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IS RUSSIA FRIEND OR FOE?

**FEARING A WEAK,
EMBRACING A STRONG RUSSIA**
THERE IS NO ALTERNATIVE TO ENGAGEMENT WITH MOSCOW

NIELS ANNEN
GERMAN BUNDESTAG

WORLDVIEW MATTERS
THE KREMLIN'S BEHAVIOR LIMITS THE SCOPE OF WESTERN ENGAGEMENT

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THE GERMAN MARSHALL FUND OF THE UNITED STATES

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MARCH 2009

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There is no alternative to engagement with Moscow

Niels Annen
German Bundestag

Worldview Matters
The Kremlin's behavior limits the scope of Western engagement

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1 INTRODUCTION

“Between Russia and America there are oceans. Between Russia and Germany there is a great history,” said then-Russian President Vladimir Putin, quoting historian Michael Stürmer in his speech to the German Bundestag on September 25, 2001. Perhaps surprisingly for younger observers of Russian politics, he added—in the fluent German in which he also delivered the rest of the speech, “I would like to point out that history, like oceans, does not only separate, it also connects.”

More than seven years have passed since this historic speech, and the international landscape has changed dramatically, not least because of the economic downturn. Today’s Russia is different from the country we knew in the 1990s. Russia presents itself as a resurgent power in Europe and Asia. The Russian leadership has decided to follow its own path to modernization. Bolstered by its energy resources, Russia pursues its foreign policy interests with renewed self-confidence. Increasingly, Russia shows itself ready for conflict not only with the United States, but also with the EU. It is making moves to partially rescind rules and agreements that it entered into in what it now perceives as a period of weakness under Boris Yeltsin. The new Russian policy of exerting power shows that we have entered a “post post-Cold War era.” In order to be able to respond appropriately to the challenges arising from this new situation, it is important for us to better understand how Russia and the Russian political system is changing. This paper aims to make a contribution to the process.

For the United States, the relationship with Russia is one problem among many. For the European Union it is, in the words of former high-ranking German diplomat Wolfgang Ischinger, “the most important, perhaps even the central task of European politics.”¹

¹ Cited in Matthias Dembinski/Hans-Joachim Schmidt/Bruno Schoch/Hans-Joachim Spanger: “Nach dem Kaukasus-Krieg: Einbindung statt Eindämmung Russlands,” HSFK-Report 6/2008, Frankfurt, p.19.

The huge volume of trade between the EU and Russia—ten times greater than the volume of trade between the United States and Russia—is not the only reason why it has this priority. In the face of Russia’s significance for the EU, the question of how Russia will behave in the future has a considerable bearing on foreign policy planning for Germany and the EU. Russia’s internal development, in which rapid economic growth is exacerbating social inequality and in which political competition is not based on democratic principles alone, makes it difficult, however, to make a reliable forecast. What is clear is that, just two decades after the collapse of the Soviet Union, Russia is a country in transition that has not yet found its identity and its place in global politics.

Obviously, Germany is not satisfied with developments in Russia, whether political or social ones. Change needs time, especially in transition countries, and we offer our cooperation to Russia along that way. Last summer’s war between Russia and Georgia threatened to destroy the established structures and rules that govern Russian-European relations. But in the end, the forces of reason prevailed, and the EU was able to perform an important service by brokering a ceasefire despite differences between the 27 member states. The EU succeeded to speak with one voice.

German Foreign Minister Frank-Walter Steinmeier rightly said, “One side’s perception of the other—regardless of whether it is right or wrong—is a significant part of foreign policy.” It is important to ask: Does Moscow really look different from Berlin than from Washington? Or is it just that the consequences of developments in and around Russia have a greater urgency for Europe’s political actions than they do for the United States? From a European analysis of the problem, it is clear that Russia must once again be accorded the importance on the transatlantic agenda that is commensurate with our common interests and the great challenges of our time. This paper proposes a central strategy for this task.

The question of how Russia will behave in the future has a considerable bearing on foreign policy planning for Germany and the EU.

2 THE RUSSIAN QUESTION ACCORDING TO MOSCOW

Russia's own internal perspective on recent history is key to analyzing this problem.

A first step toward framing an appropriate policy *vis-à-vis* Russia must be a common analysis of the problem. In order to develop a better grasp of where Russia stands today, we must understand how it got there. Russia's own internal perspective on recent history is key to analyzing this problem. Of all members of the European Community, it is probably Germany that has been the most responsive to Russian sensitivities since the 1990s. This is partly because Germany itself has undergone a difficult transformation process. It is therefore not surprising that today's Russia assumes that Germany understands its interests and problems better than others. Russia consequently continues to regard Germany as one of the most important, if not *the* most important, partner in this process of transformation and modernization. During the 1990s, the government of reunited Germany was eager not to alienate Russia after it had just received agreement to its reunification.

There were and there are numerous international experts pointing to the need to listen to Russia. Writing about the Georgia crisis, *New York Times* columnist Thomas Friedman rightly posed the question, "What did we expect?" According to Friedman, a lack of foresight was already apparent in the actions of the Clinton administration. "No, said the Clinton foreign policy team, we're going to cram NATO expansion down the Russians' throats, because Moscow is weak and, by the way, they'll get used to it. Message to Russians: We expect you to behave like Western democrats, but we're going to treat you like you're still the Soviet Union. The Cold War is over for you, but not for us. (...) The humiliation that NATO expansion bred in Russia was critical in fueling Putin's rise after Boris Yeltsin moved on. And America's addiction to oil helped push up energy prices to a level that gave Putin the power to act on that humiliation. This is crucial backdrop."²

² Thomas Friedman, "What did we expect?" *International Herald Tribune*, August 20, 2008.

According to Joseph Stiglitz, the implosion of the communist states in Europe heralded one of the most significant economic transformations of all time. The system change in Russia, however, fell far short of the promises or hopes of market economy proponents. For most people in Russia, living conditions deteriorated. This situation continued for at least a decade.

This is documented by the UNDP Human Development Index, which shows that Russia's position declined considerably after 1990. Russia suffered greater economic losses—measured in terms of the decline in GDP—than it did during World War II. During the 1990s, Russian industrial output fell by nearly 60 percent, even exceeding the 54 percent fall in GDP. Christoph Zöpel, the German Social Democrat and former minister of state at the Federal Foreign Office, stresses that when analyzing these figures, it is also necessary to take into account the responsibility of Russian decision-makers as Russia experienced the long term consequences of its own decision to introduce a communist system with a planned economy. "Western" advisors, however, have to take their share of the blame for these developments. They neglected the importance of institutions. A market economic system needs a legal and supervisory framework to ensure that contracts are adhered to, economic disputes can be settled properly, and proper bankruptcy proceedings are instituted. Some advisors feared that there could be a backsliding to communism if liberalization were not forced through fast enough in order to create a large group of people with a fundamental self-interest in capitalism. They therefore recommended a shock therapy, a course that was supported in particular by the United States and the International Monetary Fund (IMF). In this way, the IMF's stabilization and privatization program created not a program of growth but rather the conditions

for ten years of decline in Russia.³ Neighboring countries were able to absorb similar shocks slightly better because of rules and institutions established in the process of accession to the European Union. Yet the recent economic downturn in the EU's new member states creates the danger of social unrest even in these states. The decision for low taxes and de-regulation is demanding its price. Instead, a new policy of structural adjustment is needed. Help to Central and Eastern European countries should be conditioned upon the introduction of progressive taxes, a social system based on solidarity, and a higher ratio of government expenditures to GDP. The same applies to help offered to Russia.

Russian "Oligarchs" who, as a result of their political influence, were able to sell assets for billions which they had acquired at knockdown prices, invested the money in the U.S. capital market or in foreign banks. Not only were the economic consequences of the transformation to a market economy devastating, they also had fatal repercussions on the acceptance of democracy. Hoff and Stiglitz come to the conclusion that it is anything but surprising that the market reformers acted in a similar way to the former communists.⁴

These developments inevitably had an impact on Russia's and the Russians' view of the West. During the *Perestroika* phase, the countries and institutions of the West were regarded as cooperation partners in the complex international landscape. In Russia's 1993 foreign policy concept, the West is still cast in an exclusively friendly light. The positive role of the United States is particularly highlighted. There was hope on all sides that it would now be possible to

create a "new" world order that would be founded on commonalities. But by the 1997 national security concept, Russia's incipient ambivalence to the West was apparent. The dependence on players who were increasingly perceived as hostile is one of the roots of Russia's later negative attitude to the West. In Russia today, the 1990s are regarded as a period when the country was subjected to humiliation by Western countries and organizations, as pointed out by Susan Stewart.⁵

It is not just Russia's growing authoritarianism, as many claim, but also its marginalization by the West that have been key factors in the country's alienation. Stephen Sestanovich, too, asserts that the U.S. government underestimated Russia here: "U.S. policy had not really changed over time."⁶ The story can best be understood as one of misunderstanding on both sides and broken promises on one side, fuelled by Western hyperpower ignorance, and culminating in a divergence of interests. The story began at the end of the East-West schism with pan-European visions, which for Mikhail Gorbachev took the shape of *Haus Europa* (Europe as a house), and which for the West were expressed in the concept of a new European peace order. Both promised that the security of all European states would in the future be indivisible, and that the Soviet Union would have to find an appropriate place in it.⁷ In reality, however, the moves necessary to bring about such a postwar order were never undertaken.

In his 2001 speech to the German Bundestag, then-Russian President Vladimir Putin described the growing distance between Russia and the West

It is not just Russia's growing authoritarianism, but also its marginalization by the West that have been key factors in the country's alienation.

