



Berlin's Strategic Moment

The OSCE Chairmanship to Test its Emergent Leadership

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Abstract

As Germany prepares to take on the chair of the Organization for Security and Co-operation in Europe (OSCE) in 2016 in the midst of Europe's worst security crisis in a generation, crisis management is in the foreground—with a focus on containing risk and preventing escalation through diplomacy and sanctions against Russia. Yet Berlin is also fundamentally re-shaping its foreign and security policy across the board. Ultimately, Germany's goal must be to restore a peaceful European security order: not on the terms of Vladimir Putin, but on the basis of the principles enshrined in the OSCE.

Keywords

German foreign policy – OSCE Chair – Ukraine crisis – European leadership – German-Russian relations

Introduction

Germany is preparing to take on the chairmanship of the Organization for Security and Cooperation in Europe (OSCE) for 2016 in the midst of the Eurasian continent's worst security crisis since the fall of the Wall. Russia's aggression against Ukraine, its persistent probing not just of the vulnerabilities of Ukraine's neighbors from Belarus to the Caucasus, but of the European Union (EU) and the Northern Atlantic Treaty Organization better known as NATO themselves—and with the latter, of the transatlantic relationship: we are facing the most dangerous challenge to the peaceful European security order¹ in a generation.

As the West weighs its response, the OSCE, the third pillar of the European security order, but long neglected and overshadowed by a steadily enlarging NATO and EU, is taking center stage again. It is the only security organization on the continent that includes Russia. By signing the OSCE's key documents—the Helsinki Final Act of 1975 and the Paris Charter of 1990—Russia endorsed key principles like the respect for sovereignty and territorial integrity, but also democracy, human rights and economic freedoms as well as rule of law.

The conflict in Ukraine—in which Russia appears to have violated most of the principles it signed up to in the framework of the OSCE—has been called a “stress test” for the organization. Yet it is surely much more than that. Lord Ismay, NATO's first Secretary General, once joked grimly that the purpose of the transatlantic military alliance was to “keep the Russians out, the Americans in, and the Germans down.” The current challenge for the OSCE might more accurately be described as to keep Russia from destroying it, to stop the United States from heavy-handed intervention (or, alternatively, from leaving Europe altogether), and to induce the Germans to play a role in maintaining the European security order that is more commensurate with their power. Germany, currently the pivotal power in Europe, is taking on responsibility by signing up for the organization's chairmanship-in-office. Given the stakes, this could well become a survival test for the OSCE, and the severest test for German diplomacy and leadership since the fall of the Wall. Can it succeed?

The Political and Economic Context

Germany's neighbors and allies, not least the United States, have been asking it to play a greater leadership role in European security for decades. In 2013, an *Economist* special report pithily and accurately summarized a widespread sense of frustration by calling Germany the “reluctant hegemon.”² In one aspect, however, this critique is undeserved: Germany has for some time now been a forceful and quite unapologetic hegemon when it comes to the use of its

1 German Chancellor Angela Merkel, Lowy Lecture, November 21, 2014.

2 Zanny Minton Beddoes, ‘Germany: Europe's Reluctant Hegemon’, in Special Report, *Economist*, June 15, 2013.

economic power. Indeed, it has been the main guarantor and policy driver in the European sovereign debt crisis which has held Europe in its grip since late 2008. In this context, at least, it has shown no reluctance to lead (and to ask—tell, rather—others to follow). True, its success record has been mixed: Some European countries have accepted the strict German prescription of inter-governmentalism and structural reforms in substance, even while they chafed at what was widely perceived as a peremptory and rigid style. But Berlin has also had to make significant compromises along the way—most importantly, by submitting to the European Central Bank (ECB)’s decision to pursue a policy of quantitative easing.

Europe’s economy overall appears to be showing signs of picking up, particularly in the member states that have undergone structural adjustment programs—a development that the Berlin government takes as evidence of the appropriateness of its policy prescriptions. Yet there remains a festering north-south economic divide within Europe, with slow growth, high levels of youth unemployment, and unsuccessfully managed immigration feeding a toxic compound of anti-globalization, anti-EU, and anti-immigrant populism. Greece is so far the only EU member state where the populists have been elected to lead a government, and are making a frontal challenge to the German-led reform coalition. But populist groups are making their influence felt across Europe: they are challenging the policy establishment in elections and they are clearly felt as a constraint even by those governments which are not facing election. Finally, a Greek or British exit from the EU remains a possibility, with potentially shattering consequences for the European project.

