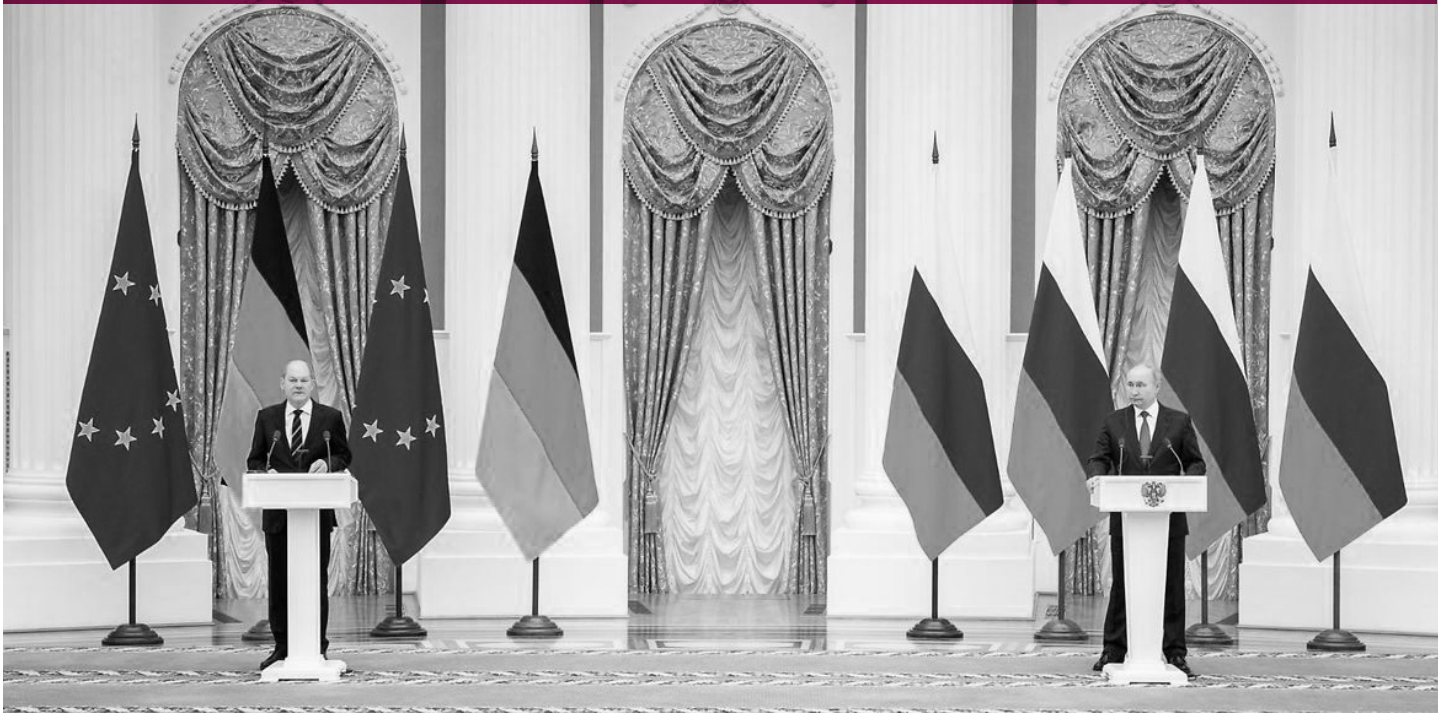


# GERMANY'S SHIFTING POLICY TOWARDS RUSSIA

THE SUDDEN END OF OSTPOLITIK

András Rácz



# GERMANY'S SHIFTING POLICY TOWARDS RUSSIA

## THE SUDDEN END OF OSTPOLITIK

- A reassessment of Germany's relations with Russia started after the annexation of Crimea in 2014, and was catalyzed by several offensive actions taken by Moscow, including hacking attacks against the national parliament, disinformation campaigns, as well as an attempt on the life of Russian opposition politician Alexei Navalny.
- The new German government, formed following the September 2021 Bundestag election, is different from its predecessors in all important respects regarding foreign policymaking towards Russia. The Chancellor, the governing coalition, as well as the composition of the parliament have all changed.
- These changes have been pushing Germany towards a gradual reconsideration of its traditional *Ostpolitik*, which perceived mutually beneficial economic cooperation with Moscow as a guarantee of stability and predictability in Europe.
- Russia's full-scale war against Ukraine, launched on 24 February, marks the point of no return. The war made Berlin cross several important red lines of German foreign policy, such as agreeing to very heavy sanctions against Russia, halting the Nord Stream 2 pipeline, and delivering weapons to Ukraine. This de facto marks the end of *Ostpolitik*.



