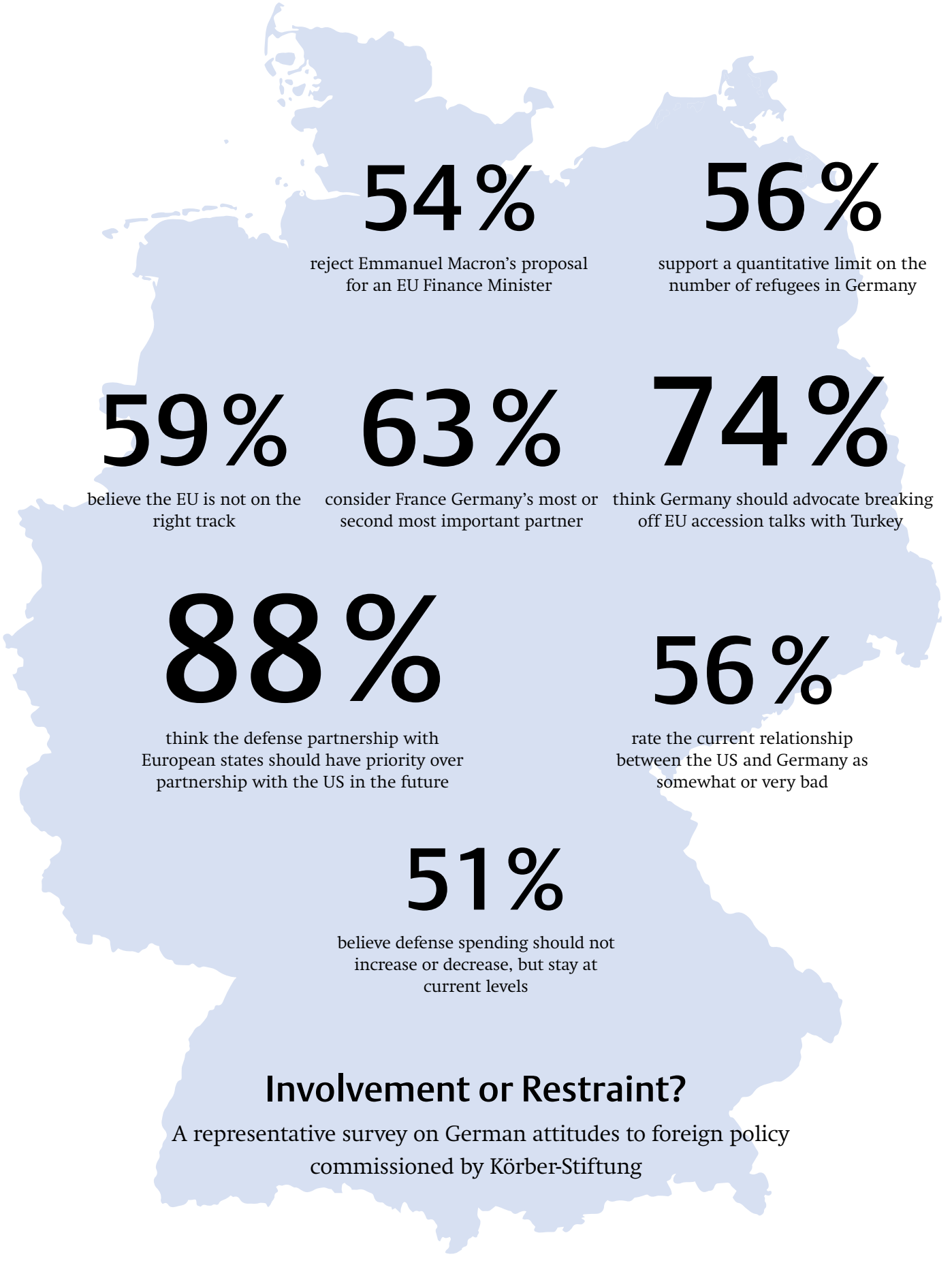
2017

THE BERLIN PULSE

GERMAN FOREIGN POLICY IN PERSPECTIVE

With Contributions by Condoleezza Rice,
Jens Stoltenberg, Timothy Garton Ash and others

Körber Stiftung



54%

reject Emmanuel Macron's proposal for an EU Finance Minister

56%

support a quantitative limit on the number of refugees in Germany

59%

believe the EU is not on the right track

63%

consider France Germany's most or second most important partner

74%

think Germany should advocate breaking off EU accession talks with Turkey

88%

think the defense partnership with European states should have priority over partnership with the US in the future

56%

rate the current relationship between the US and Germany as somewhat or very bad

51%

believe defense spending should not increase or decrease, but stay at current levels

Involvement or Restraint?