³ Christoph Zöpel, *Politik mit 9 Milliarden Menschen in Einer Weltgesellschaft. Eine Orientierung in Worten und Zahlen*, Berlin, 2008, pp. 197-199.

⁴ Karla Hoff/Joseph Stiglitz, "The transition from communism: a diagrammatic exposition of obstacles to the demand for the rule of law," Policy Research Working Paper No. 3352, The World Bank, 2004.

⁵ Susan Stewart, "Die Konstruktion des Feindbilds Westen im heutigen Russland. Seine Geschichte und seine Funktionen," SWP-Studie 28/2008, Berlin, p.10.

⁶ Stephen Sestanovich, "What Has Moscow Done? Rebuilding U.S.-Russian Relations," *Foreign Affairs*, Nov./Dec. 2008, pp. 12-28, 24.

⁷ Dembiniski et al., p.26.

in the following words: “We continue to live in the old value system. We talk about a partnership. In reality, however, we have not yet learned to trust each other. Despite all the sweet speeches, we are still secretly resistant. At times we demand loyalty to NATO, at other times we argue about the expediency of its enlargement. We still cannot agree on the problems associated with the missile defense system, etc.” Unfortunately, little has changed in this respect in the past seven years.

3 RUSSIA'S WEAKNESSES: ASPECTS OF A COMMON ANALYSIS

As the distance between us grew, our understanding of each other decreased. During the years of high oil prices Russia was able to pay off its debts, but the weaknesses were all too quickly lost from sight. These include disastrous trends that are only briefly outlined here:

- Two-thirds of the Russian budget is based on income from energy exports. Analyses of Russian domestic and foreign policy, however, sometimes fail to take into account the fact that this only benefits a minority of the Russian population. The Brookings Institution's assessment that "welfare and public and private wealth have risen dramatically" does not reflect the whole picture.⁸ In fact, Russia is threatened by a process of de-industrialization, and at the same time faces a demographic time bomb. It is estimated that by 2050 Russia's population will have declined from 142 million today to around 100 million.
- Russia does not only suffer from a low birth rate, but also from high mortality and decreasing life expectancy. This is creating an aging population that puts additional strains on public finances. Other consequences include fewer workers for the Russian economy, shortages of personnel in the armed forces, and shrinking markets for foreign companies.
- Russia is in the midst of a serious health crisis. Almost half of Russia's children are born with cardiovascular damage or with immune deficiencies, while diseases are reducing the fertility of Russian women. AIDS, too, is a growing problem. As early as 2003, 28 percent of Russia's gross national income was spent on health problems.⁹

- As a society in transition, Russia is a society under stress, manifested in increases in crime rates, alcohol, and drug consumption. Geographical proximity to producer countries such as Afghanistan helps to transform Russia into one of the largest heroin markets in the world.¹⁰

A country's demographic security has a direct impact on the stability of the state, and also on regional security. It is not necessary to be a Social Democrat to notice this fact, and therefore, as CDU/CSU Foreign Policy Spokesman Eckart von Klaeden believes, to "be a Russia understander," which to him seems to be a derogatory term describing a Russophile.¹¹

It is not Russia's strength that we should fear, but its weakness. It is for the United States to recognize this fact just as the EU already did. What happens in Russia, our mighty neighbor, should set off alarm bells everywhere. At the same time, we need to realize that inherent in this Russian crisis are new possibilities for cooperation.

Competitor, aggressor, or teammate?

Political economist and author Francis Fukuyama recently noted that China, India, and Russia enjoy increased room for action today. This is not, he believes, because America has become less important but because the others have become more important.¹² Should we be surprised, therefore, if Russia taunts us with its growing importance that was long ignored by some players who should have known better? It is important that we take a closer look at the five principles announced by Russian President Dmitry Medvedev

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⁸ Clifford G. Gaddy, "Deciphering Russia, Inc.," *The 2008/2009 Top 10 Global Economic Challenges*, Brookings Global Economy and Development, pp. 19-21.

⁹ Rainer Lindner, "Russlands defekte Demographie: Zukunftsrisiken als Kooperationschance," SWP-Studie 11/2008, p.13.

¹⁰ Lindner, p.11.

¹¹ Eckart von Klaeden, "Kein Sonderzug nach Moskau: Deutsche Russlandpolitik muss europäisch sein," Berlin, 2008, p.78.

¹² Francis Fukuyama, "Was kommt nach Amerika?" *DIE ZEIT*, 03/2009, p. 37.

In the face of increasing global threats, we should therefore step up pressure internationally in terms of what is expected of Russian crisis management.

on August 31, 2008, against the backdrop of the war in Georgia. This “Medvedev Doctrine”¹³ advocates:

- Recognition of the primacy of the fundamental principles of international law.
- Acceptance of the multipolar world as a reality.
- Protection of the lives and dignity of Russian citizens.
- Friendly relations with “regions” in which Russia has “privileged interests.”
- And the development—“as much as possible”—of friendly relations with Europe, the United States, and other countries.¹⁴

The open avowal of a policy based on spheres of interest and influence represents a move away from the “Russian Federation’s foreign policy conception” to which Medvedev had only just given his blessing in July 2008. What is constant in both cases, however, is the demand for multipolarity. But should this lead us to conclude, as some analysts in Germany do, that the vision of Russia as a part of the West is obsolete? Or is it more helpful to believe it is better to stay calm and take Russia for what it is—“a major outside player that is neither an eternal foe nor an automatic friend,” as Dimitri Trenin once suggested.¹⁵

More clearly than ever can we see today that Russia sees itself as an independent center of gravity. Yet its gravitational pull, even within the narrow orbit of the Commonwealth of Independent States (CIS), is too weak to give it any significant role in shaping international relations. All it does is allow Moscow the privilege of shuttling between the other centers

of power—China, the United States, and the EU—although its preferences are anything but stable.

The West must be aware that national and anti-Western rhetoric play very well among the Russian population. It is thus necessary to react appropriately and astutely. Even if Russia’s political leadership falls back on this model time and again, it is certainly not by chance that in his latest calls for a new European security architecture, President Medvedev espouses pan-European ideas. Russian Foreign Minister Sergey Lavrov’s calls for a “new definition of Atlanticism which does not exclude Russia” go in the same direction. These proposals signal a readiness to cooperate and reinforce the choice facing Western security policy—the continuation of unilateralism that range from ignorance to “containment.” Or the revival of multilateralism that will also have to be measured against the goal of common European security.¹⁶

Of course, it is troubling that Moscow is increasingly playing a stonewalling role, and not only in Kosovo. But what are Russia’s motives? Is the country pursuing a concrete strategy, for example with its geopolitical re-entry into the Balkans, to protect its economic and energy interests? Or does it simply want to show that there is no way past Russia? Yet we have seen, in the case of Iran in the E3 plus 3 framework (France, Germany, the United Kingdom, Russia, China, and the United States), that Russia can also act differently. In the face of increasing global threats, we should therefore step up pressure internationally in terms of what is expected of Russian crisis management. If Russia wants to live up to its own aspirations, it is only logical to push Russia to be more proactive.

It will take more than one push to move Russia toward a cooperative security policy. What

¹³ Dembinski et al., p.4.

¹⁴ Interview given by Dmitry Medvedev to Russian TV, Channel One, Rossiya, NTV, August 31, 2008.

¹⁵ Dimitri Trenin, “Russia Leaves the West,” *Foreign Affairs* 85 (2006), 4, pp. 87-96, 95.

¹⁶ Dembinski et al., p. 26.

is needed is the organization of a process of rapprochement. As the readiness to engage in dialogue is limited, it seems all the more important to identify suitable building blocks—the world’s rising demand for energy, the challenges of terrorism, or common security interests in Afghanistan, for example. Nuclear non-proliferation also offers scope. In many conflict-ridden regions in the Black Sea area, the Baltics, the Middle East, and Southeast Europe, it is almost impossible to imagine long-term solutions that leave out, let alone are in opposition to, Russia. We share these problems with Russia, and neither of us can resolve them alone.

Against this backdrop one can only agree with what Martin Indyk told *Der Spiegel* January 12, 2009, “We need to understand something George W. Bush never grasped: We can’t have it both ways.

Obama quickly needs to sit down with the Russian leadership and try to get a better understanding of their interests. If we want Russian support in the Middle East, we need to reconsider our current strategy on NATO expansion or the missile shield in Eastern Europe. We can’t have Russian cooperation on a strategy to prevent Iran’s nuclear program and the missile shield at the same time.”

The latest moves with respect to START give cause for optimism. At the Munich Security Conference, U.S. Vice President Joe Biden announced a policy of dialogue, saying that Washington would review the missile defense plans and reach agreement with Moscow and the European partners. Russian First Deputy Prime Minister Sergei Ivanov has repeated the offer of allowing joint use of radar facilities in southern Russia that can give early warning of all missile launches in the Middle East.

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4 EUROPE'S STRATEGIC PARTNERSHIP WITH RUSSIA

The war in the Caucasus has, with worrying consequences, mobilized old reflexes that demonstrate how deep the rift between Russia and the West has become in recent years. To bridge this divide, we will need to use all possible political means, diplomacy first and foremost. Russia is and will remain an indispensable strategic partner if we are to achieve a pan-European peace order. The EU, which defines its relationship with Russia as a “strategic partnership,” can provide an important service here. Because, as Steinmeier pointed out, not only do we need Russia, the reverse applies, too: Russia needs us. And Russian politicians know that Europe is the natural partner for their country as it modernizes. The EU already accounts for 50 percent of Russian trade. Eighty percent of Russian exports go to the EU, and over 75 percent of foreign investment comes from the EU.¹⁷

The Europeans too, it must be said, need to overcome historical differences. Not all new EU and NATO members share Germany's experiences with the policy of *détente* and the strategic partnership with Moscow. There were, for example, marked differences between “new” and “old” members of the EU and NATO with regard to the Georgian-Russian crisis. Expressed simplistically, it sometimes seems as though most of the “old” members would prefer a “new,” post-1989 cooperative NATO, while the “new” members who once lived and suffered under Moscow's rule would rather see an “old,” more confrontational, pre-1989 or even pre-1967 NATO.