2 The Short Term: Germany’s Crisis Management in Ukraine

This volatile and risk-filled political and economic backdrop is essential for understanding Germany’s perspective and leadership in the context of the Ukraine crisis, which has focussed mostly on containing the risk of escalation through diplomacy, and, albeit reluctantly at first, on sanctions. For Berlin, as for the majority of Western governments, the Euromaidan uprising and the ouster of President Viktor Yanukovich in February 2014 overturned a policy towards Kiev (and what was called Europe’s “Eastern Neighborhood”) that was premised on a realist acknowledgement of legitimate Russian interests in the arc of territory between Belarus and the Caucasus. Consequently, it sought to balance out a close trade association and limited support for civil society on the one hand with a tacit exclusion of NATO and EU membership on the other. Notwithstanding the strident criticism of the uprising from Moscow, Berlin’s repeated subsequent pushes for a diplomatic settlement were based on the assumption that President Vladimir Putin’s government would ultimately be willing to cooperate.

Germany’s strong preference for diplomacy has many roots: its own terrible 20th-century history, a postwar economic miracle based on exports and trade, and a highly pacifist public opinion. It was facilitated greatly by its ability to free-ride on the coattails of the U.S. as provider of security during the Cold War—and afterwards, by the fact that successive enlargements of NATO and the EU turned Germany from a frontline state into a country “encircled by friends” (former Defense Minister Volker Rühle), thereby so effectively exporting its security risks to the periphery of Europe that Germans forgot they existed.

As for Germany’s relationship with Russia, it has long been a dark tangle of reciprocal attraction, complicity, victimization, and profitable trade. Russia only ranks in eleventh place on the list of Germany’s trading partners, but it supplies a third of its oil and gas, and according to German industry, accounts for up to 200,000 German jobs. For all these reasons, Berlin’s policy—officially termed a *Modernisierungspartnerschaft* or modernization partnership, a discreet acknowledgement of Russia’s domestic dysfunctionality issues—assumed that Germany could not just profit from this relationship, but use it to transform Russia and bring it closer to Europe through a deepening of mutual interdependence. (Anger against or alienation from America, e.g. over the Iraq War or intervention in Libya, also

helped Germans to feel closer to Russia.) For Moscow, conversely, Germany was a strategic bridgehead into Europe.

This deep and strong bilateral relationship between Berlin and Moscow was already somewhat shaken by the Russo-Georgian war of 2008. But it was effectively ended in the months following the Euromaidan uprising by Russia's annexation of Crimea, the downing of Malaysian Airlines flight mh-17, the escalation of fighting (clearly supported by Russia) in Eastern Ukraine, and Moscow's campaign of outright lies, propaganda and bullying in the region as well as towards NATO and EU member states—not least through the funding of rightwing parties like France's Front National by Russia. Over the course of the year, German policymakers came to realize that their repeated offers of deescalation and “off-ramps” (including offers of formal cooperation between the EU and the Russian-led Eurasian Union as late as February 2015) were not being reciprocated. They concluded that they were facing a Russian policy based on confrontation rather than cooperation.³ Senior German politicians made it clear that the so-called strategic relationship with Russia is over for the foreseeable future.

Berlin's crisis management strategy continues to hold out for a diplomatic settlement as a matter of principle—with the OSCE serving as the normative and institutional framework for negotiation and verification—but, it must be said, with rapidly dwindling hopes for its feasibility. (The much-criticized Minsk II agreement of February 15 is the latest iteration of Germany's attempts to at least “freeze” the conflict and create conditions for a more lasting end to violence.)

In practice, therefore, the German approach has been based on three main prongs: political and military reassurance for the eastern European members of the EU and NATO,⁴ support for Ukraine's democratic transition, and condemnation of Russia's actions—the latter taking the form of three waves of sanctions, based on a European consensus forged and held together mainly by Berlin. This shift is all the more important and durable in that it is endorsed by the three constituencies which had for decades been the strongest supporters of the traditional *Ostpolitik* approach of rapprochement and deeper integration with Russia: the Social Democrats (some of whom have felt it necessary to distance themselves publicly and in writing from unsolicited advice to engage more with Russia, offered by some of the party's elder statesmen, such as former Chancellor Helmut Schmidt, or the intellectual founder of *Ostpolitik*, Egon Bahr);⁵ the Federation of German Industries (in opposition to its once-powerful and vocal *Ostausschuss*, the committee representing the interests of German investors in Russia);⁶ and an initially divided German public, which surveys now show to be broadly distrustful of Russia, and supporting a tough response to the crisis.⁷ Last but not least, Chancellor Merkel, Foreign Minister Frank-Walter Steinmeier and other key policymakers, as well as senior advisers like the coordinator for Russia policy in the foreign ministry, Gernot Erler, are thought to have lost all trust in the reliability of the Kremlin.