**ANDRÁS RÁCZ**

Associate Fellow

German Council on Foreign Relations

ISBN 978-951-769-720-0

ISSN 1795-8059

Language editing: Lynn Nikkanen

Cover photo: Bundesregierung/Kugler (Press and Information Office of the Federal Government of Germany)

# GERMANY'S SHIFTING POLICY TOWARDS RUSSIA

## THE SUDDEN END OF OSTPOLITIK

### INTRODUCTION

The new German government, led by Chancellor Olaf Scholz, was sworn in on 8 December 2021. In the German political system, Russia policy is traditionally steered by the Chancellor and the Chancellor's Office. Hence, the mere fact that Angela Merkel was succeeded by a new chancellor automatically generated a raft of policy-related, organizational and also personnel changes. However, Merkel's 16-year-long chancellorship was naturally characterized by a fair degree of inertia, particularly related to the modus operandi of everyday policymaking. For this reason, it was hardly realistic to expect immediate and absolute changes in Germany's Russia policy right after the formation of the new government.

This was the case even though the Scholz government came to power at a time when tensions related to Russia's actions against Ukraine were already high, particularly regarding the military mobilization, as well as the two Russian proposals for a new security order for Europe, submitted in December 2021. The circumstances of the unfolding crisis and the need to act made the transition-related hardships much more visible, and provided grounds for substantial criticism about the perceived inaction of the new German government.

However, 24 February 2022, the day when Russia launched its full-scale war against Ukraine, has become a watershed in the general security of Europe and in the foreign and security policy of the European Union, in which Germany is a key actor. It is in this context that an understanding of Germany's role and the changes in Berlin's Russia policy are of paramount importance.

This Briefing Paper argues that the Russia policy of the new German government is going to be fundamentally different from that of its predecessors, largely due to the war in Ukraine. While Berlin's Russia policy had already started to change in the latter years of the Merkel era, mainly after the poisoning of opposition politician Alexei Navalny, the February 2022 escalation marks the point of no return. While long-term structurally defining elements will maintain a role in moderating Berlin's divergence from the traditional Russia policy, it is unlikely that they could negate the fundamental changes induced by the war.

### LONG-TERM DEFINING FACTORS IN GERMANY'S RUSSIA POLICY

When assessing the Russia policy of the new German government, one needs to take into account certain long-term factors that keep shaping and influencing the foreign policy of every German government. Probably the most significant of these is the heritage of *Ostpolitik*, a highly successful policy line of West Germany under Social Democratic Chancellor Willy Brandt, who perceived mutually beneficial economic cooperation with Moscow as a guarantee of stability and predictability, and who had a major effect on Germany's foreign policy towards post-Soviet Russia as well. Although the onset of the crisis in Ukraine in 2014 significantly weakened the influence of *Ostpolitik* logic,<sup>1</sup> manifested among other things in Germany's firm stance on maintaining EU sanctions against Russia, German Foreign Minister Heiko Maas announced a New European *Ostpolitik* in 2018, indicating the prevalence of the traditional approach. To strengthen dialogue with Moscow, new German Chancellor Olaf Scholz proposed yet another *Ostpolitik* in December 2021, while also warning Russia about violating Ukraine's territorial integrity.<sup>2</sup>

Another strategic factor is Germany's tradition of favouring multilateral, cooperative solutions to international problems, and fundamental reluctance towards any kind of interventionism, stemming from the country's historical heritage. With regard to Russia in particular, this was demonstrated by Germany's strong commitment to the Minsk negotiations, as well as to the so-called Normandy Format,<sup>3</sup> and Chancellor Merkel's frequent meetings with Russian President Vladimir Putin. The same commitment explains Germany's consistent push to maintain dialogue with Russia, even under fraught conditions.

