The European Political Environment 1974-2012:
The Political Consequences of Crisis Response

By

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A Senior Honors Thesis
Submitted to the Department of Political Science in
Fulfillment of the Requirements for Honors Notation
At
Indiana University Bloomington
May 2013

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III. Abstract

The European Union is a unique organization in that politically and economically connects the sovereign governments of twenty-seven member states. Although these states maintain their national identities and sovereignty, with each passing year, it seems as if the member states are giving up more of their national sovereignty for the betterment of the European Union. In order to do this, I argue that leaders of these European states are making the hard choice to act against their party in order to further the objectives of the state as a whole, or Europe as a whole. European countries’ parliamentary and semi-presidential system raises the question of how are these politicians making these hard choices and going against their party, when the party is the strongest actor in European politics? To better understand why politicians have deviated from their stated party platform, I look at three political leaders in both France and Germany between 1974 and 2012. I suggest that policy switches occur because of external events such as economic recessions, European integration, and presidentialization. By examining the policies enacted by the examined politicians and noting when there was a policy switch, I try to determine if there was an external event that caused the specific policy switch. Also, by looking at data collected by the Manifesto Project (2012), I can determine how much the party changed its policies under certain regimes by noting the change in the left/right value assigned to each party during each election year. My results found that almost every regime had enacted some form of policy switch; however, they were all caused by an external event outside the realm of typical domestic politics and outside the control of the politician. Later, I discuss the implications of policy switches in Europe, particularly its negative effects on elections immediately following the policy switch. I also look at two other cases that were not examined in the case study section that offer two different explanations for policy switches not discussed in the paper.
IV. Topic Statement

The political environment in Western Europe has continuously been reshaped over the past forty years in large part due to the integration and expansion of the European Union and its predecessor organizations. European political leaders are increasingly faced with the question of which objectives come first: the objectives of the political party, objectives of the sovereign state, or objectives of Europe as a whole? The decisions made often conflict with one or both of the other objectives. A politician who chooses to pursue a policy that furthers the ambitions of the European Union, such as contributing large funds to bail out member states, often finds that this policy decision may not be in line with the party objectives stated in the platform. Or politicians may have to reconsider some of their domestic policies if a Europe-wide crisis occurs. Economic recessions cause many politicians to change their economic policy in order to quickly react to the crisis at hand.

In the course of the current economic crisis, European-level objectives appear to be becoming more dominant in the domestic political decisions of heads of states. The union of states, which has been developing and expanding for the past sixty years, depends on the success of the member countries in working together. Scholars of the European Union have proposed the “bicycle theory” which argues that leaders must continue forward progress must continuously be made in order for the EU to succeed. For the past sixty years, geographical expansion and political integration has occurred in order to further advance the European idea, with little thought of how European expansion would affect the domestic environment of the member states. Currently, if Greece topples, so could the entire Union. The European leaders recognize the validity of this threat and must therefore make the hard choice of securing the success of the Union or following the objectives of the party platform and their sovereign state. Which
objective does a politician choose and how does the politician make that decision? Consequently, do the choices affect the electoral success or failure of that politician and his/her party?

The process of hard choices is not new to this current wave of European politicians. The needs of the European community have played an important role in the decisions of its members’ political leaders since its first expansion in 1973. Through examination of the elections in France and Germany beginning in 1974, one can observe the choices that politicians have made and which objectives they furthered.

I argue that politicians do not inherently wish to make hard decisions that go against their party. Politicians do not simply campaign on ideals to get elected and then turn their back on their campaign promises. Rather, external events outside of their domestic realm cause a politician to change his strategy. European Community expansions and economic crises that have occurred because of the inter-connectedness of Europe are two primary examples of external events that can cause a policy switch. Politicians, particularly heads of states, must pursue legislation that will produce the best possible outcome for the domestic state. Sometimes, these legislations go against the objectives of the party platform, or the objectives at the European level. Also, party rifts and changes in a coalition government can cause a politician to change the party platform in order to counter the changes of the party. As a consequence, at the next election cycle, I have found there is often a negative electoral consequence for the incumbent party after this policy switch. My question therefore, if politicians know and understand these negative consequences, why does European expansion and economic crises overwhelm the political objective of electoral success?
By furthering the objectives of Europe, politicians arguably are making the hard choice that the success of Europe as a whole is vital for the success of their individual country even if the success of Europe means deviating from their party platform on which the politician campaigned. But the desire to respond to Europe’s needs is not the only reason why politicians deviate from their party platforms. Response to unexpected issues, primarily related to the economy, also causes deviations. Samuels and Shugart (2010) argue that when a politician enacts a policy switch, such a step entails consequences for that politician. I question then, why do politicians deviate from their party platform when they know the consequences? In my thesis, I look at three different election cycles in both France and Germany. I argue that responses to the economy and European integration, or a combination of both, are the two biggest policy areas in which politicians deviate from their party platform. Thus these two forms of deviations are caused by developments in the external environment, which suggests external or international events cause policy switches. Other possible explanations for policy switches, which will be explored within the thesis, include the proximity of elections, or second-order elections, the extent to which politicians have been “presidentialized” during their term in office, and, in Germany, the need to keep the ruling coalition strong. France has never had a ruling coalition government, but the individual parties must stay strong in order to avoid intra-party disunity.

I expect there to be a clear turning point within a leader’s tenure when the political decisions made stop following the party platform in order to further either the objectives of the state as a whole, as opposed to their party, or the objectives of Europe. Before this turning point, I expect to observe an economic recession within the country, an expansion of the European
Community, a change of coalition partners, unusual amount of authority given to the head of state, or a combination of these activities.

V. Outline

I first introduce the concept of policy switches in France and Germany and explain the criteria needed for a policy switch to occur. This discussion builds on past research conducted with particular emphasis on Samuels and Shugart (2010) and Stokes (2001). Further literature review will describe the current and past environment in Europe which could explain why policy switches occur. Looking at policies of three French and German heads of states will demonstrate examples of policy switches in European policy. I then offer up several explanations for the occurrence of policy switches, including such aspects of the domestic environment of the country, such as economic recessions. Also, to examine the domestic environment, I look at second-order elections to explain policy switches. How do upcoming parliamentary elections and/or the results of those elections affect the occurrence of policy switches? In the European context, I look at European integration, and the development and expansion of the European Union as a third explanation of policy switches. Lastly, I look at Samuels and Shugart’s (2010) idea of presidentialization, and the amount of power given to the head of state and its effect on policy switches. To do this, I look at three election cycles in France in Germany and examine each leader’s actions and each political environment to determine why policy switches occurred in each of these cases. After looking at the events that are most likely to cause policy switches, I discuss the implications for politicians deviating from their party platform. I have already alluded to the idea that deviating from the campaign platform will yield negative results in the next election, but to what extent does it happen?
VI. Theory

To begin the thesis, it is important to discuss the differences in the political systems of France and Germany, particularly their multi-party system and voting procedures, as both are uniquely different from the United States and from each other. This is discussed in many European political science textbooks, particularly looking at Crepaz and Steiner (2007). It is also important to note the different regime structures in France and Germany. France is a semi-presidential system, where the President is directly elected by the people, and the parliament consists of a bicameral chamber, also directly elected by the people. In this system, the parliament is relatively weak compared to that of other western democracies (Hancock 1998). The President is directed under the Constitution to guide the nation’s diplomacy. As in the U.S, the President is more of a diplomatic figurehead than a legislative actor. The prime minister heads the action of the “government,” and ensures the execution of the laws. In Germany however, the parliamentary system causes the Chancellor to be elected by the government after the parliamentary seats have been distributed. The Germans do not directly elect their chancellor. Instead, each person votes for one member of the German Bundestag and the rest of the seats are distributed based on the number of votes for each party. The party then chooses the individuals who will represent it in the parliament (Crepaz and Steiner 2007).

These different regime types are important to understanding Samuels and Shugart (2010) who argue that the distinct regimes impact the number of policy switches that can occur. Samuels and Shugart have used a narrow definition of policy switch, which employs an arbitrary time constraint on when a policy switch can occur. Samuels and Shugart agree with Stokes’ (2001) assumption that there should be no difference between the desires of presidents, their parties, and the voters. Because of this, presidents shouldn’t need to enact policy switches
because following the policy already in line with the party will automatically carry over to the will of the people. They also argue that the frequency of policy switches is drastically lower in parliamentary systems. I argue that Samuels and Sugart’s time constraint of six months is unnecessary, and without the constraint, policy switches occur frequently in both semi-presidential and parliamentary systems. To completely understand policy switches one must look at the entire term of a political leader, and examine external factors that could have caused the switch. The state of the economy and European integration, I argue are two major reasons why policy switches happen at any time during the term. Samuels and Shugart’s (2010) narrow and time restricted definition of policy switches shows how they believe politicians knowingly campaign on issues they don’t mean to supports. The narrow definition also upheld Sameuls and Shugart’s (2010) theory that policy switches occur primarily in presidential systems, not parliamentary. By expanding on the definition of policy switches that Samuels and Shugart used, I can analyze the different environments of France and Germany to show that policy switches happen often in both systems, and can be caused by factors other than the politician knowingly going against campaign promises.

Mueller and Strom (1999) examine the German political environment of 1980, which reshaped the party ideologies of the German political parties into what they are today. Their work focuses on the sudden coalition switch that took place in Germany when the Free Democratic Party, FDP, turned against the Social Democrats, SPD, to join forces with the Christian Democrats, CDU. This switch not only brought about the first and only successful vote of no confidence movement in Germany, but also resulted in a restructuring of German coalition partners to the structure that has lasted for the past thirty years. However, this switch was not
without costs: the FDP changed their platform to better conform to the ideologies of the CDU, particularly to appease their Bavarian sister party, the Christian Social Union, CSU. Also, leading up to the switch the FDP’s original coalition partner, the Social Democrats, sought to amend their policies in order pacify the FDP, so as to maintain their majority within the Bundestag. The fear of losing a coalition partner and the results of the emergence of a new coalition is another possible theory which explains policy switches in Germany. In France, coalitions play a lesser role, as they are not needed in order to form the government. Nonetheless, I will discuss the idea of party rifts in France. Some scholars argue that the Socialist party in France was so weak at the beginning of the Fifth Republic because the party was divided into many factions. Until François Mitterrand united the party in the 1980s, there was no strong Socialist leader, and the Socialist and left-leaning parties remained weak and divided. Also, I will discuss evolution of the conservative party in France, traditionally the Gaullists. The right-wing party in France has changed names four times in the past forty years largely due to party rifts, which will be further examined within Valéry Giscard d’Estaing’s upcoming case study. Party rifts as seen in the Gaullist party and the weak leadership of the Socialists offers yet another reason for policy switches: weak leadership, or rifts within the party make the leader more susceptible in enacting policy switches.

Also relevant is literature on the strength of party politics in Europe. There is no debate that the parties are the strongest and most influential players in European politics. This literature explains the role of the party in Europe. There are two common roles that are emphasized across literature: recruiting candidates to elect to office and coordinating the process of governing and policymaking. These are discussed in Turner (2011) for the German case and Hanley (2001) for
the French case. This literature primarily concludes that the party is the strongest body in European politics, especially within France and Germany. I argue however, that the party is losing strength in the current political environment as more and more party leaders are becoming presidentialized and are given extraordinary power that allows them to differentiate themselves from the party, while also being the main party agent. The presidentialization of recent party leaders refutes the literature of Turner (2011) and Hanley (2001).