But there are signs of movement here, too. Jan Hamacek, chair of the Foreign Affairs Committee in the Czech Chamber of Deputies, noted recently, “The process of NATO's eastward enlargement overshadowed the search for answers to the

most important questions, namely how NATO's relationship with its former adversary should develop (...). For a properly functioning and successful security partnership we do not only need common interests or common threats but also adequate resources to enforce and/or eliminate these threats. (...). Russia's involvement in Europe's security architecture therefore seems to be essential, and therefore ideological prejudices have to be overcome.”¹⁸ The Polish Prime Minister, Donald Tusk, was quoted as saying that Russia poses no military threat because it was preoccupied with its internal problems. He also refuted the claim that Europe was overly dependent on Russian energy supplies and said that he was making serious efforts to improve relations between Poland and Russia.¹⁹

German Russia expert Alexander Rahr nevertheless believes that “the Russia factor will continue to split the EU. The countries of the old West, such as Germany and France, will continue to pursue a constructive partnership toward Russia. New EU and NATO members of Central Europe on the other hand will likely continue to lobby for a new policy of containment against Russia. Meanwhile, Germany will have to balance all these competing pressures.”²⁰

Of course, the shared history, highs and lows, of Germany and Russia forms the backdrop of Germany's special policy with respect to Russia. My colleague Eckart von Klaeden dates the beginning of this shared history back to a German who “established the tsardom as a constant in European policy: Catherine the Great. She was determined not only to consolidate but to expand Russia's power.”²¹ Catherine the Great's portrait

¹⁷ Frank-Walter Steinmeier: “Auf dem Weg zu einer europäischen Ostpolitik,” speech at the Willy-Brandt-Stiftung, March 3, 2008.

¹⁸ Jan Hamacek in an article for the German daily *Süddeutsche Zeitung*, February 4, 2009.

¹⁹ *Frankfurter Allgemeine Zeitung*, February 9, 2008.

²⁰ Alexander Rahr, “Germany and Russia: A Special Relationship,” *The Washington Quarterly*, Spring 2007, p. 137-145, p. 138-139.

²¹ Von Klaeden, p. 69.

even graces the office of his party colleague, German Chancellor Angela Merkel, in the Federal Chancellery.

In the 20th century, the geographical proximity, size, and resources of the two countries, their rivalry on the European continent, but also the complementarity of their economic interests, led to periods of cooperation, but more often to confrontation.

With astonishing continuity and supported across party lines, German foreign policy has rejected Russia's occasional offer of a special relationship. Germany prefers to see the bilateral relationship embedded in the multilateral European framework. Yet relations continue to be close. Chancellor Merkel was the first Western head of government to visit the newly elected Russian President, Dmitry Medvedev. He returned the favor three months later—his first official visit to the West. It is, therefore, fair to say that Germany has always shown itself ready to represent Russian interests within—but not in contradiction to!—Western structures.

Quoting Rahr again, “Germany’s Russian policy from 1991 to 2005 was designed to incorporate Russia into the larger European architecture. Kohl was always lukewarm about former Soviet republics joining NATO because he feared provoking negative reactions in Russia.” Germany’s Russia policy is set within the framework of European *Ostpolitik*. Former Foreign Minister Hans-Dietrich Genscher believed Germany’s *Ostpolitik* was the “motor of pan-European policy.” His successor in office, Klaus Kinkel, saw Germany as the advocate of Eastern interests within the framework of European integration. There is, however, no prospect in the near future of the complete communitarization of relations with Russia. There will always be areas that touch on vital national interests. Georgetown University Professor Angela Stent rightly says: “Ultimately there will

be robust German-Russian relations irrespective of Washington’s choices—because of economic, historical, and geographic realities.”²²

There is no doubt that the greater the European divide in the area of foreign policy, the greater the tendency for bilateral relations with Russia. The rift created in Europe by the U.S. invasion of Iraq is an apt example. It is, therefore, in Europe’s interests to speak with one voice if there is to be a successful policy *vis-à-vis* with Russia. German foreign policy is—in agreement with most other EU members—seeking to intensify the strategic partnership with Russia by a process of engagement that will ultimately lead to change in Russia. This idea of “change through engagement” also constitutes a clear reference to the successful Brandt approach of “change through rapprochement.” American colleagues with whom I have discussed this concept, however, often voice their skepticism. Yet it is already a reality in many areas. The Council of the European Union, in its review of EU-Russia relations on November 5, 2008, stated that “Russia is our third most important trading partner [after China and the United States] and we see growth rates of up to 20 percent every year. Energy is a major factor, but impressive growth rates have also been seen in services. With its sustained high growth rates and emerging middle class, Russia is an important emerging market on our doorstep that offers opportunities to EU enterprises. The EU is the major investor in Russia, accounting for 80 percent of cumulative foreign investment. (...) The considerations noted above have led the EU to firmly support Russia’s bid to join the World Trade Organization.”

It is true that in the Russian and European discourse, the concepts of strategic partnership differs in certain aspects which can be a cause for

²² Angela Stent, “Berlin’s Russia Challenge,” *The National Interest*, March/April 2007, pp. 46-51, 51.

With astonishing continuity and supported across party lines, German foreign policy has rejected Russia’s occasional offer of a special relationship.

Successful strategy cannot be based on “selective cooperation.”

irritation. The Russian discourse is dominated by a more classical image of alliances that have a strong security component. Their functioning does not depend on the internal constitution of the alliance partners but on the concordance of strategic interests. In the European discourse, however, a strategic partnership is conceived also on the basis of those values that form the bedrock of European integration and that are to be conveyed through partnerships to the outside world in order to create a stable and peaceful international environment.²³

This value-based approach is also reflected in the European-Russian partnership that the EU introduced in 1999 in its “Common Strategy on Russia.” It embraced the dynamic development of economic cooperation and was supplemented by political and civil society cooperation. Angela Stent, nevertheless, defines this strategic partnership as “a concept with elusive definition.” Such statements reveal that the importance of shared values and cooperation is not sufficiently recognized. The creation of the “common areas” between Russia and the EU in 2004 is proof of the breadth of this partnership. It is also important, in the face of sometimes diverging expectations *vis-à-vis* the partnership, not to underestimate the high political and emotional value for both sides. With its new neighborhood policy, the EU is intent on avoiding new dividing lines in Europe. It wants to help reduce the wealth gap at its new borders and offer its new neighbors the creation of a greater European area of common prosperity and shared values.²⁴

In light of these considerations, “selective cooperation” with Russia is not an alternative. It

²³ Sabine Fischer, “Die EU und Russland. Konflikte und Potentiale einer schwierigen Partnerschaft,” SWP Studie 34/2006, p. 22.

²⁴ Andreas-Renatus Hartmann, “Die russische Außenpolitik, die neue Nachbarschaftspolitik der EU und die Beziehungen EU-Russland aus Brüsseler Sicht,” *Russland unter Putin: Weg ohne Demokratie oder russischer Weg zur Demokratie?*, Erich G. Fritz (ed.), pp. 183-193, 189.

would make it easier for Russia to dodge issues that it does not like. Successful strategy cannot be based on “selective cooperation.”

As far as existing economic interdependencies are concerned, the EU primarily has supplied machinery and cars to Russia—accounting for almost half of all exports. Russia’s main export to Europe is energy, accounting for around two-thirds of exports; metals are the second most important category. Of the EU member states, Germany, with around 32 percent of total European exports, was the largest exporter to Russia (with a volume of over 28 billion euro in 2007) and, on the other hand, also the biggest importer of Russian goods into the EU with 21 percent of total imports. In 2008, German businesses planned investments in Russia, of around one billion euro. What is encouraging in this context is that the Russian government is increasingly supporting small- and medium-sized enterprises with the aim of diversifying the economy. Car manufacturers and automobile industry suppliers are among the branches being established in Russia.

The diversification of the Russian economy cannot be achieved without cooperation with Europe. Even in the energy sector, Russia faces huge problems. A lack of investment in the upstream area is coupled with rising export commitments and increasing domestic demand. Energy shortfalls are inevitable. These self-acknowledged weaknesses should be used more by our side as a hook on which to hang offers of cooperation. Steinmeier has offered Russia a modernization partnership that includes comprehensive cooperation in the areas of health, demographics, energy efficiency, education/science/training, and questions of the rule of law. The latter is particular important from Germany’s perspective. There is no alternative to the EU as a modernization partner for Russia; neither the United States nor China can take on this role.²⁵

²⁵ Gernot Erler, *Mission Weltfrieden—Deutschlands neue Rolle in der Weltpolitik*, Freiburg, 2009.

