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Greenlash: The Polarization of German Energy Politics Is a Warning to the US

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Takeaways

- The German public believes that energy and climate policies have neglected industry and imposed heavy cost burdens on the working class.
- Extremist parties are using this to exploit voter frustration with the government's failure to deliver basic services efficiently. Incumbent leaders worldwide face this problem.
- Place matters; support for extreme populist parties grew where local industry was impacted by the energy transition, prices, and international competition.
- German voters are looking for leaders focused on place, pragmatism, and a clear vision for the nation's future. Mainstream politicians are not meeting this moment.

Almost fifteen years ago, American climate advocates pointed to Germany as an example of aggressive climate action that could be politically durable, publicly popular, and effective. They argued, as [Aaron Rugenberg and Jamie Henn recently did in Jacobin](#), that *just like in Germany*, there's a supermajority of American voters who care about climate; all advocates and candidates need to do to win is "foreground workers' affordability concerns in discussions of climate action."

The actual German experience, however, should serve as a warning against such rose-colored thinking.

Third Way interviewed almost 20 government officials, industry and think tank leaders, and climate advocates across the mainstream German political spectrum. Instead of political and economic success stories, we found that German climate and energy policy is fueling an increasingly successful and dangerous populist backlash.

In the United States, skyrocketing utility prices and President Trump's wildly misguided policies are dominating the energy debate. In focusing on economic and industrial arguments, the center-left has been accused of "climate hushing." But in this moment,

Germany offers a clear lesson for the US: **To succeed in both scaling clean energy and reducing emissions, we need to embrace ruthless pragmatism, economic realism, and smart politics.**

The Struggle of German Industry Is Polarizing Opinion on Climate

In 2010, Germany launched “Energiewende,” the most ambitious attempt in the world to transform an advanced, global industrial power. The plan was to end the use of fossil fuels, run the economy on 80% renewable energy by 2030, and be carbon neutral by 2045.

Energiewende also had a distinctly political rather than climate goal – to shut down the country’s 17 nuclear power plants. At the time, nuclear power produced 15% of the country’s electricity. Deployment of solar and wind jumped to 56% of Germany’s electricity, a big step forward for clean energy and reducing emissions. But Germany missed a much bigger opportunity. PwC analysis found that if the country kept its nuclear fleet operating, its electricity emissions would have been close to zero by 2025.

While the feed-in tariff that financed Energiewende was a genuine success in deploying renewables, it was financed through a cost-pooling mechanism that became structurally regressive over time. The tariff granted exemptions to energy-intensive industries and shifted the cost burden onto ordinary households. This hit lower-income consumers hardest as a share of income, while disproportionately benefiting wealthier, solar-owning households.

These costs appeared as a surcharge on utility bills. Residential rates soared to among the highest in the world by early 2025, with industrial rates among the highest in Europe. And Germany still couldn’t erase its reliance on imported natural gas and coal, especially for crucial heavy industries.

Still, as late as 2021, German voters rated climate as a top issue. Then Russia invaded Ukraine, which increased energy prices significantly. At the same time, competition from China battered German industry. The energy shock from the Iran War has only made things harder.

The Social Democratic Party (SPD)–Liberals–Green coalition, which led the German government until 2025, was struggling to hold together. It was often riven with tensions and became synonymous with climate policies that the public considered elitist, expensive, and disproportionately burdensome on working people.

Today, German voters' top concerns are economic competitiveness, energy costs, and geopolitical dependency.

While the public supports the broad *goal* of an energy transition or climate neutrality by 2045, they are unhappy with its implementation. They perceive it as costly, poorly planned, and unfair. One interviewee observed that the public soured on climate protection as soon as it was perceived to negatively impact German industry's global competitiveness.

Where Expensive Climate and Energy Policy has Landed the German Public

All the above factors led to a significant drop in voter support for climate action. This is happening because:

The Public Believes the Government Is Worsening the Cost and Industrial Crises

Between 2011 and 2023, successive German governments ultimately closed the country's nuclear power plants, backed an EU plan to end the sale of gasoline and diesel-powered cars by 2035, and imposed a mandate requiring buildings to replace old gas boilers with heat pumps and phase out the sale of new gas boilers entirely.