I want to expand on this literature in explaining the strength of the political party, and yet question why politicians would deviate from the platform when there is evidence of the strength of the party. Deviations have rarely been discussed except to suggest that presidents are more likely to engage in “policy switching” than prime ministers (Samuels and Shugart 2010). With my definition of policy switch, I would argue that the switch can happen after the first six months following an election. Politicians could have strongly advocated for one policy in a campaign, and then during the course of their tenure, switched their focus to one that was not highly advocated in the campaign, or execute a complete U-turn in policy as French President Mitterrand did in the early 1980s. I argue that the political environment, meaning the domestic situation of France or Germany, or the situation within the EU, matter more than regime type when policy switch is a concern. Samuels and Shugart also argue that parliamentary systems never become presidentialized due to their natural organization. Parliamentary systems have a natural organization that highly emphasizes the party over the individual that is why Samuels and Shugart (2010) argue prime ministers are never presidentialized. However I would also argue that Chancellor Helmut Kohl and currently Angela Merkel are becoming presidentialized within the parliamentary system.
To explain how these chancellors and French presidents are being presidentialized, it is necessary to look into the policies of the past French and German leaders. Compared to France, Germany is harder to examine because it requires a coalition government, so the success of a party and leader are not determined solely by one party but two. To limit the complications, I have decided to look primarily at the decisions made by the leading coalition partner, assuming his or her views should determine government policy even when a partner is necessary. In one case I look at the junior coalition partner, when the junior partner, the FDP, changed the course of German politics by switching coalition partners during the middle of a term. The literature I have examined in looking at German policy uses this same approach of focusing on the major coalition partner with minor detail to the junior coalition partner.

To further explain the concept of policy switching and presidentialization, it is necessary to understand the platforms of each governing party during its tenure, and in order to do that, I have examined the party manifestos of the governing parties in France and Germany and their evolution since the late 1970s. The Manifesto Project sponsored by the Social Science Research Center Berlin, WZB, provides a database that classifies and codes past policy enacted by each party in France and Germany, among many other states. The Manifesto Project assigns a left/right to each party during election years, where positive 100 is most conservative, and -100 is most liberal. This value is established after looking at party positions on an array of political issues. “The general purpose of the Manifesto Project for the past thirty years has been to measure political preferences of parties across time and space” (Manifesto Project 2012).
There is a much stronger emphasis on party politics in Europe than in the U.S, with the result that the party holds more power than the politician. The strong power of political parties is the basis for the theory that deviations from the platform yield consequences for the political leader. Political leaders in Europe are not simply executives that lead a country and make hard choices, but they are also leaders of their political party. Since parties are stronger in Europe, and due to voting procedures, the politician is held responsible more to the party than to the people. In France, the President is elected by popular vote, so the situation is different; however, for purposes of my thesis, I argue that since France has parliamentary elections between the federal presidential elections, if the President’s party wants to remain strong in Parliament, the President needs to uphold the party’s objectives. However, since the constitutional reform in France in 2007, parliamentary elections and presidential elections have been occurring conterminously within a month of each other, with the result that policy switches can further influence electoral results. In Europe, the party is then held responsible to the people more than the politician, so it is necessary that the party portray its objectives to the people and uphold those objectives in order to remain in the government. Here, I would also argue that the recent “presidentialization” of candidates as described in Samuels and Shugart (2010), causes this link to weaken.

I argue that Samuels and Shugart’s policy switch theory is too narrow to understand politicians and their actions. Policy switches are not a preplanned act of a politician to campaign on one ideology and change positions after being elected. Instead, policy switches happen because external factors occur that force the politician to change his or her policy. In the European environment, the two biggest external factors are economic recessions and European integration. These developments however can be further influenced by the extent to which the
head of state has been “presidentialized,” or the extent to which he is held accountable to his party. Impending second-order elections or their results and coalitions also affect how often and why policy switches occur. By examining these policy switches at a broader level, one can understand why policy switches occur despite the politicians’ knowledge of the negative consequences of policy switches. If using only Samuels and Shugart’s definition of policy switches, I argue a politician would never engage in policy switching since Samuels and Shugart suggest there is always a negative electoral consequence. Using my theory, one sees how external factors play a major role in the decisions of politicians which cause policy switches.

I anticipate that my work will contribute to the available literature in providing a concrete reason as why election defeat happens despite governmental policy success. A government can lose power even if its policies are furthering the objectives of the state if these policies contradict party objectives. I argue that success is determined on three levels, the party level, the state level, and the European level. Yet, I argue that mostly only success at the party level yields electoral success. Success is defined as a situation in which policies enacted legislation that betters the political and economic environment throughout the time being examined. For example, in the first case study, during the 1970s oil shock economic crisis, policy success would be defined by the success of the economy and how the politician steered the country through the economic crisis. In 1993 or later, success would be judged on the politician’s policies toward Europe, and how the politician got his citizens engaged in European integration. I also hope to contribute by explaining why policy switches occur, again, by using this three tier analysis. I feel that policy switches are not understood, especially under parliamentary regimes where the party should be the dominant policymaker.
VII. Methodology

In order to provide evidence for a deviation theory, it is important to have relevant sources. I have been looking into a few databases. Primarily I have looked at the Manifesto Project which provides party positions for both France and Germany in recent history. This project provides data on vote shares and party position, right or left of center, for each election. However, more importantly it provides a “left right value” for each party. This value gives a range of how left or right of center the party was during a given election. This way, I can map the change of the position of the party over the past forty years, and identify elections in which the party made the most movement. This database is extremely important in my work and will help prove how parties have changed over the years.

However, the database data is not enough because although the party can change, the head of the party, or head of state, can change policy before the party changes, and this lag causes negative electoral consequences and party rifts. In order to provide more sources, I am establishing my own method of reviewing policy. This requires review of the incumbent party manifesto and then examination of major policy switches that happened within a term. I suggest that policy tends to most be in line with the party platform directly following the election; however, as the term continues and the domestic or regional environment changes, then a politician gradually deviates from the party platform. These external factors can be the economy, world traumas, or European integration. The number of times the politician deviates from the party will be counted and a number will be assigned to each leader of France and Germany for each term served since 1974.
My analyses focus on the individual level. I examine the leaders of France and Germany from 1974 to present day (with exception of French President Hollande, who is too new to office to be properly examined). I selected this time period because the number of regime changes is enough to examine different reasons why the policy changes occurred. During this forty year time period, there were times of stability, times of European expansion and integration, and times of economic and domestic volatility.

I have chosen to study France and Germany due to their prominence within Europe. They have the two largest GDP’s in Europe and are also the two largest in regards to population. Thus they arguably have the most influence in the region. I also maintain that these two countries have the most at stake in the success of the European Union and the euro. Therefore, their leaders will be most persuaded to deviate from the party platform in order to save the union. This will be a longitudinal study, as I am observing the same office, the chancellery and president, over the course of four decades, observing the change not only of the party but also of the power that the position yields over time.

I examine the policies of Germany and France because they have a strong interest in the success of the European Union, and their large demographic and economic size in Europe make them the leading countries of Europe. Both countries were part of the founding six countries in the European Coal and Steel Community, and their leaders have continuously been pushing for continued expansion and integration. Most recently, German Chancellor Helmut Kohl and French President François Mitterrand advocated the establishment of the European Union and the euro as a common currency. The formation of the European Union has ultimately tied together the economic fates of the member countries. This is important to note since economic recessions will then affect multiple countries within Europe. This often means France and

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Germany are affected by recessions that do not originate in their country, and they often must support smaller European countries throughout the recession. Because of this economic influence that France and Germany have within Europe, I found it most appropriate to examine their policies in times of recession and stability. Lastly, I think it is important to look at two different regime structures to provide a broader test of my theory.

Two important concepts that need to be operationalized are policy switching and presidentialization. For this theory, policy switching is not a single act of switching policy one time, but multiple times in the same direction over the course of the time in office. The switching will be defined as moving from one policy stance to across the center line, a complete right to left or left to right political spectrum change. Samuels and Shugart use Stokes’ (2001) definition of policy switch, namely “politicians betray their stated campaign commitments” within six months of taking office. For my thesis, I argue the time constraint is not necessary. For example, Samuels and Shugart do not classify Mitterrand’s U-turn on economic policy in his second year as a policy-switch even though he clearly “betrays his stated campaign commitments” and the commitments of his Socialist party. A policy switch, therefore, in my thesis can happen at any time within the term of government when a politician changes his policy from the one on which he campaigned. I look at the reasons why a politician would enact policy switches. I argue that politicians do not mean to campaign on ideals they disagree with in order to dupe their citizens, but rather pressure arises in the political environment of the state, forcing the politician to change his policies in order to handle the change for the good of his state.

Another concept is that of “presidentialization,” which Samuels and Shugart (2010) define as a situation in which “parties delegate considerable discretion to their leaders-as
executives to shape their electoral and governing strategies and … parties lose the ability to hold their agents to accounts.” (37). Samuels and Shugart suggest that presidentialization cannot happen within a parliamentary system because the prime ministers are agents of the party. There is the “inescapable fact that under a parliamentary system voters cannot vote against a party while voting for its leader.” (17). I reject this idea and develop a theory of presidentialization within parliamentary systems with discussion of recent German chancellors who, I argue, are gaining more power as executives. I will use Samuels and Shugart’s operational definition even though they argue that presidentialization cannot happen in parliamentary systems. However, I argue the policy switches German Chancellor Helmut Kohl enacted were made possible in large part due the presidentialization of his office. German chancellors are looking more like Presidents than Prime Ministers, who should be held completely accountable to the party that elects them rather than the people. Chancellor Helmut Kohl and Chancellor Angela Merkel derive much of their power from the people, which allowed them to act independently of their party.

Other explanations for policy switches beyond presidentialization include the current economic environment. My case studies look at two economically volatile time periods, during the 1970s oil crisis shock and the current 2009 great financial meltdown and Eurozone debt crisis. These economic events, I argue, enable policy switches to occur more than times of stability. Also, I argue in the French case, second-order elections, or parliamentary elections separate from Presidential elections, can cause the President to change policy in order to persuade voters to vote for his party. Lastly, the results of those second-order elections can also cause policy switches. When there are negative results, a politician may switch his or her policy in order to regain support from the lost electorate.
To further the analysis, I plan to continue to use the Manifesto Project Database to review the political parties of France and Germany and the ways their platforms have changed in the past forty years. Both left and right parties are continuously moving towards the center of the political spectrum, while still using right and left rhetorical tactics to entice the voter. Also, I believe further analysis of “presidentialization” of recent French and German politicians is important to understand the drift away from party politics despite its importance in Western Europe.