A representative survey on German attitudes to foreign policy commissioned by Körber-Stiftung

Dear Reader,

THOMAS PAULSEN
Member of the Executive Board, Körber-Stiftung

Welcome to THE BERLIN PULSE! In the past years, calls for greater German international engagement were heard at many occasions. As Germany sets out for a new coalition experiment, the question is whether the new government will assume this responsibility, and how it will address international challenges. To succeed, a Chancellor Angela Merkel will have to reconcile the views of her coalition partners with expectations of Germany's international partners. How much leeway does a new government have between international expectations and domestic constraints?

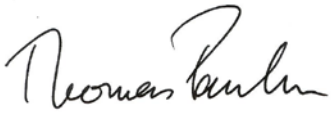
The idea behind THE BERLIN PULSE is to guide policy-makers and experts on this fine line. To this end, prominent international authors such as Jens Stoltenberg and Mohammad Javad Zarif formulate their expectations for Germany on 2018's most pressing issues. A representative survey commissioned by Körber Foundation in October 2017 contrasts their perspectives with German public opinion. We will publish THE BERLIN PULSE annually on the occasion of the Berlin Foreign Policy Forum, which we host together with the Federal Foreign Office.

The contrast of domestic and international perspectives indicates what kind of foreign policy actor Germany can become. For example, while many foreign policy makers demand that Germany punches its weight on the international stage, Germans do not demonstrate the same enthusiasm: 52 percent prefer international restraint over increased engagement, a value similar to past years. As Timothy Garton Ash writes in his contribution on Germany's role in the world, "there has been no historical caesura since 3 October 1990 large enough to justify talking about a 'new' Germany." And while experts still discuss whether we are in a "post-Atlantic era", the German population already seems to have reached a conclusion: 56 percent consider the relationship between the US and Germany to be somewhat or very bad, and a striking 88 percent would give a defense partnership with European states priority over the partnership with the US. In an interview for THE BERLIN PULSE, Condoleezza Rice stresses the importance of increased defense spending for the transatlantic relationship, yet 51 percent of Germans think spending should stay at current levels.

Opinion polls are often snapshots. Yet, we have been conducting polls since 2014 and believe that continuity allows distinguishing between outliers and underlying characteristics of German public opinion on foreign policy. We particularly thank the Pew Research Center for fielding six joint questions on the transatlantic relationship in the US.

The motto of our founder to "talk to each other rather than about each other" has guided Körber Foundation's activities from the beginning. THE BERLIN PULSE shall gather representative voices from within and outside Germany to illustrate and acknowledge the potential and limits of Germany's role in the world. We believe this is a prerequisite for developing a viable and successful foreign policy.

Behind every successful publication, there is a dedicated editor. Thanks to the acumen and persistence of Luise Voget, Program Manager at our International Affairs Department, the idea of a 'guidebook to German foreign policy' has been molded into 60 pages of data, analysis and opinion: THE BERLIN PULSE. I wish you a good read.



THOMAS PAULSEN
November 2017

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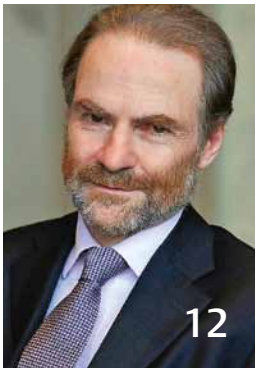
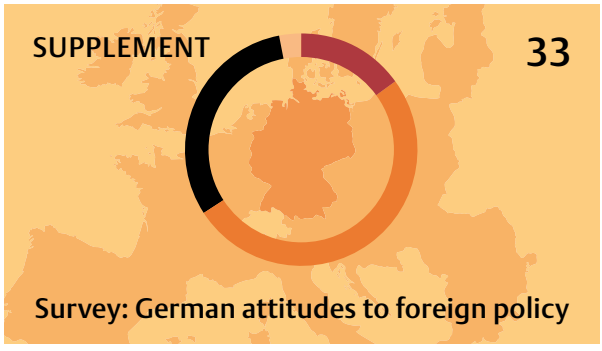




Shaping the Global Order

Global Player under Construction?

