

## **The Bundestag Election 2025**

# **VII: The deal to end the German government's debt-brake: at what political cost?**

**Peter Kenway**

**March 2025**

### **Constitutional amendments resting on shaky foundations**

Less than four weeks after voters cast their ballots to choose a new Bundestag, the old Bundestag was persuaded to approve amendments to the German constitution that relax the limits on how much the country's government is allowed to borrow. Although challenges to the manoeuvre in the Constitutional Court failed, what is constitutional proper may nevertheless not be politically wise.

In bringing forward the amendments, the likely future Chancellor, Friedrich Merz, stands accused of going back on his word, of treating the voters' recent verdict with disdain, and of making concessions to the Greens which are somehow supposed to mean that nothing has really changed.

Drawing mainly upon the record of the parliamentary debate, this post sets out the claims and counter-claims made.

## Germany has released its debt-brake: but at what political cost?

Within four weeks of its general election, constitutional amendments relaxing the rules on how much a German government can borrow have passed through parliament and been signed by the country's President.

Hailed by their architect, the Chancellor-to-be, Friedrich Merz, as showing that "Germany is back",<sup>1</sup> the changes to what's known as the "debt brake" have been praised by commentators as showing that the country is ready to play a leading role.<sup>2</sup>

Positive reactions such as these dwell on the expected material benefits. Spending on defence – including the intelligence service, cyber security and civil defence, as well as help for states attacked in violation of international law – will from now on be exempt from the German constitution's "debt brake" once that spending exceeds 1% of GDP.<sup>3</sup>

The amendments also allow for the creation of a special fund worth up to €500bn to be spent over 12 years on infrastructure – including transport, hospitals, energy, climate protection, care and science – as well as other investments needed to achieve net zero by 2045.<sup>4</sup>

What positive reactions overlook is the political cost that Merz and the centre-right Union that he leads have paid to get the amendments through.<sup>5</sup> Getting the amendments through has left Merz open to accusations of breach of promise, of disdain for public opinion, and of adopting green goals.

### A breach of promise?

Nothing had been said during the election campaign to suggest that amending the constitution would be the Union's top priority. Yet that is what Friedrich Merz asked the Bundestag to do, over two sessions on 13 and 18 March. The amendments were put forward jointly with the centre-left SPD, after the two parties had begun detailed negotiations over the formation of a new coalition.

The argument for making such radical changes at this moment had two parts. First, the international security situation had suddenly worsened. Second, since they "belong together" – enhanced defence capability necessitated up-to-date infrastructure too.<sup>6</sup>

This argument met with two kinds of response from the other parties. One, from the Greens, was that they and the SPD had been urging the Union to agree to a reform like this for months, but it had refused. The other, from the FDP, was that while the world had changed, it was being used as a pretext for avoiding reform, setting Germany on a path towards record levels of debt.

Although these two responses clashed with one-another, both charged the Union with going back on what it had said during the election. The Union, said the Greens, had promised voters that it would leave the debt brake alone.<sup>7</sup> Merz, said the FDP, was doing the opposite of what he had said before the election.<sup>8</sup> All other parties repeated this charge in one form or another.

The AfD described getting rid of the debt-brake as going back on a manifesto promise.<sup>9</sup> Die Linke pointed to the contradiction between the Merz who was now asking people to trust him to make sensible decisions with the money now available – and the Merz who before the election had said there wasn't any.<sup>10</sup> The BSW spoke of the new government despising democracy, throwing overboard everything that had been said in endless TV shows and campaign speeches.<sup>11</sup>

### A disdain for public opinion?

The second accusation is that pushing the amendments through the old Bundestag – instead of waiting a few more days for its newly-elected successor to take its place – showed a disdain for the electorate and the verdict it had just delivered.

Asking an old parliament to approve so important a change three weeks after its successor has been elected certainly looks odd. The German Constitutional Court rejected attempts by parties of the left, right and centre to halt the proceedings on legal grounds.<sup>12</sup> What is legally right, however, is not always politically wise.