I anticipate that my work will contribute to the available literature in providing a concrete reason as to why regime changes happen despite governmental success. Meaning, a government can lose even if its policies are successfully furthering the objectives of the state. This happens most often if these policies that better the state contradict with the governing party’s objectives. I examine that success is determined on three levels, success on the party level, success on the state level, and success on the European level. Yet, I argue that mostly only success at the party level yields electoral success. Success will be defined as policies enacted to better the political environment during the time being examined. There is success on the party level if the politician promotes legislation that is important in the mandate of his or her party.

The state level is primarily examined at the economic level, if the state grows economically then that is determined as success. The European level of success will be examined through the bicycle theory of continuous forward motion of the European ideal. For example, in the first case study, during the 1970s oil shock economic crisis, policy success would be defined by the success of the economy and how the politician steered the country through the economic
The three-tier analysis is also used to explain why policy switches occur, contributing to the understanding of why policy switches are not completely understood or explored in literature, especially under parliamentary regimes where the party should be the dominant policymaker.

VIII. Case Studies

In my thesis I will look at three case studies for both countries. In France, I will look at the 1981 election where for the first time in the Fifth Republic, a Socialist, left-leaning government gained control of both the Presidency and the Parliament. During this time, owing to the policies of the President, François Mitterrand, there were two periods of co-habitation, in that the Presidency was controlled by one political party, and the Parliament controlled by the other. I then look at the end of the Mitterrand era and the switch back to Gaullism in 1995 when Jacques Chirac was voted into presidency, with particular emphasis on the 1993 second-order election, when the Socialists were almost completely eliminated from the government. Then, I look at the years preceding the most recent, 2012 election in France, examining policy switches that President Sarkozy implemented in order to respond to the economic and Eurozone crisis. I have skipped over an analysis of the presidency of Jacques Chirac and the election of Nicolas Sarkozy because my primary motivation of looking at these elections was due to economic crisis, and European integration, whereas neither of these events primarily happened during the Chirac presidency. However, this does not mean that Chirac did not enact policy switches, and his actions will be discussed later in the implication section.
In Germany, I look at the election and tenure of Chancellor Helmut Schmidt and his response to the oil shock crisis in the 1970s, and also concurrently, the European Community expansion. I then look at the extended Helmut Kohl tenure, particularly developing the idea of presidentialization throughout Kohl’s lengthy term. Lastly, I look at Angela Merkel’s most recent term, and again examine her policy in light of the Eurozone crisis to see if policy switches were executed in order to respond to the most recent crisis. I would also like to develop the idea of presidentialization within her term in order to predict the upcoming 2013 German election. Just as President Chirac was skipped over, Chancellor Gerhard Schröder will be skipped over for similar reasons but will be discussed later in the implications section.

The following case studies will pay particular attention to the economic situation of both France and Germany in each of the different case studies. Also, I note the European development during each time period, how much had the European Community deepened, and what was the public opinion of the European expansions. I also look at the presidentialization of German chancellors. Lastly, I look at party rifts, within either the coalition of Germany, or the governing party in France.

<table>
<thead>
<tr>
<th>Year</th>
<th>Political Leader</th>
<th>Policy Switch</th>
<th>Trigger</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>Valery Giscard d'Estaing</td>
<td>Movement toward classical, laissez faire economic policy, moved away from Keynesian economics</td>
<td>1973 Oil Crisis</td>
</tr>
<tr>
<td>1983</td>
<td>Francois Mitterrand</td>
<td>Movement toward classical, laissez faire economic policy, moved away from Keynesian economics</td>
<td>1980 Recession and US and W. German rising interest rates</td>
</tr>
<tr>
<td>Year</td>
<td>Leader</td>
<td>Event Description</td>
<td>Related Events</td>
</tr>
<tr>
<td>-------</td>
<td>----------------</td>
<td>-----------------------------------------------------------------------------------</td>
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<tr>
<td>1986</td>
<td>Francois Mitterrand</td>
<td>Shift toward center policies</td>
<td>Cohabitation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pursued European Union expansion, even though it decreases state sovereignty</td>
<td>Fall of Communism/German Reunification</td>
</tr>
<tr>
<td>1993</td>
<td>Francois Mitterrand</td>
<td>Increased presidential powers became &quot;hyperpresident&quot;</td>
<td>2008 Constitutional Reform</td>
</tr>
<tr>
<td>2008</td>
<td>Nicolas Sarkozy</td>
<td>Movement toward Keynesian economics, away from classical economic policy</td>
<td>2008 Great Financial Meltdown, &quot;Merkozy&quot;</td>
</tr>
<tr>
<td>2009</td>
<td>Nicolas Sarkozy</td>
<td>Enacted centrist economic policies in order to appease junior coalition partner</td>
<td>Scandal in previous regime, need to keep coalition strong, the man without a party</td>
</tr>
<tr>
<td>1979</td>
<td>Helmut Schmidt</td>
<td>1982- allowed NATO missiles in Germany. Continuous presidentialization allowed him to reshape the CDU manifesto completely</td>
<td>Presidentialization, Fall of Communism, Maastricht Treaty</td>
</tr>
<tr>
<td>1982-1998</td>
<td>Helmut Kohl</td>
<td>Switch to Keynesian economics, promoting bailouts and guarantees on deposits</td>
<td>2008 Great Financial Meltdown</td>
</tr>
<tr>
<td>2008</td>
<td>Angela Merkel</td>
<td>Presidentialization??</td>
<td>2010 Eurozone Crisis</td>
</tr>
</tbody>
</table>

**FRANCE**

Valéry Giscard D’Estaing was the third President of the French Fifth Republic in a long-standing line of conservative Gaullists. The Gaullist party was founded by Charles de Gaulle, whose experience in World War II gave rise to his conservative beliefs and ideology. For thirty years, France stayed relatively stable and conservative following the Gaullist traditions. De Gaulle opposed expansion of the European Coal and Steel Community. He focused his foreign policy on the idea that France should be a major power in the world, and his mistrust for other nations led him to oppose NATO and EEC expansion. De Gaulle was “consistently mistrustful of the value of European integration for the French economy.” His domestic policies focused on social conservatism and Keynesian economics, so that France remained relatively stable and powerful within Europe. In 1973, the year of the first oil crisis, d’Estaing campaigned on the idea of “change in continuity.” He wanted to reform France in order to compel France out of the recession, while maintaining traditional Gaullist beliefs. D’Estaing wanted to enact policies that would modernize France. Even with these ambitions, the Gaullists elected D’Estaing as the natural right-wing leader after the incumbent, George Pompidou, died two years before his term was complete.

One policy that d’Estaing did not change was the industrial policy. De Gaulle and his successors traditionally represented France “as the home of Western-style national planning; therefore, French industrial policy is assumed to be, by definition, rational, coherent, and planned.” (Wright 1984, 141). According to this tradition, French state intervention was essential to the French economy. Therefore, when the oil crisis plunged the French economy into deep recession, d’Estaing promised that state intervention would bring the economy back to its feet.
This defensive reaction and campaign were directly in line with traditional Gaullist approach to industrial policies.

Moreover 1976 d’Estaing had enacted a policy switch, completely abandoning his party platform and ideals on which he had campaigned. This policy switch was largely brought on by the increasing severity of the oil crisis of 1973. During the first two years of d’Estaing’s tenure his Prime Minister, Jacques Chirac, believed the recession would be temporary, and the ‘economic miracle’ of the 1960s would carry France through the hard time. However, the collapse of the international monetary system, the emergence of the OPEC cartel, the rapid industrialization of third world countries, growing inflation rates, and declining economic growth had such a severe impact on the French economy that the economic measures put in place by Chirac and d’Estaing only worsened the economic environment of France. In 1976, d’Estaing appointed a new Prime Minster, Raymond Barre, who would also serve as Minister of Economy and Finance. Barre developed a plan that strictly cut inflation and public spending, and halted the industrial restructuring. Industrial restructuring was a focal point of d’Estaing’s campaign, and halting the industrial program forced d’Estaing to turn his back on his original campaign promises.

Giscardian industrial policy, after the switch had three main aims two of those were to remove constraints for industries and provide incentives on the market. D’Estaing also wanted to encourage industries to adapt to the industrial realities of the 1970s and 1980s, from which Gaullist policy had traditionally shielded them. In consequence, French industry was becoming less competitive, not only vis-à-vis is its natural European and NATO competitors, but with growing third world countries such as China. The third industrial policy focus was to ensure France’s competitive stance in the global economy (Wright, 1984).
However the policy switch occurred in 1976, when Barre suggested state intervention was only worsening the economic recession, and d’Estaing changed his policy to explicitly attempt to distinguish between industrial winners and losers. D’Estaing was prepared to let some industries fail in order to strengthen the most efficient producers. This was a switch from Keynesian economics, in which state-led fiscal intervention was dropped for traditional classic economics, which supports a theory of natural business cycles with winners and losers.

The economic recession and its industrial consequences caused d’Estaing to change his policy during his reign. He, and his policy advisors, had believed that the strong French economy from the 1960s would propel France through this temporary recession. D’Estaing’s industrial campaign promises were not merely rhetoric to increase his chances of being elected, but a policy that he genuinely thought would improve the French economic condition. But due to the worsening economic conditions and the steadily increasing unemployment rate, as seen in Figure 1 below, d’Estaing was forced to change his policy for the economic benefit of France. The figure below shows the worsening economic situation in France since d’Estaing’s inauguration. The unemployment rate grew considerably under his reign, while the GDP by volume decreased substantially.

*Table 2: Economic Growth under Three Presidencies (Average Annual Growth Rates) (Wright, 1984)*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP by volume</td>
<td>5.7</td>
<td>5.1</td>
<td>2.6</td>
</tr>
<tr>
<td>GDP by price</td>
<td>4.2</td>
<td>7.3</td>
<td>10.8</td>
</tr>
<tr>
<td>Billion franc (1970 prices)</td>
<td>31.5</td>
<td>42</td>
<td>27</td>
</tr>
</tbody>
</table>
However, shortly after d’Estaing was elected, the traditional Gaullists realized that
d’Estaing was going to modernize France far more than had been suggested by the platform he
had campaigned on in 1974. His plans for reform soon worried his conservative electorate and
caused problems within the Assemblée Nationale and within his own party, the Independent
Republicans. D’Estaing pursued policies that expanded women’s and family rights, including
legalizing abortion and the birth control pill; he also reformed the welfare system, and increased
unemployment benefits. In addition, he mandated a compulsory system of time-off when French
workers worked too much overtime in a given week. These reforms consequently gave him the
title of an “advanced liberal.” (Wright 1984). He was transforming the coalition right-wing
parties, while not entirely acting as a socialist.
This movement away from traditional Gaullist practices can be better seen through Table 3 below, which describes policy making initiatives by industry in each of the first three presidencies of the Fifth Republic. The table shows the move made away from the Industry section and toward Agricultural section. Table 4 also shows industrial employment as a proportion of total civil employment in six industrialized nations in 1975. This compares France to its traditional competitors, and shows the related effects of the oil crisis on employment in industrialized nations.

