerland due to the European refugee crisis and recent rise in immigration, but this new measure will strengthen border controls with all neighboring countries. In addition to public opinion that wants immigration and refugees curbed, the growing support for AfD and BSW in Saxony and Thuringia is also believed to be a factor in the decision to strengthen border controls. Poland and Austria are increasingly critical of Germany's response due to migrants denied entry by Germany possibly flowing into neighboring countries and creating friction within the EU.

[6] There are cases in Eastern Europe where parties that claim leftist positions on the economic front adopt conservative positions on the sociocultural dimension. In Eastern European countries with a history of transition from socialism to capitalism, economic liberalism is an innovative ideology of a new system. Therefore, forces that make liberal claims in the sociocultural dimension are more likely to adopt the position of economic liberalism. On the other hand, conservatives who oppose these forces tend to advocate leftism in the economic dimension and conservatism in the sociocultural dimension. Given that the former East Germany was a communist country, it is not surprising that a party like BSW, whose economic position does not match its sociocultural position, receives public support.

[7] Called the "traffic light coalition" after the symbolic colors of each political party.

war, due to disagreements within the coalition government, and this situation has been pointed out as an impediment to strong economic activity. The German Economic Policy Uncertainty Index (EPUI) has in fact hovered at a high level since the invasion of Ukraine, and against this backdrop, the percentage of companies reporting that economic policy is a business risk for their companies is at an all-time high, according to a survey by the Association of the German Chambers of Industry and Commerce (Chart 6). Germany is undergoing a serious economic downturn due to the hollowing out of its industries as a result of declining competitiveness affected by prolonged high energy prices and intensifying competition from Chinese firms. If political instability intensifies under these circumstances, the prospects for economic recovery will become even more difficult, and the economy could slip into a downward spiral of political and economic stagnation. Protracted political and economic stagnation in Germany, Europe's main power, could lead to a retreat in EU politics due to the absence of a strong leader, and to the decline of the European economy as a whole through spillover effects on other countries.
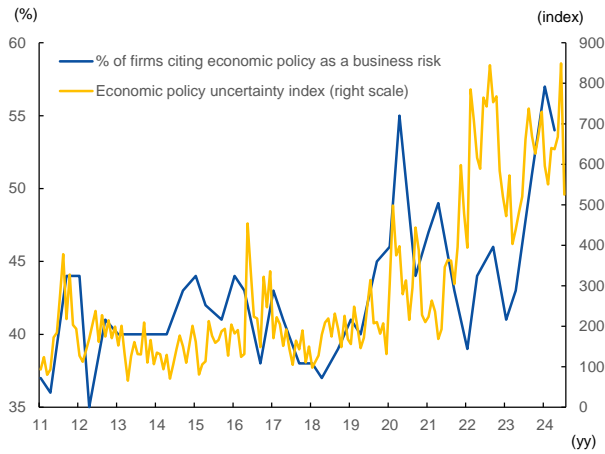
There are further worrisome factors as well. As noted above, the various factors influencing the probability of AfD support are likely to be influenced by economic, political, and historical circumstances unique to the former East German region in particular, and the expansion of AfD support can be viewed as a phenomenon currently limited to eastern Germany. However, this view is somewhat optimistic. Particularly alarming is the nationwide expansion of support among younger voters.

In recent years, AfD is said to be using social networking sites to win the support of younger voters. tagesschau's results in the 2024 European Parliament election show that the younger the age group, the higher the percentage of people who voted for AfD compared to the previous election in 2019.[8] Although not using time series data, the analysis in Chart 3 also shows that the probability of supporting AfD increases with declining age. And in some respects, the expansion of AfD support among young people cannot be viewed as unique to the former East Germany. When comparing the probability of support for AfD among 16-29 year olds in the former East and West Germany, there is no significant gap between the two and no statistical significance can be identified (Chart 7). This is in contrast to the clear East-West difference in other age groups (over 30). Although only speculation, the older age groups may be more wary of far-right parties because of lingering memories of the former Nazis or having received a strong anti-Nazi education. Conversely, the younger generation may be less resistant to far-right parties, as Nazism is a distant memory. As the generation changes in the future, AfD will steadily expand its support, and the possibility that it will become the leading party in state and national politics outside the former East Germany cannot be ruled out. Political stability in Germany is unlikely to be achieved in the short and long term, which risks a continuing adverse impact on the economy.
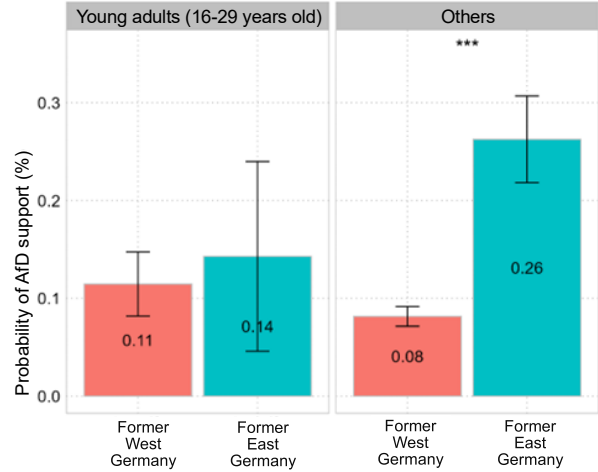
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[8] It should be noted that the voting age in Germany was lowered from 18 to 16 for the 2024 European Parliamentary elections, so the results of the previous elections cannot be directly compared.

[Chart 6: German Economic Policy Uncertainty Index and percentage of firms perceiving economic policy as a business risk]

[Chart 7: Comparison of the probability of support for AfD among young adults and other ages between former East and West Germany]

Source: Made by MHRT based on the Association of the German Chambers of Industry and Commerce, and Scott R. Baker, Nicholas Bloom and Steven J. Davis (2016), "Measuring Economic Policy Uncertainty," www.PolicyUncertainty.com.

Note: The ranges attached to bars are standard error bands. ***, **, and * indicate significant differences between former East and West Germany at 1%, 5%, and 10%, respectively.

Source: Made by MHRT based on the European Social Survey.

Reference

Refer to the original Japanese report by clicking the URL below for the reference material.

https://www.mizuho-rt.co.jp/publication/report/research/express/2023/express-mk231018.html