The Berlin TV Tower circled by construction cranes

Between Ambition and Ambiguity

What do we make of Germany's much cited increased international responsibility? What is it exactly that the rest of us want Germany to do? And what do the Germans themselves want – or are willing – to do?

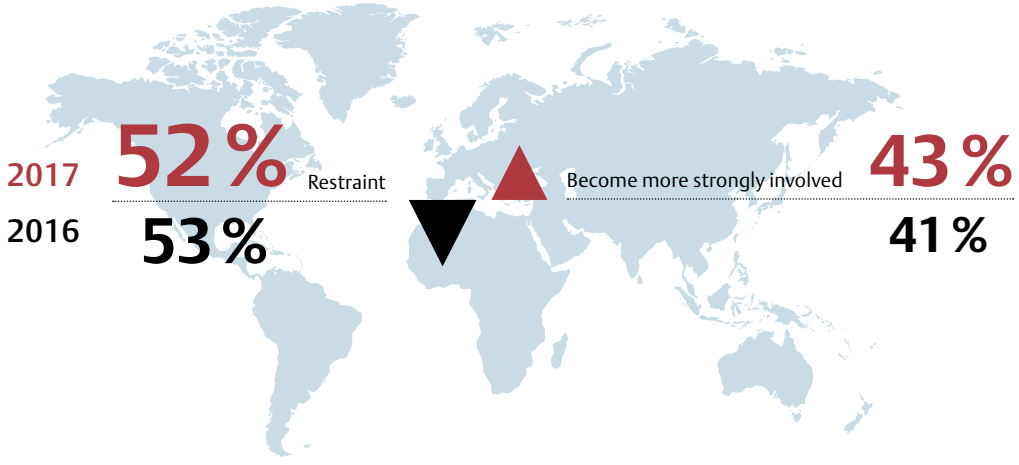
STEVEN ERLANGER
Chief Diplomatic Correspondent in Europe, The New York Times

The perennial questions around Germany are perhaps best left unanswered, because there can be little consensus. The embrace of Nazism marks Germany as a special case, and those crimes must never be forgotten. But using a terrible past as a pretext not to act responsibly in the present has begun to wear on Germany's allies, who see an essentially pacifist, reluctant hegemon at the heart of Europe that too often still thinks of itself as a kind of Switzerland – obsessed with money, sanctimonious about its neighbors, neutered by history.

What seems clearer with time is that Germans themselves are asking these same questions about their role in the world. And if their answers, as reflected in the latest opinion survey commissioned by Körber Foundation in October 2017, are not always comforting in this period of flux, they are fundamentally rational and democratic. Above all, they illustrate hesitation to embrace their country's assigned new international role. More than half of Germans still counsel restraint, while only about 40 percent think Germany should take more responsibility in international affairs. This is consistent with similar results in November of last year, after the election of Mr. Trump.

With worries over migration, terrorism and eurozone debt, skepticism about whether the European Union is "on the right path" remains strong, and nearly 60 percent believe that the bloc in which Germany has placed its future is heading in the wrong direction. Despite the new impetus supposedly given to the "Franco-German couple" by the election of Emmanuel Macron, only 12 percent of Germans regard that partnership as most important to the existence and further development of the European Union, evidence of lasting doubts about whether the French conception of the bloc fits the German one. For example, 54 percent of Germans oppose Mr. Macron's idea of a eurozone finance minister, even though Chancellor Angela Merkel has viewed the idea positively. Only 39 percent of Germans share her view, perhaps believing that a French minister would want to spend German money elsewhere, rather than imposing budget discipline on others. And that despite the clear desire of German leaders to rediscover a reliable French partner to share responsibility – and blame – for European leadership, especially with Britain leaving.

International responsibility: Should Germany become more strongly involved in international crises?