**Table 3: Changes in the Pattern of Employment under Three Presidencies (Wright 1984)**

<table>
<thead>
<tr>
<th></th>
<th>1956-69</th>
<th>1969-74</th>
<th>1974-81</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>-1,200</td>
<td>-600</td>
<td>-400</td>
</tr>
<tr>
<td>Industry *</td>
<td>900</td>
<td>380</td>
<td>-900</td>
</tr>
<tr>
<td>Services</td>
<td>2,300</td>
<td>1,180</td>
<td>1,400</td>
</tr>
<tr>
<td>Totals</td>
<td>1,500</td>
<td>960</td>
<td>100</td>
</tr>
<tr>
<td>*includes construction</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 4: Industrial Employment as a Proportion of Total Civil Employment in Six Industrial Nations, 1975-79 (Wright, 1984)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>38.8</td>
<td>38.2</td>
<td>37.1</td>
<td>36.4</td>
<td>-2.4</td>
</tr>
<tr>
<td>West Germany</td>
<td>46</td>
<td>45.6</td>
<td>45.1</td>
<td>44.8</td>
<td>-1.2</td>
</tr>
<tr>
<td>UK</td>
<td>40.7</td>
<td>40</td>
<td>39.7</td>
<td>39.1</td>
<td>-1.6</td>
</tr>
<tr>
<td>Italy</td>
<td>39.3</td>
<td>38.5</td>
<td>38.3</td>
<td>38</td>
<td>-1.3</td>
</tr>
<tr>
<td>USA</td>
<td>30.7</td>
<td>30.9</td>
<td>31.2</td>
<td>31.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Japan</td>
<td>35.9</td>
<td>35.8</td>
<td>35</td>
<td>34.9</td>
<td>-1</td>
</tr>
</tbody>
</table>

Figure 1 and Table 2 help describe the severity of the impact of the oil crisis on French employment and GDP. This impact, not any duplicitous reasons, caused d’Estaing to switch his industrial policy. Table 3 displays the different sectors that were affected by d’Estaing’s change.
The agricultural, industrial, and service sectors were most affected by d’Estaing’s policy switch. By switching to a classical economic model and allowing efficient producers to flourish in the market caused the losing producers to fail. This caused a change in the market to shift toward a service sector economy as the market became more efficient. The President policy switch allowed France to focus on the service industry in order to better compete with other industrialized nations. D’Estaing responded to the crisis by completely turning his back on his campaign commitments to move toward classical economics. As described above, d’Estaing did not encompass the traditional “Gaullist” ideology, yet the Gaullists elected him as their President. Internal party rifts, especially after the firing of Jacques Chirac, caused the Gaullists to separate from the Independent Republicans. This separation allowed d’Estaing to act independently of the conservative Gaullists and cause major economic and domestic reforms within France that he thought would better the domestic environment of France.

B. François Mitterrand 1981-1995

The election of 1981 proved to be a major turning point in French history. For the first time in two decades, a Socialist was elected to be head of government, and the Assemblée Nationale had a socialist majority, the highest majority in Fifth Republic history with 49.25% of the seats given to the Socialists.

It was clear that France wanted a change from the Gaullists and the conservatives who had run the country for the past two and a half decades. After the continuing economic slump following the 1973 oil crisis, it was clear that for the first time in French history, the Socialists
were not only in power, but had so much electoral success that the likelihood they would maintain power was not questioned.

In order to unite the Left-wing parties, in 1981 Mitterrand campaigned on the ideals embodied in 110 propositions which would transform France into a socialist country. These were detailed propositions indicating how the new French socialist regime would reform France in a number of policy areas. The “dash for growth” proposal was by far the most important, in that it promised a rapid economic recovery. Mitterrand’s detailed plan for economic recovery called for Keynesian reflation based on public works, housing, job creation, and other measures intended to promote the less-well off and reduce imports, which were becoming a huge expense for France. Mitterrand campaigned upon a return to the Keynesian economics from which d’Estaing had moved France away during the oil crisis. Critics claim that Mitterrand arrived in power after having raised unrealistic expectations with his 110 propositions and that the program could not realistically be achieved. Nonetheless, attempts were made to carry out the candidate’s campaign promises (Bell, 2005).

In 1983, Mitterrand’s economic policy underwent a marked U-turn in the light of recent economic events. This U-turn was Mitterrand’s first policy switch. The U-turn was caused by external economic factors. America’s interest rates at this time were sky-rocketing to counter its own economic recession, and the American dollar became overvalued (Bell 2005). Because of these American circumstances, France was forced to raise its own interest rates, which confounded the government’s Keynesian expansionary plan, and the rise in rates also hindered the recovery process upon which Mitterrand was dependent for the success of his propositions. After an economic summit in 1982, when both the U.S and West Germany refused to reflate their economies, France had no choice but to abandon its Keynesian policy and a deflationary policy
was introduced. This plan reduced expenditure costs, abandoned the idea of expanding the economy for growth, and unemployment was left unresolved (van der Horst 1994).

The struggle to contain unemployment can be seen in Figure 2 below. This graph shows how unemployment rose fairly steadily and rapidly from 1974, following the first oil crisis through 1987. The regime change from conservative to socialist did not help improve the economic crisis, and only after the economic policy U-turn took place was unemployment minimally reduced. Samuels and Shugart do not classify this classic U-turn as a policy switch because it did not happen within the first six months of Mitterrand’s term. For this reason, I criticize Samuels and Shugart’s policy switch definition in that it is too narrow to fully understand policy switches.

This policy switch was enacted out of the desperation of French policy makers, particularly President Mitterrand, to improve the French economy when global economic policies forced him to change the plan on which he had campaigned. This policy switch could not have come at a worse time for President Mitterrand: in the months after the change, there were French parliamentary elections. The people of France had lost trust in Mitterrand, as not only had he turned on his campaign promises, but the economic policy was not improving the French economic situation. Because of this event, mistrust of Mitterrand and the Socialist party began to build and many voters rejected the Socialist party at the legislative elections (Bell 2005). Once again, Mitterrand’s presidency created an historic first for the Fifth Republic, in that in 1986 the first period of cohabitation was established. The legislative majority moved from Socialists to Gaullists, and the Prime Minister was of a different party than the Socialist President.
This period of cohabitation caused another policy switch for Mitterrand, and caused him to drift away from his party. With a divided legislative and executive branch, Mitterrand found himself moving towards the center of the political spectrum. By moving his policies toward the center, Mitterrand was able to counter Gaullist parties and attract new voters. His new affection for market economics “cut the ground” under the Gaullist party, which was advocating against Mitterrand’s socialism (Bell 2005). This move towards the center is arguably a reason why Mitterrand was reelected in 1988, despite the mistrust the electorate had for his party in 1986. Mitterrand was also largely able to hold the middle ground, arguing for partisanship during the period of cohabitation. This enabled himself to distance himself and his party from unfavorable policies enacted by the Prime Minister, and reach out to voters in the middle who had little affection for either of the two main parties. I argue that Mitterrand was strongly presidentialized during this term because he was given power separate from that of his party to act against the Gaullists in the period of cohabitation, even though that meant Mitterrand moving the party toward traditional Gaullist ideology. Cohabitation generally weakens the role of the President, as
the Prime Minister truly is the head of government; however, during this time of cohabitation, Mitterrand seemed to increase his powers (Bell 2005). By using data from the Manifesto Project, and legislative election results, Table 5 shows this trend towards center politics, and the devastating effect it had on the Socialist party more clearly.

The chart below gives data gathered by the Manifesto Project, where the table shows that after Mitterrand’s election in 1981, and the Socialist party was slowly moving towards a center value of zero until 1986, and only after Mitterrand left the party in 1995 did the party begin to move back towards its traditional strong left value.

*Table 5: Left/Right Values and French Legislative Election Results 1978-1993 for the Partie Socialiste (Manifesto Project 2012)*

<table>
<thead>
<tr>
<th>Year</th>
<th>Left Right Value</th>
<th>Seat Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>-39.2</td>
<td>23.72%</td>
</tr>
<tr>
<td>1981</td>
<td>-27.8</td>
<td>49.25%</td>
</tr>
<tr>
<td>1986</td>
<td>-8.6</td>
<td>31.02%</td>
</tr>
<tr>
<td>1988</td>
<td>-13.6</td>
<td>45.31%</td>
</tr>
<tr>
<td>1993</td>
<td>-23.2</td>
<td>31.01%</td>
</tr>
</tbody>
</table>

The table also shows the effect that the changing party had on votes for the legislature. In 1981, France showed its strong desire for change, and almost half the parliament consisted of Socialist. However, once Mitterrand enacted his first policy switch, in the following legislative election there was a dramatic decline in support of the Socialist party. Although there was renewed support for the Socialist party in the 1988 presidential election, many voters in this election were voting for Mitterrand and not the Socialist party, as Mitterrand had gained new centrist voters. Also, it is important to note that despite the strength of the Socialist party in 1988, with 45.31% of the parliamentary seats, the right-wing coalition was almost equally as strong.
with 44.27% of parliament. By contrast, in 1981 the Socialists held a substantial edge over the right-wing coalition, with 49.25% as compared to 40% of the seats.

Although the economic slump explains the first switch which took place in Mitterrand’s first term, there is a different explanation for his third policy switch which occurred in his second term. The second term, which began in 1988, had a decidedly different focus directed towards foreign policy. Not only did Mitterrand switch priorities again in his second term, but he learned a valuable lesson from his failed 110 propositions, chiefly, to be less specific in his campaign promises. During his first term, political opponents could directly show which propositions Mitterrand failed in and never enacted. Mitterrand learned from his mistakes, and campaigned on vague ideals in his second campaign which allowed him free rein to act not entirely in line with his party, and to implement a switch in priority (Bell 2005).

I deem this as a policy priority switch, where Mitterrand definitively switched his focus to foreign affairs rather than dwell on the ever-persistent economic slump. This period was marked by tremendous foreign policy issues, including the collapse of the Soviet Union, the demise of Communism, the reunification of Germany, and the Gulf War. For the remainder of this study, I will focus on the end of the Cold War and its effects on European integration.

Soviet Premier, Gorbachev’s glasnost policy opened the Soviet Union, and for the first time in the Fifth Republic, a French President was faced with the reality of German reunification. This was not a reality that either French politicians or citizens were ready to accept given the still-present memory of German occupation earlier in the century. Although Mitterrand privately opposed reunification, over time he realized he would be unable to prevent it. He then focused
his attention on insuring German reunification happened in a way that also accelerated European integration.

Mitterrand supported, and exerted a strong influence on what became known as the Maastricht Treaty, which transformed the European Community into a European Union. This treaty was supposed to have three pillars, in that it would further develop economic integration, political integration, and a common security and foreign policy (Hancock 2012). Although there were very few measures that moved the political and common security and foreign policy pillars forward, much more was done to implement a common economic policy. Mitterrand helped develop the idea for a common currency, the euro, which was accompanied by the establishment of a European Central Bank. For Mitterrand, the economic integration further this treaty was desirable in order to counter the effects of German reunification. France had reason to be wary of a strong Germany, and Mitterrand believed a strong Germany could emerge from a unified Germany. However, Mitterrand expected that if Germany were forced to use the same currency as France and the rest of Europe that would tie Germany to the success of others, and not just its Europe as a whole (Bell, 2005). Before supporting German reunification, Mitterrand demanded that Chancellor Helmut Kohl adopt the euro, as this action would keep Germany entwined in the European framework.