1 Karsten D. Voigt, 'Analyse: Eine neue Phase der Russland- und Ostpolitik hat begonnen', Bundeszentrale für politische Bildung, 3 October 2014, <https://www.bpb.de/themen/europa/russland-analysen/194033/analyse-eine-neue-phase-der-russland-und-ostpolitik-hat-begonnen/>.

2 Patrick Donahue and Arne Delfs, 'Scholz Proposes New EU "Ostpolitik" to Ease Tensions With Russia', Bloomberg, 15 December 2021, <https://www.bloomberg.com/news/articles/2021-12-15/scholz-proposes-new-eu-ostpolitik-to-ease-tensions-with-russia>.

3 The Minsk agreements are two international agreements, signed in September 2014 and February 2015 by representatives of Ukraine and Russia, with Switzerland as a mediator, and by the two separatist entities in Eastern Ukraine. The Normandy Format, also known as the Normandy contact group, is an informal group consisting of Russia, Ukraine, Germany and France, which is supposed to facilitate a resolution of the conflict in Eastern Ukraine.



German Chancellor Olaf Scholz met with the President of Ukraine Volodymyr Zelensky in Kyiv on 14 February 2022.  
Source: The Presidential Office of Ukraine (CC BY 4.0)

Germany's lasting dependence on the import of Russian gas constitutes an additional key factor that has shaped the country's policy towards Moscow. The importance of Russian gas has even increased following the so-called *Energiewende*, namely the need for Germany to shift its energy balance towards greener and more renewable resources by improving energy efficiency. While the first *Energiewende* law was passed in 2010, the Fukushima nuclear disaster in March 2011 resulted in modifying the concept with the decision to shut down all nuclear power plants in Germany by 2022. Phasing out nuclear energy was, of course, set to increase the relative importance of natural gas in Germany's energy balance.

The idea of extending the existing Nord Stream pipeline with an additional two pipes, later known as Nord Stream 2, originates from these changes. The agreement to construct the pipeline, and thus to turn Germany into a significant hub for Russian gas export to Europe, was signed by members of the consortium in June 2015, more than a year after the beginning of the war in Ukraine. This, as well as Berlin's consistent efforts to keep Nord Stream 2 decoupled from any EU sanctions measures, claiming that it was only a commercial project, indicates the importance of the pipeline for Germany. Besides

evident business interests, the traditional *Ostpolitik* logic has also played an important role here: by keeping Russian elites engaged in commercial projects, many in Berlin hoped that it would be possible to deter, or at least to mitigate, Russia's geopolitical ambitions.

*Ostpolitik* and Nord Stream 2 cumulated as motivations for a cooperative Russia policy within the Social Democratic Party (SPD). Many national and local politicians from the party qualified as *Russlandverstehern*, referring to their being sympathetic towards Russia in the political sense. In addition to the explicit example of former Chancellor Gerhard Schröder, who has held and still holds well-paid positions in Russian energy companies, several other SPD notables have maintained close ties with Russia. These include former party leader and Foreign Minister Sigmar Gabriel, who in 2018 suggested that the EU sanctions against Russia should be lifted if the ceasefire in Donbas held,<sup>4</sup> and also former Ministers of Foreign Affairs Frank-Walter Steinmeier, Federal President since 2017, and Heiko Maas. While the crisis in Ukraine after 2014 forced the SPD to shift to a

4 Allison Williams and André Ballin, 'Germany's foreign minister suggests lifting sanctions on Russia', *Handelsblatt*, 1 November 2018, <https://www.handelsblatt.com/english/politics/eastwards-easing-germanys-foreign-minister-suggests-lifting-sanctions-on-russia/23580682.html>.

two-track policy by both emphasizing the importance of dialogue and voting for the sanctions, the *Russlandversteher* attitude is still present in the party. In addition to federal politicians, this influence is particularly strong in some of Germany's federal states. Mecklenburg-Western Pomerania, where Nord Stream 2 comes ashore, is one of the SPD's strongholds, with Manuela Schwesig holding the position of prime minister.