In staking out this position, German policymakers were certainly following their own preferences, but it helped that neither the United Kingdom nor France appeared to be willing to take the lead. The Germans also saw

3 Andreas Rinke, ‘Vom Partner zum Gegner zum Partner?’ in *Internationale Politik*, March/April 2015, pp. 36–43.

4 For the details of Germany's responses within NATO, see Claudia Major, ‘NATO's Strategic Adaptation: Germany is the Backbone for the Alliance's Military Reorganisation’, in *SWP Comment*, March 2015.

5 See Rolf Mützenich, ‘Rapprochement Reloaded: Why Détente with Russia is not Appeasement’, in *Foreign Affairs*, February 25, 2015; Karsten Voigt, ‘Collaboration, as Far as Possible; Defense, as Far as Necessary’, in *AICGS Blog*, April 15, 2015.

6 See the op-ed by Markus Kerber, the President of the German Federation of Industries, ‘German Industry should speak hard truths to Putin’, in *Financial Times*, May 7, 2014.

7 The early divisions within Europe are well captured in the German Marshall Fund's 2014 Transatlantic Trends survey. The German national television channel ARD has regularly asked questions about attitudes to Russia and Ukraine in its “Deutschlandtrend” survey.

themselves as carefully balancing out potentially destabilizing extremes on both sides of the Atlantic. A number of senior U.S. policymakers in the executive as well as in Congress wished to see sooner and sharper sanctions against Russia and more help for Ukraine (including, some argued, arms shipments).⁸ Several more hawkishly-minded countries in Europe (the Baltics, Poland, and Sweden, in particular) agreed. Merkel, however, has insisted that for Berlin there is “no military option,” and she has explicitly rejected arms deliveries to Ukraine.

On the other side of the debate, most of the countries of Southern Europe and many in Eastern Europe took Russia’s side more or less openly, for a broad variety of reasons from close economic ties with or energy dependence on Russia,⁹ or a bleak view of Ukraine’s chances for democratic reforms, to a conviction that the West had contributed to the crisis and in any case needed to maintain a good working relationship with Moscow in order to ensure Russia’s cooperation on a number of global and regional order issues. This take was emphatically endorsed by a number of prominent U.S. analysts or former policymakers, for much the same reasons. Some of them also saw this as a welcome opportunity to wean Europe off its dependence on the U.S. security guarantee—and America off an addiction to worldwide intervention.¹⁰

In all this, the German Chancellor’s most important ally so far has been President Barack Obama. It has clearly suited the American President, an intervention skeptic and advocate of prudent retrenchment, to have Europe and Germany take the lead in a European security crisis at a time when many other urgent issues worldwide demand American attention. And both Berlin and Washington know the symbolic and practical importance of transatlantic cooperation when facing a Russia that is adept and ruthless at exploiting European vulnerabilities and fears. Strikingly, when Merkel travelled to Washington in early February, the German Chancellor and the U.S. President praised the quality of their cooperation, while carefully leaving each other space for divergence on potentially divisive issues such as arming Ukraine.

Nonetheless, at the time of publication of this article, the conflict in Ukraine seemed to have reached an inflection point which could challenge and indeed overturn Germany’s careful crisis management tactics. With repeated violations of the Minsk II ceasefire on both sides, lackluster Ukrainian reform efforts, pushes from within the EU to prevent a renewal of sanctions, a Russia that shows no signs of relenting from its ceaseless probing of Europe while its economy worsens, and a United States torn in different directions by a beginning Presidential campaign and crises in the Middle East that are heating up, there are many possible ways in which this crisis could take a turn for the worse (or much worse) before it gets better.

Germany’s foreign minister Steinmeier has made it very clear that a push by the Russian-backed “separatists” in Eastern Ukraine would be the end of the Minsk II agreement and of Germany’s diplomatic crisis management.¹¹ He did not, however, state what Germany would do if and when that happened.

8 Steven Pifer, Strobe Talbott, Ivo Daalder, Michele Flournoy, John Herbst, Jan Lodal, James Stavridis, Charles Wald, ‘Preserving Ukraine’s Independence, Resisting Russian Aggression: What the United States and NATO Must Do’, in Brookings Report, February 2015.