Despite the relative diplomatic success of President Mitterrand in negotiating German reunification within a European framework, problems with the Treaty led to the ultimate collapse of the Socialist party. Mitterrand wanted France to appear to be strongly in support of European integration. Thus instead of submitting the Treaty for ratification by Parliament, he decided to hold a referendum. Unfortunately, Mitterrand was unable to campaign for “Yes” votes because his cancer had begun to flare up in 1993. Although the referendum ultimately passed with 51.3%
of the votes, Mitterrand’s policies divided his Socialists and left-wing coalition. The Treaty angered the Communists, who up to this point had largely accepted Socialist parties, and it also divided the President from the predominantly socialist working class, which also largely voted against it. Table 6 below shows the breakdown of the vote on the referendum by demographics and political orientation. This table clearly shows the divided left opinion on the Maastricht Treaty. Table 7 is even more interesting, in that it shows reasons why people voted the way they did by each political party. Support for Mitterrand and discontent seem to be prevalent reasons for either the yes or no vote. This is better seen in Table 7 below.

**Table 6: The French Referendum on Maastricht (Criddle 1993).**

<table>
<thead>
<tr>
<th>Political Allegiance</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extreme Left</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>PCF</td>
<td>19</td>
<td>81</td>
</tr>
<tr>
<td>PS</td>
<td>78</td>
<td>22</td>
</tr>
<tr>
<td>Generation Ecologie</td>
<td>61</td>
<td>39</td>
</tr>
<tr>
<td>Verts</td>
<td>57</td>
<td>43</td>
</tr>
<tr>
<td>UDF</td>
<td>61</td>
<td>39</td>
</tr>
<tr>
<td>RPR</td>
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<td>59</td>
</tr>
<tr>
<td>FN</td>
<td>8</td>
<td>92</td>
</tr>
<tr>
<td>No party</td>
<td>45</td>
<td>55</td>
</tr>
</tbody>
</table>

**OCCUPATION**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Farmer</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td>Small Businessman</td>
<td>48</td>
<td>52</td>
</tr>
<tr>
<td>Company Director</td>
<td>65</td>
<td>35</td>
</tr>
<tr>
<td>Liberal Profession</td>
<td>66</td>
<td>34</td>
</tr>
<tr>
<td>Higher&amp;Secondary Ed Ed Ed Ed</td>
<td>71</td>
<td>29</td>
</tr>
<tr>
<td>Primary Education</td>
<td>76</td>
<td>24</td>
</tr>
<tr>
<td>White Collar</td>
<td>47</td>
<td>53</td>
</tr>
<tr>
<td>Worker</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>Farm Worker</td>
<td>30</td>
<td>70</td>
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</table>
Table 7: Reason for Vote, by Party Allegiance % (Criddle 1993)

<table>
<thead>
<tr>
<th>YES</th>
<th>All</th>
<th>PC</th>
<th>PS</th>
<th>G.Eco</th>
<th>Verts</th>
<th>UDF</th>
<th>RPR</th>
<th>PN</th>
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<tbody>
<tr>
<td>peace in Europe</td>
<td>72</td>
<td>73</td>
<td>76</td>
<td>74</td>
<td>72</td>
<td>69</td>
<td>74</td>
<td>72</td>
</tr>
<tr>
<td>building of Europe</td>
<td>63</td>
<td>44</td>
<td>69</td>
<td>65</td>
<td>62</td>
<td>64</td>
<td>59</td>
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</tr>
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<td>compete with US and</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Japan</td>
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<td>45</td>
<td>49</td>
<td>52</td>
<td>57</td>
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<td>fear of a No victory</td>
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<td>41</td>
<td>44</td>
<td>33</td>
<td>32</td>
<td>30</td>
<td>33</td>
<td>12</td>
</tr>
<tr>
<td>The war in Yugoslavia</td>
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<td>31</td>
<td>32</td>
<td>22</td>
<td>34</td>
<td>26</td>
<td>23</td>
<td>31</td>
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<tr>
<td>Fear of Germany</td>
<td>21</td>
<td>27</td>
<td>21</td>
<td>16</td>
<td>16</td>
<td>21</td>
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<td>To support Mitterrand</td>
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<td>7</td>
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<td>4</td>
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<table>
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<tr>
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</thead>
<tbody>
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<td>Loss of sovereignty</td>
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<td>61</td>
<td>50</td>
<td>52</td>
<td>41</td>
<td>51</td>
<td>60</td>
<td>69</td>
</tr>
<tr>
<td>France in hands of</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brussels technocrats</td>
<td>55</td>
<td>67</td>
<td>49</td>
<td>48</td>
<td>48</td>
<td>57</td>
<td>56</td>
<td>62</td>
</tr>
<tr>
<td>Fear of Germany</td>
<td>4</td>
<td>46</td>
<td>45</td>
<td>49</td>
<td>24</td>
<td>36</td>
<td>41</td>
<td>39</td>
</tr>
<tr>
<td>Discontent with</td>
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<td></td>
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</tr>
<tr>
<td>Mitterrand</td>
<td>39</td>
<td>32</td>
<td>25</td>
<td>35</td>
<td>37</td>
<td>39</td>
<td>42</td>
<td>55</td>
</tr>
<tr>
<td>Fear of austerity</td>
<td>37</td>
<td>55</td>
<td>34</td>
<td>31</td>
<td>33</td>
<td>28</td>
<td>38</td>
<td>42</td>
</tr>
<tr>
<td>Rejection of political class</td>
<td>31</td>
<td>22</td>
<td>22</td>
<td>33</td>
<td>39</td>
<td>21</td>
<td>29</td>
<td>51</td>
</tr>
<tr>
<td>The war in Yugoslavia</td>
<td>28</td>
<td>27</td>
<td>30</td>
<td>30</td>
<td>32</td>
<td>25</td>
<td>26</td>
<td>29</td>
</tr>
</tbody>
</table>

Although Table 6 above shows that the Socialist party was most strongly in favor of the referendum, other left leaning parties, such as the Communists and the Green party were more divided on the issue. Mitterrand however, had become the leader of a unified left party, and this referendum challenged his ability to lead a unified left coalition. Also, Table 7 shows that one of the top seven reasons why voters opposed the referendum was discontent with Mitterrand. Lastly, Table 7 shows that the Socialist party’s biggest fear regarding the Maastricht treaty was loss of sovereignty. The Socialist party believed that power belongs with the people (Declaration of Principles). By expanding and deepening the powers of the European Union, supporters of the Socialist party were afraid that power would be taken away from the people of France and given to technocrats. This fear is seen across most of the political parties in France, but it is most prevalent in the Socialist party. To pass the referendum, Mitterrand campaigned on the ideas of...
peace in Europe, keeping Germany at bay, and bringing prosperity and competitiveness to France (Bell, 2005). Yet despite the positives he saw from the formation of the European Union, he knew he would be giving more power to a supranational organization rather than keeping power with French citizens, which goes against the Socialist platform. The Declaration of Principles states: [the party] advocates the separation of powers, ensuring a system of political accountability…the nation is not a juxtaposition of communities, but a contract between free citizens (2012). These free citizens are always French citizens and not European citizens – the Socialist principles were never designed with a European framework. The Maastricht Treaty created an organization that is not responsible to the French citizens and therefore does not uphold the Socialist platform. Because of this, Mitterrand’s push for the Maastricht Treaty went against his party’s ideology and divided his unified left coalition.

Mitterrand was a beloved President, but by 1993 he was simply unable to run the government. Not only was his party practically non-existent after the second-order election, but his health had taken a turn for the worse, as his cancer continued to spread. Mitterrand enacted a stark economic policy U-turn in order to preserve French interests in a global economy. Later, he pursued diplomatic measures to successful integrate a unified Germany into a European framework. Mitterrand responded to external political and an economic development to do what he thought was at the best interest of France. Despite the fact that the referendum passed in 1992, at the 1993 parliamentary elections, the Socialist party lost the election by a wide margin. Although the referendum narrowly passed, the above charts demonstrate how the Socialist government and supporters were left deeply divided. Of the 577 seats in Parliament, the socialist
party only won 53 seats in the election (Bell 2005)\(^1\). Many high ranking socialists who held positions in the cabinet lost their positions and were forced to resign, and even more cabinet members did not even run for election. A second period of cohabitation was established due to the utter failure of the Socialist party. The left was divided which caused two competing factions to run against each other for the same district, splitting the vote. This allowed the right coalition to achieve dominance in the 1993 election for the first time in over ten years.

C. Nicolas Sarkozy 2007-2012

In many ways, Nicolas Sarkozy’s election in 2007 was far from a surprise. He was a natural leader within the Gaullist center Union for a French Democracy party, and was the protégé of President Jacques Chirac who held office from 1995-2007. Despite some political differences, Sarkozy largely followed the policy ideals of Chirac under the Union for a Popular Movement Party, UMP. His campaign promises offered much of the same rhetoric as the two Presidents previously discussed in this study, i.e. a promise of change. Upon being elected, Sarkozy gave a speech in which he said, “The French have chosen to break with the ideas, habits, and behavior of the past. I will restore the value of work, authority, merit and respect for the nation” (Knapp 2013). Chirac’s second term had been marked by immobility. Sarkozy seized on this fault and gathered right-wing and centrist voters who wanted their government to introduce policies of change. His personality and ability to gain centrist voters with his challenge to the traditional political discourse were a colossal strength in Sarkozy’s 2007 election (Cole 2013).

However, within six months of his election in September 2007, Sarkozy’s approval ratings dramatically plunged. Figure 3 below compares Sarkozy and Chirac’s approval ratings to

\(^1\) Although Table 5 above says that the Socialist won 31.3% of the vote that is the overall popular vote of the country, whereas France has a “first past the post” legislative election method. So very few Socialist candidates won a majority of votes in their constituency despite their still relative popularity throughout France.
better display Sarkozy’s dramatic plunge. Although the graph displays a similar plummet for Chirac, note that this is Chirac’s second term, and his referendum on the unpopular EU Constitution did not rally the French people behind him. Also, Chirac openly and “obviously” broke his campaign promises in his second term, which also caused his disastrous ratings (Lewis Beck 2013). Sarkozy on the other hand, had little excuse for the dissatisfaction he was causing the French electorate. Scholars suggest the reason for Sarkozy’s plummet lies in his personality; he has been called the “bling-bling” President for his extravagant parties and noticeable display of wealthy friends (Cole, 2013). Sarkozy also had an extremely public divorce shortly after being elected as President, and his public courtship of a French super-model shortly after further heightened the negative aspects of his image. Furthermore, Sarkozy was the first president to govern under the new institutional rules established in the Constitution reform of 2008.

The Constitutional reform that Sarkozy proposed gave the President greater power, in that he can now influence domestic policy which had traditionally been allocated to the Prime Minister. This allowed Sarkozy to become a ‘hyperpresident,’ ignoring the traditional role of the prime minister, and taking on more tasks and unpopular decisions upon him, which increased his unpopularity (Cole, 2013). The Union for a Popular Movement, UMP, party strongly supported Sarkozy in this reform, with 310 UMP parliament members voting for the reform, six against, and one abstention. This shows how the party was supportive of giving more power to the

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2 The break of his campaign promises will be discussed in the implications section which shows how Chirac also enacted a policy switch.