There is controversy, particularly from the United States' point of view, over the interdependencies between the EU and Russia in the energy sector. The judgment as to whether Germany is too dependent on Russian energy depends on how one rates Russian reliability as a partner. This is a cost-benefit calculation that the United States knows well from its relationship with energy exporting countries such as Saudi Arabia, Nigeria, Venezuela, Iraq, and Angola. But because Russian exports of natural gas to Germany account for a quarter of gas exports to Europe, it is clear that any dependency that exists is mutual. Since there is no one-sided dependency, there is also no potential threat to German energy security.²⁶

Admittedly, the specific combination of high interdependence and the inclusion of German companies in the Russian market is quite unique. I therefore agree with Michael Sanders, who says, "The role of private actors in German energy policy and energy security will remain crucial. Economic actors are still closely involved in the German decision-making process in the field of energy policy. For the German government, the political coordination and oversight of activities by energy companies has to become one of the central instruments of energy policy. Since energy companies have no reason to take care of political questions, better coordination and oversight by political actors of business activity in the energy sector is the only way to make sure that public interests are not neglected."²⁷ This is why Merkel is demanding that energy companies themselves invest in energy infrastructure, solidarity mechanisms, and the development of emergency

plans. She recently said that "we should not absolve the energy industry from this responsibility."²⁸

In order to improve mutual understanding it would be helpful to conduct the debate on energy dependency with greater objectivity and with appropriate reference to concrete numbers. This would also enhance NATO's own debate about energy security. As for Germany, about one-third of our primary energy supply stems from the Russian Federation: 36 percent of our gas and 30 percent of our oil supplies.²⁹ That makes Russia Germany's central energy supplier while Germany is Russia's largest energy purchaser. However, more than 50 percent of the natural gas imports to Germany come from Norway and the Netherlands, crude oil is imported by more than 40 percent from Norway, Great Britain, and Libya. As for EU-27, the origin of 29 percent of natural gas, 26 percent of oil, and 8 percent of hard coal used by EU-27 is the Russian Federation.³⁰ Seen in the framework of the total primary energy supply, oil has a share of 38 percent and gas a share of 24 percent of the energy mix of EU-27.

For all of us, however, the solution lies in reducing our dependency on fossil energy sources. Germany and the EU as a whole are setting a good example here. Per capita energy consumption in Germany and the EU is only half what it is in the United States. Despite economic growth, Germany has even been able to hold its consumption stable over the last 15 years, while consumption in the United States has continued to rise. Germany has been able to achieve this mainly through efficiency measures. And although the EU has a considerably larger population than the United States, its share

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²⁶ Roland Götz, "Deutschland und Russland—'strategische Partner?'" APuZ 11/2006, pp. 14-23, 17.

²⁷ Michael Sander, "A Strategic Relationship? The German Policy of Energy Security within the EU and the Importance of Russia," *Dealing with Dependency: The European Union's Quest for a Common Energy Foreign Policy*, Foreign Policy in Dialogue 8(2007)20, pp. 16-24, 23-24.

²⁸ *Financial Times Deutschland*, February 9, 2009.

²⁹ Report of the German Federal Government on oil and gas market strategy 2008, pp. 30-31.

³⁰ Commission of the European Communities, Commission Staff Working Document: EU Energy Policy Data, SEC(2007)12, October 10, 2007, pp. 11-12.

of world energy consumption (18.8 percent) is far below that of the United States (24.7 percent).³¹ Increasingly, Germany is covering its demand from renewable energy sources. Since 1990, the share of renewables in energy consumption has more than tripled. Thus, when the finger is repeatedly pointed at Germany in the debate over the role of Russian energy in international politics, we can point to successes in the area of diversification, which other countries can emulate.

³¹ *BP Statistical review of World Energy*, 2008.

5 APPROACHING RUSSIA IN THE FUTURE

There is no question that, for Germany too, Russia has become a more difficult partner in the last few years. But does this mean that we are forced to abandon our vision of strategic partnership and instead pursue a policy of selective cooperation with Russia? The answer depends essentially on what kind of Russia we are to expect over the next few years. Will it be a pragmatic and EU-oriented Russia or a Russia that wants to create its own Eurasian center of gravity, closing ranks with China and pursuing a policy of demarcation and confrontation toward the West? Will the centralization of political power, the restrictions on pluralism in society, and state control over strategic sectors increase? Will consolidation of “managed democracy” create a successful model of authoritarian modernization, or lead to stagnation and destabilization?

Yet, even today, selective cooperation would not do justice to the interdependence of European-Russian relations and would also give Russia even greater opportunities to avoid dealing with unpleasant issues such as democracy, human rights, and the rule of law. A partnership encompassing all political fields would result in a permanent process of balancing interests, and particularly of tradeoffs. These tradeoffs would not be possible in the framework of a reduced agenda with Russia.

The financial crisis has once again shown that Russia should not be isolated or allowed to withdraw further into self-chosen isolation, but rather integrated into the global finance system. Russia suffered a particularly severe blow, due to the lack of diversification of its economic structure. This applies no less to other issues that have been overshadowed by the financial crisis. The goal should be to identify shared as well as divergent interests and to communicate these openly.

In order to prevent developments as outlined above, Germany and the EU will have to maintain

the strategic partnership and the goal of creating a network of ties with Russia, particularly in the area of economic and inter-societal relations. Yet, we should not forget that the development of relations with Russia is made more difficult by Russia’s domestic problems. An open Russia, which does not try to prevent integration into the global economy and allow its schoolchildren, students, scientists, businesspeople, cultural workers, and citizens a degree of freedom is the best guarantee of gradual changes to the political system. We can and should support an opening-up of the economic system in Russia while ensuring adherence to European standards. Yet, diplomacy toward Russia must be robust in certain cases. Europe must, therefore, develop an awareness of the leverage the EU can exert toward Russia and the extent to which it is prepared to exert this leverage. Only an awareness of the (limited) instruments available allows red lines to be drawn and credibly communicated to others. Our common refusal to recognize South Ossetia and Abkhazia last summer is a successful example of this strategy.

Our policy toward Russia must be embedded not only in the EU framework but also in the transatlantic framework, if it is to be successful. Close dialogue with the United States on Russia is not only an integral part of the transatlantic relationship—it is also of vital interest to Germany as well as Europe. Russian foreign policy is, amongst other factors, a reaction to U.S. foreign policy, or at least to the goals and intentions of the United States as perceived in Moscow. The Russian elites view the United States as the only global counterpart, which is why an openly hegemonic stance in the United States is particularly painful to them. EU-Russia relations thus cannot be decoupled from the overall Western-Russian relations. The opportunity to more closely work with the U.S. administration will thus be welcomed, not only with regard to efforts to influence Russia,

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but also in terms of transatlantic dialogue about Russia. After all, more precise knowledge of the U.S. government's intended policy toward Russia will help German and European players to respond in a level-headed fashion to ingrained anti-American attitudes manifest in Russian statements. It also will allow the Europeans to counter any attempts by Russia to damage transatlantic relations by skillfully playing the various European interests off against each other.³²

Germany can use its good contacts with Russia in the interests of the transatlantic dialogue in order to achieve progress. The following fields should be taken into account:

- Russia's path toward the rule of law and democracy will be long, painstaking, and arduous. The West can only exert a limited influence on Russia's internal development. At the same time, we must persistently make clear to Russia the advantages of operating on the basis of European values and standards. Freedom of the press and freedom of assembly in Russia must receive particular attention since a critical approach by the public and free and independent media will facilitate rather than impede modernization in Russia. A "regime change" rhetoric, like that heard from certain representatives of the previous U.S. administration, would only reinforce the predominant paranoid siege mentality among the Russian ruling elites and sections of the population. Yet, Russia has to live up to the human rights standards it subscribed to by joining the Council of Europe and the OSCE."
- In view of the distorted Russian perceptions about the West, we urgently need to improve European public diplomacy. European television and radio programs, for example, would be helpful. Yet public diplomacy must be aimed at

³² See also the arguments made by Stewart, p. 26.

the highest echelons of power rather than just the grassroots.³³ We should ensure that advice from the West is not counterproductive. Instead, the emphasis must shift to values and interests relevant to modernization, such as efficient governance, transparency, accountability, and the fight against corruption.³⁴ In a speech to students in Yekaterinburg, Steinmeier put this very aptly, saying: "Because I know that, following on Russia's experience in the 1990s, the term 'democracy' is often met with skepticism and disapproval, I would like to clarify just what I mean by it. Democracy is precisely not disorder, confusion and instability. Rather, democracy is living together on the basis of binding rules that expressly apply to everyone. The rule of law is based on an order governed precisely not by the law of the strongest but rather by the strength of the law, the law to which all are equally subjected!"

- Against this backdrop, it is imperative that the EU achieve greater coherence in its policy toward Russia even though, or perhaps precisely because, the interests, motives, and national memories of the 27 EU member states are so diverse. This means that the relationship between Russia and the new EU member states, in particular Poland and the Baltic States, must be improved. Only if the EU takes a clear stance, if it speaks with one voice, it will be taken seriously by Russia. In this context, confidence-building measures by Russia are needed. Former German Foreign Minister Joschka Fischer is harsh, but not unjustified, when he says that Moscow still does not seem

³³ Hannes Adomeit/Frank Kupferschmidt, "Russland und die NATO. Krise verwalten oder Potentiale entwickeln?" SWP-Studie 10/2008, p. 16.

³⁴ Sven C. Singhofen, "Deutschland und Russland zwischen strategischer Partnerschaft und neuer Konkurrenz," Ein Vorschlag für die Praxis, Arbeitspapier 169/2007, Konrad-Adenauer-Stiftung, p. 54.

to have understood that “aggressive Russian foreign policy was always the best and most effective way to guarantee the existence of NATO and will remain so. In the former motherland of Marxism-Leninism, it still seems that very little is understood about dialectics. For if the Russian government really wanted to change the post-Soviet status quo, it would first, and most importantly, need to pursue a policy toward its neighbors which reduces rather than reinforces fears.”³⁵

- Yet, further development of relations between the EU and Russia must not be held hostage to bilateral problems between individual EU member states and Russia. We should pursue a policy of preventive diplomacy by endeavoring to exert an influence on both sides. Developing joint projects in the Baltic region can help to build trust, such as in the area of transport and energy, for example. The Council of the Baltic Sea States and the Northern Dimension could take on a particular role.
- Russia cannot be compelled to reforms by external forces; the will for change must come from within. Yet we must also not allow ourselves to become hostages of Russian domestic policy, by mechanically and automatically assessing all developments in Russia on the basis of ideal standards, which the West in some cases does not even meet itself. We can see in all the emerging countries that a shift in attitudes within society and a transfer of European values can only take place over the long term, through contacts at many levels and through the influence of corporate governance standards in the framework of transnational companies, through civil-society contacts including partnerships between towns and

regions, educational institutions, parliaments, and parties, as well as through tourism.

