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BRIEF

BALTIC STATES' EXPECTATIONS REGARDING GERMANY'S ROLE IN BALTIC SECURITY

Germany and Baltic Security Series, No. 1

Germany plays a major role in the security of the Baltic region and, especially, of the Baltic states. Although the Baltic states would favour Germany taking an even more prominent role, there are obstacles to this due to its very different views on issues such as military power, Russia and European defence integration. Germany's military power is, by policy choice, limited. Its willingness to use that power, even for the purposes of deterring Russia, is still more limited. More broadly, Germany seems to assume that the worst excesses of Russia's behaviour can be tamed through dialogue interdependence. European and defence cooperation, however, offers an opportunity for Germany to build a stronger military without raising concerns about its actions. In the long term, the Baltic states expect Germany to play a robust role in the region and to more efficiently counter Russia's policy, but in the short-term their objective would be to ensure that Germany's commitments to their security do not decrease.

INTRODUCTION

Since 2005, when Angela Merkel became Chancellor, Germany has consistently pursued a two-pronged policy towards central and eastern Europe and Russia. On the one hand, Germany has been a consistent supporter of the Baltic states in both EU and NATO formats. This has grown more important over time because of the gradual US disengagement from Europe, Russia's annexation of Crimea, Brexit and Germany's military presence in Lithuania as part of NATO's enhanced Forward Presence (eFP). On the other hand, Germany has pursued dialogue with Russia even when that seemed concerning to the Baltic states. And it has consistently supported the Nord Stream gas pipeline project which would cement the energy relationship between Germany and Russia. However, the formation of a new coalition government in Germany, led by Olaf Scholtz, provides an opportunity to reflect on the issue of Germany's role in the Baltic region.

This brief, the first in a series related to Germany's role in Baltic security, addresses two related issues: the Baltic states' expectations regarding Germany's contribution to Baltic regional security; and the differences in the Baltic states and Germany's perceptions of Russia. Unless Russia decides to no longer claim a sphere of exclusive interests in the post-Soviet space and unless it de-prioritises the significance of military power, Russia's European neighbours will be concerned about its behaviour. Even though Russia's foreign policy has been assertive and confrontational, estimations about the nature and severity of the threat posed by Russia differ among the EU and NATO member states, with Germany pursuing dialogue with Russia despite their disagreements.

GERMANY AND THE BALTIC Region

Germany has played a prominent role in the Baltic region, although before 2014 it was not so prominent as a security actor. Germany's involvement with the Baltic states, which began in the early 1990s shortly after they regained their independence, was conditioned by its deep historical ties with the region and its relations



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with Russia. Germany has been an active proponent of the Baltic states' interests as long as

this did not jeopardise its own relations with Russia.¹ Although the Baltic states have sought stronger bilateral relations with Berlin, Germany has played a substantial role in the Baltic states mostly through the EU and NATO. The

support of Germany was crucial in the context of the Baltic states' EU and NATO membership aspirations. During the economic downturn in 2008–2010, the Baltic states' governments adopted painful austerity policies that were in line with Germany's position at the time.

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> After Russia's aggression against Ukraine, the EU responded with economic sanctions and Germany's consistent policy is the key reason why sanctions are still in place. NATO responded to the war in Ukraine by increasing the military presence of allies in the Baltic states, and Germany assumed the role of the leading nation in the NATO eFP in Lithuania. Thus, Germany's role as a security actor in the Baltic region has increased, but it is still fairly limited.

WHAT DO THE BALTIC STATES WANT FROM GERMANY?

The simple answer to the above question is more, although it is not clear what form this contribution would take. A greater role for Germany in the Baltic region might take many forms, but the Baltic states essentially want Germany to "play a more robust role in the international arena" commensurate with its economic power.² Germany's national power is skewed in favour of economic power at the expense of military power, and there is little indication that the new government in Berlin would be willing to radically change this. Although the White Paper on German Security Policy and the Future of the Bundeswehr formulates "protecting the territorial integrity, the sovereignty and the citizens of our allies" as one of the two key security interests of Germany,

there is little to indicate that Germany would be ready for that. $\ensuremath{^3}$

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AND CAN THEY GET IT?

Policymakers in the Baltic capitals realise that a more ambitious German foreign policy might be more of an aspiration than a realistic objective.

> No public demand exists in Germany for a more assertive foreign policy that would be bolstered with growing military capabilities. Although Germany is aware that its partners within NATO and the EU would favour a stronger

Germany, domestic demand is absent. Upon assessing the foreign and security policy part of the government coalition agreement, Christian Mölling concluded that the good news about the security policy priorities of the new government is that the new policy will be similar to that pursued by the previous government, because there was "serious concern that the German commitment to defence would erode further".4 Other good news is that earlier assessments of German defence spending indicated defence allocations have increased from the low point in 2014 and the number of troops has also grown, but with a defence budget of 1.53% of GDP in 2021, Germany is not on track to meet the 2% threshold any time soon.⁵ Instead, the "traffic light" coalition parties - SPD, FDP and Greens have agreed that Germany will spend 3% of its GDP on its international commitments which combine defence spending and development cooperation. Germany's defence spending will likely increase only gradually in the coming years, which has implications for the Baltic states' security because, to support the Baltic states as part of NATO's collective effort, Germany would have to contribute capabilities that are deployable and available.