3 Proposed in Sarkozy’s 2007 manifesto to modernize the Fifth Republic. The bill increased the powers of the National Assembly by taking power away from the Prime Minister, and mainly increased the power of the President. Because of the weakened Prime Minister role, the role of the President has now expanded from mainly foreign affairs to now include domestic issues as well. Cohabitation can now almost never happen, as Presidential and Legislative elections take place almost simultaneously, and the majority party, not the Cabinet, decides the agenda for the legislative session.
Richardson 41

President; therefore, the UMP party presidentialized Nicolas Sarkozy through their approval of the reform.

*Figure 3: Comparison of Sarkozy and Chirac approval ratings in first two years after election (Knapp, 2013).*

Not only did Sarkozy quickly drop in approval ratings largely due to his “hyperpresidency,” but a mere year after he took office, a great global financial meltdown occurred, putting Sarkozy in a precarious situation. The President had kept to his campaign promises by reforming the working conditions within his first year, abolishing the 35 hour work week, and allowing French citizens to work overtime. He also created a budget that reduced taxes for the middle class while keeping state expenditures at the same level. Sarkozy modernized the economy and turned away from traditional French interventionist policy and favored laissez-faire capitalism. However, once the economic crisis erupted, Sarkozy enacted a policy switch in that he returned to state interventionist policies, and pledged to create 100,000 state-subsidized jobs in order to help the French people through the crisis. In a speech, he said,
“we can’t be ideological in the face of human misery” (Cole 2013). Although Sarkozy actively and knowingly performed a policy switch, he justified it by claiming that by switching his policy, he was going to better provide for the French people. This justification inherently goes against the theory of Samuels and Shugart (2010) who believe politicians enact policy switches only because they never intended to follow through on their campaign rhetoric. However, Sarkozy’s policy-switch did in fact end up seeming to help the French people, as France was the only country in Western Europe that seemed to escape a recession in 2008 following the onset of the crisis (Cole, 2013). In contrast with previous policy switches examined, Sarkozy had campaigned on his commitment to classical economics and using the monetary system to regulate the economy with limited government intervention. This policy had traditionally been followed by right-wing political leaders. However, the switch the Sarkozy enacted was a switch to Keynesian economics, involving government interventionism to protect private business from the global economic recession.

Despite Sarkozy’s successful policy-switch⁴, approval ratings did not improve for Sarkozy, and the longer the Eurozone crisis continued, the less confidence the French people seemed to have in Sarkozy (SOFRES, 2012). Even though Sarkozy kept France out of a recession, economic troubles emerged in France. Unemployment levels rose, inflation occurred, purchasing power was low. Most importantly, French credit rating dropped from AAA to AA1. Although this is the second highest rating, the Moody downgrade further angered the French people, and caused a lowering confidence level not only in the economy, and the handling of the Eurozone crisis in general, but also with their President (Willsher, 2012).

⁴ Successful in that in the short-run it kept France out of the economic recession.
I would also suggest that the French were dissatisfied with the “Merkozy” relationship. French and German relations have traditionally never been strong. Particularly after the last world war, France has taken the position that it needs to keep Germany not only within the European framework, but below France within that European framework. Working too closely with Merkel caused some French to worry that Sarkozy was allowing Merkel and Germany to gain strength. Furthermore, when France was given a credit downgrading and Germany was not, this gave even more strength to Germany over France. This discussion raises another explanation for policy switches, in that the approval ratings of President could affect his policy making. More research would need to be conducted on this theory, but for this paper, when an approval rating is low the politician has more incentive to enact policies for the good of the country or the EU as a whole rather than feeling committed to the party, which is already not in favor with the constituency.

Sarkozy’s policy-switch was enacted early in his term, and his economic policies improved the condition of France, while it seemed that almost every other Western European country was falling prey to recession and deficit problems. He turned against his right-wing party to follow a more left-leaning policy, consisting of Keynesian interventionism, in order to improve conditions in France. He also supported a close relationship with Germany despite right-wing fear of Germany in order to help collectively solve the problems of Europe. Sarkozy twice went against his party rhetoric and beliefs in order to do what was best for France and Europe as a whole, first when he switched to Keynesian economics, and second when he increased relations with Germany and Europe as a whole. Although he ended up losing the election to François Hollande in 2012, scholars argue his was due to his personality and not his policies (Hewlett, 5 Term given to describe the close relationship between Sarkozy and German Chancellor Angela Merkel.)
2012). The implications section, found later in this paper, will further discuss Sarkozy’s election lost, but this section simply clarifies where and why Sarkozy turned his back against his UDF right-wing party to further center politics in order to better prepare France and Europe for the global financial crisis and the Eurozone debt crisis.

The three presidencies that have been discussed above examine different economic and political environments that have caused three different presidents to enact policy switches or engage in presidentialization in order to further the interests of the French state. Two case studies look primarily at times of economic recession that have forced the Presidents to enact different economic policies to counter the effects of recession. In times of economic stability, we have seen that the governing party has presidentialized their leader, giving greater power to the leader to deviate from traditional party ideology. These French cases demonstrate how external economic, political, and domestic events can affect the policy decisions of leaders.

GERMANY

I now turn my analysis to Germany, whose different parliamentary structure adds another dimension to my analysis of policy switching. Although the condition of the economy and European integration are the major reasons why policy switches occurred in both countries, the way each head of state enacted the policy switch was different in France than in Germany. In France, the President is popularly elected based on his campaign rhetoric and promises. In Germany, the chancellor is selected by the party. A chancellor cannot turn on his campaign promises, as he does not campaign individually. Instead, the party campaigns on a unified platform. In the following three case studies, I suggest how presidentialization of the German
chancellors provides a new mechanism by which policy switches can occur. Also, in this first case study, I look at the role of parties and coalitions in the German government.

D. Helmut Schmidt 1974-1982

Helmut Schmidt’s story is far different from any other case yet studied in that I would describe him as a man without a party. Although my research has not found any clear policy switch within Schmidt’s government, his centrist policies steered him away from typical SPD rhetoric. His unusual tenure thus deserves an analysis.

For the first twenty years after the formation of the Federal Republic of Germany, the Social Democratic Party was practically non-existent. It never participated in the government but always played the role of opposition. Many scholars attribute this to the SPD’s weak platform which focused more on the “class struggle” than on a broader range of issues (Hanrieder, 1982). In 1959, the SPD reformed its platform in what became known as the Bad Godesberg program, where it dropped its Marxist ideas and spread its ideology beyond the working class (Godesberg Program, 1959). Also, the party’s opposition to European integration and NATO had made the SPD unpopular with the German public. In the 1960s, a new wave of politicians, including Willy Brandt and Helmut Schmidt, arrived on the national scene and transformed the SPD, which broadened its constituency base. These new politicians also switched SPD foreign policy to accept European integration and NATO membership. In 1966, the SPD entered the national government for the first time, forming a grand coalition with the Christian Democrats (Hanrieder, 1982).

In 1969, Willy Brandt formed the social-liberal coalition, in which, for the first time, the liberal Free Democratic Party was the junior coalition partner with the Social Democrats. The
Free Democrats’ social policies differed from those of the SPD, but Willy Brandt’s leadership and the SPD’s size kept the junior coalition partner compliant. However, in 1974, scandal within the Brandt Administration forced him to resign, the first time a German chancellor had voluntarily resigned from the post. Brandt personally asked Helmut Schmidt to take over the position, despite the SPD’s hesitations regarding his appointment. Schmidt inherited a weak Germany, crumbling from the stagflation and economic crisis of 1972, and his party was becoming increasingly unpopular due to the scandals within.

However, Schmidt’s economic background and right-leaning politics enabled him to win reelection in the 1976 federal elections. Schmidt’s centrist economic policies led Germany through what some call a second economic miracle, in that Germany seemed to avoid the economic recession experienced by other Western European countries in the 1970s. Schmidt’s ability to increase GDP growth rates caused his public support to rise, and led to his reelection in 1976. In addition, Schmidt’s policies tended to lean toward the right, in contrast to those of his left leaning party. This caused him to gain support on both sides of the political spectrum. Despite Schmidt’s popularity on both sides of his constituency, I argue this is not a form of presidentialization because the SPD party was not allocating more power to Schmidt. In fact in many ways the party opposed Schmidt’s policies and put pressure on him to lean more to the left. In the act of presidentialization, the party would recognize the support for and success of the candidate and thus grant him more discretion in forming policies.

Schmidt’s first full term as chancellor in 1976 was fraught with many domestic terrorist attacks which strained his chancellorship. Despite his success in handling the economic crisis,

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6 Günter Guillaume, a personal assistant to Willy Brandt was accused of being a spy for East Germany. Brandt was disgraced by this scandal and voluntarily resigned.
many feared he was unable to handle the terrorist attacks. At the very last minute, Schmidt successfully navigated the rescue of hostages in Somalia, which ensured his reelection once again in 1980. This time however, his party did not do well. The SPD had stagnant results in the parliamentary race, while the CDU opposition party increased their votes and majority in the Bundestag. Lastly, and most importantly, the junior coalition partner, the Free Democrats was the clear winner in the election, increasing their seats in parliament more than either of the two leading parties. Because of this, the Free Democrats became indispensable to the social-liberal coalition, and they knew that their power had increased. Müller and Strom (1999) describe the phenomenon as “the tail of the coalition partner was trying to wag the dog.” In other words, the junior coalition partner was trying to steer the policy of the coalition.

For Chancellor Schmidt, finding comprises with the FDP were not difficult because his personal views were often closer to those of the FDP than to those of his own SPD (Müller and Strom, 1999). However, compromises were not enough since the FDP was undergoing its own changes, pulling away from Schmidt’s centrist policies. Part of the reason for this was that the FDP’s strong results in the 1980 election were due to the fact that CDU constituents were unhappy with their party leadership. As a result, the FDP felt it had to change its own policies to meet the viewpoints of its new constituents. Chancellor Schmidt was forced to try to steer a middle course which was deemed too weak by the right, and which the left regarded with deep reserve (Müller-Strom, 1999).

The combination of these internal struggles within three of the major parties, (SPD, FDP, and CDU) caused a transformation of political identity for each of the parties. The CDU had lost the 1980 election due to poor party leadership, and they knew that if they could gain the support of the FDP under new party leadership, they could successfully overthrow the SPD government.
In 1982, the first successful vote of no confidence was proposed in the German Bundestag, with the CDU presenting Helmut Kohl as their proposed new leader. The FDP switched coalition partners once again; this way they were better equipped to satisfy their new conservative constituents, and CDU-FDP economic policies were more in line than those of SPD-FDP.