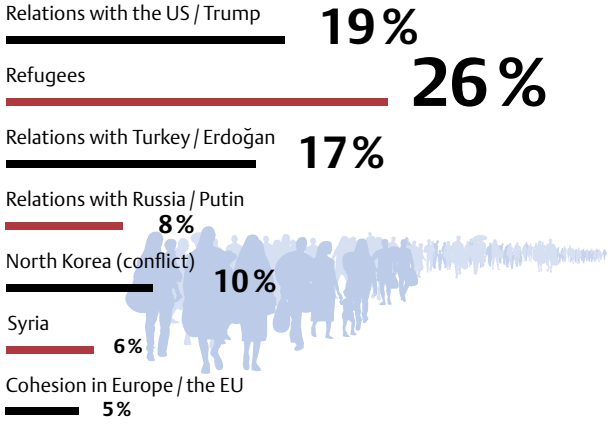
2017: don't know 3 %, no answer provided 2 % | 2016: don't know / no answer 6 %

General German ambivalences about the use of force also remain strong. According to a survey of European attitudes by the Pew Research Center earlier this year, two-thirds of Germans approved of NATO, an increase of some 15 percent from 2015. Nonetheless, an astounding 53 percent did not believe that Germany should provide military force to defend a NATO ally if it is attacked by Russia, despite Article 5 and the commitment to collective defense that protects Germany, too. Only 40 percent of Germans would support such aid, the lowest among the countries surveyed. At the same time, some 65 percent of Germans were confident that the United States would come to their aid in any conflict with Russia.

Still, the present survey by the Körber Foundation found that 52 percent of Germans now consider relations with Washington to be "somewhat bad," and 88 percent believe that priority for future defense cooperation should be with other European countries as opposed to Washington. And although 71 percent consider ensuring the security of Germany and its allies as the most important task for German involvement in international affairs, only 32 percent support an increase in defense spending. Instead, half of the respondents believe the current level, which amounts to 1.26 percent of GDP this year, is fine, despite Ms. Merkel's commitment to raise defense spending in line with NATO pledges to two percent of GDP by 2024, a figure not reached since the beginning of the 1990s.

There is strong evidence that Germans rather see a special role for themselves in protecting the environment and combatting poverty in countries likely to send illegal migrants their way. Some 67

What are the greatest challenges currently facing German foreign policy?



percent believe protecting the environment is the most important international task for Germany, followed by the protection of human rights worldwide (64%), regulating and reducing illegal immigration to Germany (54%); and improving living conditions in developing countries (49%).

These figures suggest ambivalence at the least and some confusion about the nature of Germany's role in the world, in particular with respect to its alliances and military commitments. They reflect a nostalgia or a kind of willed blindness to the shape of a world where the "peace dividend" after the collapse of the Soviet Union has disappeared and Russia is annexing territory and meddling in the elections of the United States and Europe. They underscore, perhaps, the unwillingness of German politicians to countenance the use of German troops in clear combat roles, as opposed to air-refueling and training, making the German participation in the 1999 air war over Kosovo look more like an exception than the beginning of a new commitment to alliance solidarity.

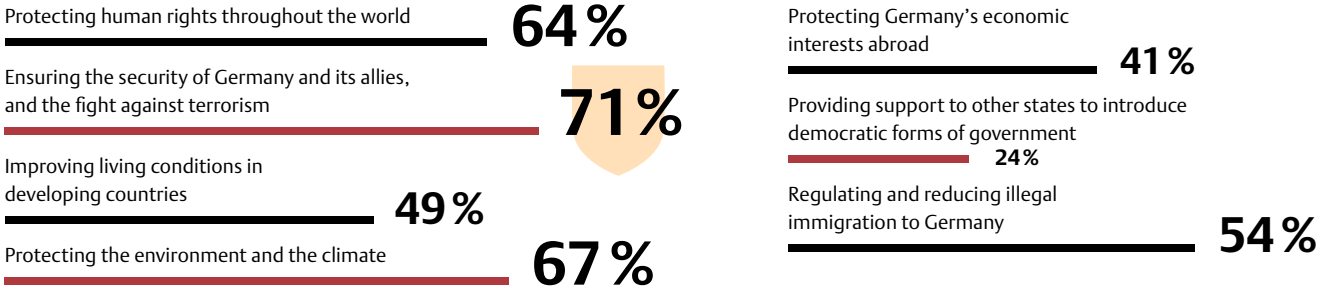
Two years ago, then Foreign Minister Frank-Walter Steinmeier gave me a great honor and asked me to speak to the ministry's yearly conference of ambassadors, urging me to be "a critical friend." I already felt Germany drifting away from the United States, even under President Obama, and I said then: "There is a whiff of moral superiority coming off the Spree, and it is deeply unpleasant."