- Russia is more dependent on trade and investment than the Soviet Union ever was. At the same time, Russia’s infrastructure is crumbling, and the need for investment is rising dramatically. These dependencies and structural weaknesses, which Russia itself recognizes, should be seen as starting points for cooperation. We must make greater use of the importance of key sectors, in the same way that coal and steel were used to foster peace in Europe and European integration. The oil, gas, and technology sectors can serve the same function today.
- Where it is in our interests, we should continue to pursue mutual dependencies and engage with Russia to a point where abandonment of such a policy would carry a heavy price for Russia. If Russia accepts new offers of cooperation in this area, it would give us new political leverage. Particularly in demographic terms, new opportunities are emerging for cooperation between Russia and the EU. Russia’s birth rate cannot be increased by isolated measures and campaigns. It needs a complex array of social policies, and Western industrialized countries have experience they could share in the fields of health policy, labor-market policy, as well as housing policy, especially savings and loans schemes.
- We should expand our modernization partnership with Russia. There is still untapped potential for closer links in the field of research and education. Given that the “strategic security policy cultures” in Russia and the West remain very different, we should foster links between Russian and European think tanks in this field. The funding for this must, however, be provided by both sides. Visa requirements for

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³⁵ Joschka Fischer, “Russland in die NATO,” *Süddeutsche Zeitung*, January 12, 2009.

We need to define common fields of policy and projects, including the energy sector, drug control, dealing with Islamic fundamentalism, and the urgent need to stabilize Afghanistan.

students must be relaxed to allow more young Russians to get to know Europe, particularly those who could not afford to do so without grants.³⁶ In general, the close network of contacts that has developed between Europe and Russia in the political, societal, and economic spheres should be maintained and expanded. At the government level, we should strive to enhance consultations and expand the channels of dialogue with all key stakeholders.

- Russia must not reject proposed solutions that have been negotiated or initiated by the international community without making a constructive proposal of its own. Therefore, we should step up the pressure of international expectations regarding Russian crisis management. Russia should be more active than in the past in taking on roles with an international mandate. In the Karabakh and Transnistria conflicts, we should no longer permit Russia to play the role of maintaining an unsustainable status quo, and instead actively explore the possibility of a joint ESDP-Russian peace mission.³⁷
- There is particular opportunity in Central Asia for Europe and Russia to take on joint responsibility. We need to define common fields of policy and projects, including in the energy sector, drug control, dealing with Islamic fundamentalism, and the urgent need to stabilize Afghanistan. We should call on and assist Russia to be a responsible partner. The more Russia comes to realize that the disadvantages of being uncooperative outweigh the advantages, the greater the chance that a strategy assigning greater responsibility to Russia will succeed.
- The ability of the NATO-Russia Council to deal with crises must be improved. New initiatives

are necessary, because this body is essential to our dialogue. Steinmeier goes further, saying, “We should expand the NATO-Russia Council into a platform for practical cooperation with Russia.”³⁸ There is multi-party support in Germany for this kind of approach.³⁹ Indeed, it is an area where the German political parties are in full agreement. The idea of joint crisis-management operations, which has already been the subject of many discussions, should be implemented, such as in crisis zones in the Caucasus, Central Asia, or the Middle East. Therefore, improving interoperability is an important aim in military cooperation between Russia and NATO. To this end, Russia must also be given support in the process of modernizing its military, which is still too bloated for it to be possible to train its personnel well or to equip it with modern weapons.

- It is particularly crucial that Russia be involved in the missile defense plans. They may even be revoked. Reflection is also needed regarding NATO expansion to include Georgia and Ukraine—not just out of consideration for Russia, but because of the importance of security in Europe as a whole in light of the unresolved territorial conflicts in these countries. U.S. Secretary of State Hillary Clinton, in her U.S. Senate confirmation hearing in January 2009, expressed the need for “a future of cooperative engagement with the Russian government on matters of strategic importance while standing up strongly for American values and international norms. (...) With both Russia and China, we should work together on vital security and economic issues like terrorism, proliferation, climate change, and reforming financial markets.” This has raised hopes, not least in Germany, that there will be greater dialogue in the future.

³⁶ Stewart, p. 6.

³⁷ Rahr 2007, p. 139; von Klaeden, p. 99.

³⁸ Frank-Walter Steinmeier, “Partnerschaft wagen, Vertrauen schaffen,” *Frankfurter Allgemeine Zeitung*, December 4, 2008.

³⁹ Von Klaeden p. 99.

- I subscribe to the following analysis on the importance of non-proliferation by leading international politicians: “Although the Non-Proliferation Treaty (NPT) has been a cornerstone of collective security for more than 40 years, its foundations have eroded. Without strong engagement with the NPT and other disarmament treaties, the international community does not have the moral authority to deter states seeking to acquire nuclear weapons. Because the United States and Russia hold the world’s largest nuclear arsenals, they play a critical role in setting the framework for nuclear security. (...) Russia and the United States should stand down the alert status of nuclear forces, pledge no-first use, negotiate strategic arms reductions, and extend immediately the inspection and verification provisions to the START, which expires in December 2009. They must engage in multiple levels on missile defense—at a minimum bilaterally and through the NATO-Russia Council—and thus build on the precept of regulated missile defense established under the now defunct Anti-Ballistic Missile Treaty. To establish its credibility on disarmament, the United States must also ratify the Comprehensive Test Ban Treaty (CTBT).”⁴⁰

- Together, we must ensure that the Treaty on Conventional Armed Forces in Europe (CFE) has a future. This will only be possible if Russia is involved and if lost trust can be rebuilt and the Cold War mindset overcome, as U.S. President Barack Obama called for in his Berlin speech before the U.S. elections. The first positive signs can already be seen. For the time being, Russia has suspended its plans to station missiles in Kaliningrad.

- Russia must take on greater commitments in the field of international climate policy. In light of Russia’s policy in the Arctic, we should

seek to ensure, in line with international law, that resources are exploited in a cooperative and environmentally friendly manner.

- NATO will remain one of the main battle fields in the relationship between Russia and the NATO member states. I agree with German Foreign Minister Steinmeier: NATO needs a new Harmel report. In other words, a fundamental agreement on the way ahead. For too long, we have put off an honest discussion about NATO’s functions by focusing on enlargement and related questions. In this context, the EU, the Organization for Security and Co-operation in Europe (OSCE), and NATO should remain the cornerstones of European security. But the idea put forward in Munich by the Russian government must also be discussed with equal seriousness. The question of whether additional members should be permitted to join, in particular, should be handled with the utmost sensitivity. Any attempt to wrench Ukraine from Russia’s sphere of influence could tear this new state apart. Professor John Gray rightly warns that “playing with Wilsonian notions of self-determination in these conditions is courting disaster. It means more wars and ethnic cleansing as a result.”⁴¹

Is it presumptuous to assert that, against the background of the global challenges examined above, Moscow looks no different from Berlin, Paris, and London than it does from Washington, Warsaw, or Prague? I do not think it must. After all, a weak and unstable Russia will have a destabilizing effect on Europe as a whole and on Europe’s collective security. We all have an interest in a strong and cooperative Russia in which democracy and civil rights are respected, and this should motivate us more than ever to take joint action.

⁴¹ John Gray, “Törichtes Gerede. Warum es keinen neuen Kalten Krieg gibt,” *Süddeutsche Zeitung*, September 12, 2008.

NATO needs a new Harmel report. In other words, a fundamental agreement on the way ahead.

⁴⁰ “A Plan for Action. A new Era of International Cooperation for a Changed World: 2009, 2010 and Beyond,” report by Managing Global Insecurity (MGI).

WORLDVIEW MATTERS

The Kremlin's behavior limits the scope of Western engagement

BRUSSELS FORUM PAPER SERIES

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The German Marshall Fund of the United States

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1 INTRODUCTION

How do Germans and Americans view Russia differently? The substantial but different role that Russia plays in each country's foreign policy is from time to time a source of friction between Germany and the United States. At this point in particular, the United States faces an extraordinary array of dangerous foreign policy problems that includes Iraq, Afghanistan, Pakistan, Iran, the Middle East, Russia, and China—and those are just the issues on the “front burner.” That urgent list could allow basic differences with Germany on Russia to drop to a lower position on the priority list and go unresolved. We need to consider what

the differences really are and how they manifest themselves in order to deal with Russia more effectively and to strengthen the integrity of the German-American relationship. To do so, this paper will begin by examining what is similar in the German and American approach to Russia. It will then examine different models of Russia's government that affect its external policy as well as Russia's view of itself. After briefly describing possible sources of differences between Germany and the United States, the paper will explore those differences more fully using two cases of policy differences attributable to different views of Russia.

2 WHERE GERMANS AND AMERICANS AGREE

Before looking at differences, we should recall that much is not notably different in how the United States and Germany view Russia. The end of the Cold War removed the overarching Soviet threat that limited the extent to which differences between Bonn and Washington could range in practice. Even without that threat, however, similarity remains between Washington and Berlin in the happy absence of the Red Army. At the most fundamental level, both nations are committed to the now-standard Western norms of pluralism and open political competition, including power-balancing institutions and free media. Both demand the rule of law domestically. Both see free markets and free trade as successful economic models, despite differences in implementing those concepts. While in some ways obvious, these similarities shape both American and German views of the world and other nations in decisive ways that provide a real basis of common experience and shared interests in dealing with Russia.