Taken in total, German voters saw the Christian Democrats' (CDU) anti-nuclear posture and the SPD-Liberals-Greens' bans as elites dictating life for the middle and working classes, eliminating consumer choice, and imposing thousands of euros in upfront costs.

The NGO leaders and strategists we talked with singled out the heat pump mandate as particularly politically risky. But in an era when the public feels crushed by high energy costs and distrusts government, it proved utterly poisonous. Climate policy is becoming a scapegoat for the broader economic stress facing Germany and the West.

Extremist Parties are Capitalizing on the Public's Frustration.

Heavy industry and small to medium-sized enterprises (SMEs) are key parts of Germany's economic and cultural identity. As Eurointelligence notes, "What distinguishes the situation in Germany from that of other countries, and the AfD from other right-wing parties, is Germany's loss of a business model. We see it as the main historical event for Germany during this century."

The small to medium-sized enterprises are particularly susceptible to persistently high energy costs. This was not due only to climate policy, but also the end of importing cheap

energy from Russia after it invaded Ukraine, increases in defense spending, and the decline in access to China as an export market.

Both the far-Right Alternative für Deutschland/Alternative for Germany (AfD) and the far-Left Sahra Wagenknecht Alliance—Reason and Justice (BSW) parties are successfully linking industrial and SME decline to climate policy. Both argue that Germany is being deindustrialized by green mandates imposed by educated, urban elites and the central governments in Berlin and Brussels. Germans living in industrial regions across the country are experiencing this crisis first-hand as they watch the industrial sectors struggle with high energy costs and competition from China, which is competing directly with Germany in export-oriented engineering products.

These previously disengaged voters are being mobilized, especially by AfD, which is good at storytelling about the problems Germany faces and bills itself as the party that gives voice to their struggles and fears. Many still view AfD as a protest vote against the failure of mainstream parties to arrest Germany's industrial decline. A growing number believe that a "burn it all down" approach is the only solution.

The Traditional, Mainstream Parties Lack Vision for the Future.

As in much of the West, Germany is struggling to modernize its government and deliver even the basics, like reliable national rail service. The mainstream parties are paralyzed in the face of voters' pocketbook fears, offering only technocratic energy and climate solutions to a problem that is both emotional and economic. This is made more challenging by the tendency among some German experts and commentators to emphasize the challenges, rather than opportunities, facing their country, playing into the narratives of the extremist parties.

Interviewees within and outside of politics said that none of the three mainstream parties are offering a clear, consistent, coherent vision and story for what the future of German industry looks like or who would win. Even with a change in government, there are no quick results to point to. As one person we spoke with noted, "Conservatives and Social Democrats are not creating a vision to make change that preserves what people want and fixes the problems."

On energy, small and medium-sized enterprises, and heavy industry, there was a consensus among interviewees that Germany needs an industrial strategy that incentivizes government and private investment into innovative technologies and competitive industries.

A (Possible) Roadmap for Change...

As climate action grows increasingly polarized, the German consensus has splintered. None of the mainstream parties are moving quickly enough to stem the immediate damage. The greatest risk is not a delay in climate progress and the energy transition. It is the risk to democracy itself, as extremist parties exploit voters' frustrations with industrial decline, rising costs, and economic stagnation.

With that, any hope of accelerating clean energy and reducing emissions will disappear. But the February 2025 election that brought the center-right Christian Democrats to power hints that the threat was inspiring a new focus and pragmatism to the mainstream.

Voters Rewarded Pragmatism.

To win in the 2025 national election, the CDU de-emphasized climate policy and focused on re-industrialization and energy independence. The party remained committed to emissions goals, but it did not make them central to the campaign. One interviewee estimated that ~70–80% of CDU members want a pragmatic climate policy where economic growth, national security, and social stability come first; ~10–15% are anti-climate and want to stop action; ~10–15% see climate as an issue that should remain front and center.

