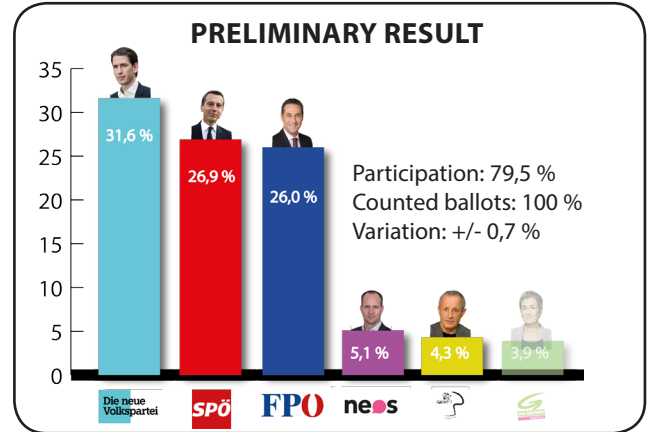


## UNLOCKING THE AUSTRIAN GENERAL ELECTIONS 2017

### THE RESULT

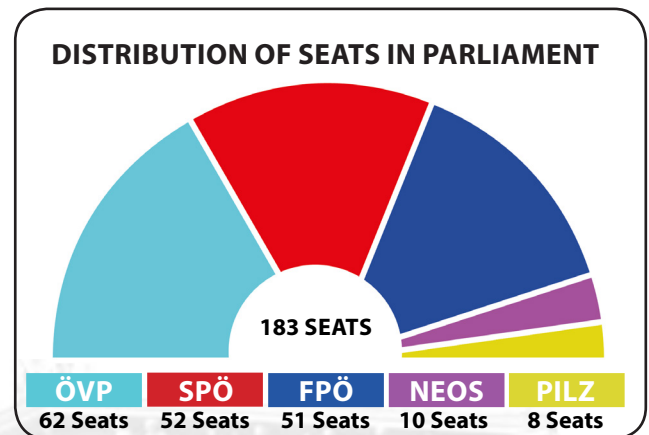
Sebastian Kurz (People's Party; ÖVP) is the obvious winner of today's early general elections in Austria. Since he took over the chairmanship of his party in May 2017 he constantly led in the polls, thus earning a start to finish victory with 31,6%. Whereas Social Democratic (SPÖ) Chancellor Christian Kern who took over from his predecessor in May 2016 and was widely viewed unbeatable until May 2017, only finished second with 26,9%.

Austria's Freedom Party (FPÖ), in Parliament since 1956, came in third and is now considered to be the joker in the formation of the next government.



The big loser of this election is the Green Party (Grüne) which dropped from 12,4% in 2013 to under 4% which marks the threshold for parliamentary representation. Only postal votings might guarantee the party's political survival which remains to be seen. NEOS, which were voted into parliament for the first time in 2013, successfully won its re-entry with 5,1%. The newly established Liste Peter Pilz will be a new opposition player in Parliament, gaining slightly more than 4,3% in its first campaign.

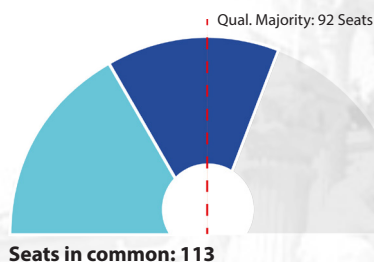
Out of the 29 federal governments since 1945, 19 were formed by Social Democrats and People's Party, four times the SPÖ formed a one-party government and once the ÖVP did as such. The Freedom Party formed twice a coalition government with ÖVP and once with SPÖ. During the last 72 years the „big coalition“ by SPÖ and ÖVP was therefore the dominant political power in Austria. In 2002 their combined share of the vote was 78,8%, today it is only 58,5%. Furthermore, only a mere 21% of the electorate are in favor of a “big coalition” today.



### OPTIONS FOR A COALITION GOVERNMENT

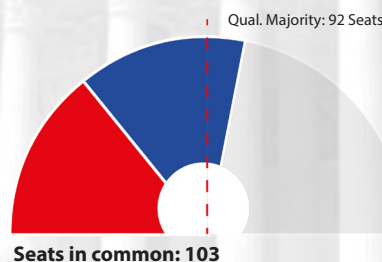
#### Option ÖVP/FPÖ

Probability: High



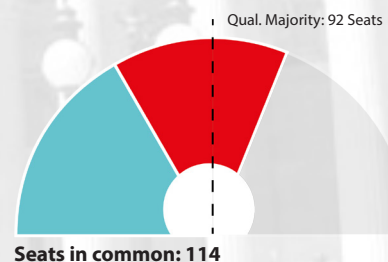
#### Option SPÖ/FPÖ

Probability: Medium



#### Option ÖVP/SPÖ

Probability: Low



## UNLOCKING THE AUSTRIAN GENERAL ELECTIONS 2017

### THE ANALYSIS

Since the chaotic elections for Austria's Federal President in 2016, the political system did not come to rest anymore. The country's political parties started to compete a populist competition of some sort. The electoral campaign started in January 2017 when Chancellor Christian Kern presented his ambitious "Plan A" and finished in a farce, widely without content, but including mutual threats of legal action between SPÖ and ÖVP. Aspects of dirty campaigning and the dubious role of campaign managers dominated the final public debates. Harm is done, that's for sure. Furthermore, mutual trust is corrupted since many ties between the parties have suffered a lot. There is not much hope for swift and constructive negotiations. The containment of political influence of the "social partnership" and bringing an end to its mandatory membership, emotionally discussed throughout the campaign, constitute an uphill-battle.

It remains to be seen whether a special national tax forced on international companies, a tougher stand on immigration or another attempt for re-organizing the state will be touched. However, the new federal government will have to accomplish a forceful act to repair the damage done and to catapult the country from its ponderousness to future viability. Kurz' ambition to reform and modernize the country will face its practical test in the next weeks. Besides all parties' tactics, one man is now in the focus: Federal President Alexander Van der Bellen - he now has a crucial role.

### FACTBOX

Period between election day and inauguration of the new Federal Government

- 1999/2000 (Schüssel I): 124 Days
- 2002/2003 (Schüssel II): 96 Days
- 2006/2007 (Gusenbauer): 102 Days
- 2008 (Faymann I): 65 Days
- 2013 (Faymann II): 78 Days

**AVERAGE**  
**93 DAYS**

### THE SCHEDULE

17.10.17

The 29th Austrian Federal Government of the Second Republic resigns, Federal President mandates government with continuation of official business

19.10.17

Announcement of the official election result incl. postal voting

?

Federal president consults with all parties and initiates coalition negotiations

09.11.17

Expected inaugural meeting of the new Parliament and start of the XXVI. legislation period

?

Inauguration of the new 30th Federal Government of Austria since 1945

January 18

The Governor/Mayor of Vienna, Michael Häup, hands over to his, yet unknown, successor

28.02.18

Provincial election in Tyrol

March 18

Provincial elections in Carinthia & Lower Austria

April 18

Provincial elections in Salzburg

July 18

Austria chairs the EU Presidency

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