In both Germany and the United States, one finds a range of views on Russia (and associated motivations behind those views) and on methods to approach it. For example, the business community in both countries argues strongly for a non-confrontational and accommodating approach that reduces the chances of poisonous political spillover into a bountiful commercial relationship. In the United States, the uniformed military has advocated continued engagement with Russia even in the wake of the Russian invasion of Georgia (despite the toll on Georgian forces taken by their participation in dangerous assignments in Iraq) and Russian military threats against Poland and the Czech Republic over missile defense cooperation. Views in Washington and Berlin, within each government and among Russia analysts, vary on how to calibrate political statements and responses in answer to Russian rhetoric and actions.

On Washington's part, that variance may have been evident at the recent international security conference in Munich, when the support for missile defense, by U.S. Vice President Joe Biden, seemed stronger than some expected. The late alteration in Biden's speech reflected internal administration balancing on how to respond to Russia's recently sweetened rhetoric combined with Moscow's announcement of the closure of Kyrgyzstan's Manas airbase (critical to U.S. operations in Afghanistan; the announcement may have been a negotiating ploy) and the simultaneous decision to form a new Commonwealth of Independent States (CIS) military response capability.

Nevertheless, despite debates and discussions, policymakers in both Washington and Berlin retain a frayed but resilient commitment to common transatlantic security goals. That commitment continues to make agreement and consensus the preferred default mode, the "natural" choice in a sense, for the United States and Germany on any issue, including Russia. Differences over Iraq and Afghanistan only intensify the search for common ground elsewhere, and Germany (like the United States) is eager to give the new administration every opportunity to renew both relations with Europe and with Russia. Accordingly, both governments, in word and practice, have sought Moscow's cooperation on counter-proliferation, counterterrorism, and other areas of potential common interests.

Moreover, even where differences about Russia have been apparent in recent years, the actual methods of dealing with Moscow have often been largely convergent. The United States and Germany have continued to work with Russia in the Group of Eight (G8), a major diplomatic success for Moscow. On efforts to stop Iran's nuclear weapons program, where Moscow's cooperation is seen as at least useful and possibly crucial, the United States acceded to European,

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Leaders of the United States and Germany continued to engage on friendly terms with President and later Prime Minister Vladimir Putin, despite extraordinary rhetoric that was matched by threatening action.

including German, leadership in negotiations. The United States carefully coordinated its response to the Russian invasion of Georgia with Europe, including Germany, and effectively put Europe in the lead there as well. Despite widespread international ambivalence and strong Russian opposition, the United States and most of Europe, including Germany, agreed to a course on Kosovo's independence. Leaders of the United States and Germany continued to engage on friendly terms with President and later Prime Minister Vladimir Putin, despite extraordinary rhetoric that was matched by threatening action. Variances over relations with Moscow following Russia's recognition of Abkhazia and South Ossetia have been much more about pace than about substance. So, whatever differences in views

of Russia may exist, the differences in practical policy have been narrow in important cases.

Two major policy divergences, however, are illuminating with regard to significant differences between Berlin and Washington. The first is Germany's steadfast opposition to offering a NATO Membership Action Plan (MAP) to Ukraine and Georgia, a historic rejection of U.S. leadership of the alliance. The second is the degree of urgency to be accorded to energy security issues and how to proceed on those issues. Both are strategically central. Before turning to those divergences, if there is a difference of perception between Berlin and Washington, we should understand what is being perceived.

3 FOUR MODELS OF VIEWING RUSSIA

What is the Russia that is seen and heard abroad? There are at least four ways or models of describing Russian behavior as manifest at the moment.

The first is to describe Russia as **barely a state at all**. This view sees evidence of clan warfare among oligarchs and major institutions (including the military) as the predominant feature of the Kremlin. Combined with high levels of corruption at the most senior levels and the prevalence of Russian organized crime in and beyond Russia's borders, this view sees Moscow as more of a continual power struggle than a state in a traditional sense. Although few would believe this view offers a complete explanation of Russia as we see it today, it does offer useful reminders about the nature of internal Kremlin power relationships. It is worth keeping in mind when thinking about possible Russian actions and analyzing the motives behind particular courses of action.

The second views Russia as a **difficult partner**. This Russia is much more integrated into the global economy than was the former Soviet Union, and as such it has an interest in economic cooperation. In describing itself, this is the Russia that President Dmitry Medvedev sees as part of a multilateral world whose external relations are governed solely by national interests, which in practice means economic relations. Those in Germany and the United States who accept this view would likely argue for greater economic interdependence with Russia, including energy. Such interdependence, they would say, keeps Russia turned toward the West and allows Western ideas to sink into Russian thinking. The success of such ideas would reduce difficulties in dealing with Moscow by allowing supporters of a more liberal regime to gain influence, and it would bridge deeper divisions in perceptions on issues in other domains. Or, at the least, it would allow commercial relationships to continue and expand. This view predominates

among political leaders in Germany. The Bush administration, in practice, based its U.S. policy on this view, pursuing a Strategic Framework Agreement with Russia throughout 2007 and early 2008. This may also be the dominant view of U.S. President Barack Obama's administration, though such a dominant view may take awhile to establish.

A third model of Russia's behavior views it as essentially a **19th century power** trying to restore 19th century rules to its foreign relations. This Russia thinks in terms of lines on maps and redrawing those lines to suit its ambitions on the basis, at least where convenient, of ethnic and national divisions. Medvedev's assertion of privileged Russian interests in areas with Russian populations, or even in areas where Russians have business interests, provides a basis for this view. The August 2008 Georgia-Russia conflict and subsequent recognition of South Ossetia and Abkhazia offered a concrete example, as did Russia's threat to target Poland and the Czech Republic if they proceeded with plans to host a U.S. missile defense system. Another example, was Russia's effort to forestall Kosovo independence on behalf of the Slavs of Serbia. Threats against the Baltic States following their support for Georgia or for Poland and the Czech Republic also figure into this model of Moscow's behavior. Moscow's aim would be a sphere of influence, with very direct control of its immediate neighbors and, radiating outward, less direct but substantial influence. This notion was explicitly rejected by former U.S. Secretary of State Condoleezza Rice and implicitly rejected in the refusal of virtually every nation to recognize South Ossetia and Abkhazia. The adage that Russia's neighbors are fated to be either vassals or enemies is perhaps the most succinct summary of this interpretation of the Kremlin's approach. Some in the Bush administration held this view, as do many commentators on Russia. Many central European NATO and EU members see Russia through this prism.

The 2007 cyber attacks against Estonia and Georgia provided a vivid example of how less formal mobilization of young talent in pursuit of state aims can serve the regime. Loyalty to that regime, rather than to broader principles of service or to pluralistic politics, marks these groups.

A fourth model of contemporary Russia looks back to **20th century authoritarian, or even totalitarian, states** for sources of Moscow's conduct. Then-President Vladimir Putin's assertion in 2005 that the fall of the Soviet Union was "the biggest geopolitical catastrophe of the [20th] century," his own background as a KGB officer, and his reliance on fellow officers of the intelligence apparatus in his inner circle suggest some basis for this model. Some observers have described the current regime in Moscow as a historical first: whereas most states have had intelligence structures, those structures have generally been subservient to, if very influential upon, a higher governing authority. In Putin's Russia, however, the intelligence apparatus became the state's governing authority. But there are similarities as well to the 20th century archenemies of the former Soviet Union, the fascist states of Italy and Germany in the 1930s. This view is persuasive at several levels. Fascist states developed personality cults around a particular leader and endowed that leader with mythical wisdom and strength. Putin's judo prowess, his shirtless fishing excursion, and his alleged humane disabling of a dangerous tiger (saving not just the lives of those under attack, but the tiger itself) certainly seem aimed at a degree of celebrity that is cultish. His move into the premiership has not mitigated the sense of his indispensability (past, present, or future), and the recent change to Russia's constitution to allow for a six-year presidential term was seen by many as a prelude to his return to that office.

Further, the corporate relations between major companies and the Kremlin (especially in energy, natural resources, and arms) are straightforwardly in accord with the fascist model. The elimination of serious political opposition parties, central control of elections, and the restrictions on media (ranging from regulation and censorship to unsolved deaths of overly curious journalists) reflect the constriction

of political space characteristic of fascism, including the apparent deployment of violence. The extension of Moscow's reach into regional government through the central appointment of friendly governors is part of the same trend. Especially worrying for those outside Russia is that these moves take place under such rubrics as "managed democracy," attempting to appropriate the vocabulary of liberal democracy and human rights while undermining the essential ideas that are their foundation. The organization of youth groups supportive of the state line and its leading personality was another tool of fascism. The 2007 cyber attacks against Estonia and Georgia provided a vivid example of how less formal mobilization of young talent in pursuit of state aims can serve the regime. Loyalty to that regime, rather than to broader principles of service or to pluralistic politics, marks these groups. The foreign policies of fascist states tend to be based on national grievances. Russia's policy, at least rhetorically, is based in large measure on its return to great power status after the alleged infliction of insult and injury on Russia by the West during the 1990s, which was consistent with the traditional hostility of the West toward Russia in some Russian minds. Fascist foreign policies also drew inspiration from racial and ethnic sources. Russia's assertion of a privileged interest in any area where a Russian population resides carries this trait.

