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# Germany: Peer Steinbruck SPD candidate for the position of chancellor

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On 1 October the management of the Social Democratic Party of Germany (SPD) selected the party's candidate to the position of chancellor in the parliamentary election scheduled for September 2013. Peer Steinbruck is one of the SPD leaders and he was finance minister in the period of 2005-2009 in the grand coalition government led by Chancellor Angela Merkel. Steinbruck, who comes from Hamburg, was considered the most important SPD candidate for this position, along with Frank-Walter Steinmeier.Opposition to Steinbruck's candidacy was expressed by members of parliament from the left wing of the SPD who criticise him for his willingness to lower pensions and to continue Gerhard Schroder's reforms (Agenda 2010) aimed at reducing social benefits. Steinbruck is considered to be an expert in financial mechanisms. His work as finance minister, when he made his name as an economic pragmatist who took care of the consolidation of the budget, was highly praised.

**Commentary**

- The appointment of Steinbruck is meant to overcome the leadership crisis in the SPD. The triumvirate (comprising Steinbruck, Frank-Walter Steinmeier, the leader of the SPD parliamentary group, and Sigmar Gabriel, the president of the party), established after the lost election of 2009, was set to select the candidate for the chancellor's position. The appointment was made earlier than announced and is motivated by a desire to avoid internal debate within the SPD since this would weaken the party. Steinbruck's candidacy was supported by the former chancellors, Gerhard Schroder and Helmut Schmidt, which further strengthened Steinbruck's position in the party's internal competition. In the immediate future he will have to win the confidence of the left wing of the SPD. His candidacy will be officially approved at the party's convention in Hanover in December.

- Steinbruck's experience in finance will be his asset in the electoral campaign and will appeal to a part of economic circles. In the battle with Chancellor Angela Merkel he will seek to present his policy towards the crisis in the euro zone. His demands will include necessary longer-term assistance for Greece and will not exclude the introduction of eurobonds (provided a series of conditions are met). In his electoral programme Steinbruck will demand that regulations relating to financial markets be passed (including the establishment of a fund, by European banks, worth approximately 200 billion euros and dedicated to rescuing the financial sector). He will also call for taxes to be increased and for new ones to be introduced.

- The appointment of the candidate for the position of chancellor by the largest opposition party has in fact opened the campaign for the Bundestag election. At present it is Chancellor Angela Merkel who is leading the opinion polls as she has the support of 46% of those surveyed, whereas Steinbruck is backed by 37% of respondents. The preferred coalition partner for the SPD (27% of support) is the Green Party (13%). Should they fail to obtain a parliamentary majority, the Social Democrats could form the government with support from the FDP (5%), which would make it the first such coalition in Germany's history. The SPD candidate has rejected the possibility of establishing a grand coalition with the CDU (37%). It is however a tactical move, intended to reveal the coalition preferences of the SPD and does not rule out the establishment of a joint government after the election in 2013, which currently appears to be the most likely scenario when arithmetic calculations are taken into account.