Meanwhile, the SPD was punished to the point where its viability as a major party is in doubt. Voters saw it, as one interviewee noted, as a continuation of prioritizing climate ideology over working-class economic concerns. The climate movement and funders' strategies helped cause this problem by failing to take electricity costs and local impacts seriously enough. The public and industry won't support electrification if it is unaffordable. That makes deploying affordable, reliable electricity at scale, rather than climate or emissions targets, the most important climate policy.

Technology Neutrality Was an Asset, Not a Liability.

Interviewees shared that it is increasingly and widely accepted that shutting down Germany's nuclear power plants was a disaster for the country. While it remains difficult to see Germany restarting or building new nuclear power plants, the public wants policies that ditch dogmatism. This would help neutralize AfD's support for nuclear power, which it currently points to as an example of putting the nation's economic interests ahead of climate purism.

CDU is trying to craft a more market-based, technology-inclusive energy approach, a far cry from its earlier efforts to shutter nuclear power plants and a contrast to the most unpopular mandate policies still advanced by the SPD-Liberals-Green coalition.

Place Matters.

Several experts I spoke with also point to the importance of local results. AfD has been able to grow its support in many of the places where the energy transition has been managed the worst. A recurring theme in the interviews was that German industry is widely distributed geographically. As a result, its decline directly impacts communities, people's budgets, and hometowns across the country.

Germans want the government to pay more attention and share opportunities for success in those places. Essen in western Germany was cited as an important example. A former hub for coal production in the industrial Ruhr has been hit hard by the energy transition. Voters turned to the AfD because they did not see and feel the traditional parties helping their local economy and industrial base.

Some states have replaced coal jobs with similarly profiled science-sector employment. For example, heat pump acceptance grew in some conservative locales. Local renewable projects get support from more conservative mayors when framed as a source of income, energy resilience, and reducing costs for industry. But this is only happening in fits and starts, and German voters have lost confidence in the federal government's capacity to deliver. At the state level, conservatives are increasingly opposing federal policies from their own party if they are seen as locally unpopular.

We repeatedly heard that the public *wants* the government to save German industry. Mainstream parties need to confront this and offer a comprehensive response centered on delivering for localities.

In Germany and the US, This Is an Urgent Problem

The warning for Americans and Germans alike is that public patience has worn out. Extremist critiques of national energy policy resonate in part because they contain a kernel of economic truth. Mainstream political parties that cede cost-of-living issues or the hollowing out of industries to their opponents, and fail to offer the public a compelling alternative vision, are handing them a potent political weapon. The Trump administration's war with Iran, which is driving energy prices in Germany even higher, has created an opening to change this dynamic. In response, the Christian Democrat-led government has framed clean energy as an energy independence and security issue to protect against price volatility. AfD is on the defensive because it is allied with Donald Trump, but that alone is not enough to stave off the threat. After a year in power, Chancellor Frederick Merz, head of the CDU and leader of Germany, finds his popularity at a record low 19%.

The deep hole Merz is in points to the fundamental problem. Some argued that Germany has the fiscal headroom for needed infrastructure investments (~€500 billion across energy, rail, and military). But policymakers have been unwilling or unable to invest, and coalition politics has paralyzed successive governments from acting. Energy policy and mainstream political parties in both Germany and the US are victims of a broader failure in advanced democracies. Governments have not delivered for the public or communicated in a way that establishes any trust or confidence.

The German auto industry, chemical companies, other major manufacturers, and all of the smaller domestic companies that rely on them for survival have been struggling since at least 2021. The public gave the last, explicitly pro-climate action government four years to deliver. Its failure to do so opened the door for AfD's hostility to climate and energy transition arguments. Even in the 2025 election, which CDU won, traditional "climate action" was a loser. The Brandmauer against collaborating with an extremist government continues to hold. But it is showing growing signs of weakness.

American climate advocates and policymakers should take Germany's shift very seriously. This is a country that, until very recently, was far more willing than the US to pay for renewables and support mandates. Until it wasn't. The major political parties and German climate advocates did not see the tide turning and did not move quickly enough to avoid defeat. Now they are engaged in a very real fight to halt the rise of an extreme Right that would end not just Germany's energy transition but possibly its democracy.