Moreover, there is some reason to believe that a fascist ideology animates contemporary Russia. The work of Ivan Ilyin, a Soviet exile and fascist writing in the middle of the 20th century, is cited explicitly and implicitly by Putin and other senior Russian leaders. Putin has called Ilyin a "great Russian philosopher." Ilyin's works were banned in the Soviet era, but presumably the KGB would have had access to them. Ilyin was in some ways remarkably prescient. He forecasted the fall of the Soviet Union, its replacement by a Western-inspired democracy that would be unsuitable to Russian culture and would in turn fall rapidly, and

its replacement by a state apparatus that is more or less what Putin has put in place over the last several years. Ilyin's work is filled with the sense of grievance against the West that characterizes much of the Kremlin's rhetoric. It is stridently nationalist and places a premium on Orthodoxy. Ilyin may not provide a universally attractive fascist doctrine (indeed, it is quite narrow in its Russian scope), and his ideology may not be robust, but it is an ideology nonetheless and seems to offer an intellectual framework for Putin that appeals to wide swaths of the Russian public.

There is evidence that supports each of these four ways of viewing Russia today. But there is one model that Russia clearly does not follow: Western liberal democracy. The experience of the 1990s has soured Russia even on the unqualified word "democracy." And Russia seems to blame the apparent chaos and poverty of the 1990s not just on the concept of democracy, but on democracies themselves, especially the United States. While

Russia's citizens enjoy freedom to travel that did not exist throughout the Soviet period, and many of the truly totalitarian features of the Soviet era are gone, neither is Russia eager to be a part of the West in the sense of adopting its political and economic norms. In short, Russia shows no inclination to move down the kind of path that the EU and NATO demand of prospective members. This is an important distinction not because Russia has any EU or NATO ambitions, but because it clarifies a difference between Western nations (and those seeking to join Western institutions) and Russia. At this point in history, Russia does not judge itself by Western standards, rejects attempts by others to judge it by Western standards, and judges its most recent experimentation with Westernization to have been a humiliating failure at the hands of the West (again, especially at the hands of the United States). This basic difference holds regardless of what lens one might choose through which to view Moscow's actions.

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4 THE ELEMENTS OF MOSCOW'S WORLDVIEW

For Russia's closest neighbors, respect has often been demanded in the form of brutal obeisance. In Western institutions and nations, the demand is often registered as boorish and crude, sometimes excused and sometimes rejected.

Having described some of the ways Germany, the United States, and the world might view Russia, we can reverse the perspective and describe elements of how Russia views the world. What perceptions of itself and other nations drive Russian actions?

At the broadest level, the richness of Russia's culture, the talents of its people, the magnitude and scope of its land, and the weight it has carried at different moments in its history all combine to produce a self-image in Russia of a great, perhaps the greatest, world power. That self-image drives a demand for respect abroad. For Russia's closest neighbors, respect has often been demanded in the form of brutal obeisance. In Western institutions and nations, the demand is often registered as boorish and crude, sometimes excused and sometimes rejected. But Russia's view of its own national greatness is powerful and, when Moscow senses a discrepancy between its own view of the respect it merits and that accorded to it, the result is harsh rhetoric at least and corrective action where possible. When Russia is unable to exert the power and influence it considers its rightful prerogative, the result is often a lasting sense of grievance that an entitlement has been denied.

With its strong associations in the pronouncements of contemporary Russian leaders, below is an excerpt of Ilyin's work on those who hate Russia:

"We should never forget them. We should not imagine that they are resting or have calmed down any, or are satisfied that they threw the Communists at us. That will not be enough for them; they still need to tear down and blacken Russia culture, portray the Russian people as slaves deserving their bondage. They need to prepare the partition of Russia and the conquering of Russian territory, they need to weaken and humiliate Russia's Orthodox Christian faith...It is possible that there are people who hate Russia and are prepared to

say any nonsense and every abomination who have not been bought and paid for. Catholics, for example. But what can we do for them if they do not like Russia?"

Compare this tone with that of Boris Gryzlov in 2000, speaker of the Russian State Duma:

"Our country paid dearly for unquestioningly trusting its partners in the late eighties and early nineties. The solemn promises not to expand NATO were forgotten in an instant. We have heard too many such promises to believe them again. We have seen too many 'color revolutions' organized from outside that took place not only in accordance with one and the same scenario but also under the same slogans and even with the same symbols. Only the color was changed."

Sharing a place with this strong nationalism and sense of unique stature in the world (and grievance against those who would diminish that stature) has been an episodic interest in Westernization. This conflict in Russian thinking has been extensively studied and written about, and its full exploration is beyond the scope of this paper. It is sufficient to note that, Russia seems more interested in asserting its uniqueness in the world, as distinct from the West, than in transforming itself into a more Western state. At the moment, Russia's interest in the West as a source of goods and beliefs appears to be limited to luxury goods and property acquisition.

Russia, however, has another interest in the West, that of a market for natural resources, in particular energy. Their interest takes two forms: as a quest for the enrichment of Russia's treasury as well as the bank accounts of energy oligarchs, and the strengthening of Russian influence in Europe through the acquisition and exploitation of resource supplies and transit routes in Russia and in as many other countries as possible. Many

in Europe point to Russia's reliability over the decades as an energy supplier. But Putin's approach to energy and its uses on behalf of the state is fundamentally different from that of the former Soviet Union. Romanian President Traian Bănescu has remarked that Gazprom is the new Red Army. This view fits Putin's record on the use of energy resources as expressed in his writing and in his actions. According to the media, Putin's knowledge of energy issues is extensive and detailed.

Putin sees energy as central to the exertion of Russian influence abroad. Whatever differences may exist between him and Medvedev, this seems to be a point of convergence. Russia has sought to gain control over energy resources in Central Asia, the Caucasuses, and the Gulf, and where control is impossible, to ensure at least a strong level of persuasive cooperation, including in Algeria and Latin America. This view of energy's role is a defining feature of Russia's tenaciously "realistic" approach to international affairs, which sees international relations as dominated by economic interests. Military power plays a supporting role, as seen in arms sales to countries such as Iran and Venezuela as well as the resumption of Russian long-range bomber patrols and extended naval deployments (and, of course, the invasion of Georgia). But, unlike the Soviet approach, military power is now secondary to economic or resource power in achieving Russian goals. The concrete examples of this strategy are manifold: the 2009 gas shut-off through Ukraine was preceded by an earlier cut-off to Ukraine in 2006, oil cut-offs to refineries in the Baltic States, and a reduction in oil supplies to the Czech Republic immediately after the country's decision to host a U.S. missile defense system. Within Russia itself, the image of Putin presiding over the signing of the renegotiated Sakhalin 2 gas production contract, following threats of difficulties in obtaining environmental permits for the companies involved, signaled his

personal involvement in the stewardship of Russian national resources and his determination to redress the grievances of allegedly unfair agreements forced on Russia by the West during the years preceding his arrival in the presidency. Another example, is the recent struggle for control of TNK-BP.

A final model of Russia's worldview, often not prominent in Western discussions of Russia but worth considering, is Orthodoxy. Orthodoxy, its internal beliefs and questions, and its external relations matter greatly in Russian history and culture. On the occasion of the reconciliation of the Russian Orthodox Church Abroad with the Russian Orthodox Church, Putin—reputed to be a believer—commented, "This is a truly national historic event of immense moral significance. Today's revival of the church's unity is a crucial precondition for restoring the unity of the entire Russian world, which has always seen Orthodoxy as its spiritual foundation." This language is consistent with Medvedev's assertion of Russia's privileged interest in areas with Russian populations. The interest of the government in controlling the hierarchy of the Orthodox Church was apparent to many observers in the recent election of the new patriarch, Kirill I, who served for many years as the official responsible for the Russian Orthodox Church's external relations. His election was, according to some, more open than in the past to those not directly involved in church governance and thus more open to the Kremlin's political influence, including that of Putin. For his part, Putin in his foreign policy supported the status of the Ecumenical Patriarch in Istanbul, contrary to recent moves by the Turkish government.

The role of the Orthodox Church in Russia as a partner with the state in the comprehensive governance of society (outside the Soviet era when it faced severe repression) is foreign to contemporary Western nations. But it is an important element of how Russia views the world, and it animates disputes, for example, with Ukraine

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and Romania. It provides a key cultural component to the long narrative of Russian identity, and it is another domain—the Orthodox world—in which Russia asserts leadership (Russian notions of Moscow as a “third Rome,” after Rome itself and Byzantium, suggest the sweeping nature, in time and geography, of Orthodoxy’s influence in Russian culture and identity). It also provided an interesting sidelight to the Russian invasion of another Orthodox country, Georgia.

5 WHERE GERMANS AND AMERICANS DISAGREE

With some models about how the world can view Russia and some understanding of how Russia views the world available, we can now turn to the differences between German and American views of Russia. Whatever the sources of difference between German and American views of the world, it is fair to say that the two nations have generally found much to agree on in terms of practical policy in recent years. But there are key divergences, and these divergences are becoming more pronounced with respect to issues involving Russia.

The first and most obvious difference is geography. In the Cold War, the United States and Russia encountered one another in proxy roles but rarely in close direct proximity. The strategic nuclear military confrontation took place across the North Pole, the route that strategic missiles and bombers would have flown in a nuclear conflict, and the same general region where the United States and Russia come closest to touching. But for most Americans, this is an abstract kind of proximity. Most maps do not depict the Northern Hemisphere with the Arctic at the center, between North America and Russia. And most Americans do not live in Alaska, despite that state's recent prominence as the home of the Republican vice presidential nominee. German geographic proximity to Russia on the other hand, is an evident reality with historical results. Physically, Berlin is far closer to Moscow than to Washington.