In going to the old Bundestag, Merz and his colleagues provided the AfD with an opportunity to pose as defenders not just of the will of the voters – “which should be respected in everything you do” – but also of the constitution, whose “fathers and mothers” had only permitted an old Bundestag to be reconvened to decide upon matters that could not be postponed.<sup>13</sup>

The problem facing the Union is that changes to the constitution require a two-thirds majority. In the old Bundestag, it only needed the Greens to go along with the Union and the SPD to achieve that majority. In the new Bundestag, by contrast, it would need both the Greens and the left-wing Die Linke.

During the debate, speakers from Die Linke emphasised that the party would support the abolition of the debt-brake, or at least a serious reform of it. That meant, they added, that there would be a big enough “democratic majority” in the new Bundestag to achieve such a reform.<sup>14</sup>

Whether that majority would have agreed to the specific amendment put forward removing any constitutional limit on defence expenditure is unclear. Chiding Merz for having to resort to the old Bundestag, a speaker for the Greens nevertheless offered a justification for it by observing that Die Linke was “rightly accused” of being unreliable on security matters.<sup>15</sup>

What is clear is that the amendments were put to the old Bundestag not as a matter of urgency but as a matter of choice. The constitution says a new Bundestag shall be convened no later than 30 days after the election. Leaving it until 25 March means it was left as long as possible. Were urgency the only consideration, the new Bundestag could have been convened sooner.

The advantage of putting it to the old Bundestag was that it avoided a negotiation with Die Linke. The disadvantage of doing so was that it risks ceding the democratic high ground to

the AfD. Whether old Bundestag or new, however, there was no avoiding a negotiation with the Greens.

## Giving the Greens whatever they want – yet claiming that nothing has really changed?

Although the election result meant that the Union did not need the Greens to form a majority government, the opinion polls had long made it clear – and the election result confirmed – that no two-thirds majority was to be had without them.

The Union's relationship with the Green party is complicated. On the one hand, Black (Union)-Green and Green-Black coalitions rule in Germany's first and third largest states. 35% of the German population reside there.

On the other, CSU leader, Markus Söder, had been attacking the Greens since before the election campaign began, apparently to head off any possibility of a Black-Green coalition. Hostility towards the Greens among CDU supporters was said to be especially strong in the East. Unless the CDU was careful, all of it would fall to the AfD.<sup>16</sup>

During the first debate, the SPD and the Union were still working to win the Greens over. Lars Klingbeil, for the SPD, stressed what was on offer, including expansion of the special fund to include climate protection and the party's involvement in the details of both the special fund and the reform of the debt brake.<sup>17</sup> Merz meanwhile, simply asked them at one point: "what more do you want?"<sup>18</sup>

By the time of the second debate, after €100bn had been earmarked within the special fund for heating and energy networks, as well as net zero in 2045 written into the constitution, Merz was arguing the other way. Nothing had really changed: no new state objectives had been introduced because the state already had a duty to protect the natural foundations of life and that duty included, according to the Constitutional Court in 2021, climate protection and neutrality.<sup>19</sup>

## Conclusion: the weakness beneath this two-thirds majority

When it came to the vote, the constitutional amendments received 512 votes in the Bundestag, 70% of the total. Only one each of the representatives of the Union, SPD and Greens voted against the amendments; none of the FDP, AfD, Die Linke or BSW voted for them. If the ends justify the means, the parliamentary manoeuvres were a success.

Yet the way the German electoral system works means that despite being proportional, the strength of the parties in the Bundestag always exceeds their strength as measured by the popular vote. When the Bundestag in question is one that has just been replaced by a very different one, the gap between the out-of-date parliamentary strength and the up-to-date popular strength is greater still.

In February's election, the three parties that had enough seats in the old Bundestag to vote the amendments through secured 56.5% of the popular vote.<sup>20</sup> Broken down by age, exit-poll

analysis shows that the percentage among those under 60 was 50%– and among those under 25, just 35%.<sup>21</sup>

Merz and his colleagues have got their way but it would be unwise to assume that the German people are behind them.