I argue that even though Helmut Schmidt did not personally engage in policy-switching, he never followed the traditional policies of SPD that he had once helped establish. He had become a centrist politician, and that not only caused rifts within his own party, but rifts within his junior coalition partner as well. The FDP was a major factor in Schmidt’s political evolution. The success of Schmidt (and later Helmut Kohl), along with their continuous policy priority switches and ability to work with the socialists, caused a change in German politics. German elections depend upon the success of the coalition partner, but when the coalition partner becomes too strong then there is a struggle for power. The FDP had traditionally sought coalitions with the CDU at the beginning of the Federal Republic, but after the failed switch to SPD, the FDP has reshaped German politics. The SPD has never formed a social-liberal coalition since this fateful turn of events, and this episode became a warning to senior coalition partners not to let the junior partner become too strong. Schmidt was worried that if he did not promote centrist policies, the FDP would look weak to their constituents, and with an ever stronger CDU opposition, Schmidt needed his coalition partner to remain in power. This move toward center politics not only enabled the FDP to gain more power, but weakened Schmidt’s SPD. Later in my analysis I will suggest a similar situation is arising now in Germany under the leadership of Chancellor Angela Merkel. The question is, will this historical perspective of coalition partners influence the upcoming German election, or are there other factors at hand that will affect the outcome?
Schmidt often did not follow SPD policies, and in fact frequently favored FDP policies over those of his own party due to his centrist leaning tendencies. Nonetheless, his influence on the direction the party took was relatively limited in that the Left/Right value assigned to the SPD by the Manifesto Project underwent limited changes during the Schmidt Administration.

The rightward shift in 1983 can have two explanations, I argue. First, there is a lag between the enunciation of the chancellor’s policy and the impact of that policy on the actual manifesto of the party he represents. Just because a chancellor is enacting centrist policy the manifesto will not change right away, but rather will be changed at the next election cycle, in this case, 1983. Secondly, I argue that Schmidt was a relatively weak leader of the SPD and because of internal party rifts, the SPD limited Schmidt’s role and powers. Owing to these constraints, Schmidt played only a limited role in directing his party’s policies. Therefore, he was not presidentialized as his successor Helmut Kohl, and current chancellor Angela Merkel have been. Between 1966 and 1969 the SPD was part of a grand coalition that limited the SPD’s party identity as it was constantly compromising with the CDU. In 1970 it had truly developed as an independent party with a strong electoral base through the leadership of Brandt; however between 1976 and 1980 when Schmidt was in power, the SPD score stayed approximately at the same value, as Schmidt

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7 A coalition that is formed of the two biggest, and competing parties due to the inability to form a majority in any other logical combination.
had limited influence over the party. Although the years preceding and succeeding the Schmidt tenure had larger fluctuations as I argue Brandt, and opposition leader, Hans-Jochen Vogel had more power in directing and influencing the SPD.

E. Helmut Kohl 1982-1998

Helmut Kohl had joined the CDU immediately following the war, and he strongly believed that the Christian-Liberal alliance that Adenauer had formed was a true natural alliance and one that if the leadership were skilled enough, would always have the support of the majority of German voters. Kohl’s strong belief in this alliance and his natural leadership within the CDU caused him to arrange with the FDP to jump ship bringing Schmidt’s tenure to an end. Kohl proposed a vote of no confidence in the Bundestag in October 1982; it was the first and only successful vote of no confidence in the German Federal Republic. Almost immediately following the successful vote of no confidence, Kohl proposed a vote of confidence and asked members of his coalition to abstain from voting in order to dissolve the Parliament and hold an emergency election so Kohl could be reelected.

Although Kohl’s controversial move succeeded, it did not come without risk. However it also began what became known as the Kohl era, a seemingly never-ending reign. Kohl’s chancellorship, unlike that of Schmidt, I argue, did exemplify characteristics of presidentialization. Although Kohl and Schmidt both believed that the junior coalition partner was vital to the success of the government, their different leadership style and political beliefs led to Kohl’s success, whereas Schmidt failed. I have already mentioned that Schmidt was a man without a party, a man who readily gave more power to the FDP simply because it suited his own individual beliefs. Kohl, on the other hand, had a vision that included coalition politics, one that
led to the unbeatable Christian-Liberal coalition. Kohl was not pressured by the FDP to hand over more power, but rather realized the importance of having a strong coalition partner. Where Schmidt and Kohl differ however, was in their ability to steer their party despite giving very substantial power to the junior coalition partner. For Schmidt, rifts and disputes arose within the SPD, and he was powerless to stop them because he simply could not manage pleasing both the SPD and the FDP. Kohl however, seemed to take each obstacle to his power in stride, gaining more power within his party by defying subordinates who questioned his power. No matter how many lower-ranked CDU leaders seemed to rise up against Kohl’s coalition political maneuver, they all failed, and Kohl’s leadership became undisputed.

I argue that Kohl’s undisputed leadership was a form a presidentialization. This can be seen by examining the way he steered the CDU throughout his tenure. By using the data collected by the Manifesto Project in their determination of left-right values, one can see the CDU underwent immense changes throughout the Kohl administration, whereas it has already been shown in Table 8 above, how Schmidt had limited effect on his party polities. Table 9 below, however, shows the colossal effect Kohl had in shaping the politics of the CDU throughout his tenure. Unlike Schmidt, during whose administration the Left-Right value for the SPD remained relatively stable, the CDU Left-Right value fluctuated as Kohl guided the policy. At first, Kohl seemed to increase the conservatism of CDU policies as compared to those which Strauss had campaigned in the 1980 election. However, after acclimating to his position, he was better situated to move the party to support his coalition politics. He angered many of his colleagues in his sister party, the CSU, by adopting socially liberal policies to please the FDP. Most notable though, is the complete transition to left-leaning policies in 1990. I argue this dramatic shift was caused by the reunification of the two German states. Helmut Kohl was reelected after his
successful campaign reflecting his ability to reunite the two German states after they had been divided since the end of the Second World War. In the election immediately following reunification, Kohl may have sought to liberalize his traditionally conservative party in order to gain voters from the East.

Table 9: Left-Right Value of the CDU party 1980-1998 (Manifesto Project, 2012)

<table>
<thead>
<tr>
<th>Year</th>
<th>Left-Right Value</th>
<th>Seat %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>21.2</td>
<td>44.54</td>
</tr>
<tr>
<td>1983</td>
<td>29.9</td>
<td>48.79</td>
</tr>
<tr>
<td>1987</td>
<td>9.9</td>
<td>44.26</td>
</tr>
<tr>
<td>1990</td>
<td>-9.9</td>
<td>43.82</td>
</tr>
<tr>
<td>1994</td>
<td>26.8</td>
<td>41.44</td>
</tr>
<tr>
<td>1998</td>
<td>27.9</td>
<td>35.14</td>
</tr>
</tbody>
</table>

This table demonstrates how Kohl, more than Schmidt, was able to influence his party. Kohl was able to do this because, according to Clemens (1998), Kohl had governed his party through personal measures that included his network of elite allies. Also, up to 1998, Kohl “consistently enjoyed support among loyal CDU voters well beyond what rivals in any party could command.” Clemens demonstrates how Kohl’s personal leadership gave him certain flexibility while controlling his party.

Dyson and Korte (2000) show “the Chancellor’s Office became more a political command center than [traditional] policy planning staff. The Bundestag plenary debates continued to lose relevance under the Kohl era” because so much weight Kohl acquired much of the power that traditionally had belonged to Parliament. Kohl’s presidentialization was facilitated not only by his party, but also by the German voters who gave unparalleled power to Kohl. Alistair Cole (1997) suggested that a German chancellor’s authority is normally classified between the powers granted to the French President and those granted to the British Prime
Minister and even these are limited powers as compared to other European governments. This demonstrates the weakness of the German chancellery, yet Kohl exploited not only the formal resources of his office, but also his “unique party political assets” (Cole 1993).

Kohl enacted many controversial policies within his first term, including allowing for NATO missiles to be stationed in Germany. This allowance went against his party platform in, as it allowed for NATO to increase its presence in Germany, whereas the CDU was typically against NATO. The CDU and its sister party, CSU have traditionally been the conservative party in Germany, and this sudden support for change was not a policy frequently practiced within the CDU. Also, in his first term, an advisor named Michael Stürmer wrote an essay asking the Germans to be proud of their history. This was a major scandal in Western Germany shortly before an election. Yet, Kohl’s leadership and ability to distance him from the advisor allowed him to be reelected. Scandals in previous administrations caused either the chancellor to resign (as Brandt did) or electoral loses, Kohl however, remained in power and the CDU remained strong in the Parliament. This marks the beginning of Kohl’s presidentialization as he acted against his party with the NATO missiles, yet they continued to support him and his modernization of Germany, and the people continued to vote for his party despite scandal and radical change in the party platform.

These scholars all give support to the claim that Kohl transformed the traditional powers of the German chancellery during his era. I argue that even though he did not follow traditional CDU platforms, as seen in Table 9 above with the CDU’s varying right-left values, because his party gave him abnormal levels of discretion while making policy, Kohl was presidentialized, or as Cole states, moved more toward the powers typically granted to a president (1993). By having discretion in making policy, Kohl invariably enacted policy switches away from traditional CDU
policy towards a new Kohl policy. Although at times, Kohl was reacting to current domestic and foreign affairs as he redirected the party’s policy, he nonetheless changed the CDU platform and directive with each consecutive term, as seen through the Manifesto data above. Other factors that explain Kohl’s presidentialization was the immense foreign policy events that occurred during his reign. Despite the fact that there were frictions within his first two terms such as the scandal described above, his ability to successfully engineer a German reunification caused the German electorate to ignore the way Kohl had changed the CDU. Voters were so euphoric at the reunification that it did not matter who was the chancellor when it occurred. After reunification, that chancellor would have been reelected.

F. Angela Merkel 2005-Present

Chancellor Angela Merkel represents yet another interesting case in our study of German political behavior. Merkel became the CDU/CSU nominee for chancellor in 2005. After no major political party could successfully form a coalition, she entered into a grand coalition between the CDU and SPD in that year. This was the first grand coalition since 1966, and it would be the first grand coalition to last the full four years allotted to the government. Not only was this election historic owing to the formation of a grand coalition, but in addition Merkel had succeeded in becoming the first woman chancellor of Germany. Moreover, she was the first citizen of the former German Democratic Republic to assume the position at the head of the country. Her origins, as well as her scientific and Protestant background, made her an unlikely choice for the CDU which typically gains more support from westerners, business owners, and Catholics. However, Merkel’s uncharacteristic qualities also made her an exemplary candidate because she could connect with voters that the CDU had previously ignored in the party platform.
As Brand did when his grand coalition is formed, Angela Merkel focused her attention on foreign policy, believing that was in the scope of her power, so the SPD could not hinder her. Merkel was a strong proponent of the Lisbon Treaty for the European Union, which amended the Maastricht Treaty. The Lisbon Treaty reformed the institutions of the European Union, and during Angela Merkel’s rotating presidency of the EU and she pushed for its ratification by all member states. Merkel’s success on the international scene caused her to become a well-loved politician across Europe. This love particularly stemmed from her reserved temperament, especially after Europe had undergone scandals across the continent with their extravagant politicians, including Sarkozy and Dominique Strauss Kahn of France, and Silvio Berlusconi of Italy. Merkel was a chancellor that the Germans could be proud of. Some scholars argue this inclination towards tempered and earnest leaders comes from their continuing regret for having supported Hitler and his flashy characteristics (Reuters, 2013).