The front line position of Germany in the Cold War brought this proximity into stark relief. Germans lived with the risk of being the central battleground, in both conventional and nuclear warfare, in a European war between NATO and the Warsaw Pact, even as their country was itself divided between the two. Theirs was to be the battleground of first resort, not the last as would have been homelands of the United States and the former Soviet Union, at least if a war had started in Europe and proceeded according to escalatory plans. While both

American and German leaders searched for policies that would reduce the possibilities of a "hot war," Germany took this search to a further dimension with the policy of *Ostpolitik*. The differences stemming from this effort to reduce the risks set by simple geography have implications today. German Foreign Minister Frank-Walter Steinmeier has credited *Ostpolitik* with ending the Cold War, a position most students in the United States would reject. As a result, the United States and Germany, or at least a significant set of policymakers in both countries, have drawn different lessons from the Cold War experience based on geography.

Geography has also stimulated close economic and cultural ties between Germany and Russia. According to the web page of the Russian premiership, "Germany is Russia's main trade and economic partner, accounting for about 10 percent of Russia's total foreign trade." Russia received 3 percent of Germany's exports in 2007, and (depending on exchange rates) the total trade value was \$74.6 billion. In 2007, Russia and the United States had about one-third as much trade at \$26.8 billion. On the other hand, if trade makes for similar outlooks, Germany and the United States should agree more than they differ (in 2007, the U.S.-German trade relationship totaled \$134 billion).

The German-Russian relationship also has a historically close cultural component. There are links between German romanticism and elements of Russian literature and art that matter deeply to both societies. A full exploration of these links is beyond the scope of this paper. It is fair to say, however, that just as there has been a much-studied conflict in Russia between love and antipathy for the West, the same has been true for Germany. That conflict has a real impact on German views of Russia and on its views of the United States.

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6 NATO ENLARGEMENT

Germany appears willing to accept a limit on NATO's enlargement as determined by Russia. This is tantamount to German readiness to grant Russia a sphere of influence. For the United States, such a move signals an end to the eastward expansion of liberal Western institutions and, thus, European integration as viewed from the Western side of the Atlantic.

The line around NATO headquarters in Brussels in recent years has been that “the French *non* has been replaced by the German *nein*.” Germany is seen increasingly as holding a rein on alliance efforts. While Germany’s approach to the war in Afghanistan has been one source of corrosion, another has been Germany’s refusal to allow NATO to offer MAP to Ukraine and Georgia.

The post-Cold War enlargement of NATO began under the Clinton administration in the United States. It was undertaken cautiously, with great regard for Russian sensitivities. From a U.S. perspective, enlargement was seen as a logical step after U.S. President George H.W. Bush’s support for the reunification of Germany. But there was ambivalence to further enlargement on both sides of the Atlantic, not least due to concern for Russian reaction. By 2002, those concerns were substantially mitigated. The allies invited to join NATO in Prague underwent considerable scrutiny as to their readiness for membership. But there was little concern about extending an Article V guarantee to them. By 2008, the degree of scrutiny afforded the Adriatic 3 (Macedonia, Albania, and Croatia) had lightened significantly, and their accession was remarkably uncontroversial, aside from (decisive) Greek objections to Macedonia’s name.

The same did not apply to Ukraine and Georgia. Both asked not for immediate membership but for MAP to begin the formal accession process for NATO, as begun some ten years earlier for Macedonia and Albania. This process does not imply an Article V defense commitment on the part of the alliance. The United States, with Bush’s direct involvement, supported MAP for these two countries. Germany, with Chancellor Angela Merkel’s direct involvement, led the opposition to such a step.

German arguments against MAP hinged on the

claimed “lack of readiness” for accession on the part of Georgia and Ukraine. Yet there are no NATO criteria for readiness for MAP. The very act of extending MAP implies that a country is not ready for an immediate invitation, but will, at its own pace and with NATO’s help, undertake the reforms needed for membership, as happens in the EU accession process. Other arguments were equally specious: they are not “Western enough” (though Albania and Germany itself meet such a standard for “Westernness”); they have territorial conflicts (as did the Federal Republic of Germany in 1954 when it joined NATO, and as will Croatia when it becomes an ally); MAP means automatic membership (an objection to the success of the program for previous candidates, though the time required for such success has varied considerably; it was generally agreed that MAP would take years in the cases of Ukraine and Georgia); and Germany was not alone in opposing MAP (it was in a clear minority).

Few Germans beyond the diplomatic corps (or even within that circle, in private) argued seriously that the real German objections to MAP for Ukraine and Georgia were based on any concern other than the potential reaction of Russia, which had made its objections abundantly clear. The shorter-term question was a difference between German and American willingness to take a step that Russia opposed. The longer-term difference is more significant.

Germany appears willing to accept a limit on NATO’s enlargement as determined by Russia. This is tantamount to German readiness to grant Russia a sphere of influence. For the United States, such a move signals an end to the eastward expansion of liberal Western institutions and, thus, European integration as viewed from the Western side of the Atlantic. This marks a profound strategic difference and a pivotal moment for the alliance. It is difficult

to recall a precedent for a German chancellor's denying a priority of an American president in NATO. It is even more difficult to recall such a German move on behalf of Russia.

What are the implications? First, if the alliance cannot agree on the correct geographical scope of its reach, it will have great difficulty agreeing on other important questions. Second, if Russia is to have an indirect veto on NATO through Germany

or other allies, as a result of economic interests or political and cultural sympathies, the functioning of the alliance is in doubt. Third, if the alliance cannot agree on the fundamental strategic project of European integration in Western institutions, or on whether to permit Russia a sphere of influence that would limit the vision of that integration, the prospects for long-term cohesion dim considerably, hence the seriousness of the German *nein* and this difference on the role of Russia.

7 THE ROLE OF ENERGY

Although the success of North Stream would not inherently rule out an alternative to Russian-controlled transit routes, it would do so in practice. In so doing, Chancellor Merkel has apparently sided with those who argue that European dependence on Russian gas is actually an interdependence that ensures Russia must play by reasonable rules in energy relations.

A second area of difference involving Russia is energy. While the actual share of energy and gas imported from Russia varies from country to country in Europe, most countries depend to some degree on Russia's vast gas reserves, and some depend upon them completely. German energy firms, like those of other European countries and American firms, are closely involved with Russian projects and companies.

Before the cut-off of gas in January 2009, many argued that Russia had been a reliable supplier of energy for decades, and Germans (notably former German Chancellor Gerhard Schröder) have led that argument. American presidents from Ronald Reagan to George W. Bush had expressed to their German counterparts doubts about the wisdom of such a policy.

According to the U.S. Department of Energy, Russia has the largest gas reserves in the world, with almost twice the reserves of the next largest gas reserve holder, Iran. So long as fossil fuels are a key part of European energy consumption, Russia will have to be part of Europe's energy equation. But anyone who has observed Gazprom's efforts to lock up access to supplies and transit routes would have to be interested in providing some leverage to counter those efforts. This is particularly true for those who saw, in Russia's invasion of Georgia, a clear message about the vulnerability of existing pipelines that escape Russian control.

The United States has worked with those in Europe, who would obtain that leverage by opening up alternative supply routes through a so-called "southern corridor" that would link Azerbaijani gas, and possibly that of Turkmenistan or Iran, with Western Europe. Those efforts have encountered a lack of enthusiasm in Germany. In January 2009, Merkel, following in the path of her predecessor, offered support for the Russian-controlled North Stream pipeline, less than a month after the cut-

off of Russian gas through Ukraine. Such a move rivaled the eagerness to return to "business as usual" on the part of Germany and France after the Russian invasion of Georgia, despite Russian failure to honor the terms of the cease fire brokered by French President Nicolas Sarkozy as EU president. Although the success of North Stream would not inherently rule out an alternative to Russian-controlled transit routes, it would do so in practice. In so doing, Chancellor Merkel has apparently sided with those who argue that European dependence on Russian gas is actually an interdependence that ensures Russia must play by reasonable rules in energy relations.

This may be true for Germany and Russia in most years. Russia has no interest in losing energy revenues or contracts, especially after foreign reserve losses in the financial crisis. But it is far less true for other European nations that will be much more vulnerable to pressure than Germany. Further, it puts Germany in the position of an energy version of "mutual assured destruction." The gamble is that a threat of not buying gas by democratically-elected Western leaders, with drastic consequences for their economies and their voters' home heating, can be a short-term tactical match for a threat of cut-off by the Kremlin's leaders, whose price would be a brief reduction in national and personal revenues.

Energy is thus a major strategic vulnerability for Europe. This problem becomes more complicated when one considers European commitments to reductions in carbon emissions, which argues for reliance on natural gas. This vulnerability opens a major difference with the United States so long as Europe accepts a dependence on Russia, and it offers substantial and potentially very dangerous space for Russian influence in central and Western Europe. Russian leverage is potentially direct, but it is also more subtle and enduring than a single act of depriving Europe of gas. At about the same

time that Merkel offered support for North Stream, Obama announced a policy priority of energy independence for the United States. The practical achievement of that goal will be very difficult, but establishing it as a baseline objective reflects a basic difference in strategic thinking on the part of the U.S. administration.

8 CONCLUSION

We are at a moment when differences regarding Russia have the potential to open major strategic divergences between the United States and Germany.

We are at a moment when differences regarding Russia have the potential to open major strategic divergences between the United States and Germany. Some in Europe, especially Italy under Prime Minister Silvio Berlusconi, will readily support Germany. Others will fear the consequences and seek alternatives.

This is a critical moment. The new U.S. administration is faced with an extraordinarily difficult strategic landscape. Attempting to resolve larger strategic differences with Europe,

and Germany in particular, may not receive the immediate attention one would like. Those who see the strategic importance of transatlantic relations and who hope for a strategic convergence that would continue the successes of the post-World War II era will need to fashion an approach to Russia that accepts the reality of the situation in Moscow, the reality and consequences of its world-view, and the differences between Washington and Berlin. This will be no easy task.



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