---

<sup>1</sup> BBC, 14 Mar 2025, "[Germany is back, says Merz after historic spending deal](#)"

<sup>2</sup> See, for example, John Kampfner, 21 Mar 2025, "[Europe is crying out for leadership. After years of drift, Germany is finally ready to answer](#)", The Guardian.

<sup>3</sup> Deutscher Bundestag, 17 Mar 25, Drucksache 20/15123: „. Ausgaben für Verteidigung, den Zivil und Bevölkerungsschutz, die Nachrichtendienste, den Schutz der informationstechnischen Systeme und die Hilfe für völkerrechtswidrig angegriffene Staaten. Soweit diese Ausgaben in Summe 1 Prozent in Relation zum Bruttoinlandsprodukt übersteigen, werden sie von der grundgesetzlichen Schuldenregel ausgenommen“.

<sup>4</sup> Deutscher Bundestag, 17 Mar 25, Drucksache 20/15123: „... unter anderem Investitionen in den Zivil- und Bevölkerungsschutz, die Verkehrsinfrastruktur, Krankenhäuser, die Energieinfrastruktur, den Klimaschutz sowie in die Bildungs-, Betreuungs- und Wissenschaftsinfrastruktur. ... Durch die Einrichtung eines Sondervermögens von bis zu 500 Milliarden Euro und eine Mittelbewilligung innerhalb von zwölf Jahren wird eine verlässliche Grundlage für zusätzliche Investitionen in die Infrastruktur und für zusätzliche Investitionen, die zur Erreichung der Klimaneutralität bis zum Jahr 2045 dienen, geschaffen.“

<sup>5</sup> The Union is a long-term partnership between the CSU, a conservative party exclusive to Bavaria, and the CDU which is the conservative party in all other parts of Germany.

<sup>6</sup> Mast, 13 Mar 2025, Plenarprotokoll, p27686: „Wir stehen vor fundamentalen Veränderungen der internationalen Sicherheitslage... Für uns von der SPD ist völlig klar: Diese beiden Dinge – bessere Verteidigungsfähigkeit und Investitionen in Infrastruktur – gehören zusammen.“

<sup>7</sup> Mihalic, 13 Mar 2025, Plenarprotokoll, p27688: „Dabei haben wir Sie seit Monaten auf merksam gemacht und hier im Deutschen Bundestag ... dass es einen massiven Investitionsbedarf in unsere Verteidigungsfähigkeit, in die Sicherheit unseres Landes, in die Wirtschaft, in die Infrastruktur, in die Bildung und in den Klimaschutz gibt... Sie haben das weggewischt und stattdessen den Wählerinnen und Wählern versprochen, die Schuldenbremse niemals anzufassen.“

<sup>8</sup> Vogel, 13 Mar 2025, Plenarprotokoll, p27689: „Ja, diese Weltlage hat sich dramatisch und auch schnell verändert...Aber für Ihre Schuldenpolitik ist diese sicherheitspolitische Weltlage doch offenkundig nur ein Vorwand ... Sie legen einen Pfad fest, der Deutschland sehr bald auf ein Allzeithoch der Staatsverschuldung führen würde. Und wofür? Nach Ihrem Sondierungspapier wissen wir es: nämlich um notwendigen Reformen auszuweichen ... Lieber Friedrich Merz ... Sie machen nach der Wahl das Gegenteil von dem, was Sie vor der Wahl gesagt haben.“

<sup>9</sup> Weidel, 13 March 2025, Plenarprotokoll, p27703: „Schuldenbremse? Weg damit, obwohl es in Ihrem Wahlprogramm stand“.

<sup>10</sup> Reichinnek, 13 Mar 2025, Plenarprotokoll, p27720: „... und Sie, Herr Merz, sagen: Vertraut mir einfach, ich mache damit schon was Sinnvolles. – Aber gerade Sie haben doch im Wahlkampf überall erzählt, dass wir kein Geld haben – für nichts.“

<sup>11</sup> Wagenknecht, 13 Mar 2025, Plenarprotokoll, p27723: „... jetzt bekommen wir eine [Regierung], die die Demokratie verachtet. Denn dass weniger als zwei Wochen nach der Wahl alles, aber auch wirklich alles über Bord geworfen wird, was man den Wählern vorher in endlosen TV-Runden und Wahlkampfreden versprochen hat ...“.