In the light of European defence ambitions, where integration efforts have sped up in recent years, Germany has pursued a dual approach that is likely to be continued by the new coalition government. Germany, very much like the three Baltic states, has been and still is a committed Atlanticist and favours a strong United States involvement in European security, but it has also supported European defence integration. Because of its complicated 20th century history, Germany has not been able to pursue a more ambitious security and defence policy on its own, but it may work towards the aim of more strategic sovereignty for the EU together with its partners in the EU. Germany, however, is unlikely to support the breakthrough in European strategic sovereignty that France has been advocating for years.⁶ The three Baltic states

have been somewhat sceptical about European defence integration, and about the French strategic autonomy initiative for the EU in particular, making their position on this issue closer (but not identical) to that of Germany, rather than that of France.

Thus, the Baltic states are aware that Germany faces historical and domestic constraints that prevent it from becoming a stronger military power. In the words of Christoph Heusgen, former foreign policy advisor to Chancellor Angela Merkel, "Germany is still in the process of taking the step from being a divided nation to a unified country that also parlays its economic strength into political strength."7 However, Germany's responsibilities to its NATO Allies and its engagement with European strategic autonomy are instruments that inevitably, though slowly, pull Germany into playing a more active role as a security actor in Europe. The new coalition government has committed to coming up with a formal National Security Strategy in 2022. This would be a first in Germany's recent history and a sign that Germany is becoming a more "normal" country with a "normal" foreign policy.8

THE BALTIC STATES, GERMANY AND RUSSIA

Russia looms large in the Baltic states' foreign and security policies. The relationship with Russia is also, for them, one of the most controversial aspects of German foreign policy. Former German Chancellor Angela Merkel built a long-term relationship with Russian President Vladimir Putin, despite deep disagreements on many issues. The relationship between Germany and Russia is complex. Russia's annexation of Crimea and military intervention in eastern Ukraine was strongly condemned by Germany and prompted Germany to play a greater role as a security provider in the Baltic states. According to the Baltic states, however, Germany's approach to Russia has been too soft, and German support for both Nord Stream pipelines has been a major disappointment for them. Moreover, Germany has continued to support Nord Stream 2 even in the face of American pressure.

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> Also, Germany's global role is a major factor because, unlike the Baltic states, Germany must work with Russia on many issues, such as Iran, Ukraine, Syria and climate change. Germany's approach to Russia rests upon a certain image of what Russia is and what to expect from it. This image comprises of three elements. First, economic interdependence is an instrument that can be used to tame Russia's foreign policy. Interdependence is a source of power and it provides an opportunity to influence Russia's behaviour. Second, Germany's proven track record of engaging Russia creates certain expectations on the part of Russia. The policy of engagement serves as an antidote against Russian elites becoming convinced that their relationship with Germany is beyond repair which may result in Russia behaving more recklessly against its neighbours. Finally, Germany's insistence on keeping open the channels of communication with Russia may help to avoid misunderstanding and misperception. Although it remains to be seen as to whether this part of Germany's approach to Russia will survive the changes in political leadership.

> All in all, Germany is a reliable partner for the Baltic states, and its role as a security actor is likely to increase in the coming years in Europe and possibly also in the Baltic region. But the Baltic states should not set their hopes too high

because further development of Germany's security and defence policy is closely tied to advances in Europe's defence integration and steps taken in the direction of some degree of strategic autonomy. The short-term objective for the Baltic states would be to ensure Germany's current commitments to their security do not decrease. However, it is unlikely that Germany would abandon support of its Baltic allies while it continues to engage with Russia and to keep the communication channels open, in the hope that interdependence will neutralise the most aggressive impulses in Russia's foreign policy. Also, the Baltic states should keep in mind that this approach may succeed, whereas a more confrontational approach could be detrimental to the security of the Baltic states.

ENDNOTES

- ¹ Andreas Michael Klein and Gesine Herrmann, "Germany's Relations with the Baltic States Since Reunification," KAS International Reports, no. 9 (31 August 2010): 73–74.
- ² Dumitru Minzarari and Susan Stewart, "The logic of defence assistance to Ukraine," SWP Comment 2021/C42 (9 July 2021).
- ³ <u>White Paper on German Security Policy and the Future of Bundeswehr</u> (Berlin: Federal Ministry of Defence, 2016).
- ⁴ Christian Mölling, "Solid on Defence, Fuzzy on Strategy," in A new foreign policy for Germany? Experts assess the German coalition deal of 2021, eds. Christian Mölling et al., DGAP Online Commentary, 25 November 2021.
- ⁵ Dominic Vogel, "Germany," in <u>Defence Policy and the Armed Forces in Times of Pandemic</u>, eds. Guna Gavrilko and Toms Rostoks (Konrad Adenauer Foundation, 2021), 80–94; NATO, "<u>Defence Expenditure of NATO Countries</u>," Press Release PR/CP(2021)094 (11 June 2021), 3.
- ⁶ The first foreign visit of Germany's new Chancellor Olaf Scholz will be to Paris. Also, France will hold the Presidency in the Council of the EU in the first six months of 2022, with several items related to European strategic autonomy being high on the agenda of the French presidency. Serafine Dinkel, "More Ambition for the EU's Capacity to Act," in A new foreign policy for Germany? Experts assess the German coalition deal of 2021, eds. Christian Mölling et al., DGAP Online Commentary, 25 November 2021.
- ⁷ Christoph Heusgen, "<u>I Have Eliminated 'the West' from My Vocabulary</u>," interview by Christiane Hoffmann and Christoph Schult, Der Spiegel, 23 September 2021.
- ⁸ Cathryn Clüver Ashrook, "<u>A New Foreign Policy Outlook</u>," in A new foreign policy for Germany? Experts assess the German coalition deal of 2021, eds. Christian Mölling et al., DGAP Online Commentary, 25 November 2021.

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