9 For an overview of European vulnerabilities, see Daniela Schwarzer, Constanze Stelzenmüller, ‘What is at stake in Ukraine’, in Europe Policy Paper 1, German Marshall Fund, March 19, 2014.

10 See e.g. John Mearsheimer, ‘Why the Ukraine Crisis is the West’s fault. The Liberal Delusions that Provoked Putin’, in Foreign Affairs, September/October 2014; Henry Kissinger, ‘To Settle the Ukraine Crisis, Start at the End’, in Washington Post, March 5, 2014; Samuel Charap and Jeremy Shapiro, ‘How to Avoid a New Cold War’, in Brookings Blog, October 2014.

11 Frank-Walter Steinmeier, ‘Maintaining Transatlantic Unity in a Complex World’, March 12, 2015; his comments on Germany’s “red lines” were made during the Q&A following his speech.

3 German Leadership II: Germany Re-shapes Itself ...but to What End?

A less well-observed phenomenon of German foreign and security policy in the midst of the European crisis is that Germany is going through what could be called a strategic moment—a rare, even unique, exception in Germany's postwar history of free-riding, incrementalism, and reluctance to use hard power.

Consider the following: Since February 2014, when Germany's President Joachim Gauck, its Foreign Minister Frank-Walter Steinmeier, and its Defense Minister Ursula von der Leyen gave a set of carefully coordinated speeches at the Munich Security Conference calling for a more forward-leaning German security policy,¹² Germany has followed through with a robust set of measures. The Ministry of Foreign Affairs held a full-scale, year-long review culminating in an announcement of extensive reforms. These are intended to scale up the MFA's crisis management capabilities, but also to enable it to invest more decisively in an open, rules-based international order.¹³ Berlin is arming the Kurdish Peshmerga, and sending trainers to Iraq. It is playing a larger role in NATO, and about to increase its defense budget. It has initiated a new White Book process, the first in a decade; and a commission chaired by former Defense Minister Volker Rühle has been discussing how the government might be enabled to commit forces to international military missions more reliably and rapidly.

In sum, German policymakers are looking at their country's foreign and security machinery with an eye to making it more fit for purpose in an era of interdependence, open borders and mobile capital: to allow it to act, rather than to react; and to allow it to shape its strategic surroundings, rather than being shaped by them. All this is based on the recognition that Germany's influence and power are premised on its successful engagement with a globalized world.


What is missing, however, is an answer to the question of how to deal with the dark underside of globalization: the fear, hostility, and aggression of what in German are called *Globalisierungsverlierer*, or globalisation losers. It is expressed in Europe's extremist populist movements and in Islamist terrorism—and it seems less and less far-fetched to see it in the cynical and garbled ethno-nationalism with which Vladimir Putin seeks to deflect attention from the increasingly dire outlook for Russia's political economy.

Flash back to 1991, the last time Germany held the chairmanship of the OSCE—just two years after the fall of the Wall, and less than a year after reunification. In July of that year, the Warsaw Pact was dissolved; December saw the Soviet Union disintegrate into fifteen separate countries. At the time, some observers predicted new wars on the continent. Europe was mercifully spared a conflagration, and instead, the EU and NATO went on towards peaceful enlargement—not least because of the enlightened diplomacy of European, American, and Russian leaders.

Twenty-four years later, the danger to Germany and the entire Eurasian continent from Russia is not rooted in its strength, but on its weakness. Seen from Berlin, the crisis in Ukraine—dangerous as it is—is only the first chapter in what could become an upheaval of Europe's entire Eastern neighborhood *and Russia*. Handling this risk looks likely to become the overarching challenge of an entire generation. It will require a sophisticated mix of deterrence, defense, and diplomacy, as well as engagement of civil societies. The ultimate goal will again have to be a European security order that encompasses the entire Eurasian continent including Russia; not on the terms of Vladimir Putin, but on the basis of the principles enshrined in the OSCE.

12 The texts of the speeches can be found in <https://www.securityconference.de/en/activities/munich-security-conference/msc-2014/>.

13 German Foreign Ministry, "Review 2014: Crisis—Order—Europe", February 25, 2014.



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Security and Human Rights (formerly Helsinki Monitor) is a journal devoted to issues inspired by the work and principles of the Organization for Security and Cooperation in Europe (OSCE). It looks at the challenge of building security through cooperation across the northern hemisphere, from Vancouver to Vladivostok, as well as how this experience can be applied to other parts of the world. It aims to stimulate thinking on the question of protecting and promoting human rights in a world faced with serious threats to security.

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