<sup>12</sup> See, for example: Reuters, 17 Mar 2025, "[German court throws out new challenges against Merz's borrowing plans](#)". This report refers to attempts to halt the next day's Bundestag proceedings by the AfD, Die Linke, BSW and the FDP.

The Constitutional Court's decision was referred to on several occasions during the 18 March debate

<sup>13</sup> Baumann, 13 Mar 2025, Plenarprotokoll, p 27685, „Die Wahlergebnisse machten deutlich, dass die Bürger die alten Mehrheiten satthaben; sie wählten völlig neu... Diesen Wählerwillen haben Sie zu respektieren in allem, was Sie tun. Nur für eine kurze Übergangszeit darf laut Grundgesetz der alte Bundestag zusammentreten; aber nur dann, wenn eilige, unaufschiebbare Dinge ganz dringend zu lösen sind. So wollten es die Väter und Mütter des Grundgesetzes ...“

---

<sup>14</sup> Reichinnek, 13 Mar 2025, Plenarprotokoll, p27720: „Und Sie wissen, dass wir nur einer Abschaffung oder zumindest einer ernsthaften Reform der Schuldenbremse zustimmen würden ...“ Görke, 13 Mar 2025, Plenarprotokoll, p27690: „Denn es gibt im Deutschen Bundestag eine demokratische Mehrheit für eine Reform der Schuldenbremse.“

<sup>15</sup> Banaszak, 13 Mar 2025, Plenarprotokoll, p27715: „Und es war auch klar, dass Sie dafür auf die Linksfraktion würden zugehen müssen, der man zu Recht unterstellt, in der Sicherheitspolitik und in der Außenpolitik nicht verlässlich zu sein“.

<sup>16</sup> Der Spiegel, 14 Dec 2024, „Das Gespenst spricht Fränkisch“. This is, in fact, pretty much what happened anyway. Outside of Berlin, the AfD won all but three of the constituency seats, losing only to Die Linke in Thuringia and Saxony and to the SPD in Brandenburg.

<sup>17</sup> Klingbeil, 13 Mar 2025, Plenarprotokoll, p27693: „Wir haben angeboten, das Sondervermögen Infrastruktur um den Aspekt des Klimaschutzes zu erweitern, aber nicht nur als Begrifflichkeit, sondern auch mit festen finanziellen Zusagen... Wir haben die feste Zusage gemacht, dass Sie bei der Ausgestaltung des Sondervermögens und bei der Reform der Schuldenbremse in der kommenden Legislatur eng eingebunden sind und daran mitarbeiten.“

<sup>18</sup> Merz, 13 Mar 2025, Plenarprotokoll, p27697: „Ich frage einmal die Bundestagsfraktion von Bündnis 90/Die Grünen: Was wollen Sie eigentlich in so kurzer Zeit noch mehr als das, was wir Ihnen in den Gesprächen der letzten Tage vorgeschlagen haben? Was wollen Sie noch mehr?“

<sup>19</sup> Merz, 18 Mar 2025, Plenarprotokoll, p27744: „Es gibt keine neue Staatszielbestimmung im Grundgesetz.... Liebe Kolleginnen und Kollegen von der AfD, ich fange noch mal an: Es ist möglicherweise Ihrer Aufmerksamkeit entgangen, dass der Schutz der natürlichen Lebensgrundlagen seit über 30 Jahren in Artikel 20a des Grundgesetzes ein Verfassungsauftrag ist. Und, meine Damen und Herren, das Bundesverfassungsgericht hat im Frühjahr 2021 eine Entscheidung getroffen, dass darunter auch Klimaschutz und Klimaneutralität zu verstehen sind.“

<sup>20</sup> 28.6% for the Union, 16.4% for the SPD and 11.6% for the Greens.

<sup>21</sup> Tageschau, 24 Feb 2025, „[Wen wählten Jüngere und Ältere? \(Stimmanteil in Altersgruppen\)](#)“.