The Russia-sympathizer attitude is also present at the other end of the political palette. The far-right Alternative for Germany (AfD) party was born based on anti-EU and anti-NATO sentiments, and fosters a strongly pro-Russian attitude. Connections between the AfD and Russia appear to go way beyond normal ideological affinities: Russia has been actively promoting the AfD's agenda, while AfD members regularly provide political services for Russia. For example, by conducting electoral observation in elections important for Russia, the AfD legitimizes them with its presence.<sup>5</sup> Although the AfD performed worse in the September 2021 German parliamentary election than it did in 2017, it still gained 83 seats in the Bundestag; moreover, it won in both Saxony and Thüringen. While the party is not a member of the government, its strongly pro-Russian voter camp cannot be completely ignored, since their sympathies constitute another, long-term defining factor in Germany's relations with Russia.

### The gradual erosion of Ostpolitik

Despite the traditional *Ostpolitik* logic and Germany's engagement in maintaining several channels of dialogue with Russia, tensions between Berlin and Moscow gradually started to mount soon after 2014. In 2015, there was a Russia-attributed cyberattack against Germany's national parliament, the Bundestag. The so-called "Lisa case"<sup>6</sup> in January 2016 was an overt effort to influence German domestic politics by trying to weaken public trust in the federal police, and by seeking to amplify immigration-related tensions. In doing so, Russia openly supported the AfD. In August 2019, an ethnic Chechen immigrant from Georgia and former veteran of the Chechen wars, Zelimkhan Khangoshvili, was killed in Berlin's Kleiner Tiergarten Park in broad daylight by an

operative of Russia's Federal Security Service (FSB). The perpetrator, Vadim Krasikov, received a life sentence, and Germany expelled two Russian diplomats in December 2021, already under the new government.

The attempted murder of Alexei Navalny in 2020 was indeed a turning point, also due to Merkel's personal involvement in helping the poisoned Russian opposition politician. The Chancellor later declared with atypical bluntness that Navalny had been poisoned with the nerve agent Novichok, duly openly attributing the attack to Russia. On top of this, a few months ahead of the 2021 parliamentary election, Russian hackers again targeted the Bundestag, attempting to hack the email accounts of German parliamentarians.<sup>7</sup>

### INSTITUTIONAL CHANGES FOLLOWING THE 2021 ELECTION

As a result of the 2021 parliamentary election, the subsequent election of a new chancellor, and the formation of a new government, all of the major political players that form and execute Germany's Russia policy have changed. The new chancellor, Olaf Scholz, differs markedly from his predecessor in terms of relations with Russia. Former Chancellor Merkel was raised in East Germany, was a member of the Communist Youth Movement, speaks fluent Russian, and has both an inherent understanding of and interest in Russia. Meanwhile, Scholz made his political career in Hamburg, and has had no such connections to the former Eastern Bloc.

The new Bundestag is also different in its relations to Russia. This is the youngest Bundestag in decades, with an average age of 47. Out of 736 members, 47 MPs are under 30.<sup>8</sup> Hence, the number of those MPs who may possibly have positive memories of the Communist era, and who could become potential *Russlandverstehern*, is much smaller than before, which decreases Russia's soft power potential among them. The negative side of a younger parliament is that many new members have very limited political experience, particularly regarding foreign policy.

The new government also fundamentally differs from previous coalitions in its relations to Russia. While the SPD itself is divided over relations with Russia, the other two coalition parties, the Greens and the Free Democrats (FDP) are both staunchly Russian-critical, mostly

5 See, for example, Markus Frohnmaier. European Platform for Democratic Elections, 'Markus Frohnmaier', <https://www.fakeobservers.org/biased-observation-database/details/frohnmaier-markus.html>.

6 In January 2016, a 13-year-old Russian-German girl, Lisa F., went missing for over a day in Berlin. When she returned home, she told her parents that she had been kidnapped and assaulted by immigrants, but quickly withdrew her accusation. Nevertheless, Russian state media and Russian diplomacy picked up the story and created a major information campaign out of it, accusing the German police of not investigating the case properly. Even Russian Foreign Minister Sergei Lavrov got involved.

7 'Russian hackers target German parliament again - Der Spiegel', Reuters, 26 March 2021, <https://www.reuters.com/article/us-germany-politics-cyber-idUSKBN2B1272>.