In 2008 when the global financial crisis occurred, Germany, for the first time in years, was hit by a global recession. See Figure 4 below for greater detail on the German economic situation. The two graphs show how in 2008 Germany’s GDP dropped for the first time since 1994. Overall German GDP has experienced very few periods of decline, so it was shocking to the German people when the recession so quickly hit their export-driven economy. The recession was even more shocking because GDP contracted by 5%, which was the most severe retraction since World War II (Anderson and Hecht, 2012). As a result, the 2009 election more than previous elections, has centered on the economy. According to data provided by the Forschungsgruppe Wahlen Politbarometer polls in 2008 and 2009, the number of voters concerned about economic issues far outnumbered those who focused on the non-economic issues mentioned (Anderson and Hecht, 2012). Figure 5 below shows a graph of four economic
factors measured by the Politbarometer between 2008 and 2010. The spike in all four categories in 2008-2009 further suggests how important the economy was in the minds of all Germans before the 2009 election.

The grand coalition at this time, had a convenient scapegoat for the recent recession, the U.S financial sector, and because of this, the Germans did not necessarily see the need to punish the incumbent government (Anderson and Hecht, 2012).

*Figure 4: German GDP (World Bank, 2012)*

Rather, the citizens were more concerned with how the government was responding to the crisis. Immediately following the financial meltdown in October 2008, Merkel’s government agreed to bailout a mortgage company. A few days later she promised she would never promote the same
legislation that was passed in Ireland guaranteeing customer deposits. However, Merkel indeed tried to pass similar legislation, but it was blocked in Parliament. Despite, Merkel’s political maneuvering through the beginning of the crisis, German politics raised a complicated issue for voters. Coalition governments in general cause voters to have limited knowledge of what party is responsible for which policy, and when positive policies are enacted, by default, the chancellor’s party normally receives the limelight for those actions. For the Germans in 2009, they needed to discern which political platform offered the greatest likelihood of propelling Germany out of the economic recession. The CDU was traditionally a business friendly party, but if the recession were paired with bad lending practices, then would CDU policies be harmful? On the other hand, SPD labor-market reforms could raise unemployment.

The 2009 election was extremely peculiar for German voters, for the first time in over ten years, the economics of their county played a role in their vote. Anderson and Hecht, (2012) established that German voters did not place the blame for the recession on the government. For that reason, I conclude that the positive reactionary measures that the grand coalition produced in the months leading up to the election, resonated with the voters. And since it is hard to discern which policies belonged to which party, the benefits were given to Angela Merkel’s party, and she was reelected in 2009 to head a coalition with her natural FDP partner.

Angela Merkel’s second term has not been easy. Although her policies, that switched over time from classical laissez-faire to state interventionism, seemingly steered Germany out of the economic recession that it faced in 2008, the utter collapse of the Greek economy in 2010 has caused her to establish Germany’s importance in the EU and determine the future of the organization.
The Eurozone crisis although has not yet had a negative effect on the German economy such that the global financial crisis did, but Germany is seeing itself as the supporter and main lender to Greece in order to help navigate Greece, and now many other southern European countries out of the crisis.

Chancellor Merkel’s presidentialization can be visualized in Table 6 below which shows Manifesto Project data on the CDU’s left/right value throughout her tenure. The following table shows the evolution of the CDU party since the end of the Kohl era, as it tried to redefine itself. Merkel’s party platform maintained stable values through 2005 and its period of grand coalition with the SPD. However, in 2009, when Merkel and her party performed better than the SPD, and she was given free rein to handle the Eurozone crisis, the left/right value plummeted to almost a central value, as opposed to the traditional, more conservative values.
This data further demonstrates how Merkel was presidentialized in a similar manner to Kohl in that she was able to clearly and firmly switch policy and visibly transform the party in order to handle the Eurozone crisis. As the crisis continued, Merkel continuously asked the CDU to bailout not only failing German companies, but also help southern Europe through the worsening crisis. This interventionism has rarely been seen by a CDU government, and never on an international scene. Merkel transformed the CDU platform in order to combat the Eurozone crisis. She was able to enact this switch and bring her party closer toward centrist policies and get reelected while clearly turning her back on traditional CDU policy. Her policies have changed the party and despite the persistent presence of the Eurozone crisis and German dissatisfaction with the crisis, Germans seem to have an ongoing love for Angela Merkel. I argue that because Merkel was given discretion from her party to enact her own policies when dealing with the Eurozone crisis, this caused her presidentialization. This can further be seen through an ARD survey. According to the survey, only 36% of Germans would vote for the CDU if they had to today, but Merkel herself enjoys a 66% approval rating (Reuters, 2013). This is a clear example of presidentialization. However, this also demonstrates why Samuels and Shugart (2010) suggest that presidentialization cannot happen in a parliamentary system. No matter how much voters enjoy their leader, they must also want to vote for their leader’s party in such a system.
Scholars argue that similarly to the United States, state level elections are good predictors of the German federal elections. Currently, nine out of sixteen German states are headed by a CDU led government. However, the most important state, and the state that has been called the predictor in many elections, North Rhine Westphalia, has changed its government to one headed by the SPD in the most recent 2012 election. Furthermore, two states have switched from a right-leaning CDU coalition to a left-leaning SPD government since Merkel’s 2009 victory. Although it is difficult to predict what German voters will do in October of 2013, evidence points to the CDU losing substantial ground to the SPD. The question remains, will Germany defy Samuels and Shugart’s theory of presidentialization, and will Merkel’s leadership skills parallel those of Kohl in her effort to become presidentialized? Only time can answer these questions, but I suggest that voters’ love for Merkel, based significantly on her demeanor will give her party the boost to remain in government. She knows her demeanor appeals to the German voter and for the first time in eight years, she is allowing in-depth interviews with German press (RP Online 2013). In times of crisis, the people want a strong leader, so I predict they will not turn their back on their most beloved leader.

The German cases that were examined above are different from the French cases in that generally there was not a specific event that caused one specific policy switch. Instead, the chancellors were all given discrete powers based on their leadership skills to act independently of their party, in other words, they were presidentialized. Once this presidentialization occurred, then the chancellors could enact sweeping policy changes as they were not held accountable to the party to the degree that Samuels and Shugart (2010) argues has to happen in a parliamentary system. For Merkel, after presidentialization occurred, she focused on changing her economic policies at her own discretion in order to prepare Germany for the Eurozone crisis, and also to act
as leader of Europe in order to strengthen all of Europe through the crisis. Chancellor Kohl was also presidentialized, but his policy switches were not limited to the economic realm. He enacted other domestic policy switches in order to promote well-being between East and West Germany after the fall of Communism. Kohl dramatically changed the CDU during his tumultuous fifteen year tenure. Chancellor Schmidt was the only chancellor in Germany who did not experience a presidentialization effect; however, his centrist policy and inability to maintain his ruling coalition made his experience an interesting case.

**IX. Implications**

Although I do not discuss this in my thesis, I would argue that there are many implications for political leaders when they deviate from their party platform. The most likely are negative results in elections. This can be seen in two ways, either in second-order elections when loyal supporters of the party vote against it, or do not vote in the federal elections whenever there is a change in leadership. Policy switches have often resulted in negative electoral consequences for the politician or his party. I have discussed the cohabitation periods in France that occurred in the Mitterrand era. Moreover, each of the politicians discussed, with the exception of Mitterrand, ran for another term in office and lost. Also, the party in general seems to do poorly after a policy switch occurs in legislative elections, which can also be explained by the consequent party rifts.

I believe that when a politician implements a policy switch, the way the political parties are developed in these two countries allows for more rifts within the party. For example, the French conservative party has changed names four times since the time period of the first case study to the last, largely due to rifts within the party. Because of these rifts, it is easier for the electorate to vote for the new party when they are frustrated with the incumbent, even though
they are still voting for the same general conservative party, but just a different party leader. Party rifts were additionally examined in the Schmidt case study, in which the FDP had a rift with its coalition partner the SPD. Although the FDP did not change names or leadership, it gained and lost new voters due to its change in policy and direction.

Although German Chancellor Gerhard Schröder and French President Jacques Chirac were not discussed in the case study section due to limitations, both political leaders enacted their own policy switches. Chirac followed his campaign and party during his first term, but in his second he completely turned his back on his party rhetoric. I suggest this was not caused by any external events that have been discussed so far in this paper, but rather by of a French Constitutional reform that limited a President to two consecutive terms. After his reelection, he had no motivation to adhere to his party or constituencies’ views as there was no possibility of reelection. Nonetheless, the consequences of Chirac’s policy switch had far-reaching effects. It caused party rifts along the right coalition, and the French people lost all trust in Chirac. Although Sarkozy was seen as Chirac’s protégé, the change in the name of the right-wing coalition from RPR to UMP helped Sarkozy distance himself and his new party from the continuous fallings of Chirac.

Chancellor Schröder is a different case in that he knowingly campaigned on ideals that would move the SPD towards center politics. In a lot of ways, he was similar to Chancellor Schmidt, only Schröder was a better leader. Schröder never enacted a policy switch. He simply moved his party towards center, as did Schmidt. However, Schmidt’s center policies did work and kept Germany from suffering from the oil crisis of the 1970s, whereas under Schröder’s reign, unemployment rose. Under these circumstances, his shrinking welfare program was not well-accepted by the German constituents. In Schmidt’s case, his policies were accepted by the
people but not his party; whereas, for Schröder his centrist policies were accepted by his party but not by the people.

A last and recent implication of policy shifting arose this year in the United Kingdom. The British Prime Minister Gordon Brown gave a speech in January, 2013, that gives a clear example of the implications of policy switching. Prime Minister Brown personally believes that the European Union is good for Europe and the United Kingdom, but his party is Eurosceptic. I would argue that Brown understands some of the negative consequences of deviating from the party platform. Thus, instead of following his own objectives towards Europe, he is promising his constituents that he will hold a referendum on Britain’s place in the European Union if they reelect his Conservative party. In other words, he is refraining from undertaking a policy shift. The serious consequences of policy shifting render it both a puzzling and an important political phenomenon. These implications, especially the most recent British example, explains why studying policy switches is complex and worth studying beyond the limited scope of Samuels and Shugart.

XII. Conclusions

Often, external events that happen in the European environment cause specific policy switches. For example, economic crises caused four specific policy switches throughout the case studies. The fall of Communism and the reunification of Germany caused other types of policy switches. Sometimes, a politician’s individual desire to further promote and integrate Europe can also cause policy switches and cause at times, force a politician to move away from their party platform in order to promote the European process. Other events that cause policy switches include poor second-order election results, and party rifts.
The cases examined above have shown how European politics particularly France and Germany are increasingly changing their party platforms to counter European developments. The more Europe integrates and collaborates together, the more the economies and the political environment of these 27 member states become inter-connected. In the six case studies discussed above, every politician enacted a policy switch after six months of being elected. Also, there were three clear cases of presidentialization happening in both France and Germany despite their differing political structures. The parliamentary systems, was easier to see presidentialization because the German chancellors are already less presidentialized than the French presidents. Therefore, it was easier to see a greater change in the delegation of power in the German system. This causes complications within the German system, because as Samuels and Shugart (2010) describe how Germans cannot vote for an individual but rather the party. Leaders with the most influence within their party shaped the platform of the party.
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