8 Ben Knight, 'Germany begins new parliamentary era', Deutsche Welle, 26 October 2021, <https://www.dw.com/en/germany-begins-new-parliamentary-era/a-59626756>.

on a human rights basis. Consequently, the new coalition treaty<sup>9</sup> (*Koalitionsvertrag*) uses unusually tough wording on Russia. On the one hand, the text emphasizes the importance of the US–Russia strategic arms control negotiations, describes Russia as a significant actor in international relations, and calls for constructive dialogue, including on matters concerning climate change. On the other hand, the treaty strongly condemns Russia’s destabilizing actions and violence in Ukraine, calls the annexation of Crimea an outright illegal act, and conditions the lifting of EU sanctions against Russia on the complete fulfilment of the Minsk Accords. While the text is still largely in line with the traditional cooperative, dialogue-oriented approach of German foreign policy towards Russia, the wording is unprecedentedly harsh, reflecting the strong stances of the coalition parties, particularly the Greens and the FDP.

## EFFORTS TO DEFUSE TENSIONS OVER UKRAINE

The Scholz government took office at a time when tensions related to Russia’s military deployments around Ukraine were already high. The new German administration immediately became engaged in trying to mitigate the tensions. The new foreign minister, Annalena Baerbock from the Green Party, travelled first to Kyiv, then to Moscow, and called for de-escalation. She warned Russia of potential economic sanctions in the event of any military actions against Ukraine. She also tried to revive the Normandy talks to foster management of the crisis. Shortly thereafter, Chancellor Scholz himself also travelled to Kyiv and Moscow and tried to de-escalate the crisis by pointing out that Ukraine’s NATO accession – something that Moscow claimed posed a fundamental threat – was not on the agenda.

In addition to high-level diplomatic visits, the Scholz administration also took a number of practical military-related steps to react to the mounting tensions. In line with the general preference for multilateral formats, Germany increased its troop presence in Lithuania in the framework of NATO’s Enhanced Forward Presence, and deployed fighter jets to Romania to strengthen NATO’s Enhanced Air Policing operation in the country.

On a bilateral basis, Berlin sent 5,000 military helmets to Ukraine and promised to deliver a field hospital. As Kyiv expected more robust military assistance, including weapons, this shipment came in

for much criticism and ridicule both inside and outside of Germany. Regardless, Berlin remained adamant about not sending any lethal military aid to Ukraine, in line with the country’s decades-long policy of not delivering weapons to any conflict zone. The German government even blocked Estonia’s efforts to transfer some of its old German-produced artillery to Ukraine. Meanwhile, a highly visible messaging gesture was the immediate removal of Rear-Admiral Kay-Achim Schönbach after he made controversial remarks about the acceptability of Putin’s policy vis-à-vis Ukraine, indicating that Berlin’s position on the Ukraine crisis was becoming less ambiguous.

In parallel with these steps, Germany started to indicate the possibility of powerful economic sanctions, including those against the Nord Stream 2 pipeline, hoping to deter Russia from escalating the conflict any further.

## FEBRUARY 2022: THE WEEK WHEN OSTPOLITIK ENDED

None of the intensive diplomatic efforts were able to prevent Russia from recognizing the independence of the so-called Donetsk People’s Republic and Luhansk People’s Republic on 21 February, and from openly sending troops there. The German government’s reaction was swift and radical: the next day, Berlin ceased certification of the Nord Stream 2 pipeline. Scholz also ordered the government to elaborate a new energy security of supply concept, already excluding Nord Stream 2, which indicated that the decision to halt the pipeline was not temporary, but final. Furthermore, Germany played a very active role in elaborating and adopting a massive EU sanctions package on 23 February against more than 350 individuals in Russia, including all members of the State Duma who voted to recognize the separatist entities, and also restricted Russia’s access to the EU’s financial capital markets.

The Russian leadership, however, had most probably already factored in the halting of Nord Stream 2, and hence it did not deter Moscow from launching a full-scale attack against Ukraine on 24 February. The EU reacted with three rounds of unprecedentedly harsh sanctions. Among other measures, assets of Vladimir Putin and Minister of Foreign Affairs Sergei Lavrov held in the EU were frozen, the EU closed its airspace to Russian air carriers, and also prohibited all transactions with Russia’s Central Bank. Germany was supportive of all of these measures. The last round of sanctions

<sup>9</sup> Government of Germany, ‘Koalitionsvertrag 2021–2025 zwischen der Sozialdemokratischen Partei Deutschlands (SPD), BÜNDNIS 90 / DIE GRÜNEN und den Freien Demokraten (FDP)’, <https://www.bundesregierung.de/resource/blob/974430/1990812/04221173eef9a6720059cc353d759a2b/2021-12-10-koav2021-data.pdf?download=1>.

included banning Russia's RT and Sputnik channels from broadcasting, as well as cutting a number of Russian banks from the SWIFT payment system.

The latter was the most problematic for Germany. Concerned about a possible economic backlash, Berlin initially resisted and claimed that this measure should be reserved for later.<sup>10</sup> However, by 26 February, when the real scale of Russia's attack unfolded, and due to intensive lobbying from the US, Britain, Poland and some other countries, Berlin agreed.

On the evening of 26 February, Germany authorized the delivery of lethal military aid to Ukraine. Starting to ship arms to an ongoing war marked a historical change in Germany's post-war arms export policies, which explicitly banned the transfer of weapons to countries that were engaged in a conflict. When announcing the decision, Scholz referred to Germany's historical responsibility and declared that Berlin was standing firm for Ukraine.<sup>11</sup> To begin with, authorization was given to ship 1,000 anti-tank missiles and 500 anti-aircraft missiles to Ukraine, and Berlin also permitted both the Netherlands and Estonia to deliver their German-origin weapons. A week later, on 3 March, Berlin also authorized 2,700 shoulder-fired anti-aircraft missiles to be sent to Kyiv to boost Ukraine's air defence, from stockpiles remaining from Communist East Germany. While some of these Strela missiles turned out to be useless, mostly due to improper storage, approximately 2,000 were still functional.<sup>12</sup> Nearly 20,000 helmets were also shipped to Ukraine.

Added to this, on 27 February Chancellor Scholz announced a massive, one-time 100 billion EUR increase in Germany's defence budget that would allow the

Bundeswehr to immediately start conducting long-delayed procurement and development projects. He also pledged that from 2022 on, Germany would meet the NATO expectation of spending 2% of its GDP on defence, a commitment that Berlin had consistently failed to fulfil earlier.

## CONCLUSIONS

The outbreak of full-scale war in Ukraine in February 2022 marks a sea change in the security of Europe, as well as for Germany. By reacting to the Russian invasion, the German government crossed several important political red lines that have characterized Berlin's Russia policy for decades. Halting the Nord Stream 2 project, agreeing to the strongest sanctions that the EU has ever introduced, including cutting Russian banks from the SWIFT system, delivering lethal weapons to Ukraine, and massively increasing the defence budget have all been steps that would have been unthinkable even a month earlier. In addition to their immediate importance, these steps will also have long cumulative effects, necessitating further policy changes, particularly regarding Europe's dependence on Russian energy imports.

It is still too early to judge when and how Russia's war in Ukraine will end. However, it is already clear that there will be no way for Germany to return to its traditional *Ostpolitik* approach vis-à-vis Russia, particularly while Russia is under the grip of the present political leadership. While the historical responsibility felt by Berlin towards Eastern Europe and the commitment to multilateral, cooperative diplomatic solutions will prevail, it is as yet unclear what Berlin's Russia policy will look like after the war. In fact, the same historical responsibility that has been the core ethical driving force behind *Ostpolitik* now seems to serve as a catalyst for Germany's unprecedented support for Ukraine. /

10 Hans von der Burchard, 'Germany's Olaf Scholz opposes inclusion of SWIFT in Russia sanctions for now', Politico, 24 February 2022, <https://www.politico.eu/article/germanys-scholz-opposes-inclusion-of-swift-in-russia-sanctions/>.

11 Sabine Kinkarz, 'German Chancellor Olaf Scholz announces paradigm change in response to Ukraine invasion', Deutsche Welle, 27 February 2022, <https://www.dw.com/en/german-chancellor-olaf-scholz-announces-paradigm-change-in-response-to-ukraine-invasion/a-60932652>.

12 'Deutsche „Strela“-Raketen für die Ukraine weisen teils erhebliche Mängel auf', Focus, 5 March 2022, [https://www.focus.de/politik/ausland/bericht-deutsche-strela-raketen-fuer-die-ukraine-mit-teils-erheblichen-maengeln\\_id\\_62448496.html](https://www.focus.de/politik/ausland/bericht-deutsche-strela-raketen-fuer-die-ukraine-mit-teils-erheblichen-maengeln_id_62448496.html).