That whiff is only stronger now, under President Trump, and with the fragmentation of the major political parties in September's election. With the SPD now in opposition, and both AfD and DIE LINKE represented in the Bundestag, Mr. Trump represents an easy metaphor for what some perceive as deep American moral and political decline. They see him, like the Chinese and the Russians, as a symptom of that decline, instead of a temporary aberration or even a corrective.

In this context, it is of course telling that Germans regard dealing with refugees as the most important foreign-policy challenge the country faces, more important than relations with Trump's America, Turkey's Erdoğan or even North Korea. Only some eight percent see the challenge in Putin's Russia.

Besides German public opinion, the present volume gathers excellent short essays from a remarkable range of people who have thought deeply, and care deeply, about Germany and its future. Those are valuable perspectives on how Germany can find its international role between ambition and ambiguity.

In which areas is international engagement particularly important?



Renewing the Union

The German Bundestag

After a series of crises and momentous elections in the EU, 2018 will be the year to come to grips with a new reality. Since a stable and successful EU is at the core of Germany's national interests, getting the European house in order will be one of the main tasks for the new German government.

After French President Emmanuel Macron kicked off the debate on how to reform and revive the EU with great enthusiasm and ambition, the coming months will show if European partners follow suit: 2018 is the reality test whether substantial differences on what should be written in both the headlines and the small print of European reform packages can be overcome.

This will be a complex task for Germany: While especially Central and Eastern European partners demand not to be excluded from the new German-French dynamic, the contributions by our French authors demonstrate that Paris expects Berlin to throw all its weight behind significant reform progress, especially on defense and eurozone governance. Finally, against the backdrop of extensive discussions on Germany's leadership in Europe, Timothy Garton Ash's contribution emphasizes that Germany will have to define its role in the EU in a way that ultimately benefits the entire union.

Public opinion gives the new government no reason to be complacent about the task: According to our survey, 59 percent of respondents do not consider the EU to be on the right track (62 percent in 2016). Yet, although Germans may locate their most important foreign policy partner in Paris, good relations do not mean good agreement: 54 percent of the respondents reject the French proposals for deeper European integration in the field of economic and fiscal policy. This issue will most likely prove to be the grit in the gears of the German-French motor.

On defense, public support for more European cooperation has traditionally been high, and our survey confirms this. 58 percent wish to create a European army in the future, and in 2016, 64 percent believed that the EU was more likely to find good solutions for defense policy than their own government. In this field, the challenge will be how to develop structures that avoid duplication with NATO and that ultimately result in increased defense capabilities in Europe, as Jens Stoltenberg and Wolfgang Ischinger write in their contributions.

Think Global, Act Regional

Germany is neither "new leader of the free world" nor "captain of the European football team". The country's global role can only unfold through Europe

TIMOTHY GARTON ASH
Professor of European Studies,
University of Oxford, Oxford

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I was asked to write about the international role of a "new Germany". But what does "new" mean? Since 1945? Since unification? Since Brexit and the election of Donald Trump led Chancellor Angela Merkel to observe that the times are "somewhat over" in which Germany could "fully" rely on others? Or since the German election brought the right-wing populist Alternative für Deutschland (AfD) into the Bundestag, with a shockingly large vote?

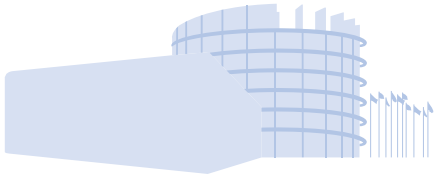
The wise and much missed historian Fritz Stern famously wrote about "Five Germanys I Have Known", the Weimar Republic being his first Germany and united Germany, his fifth. We are still in Stern's fifth Germany. There has been no historical caesura since 3 October 1990 large enough to justify talking about a "new" Germany.

To consider the international role of the Federal Republic today is therefore to consider a gradual process of growing power and responsibility since 1990, partly as a result of Germany's own policy and intentions, but also because of external developments which Germany did not intend and could only influence to a limited degree. The election of Donald Trump, the Brexit vote and Vladimir Putin's aggression in Ukraine are obvious examples of such developments. But so, less obviously, is the eurozone. For the great irony of the history of the eurozone is that a project which was decisively advanced by the French and Italian leaders in 1989/90 in order to bind united Germany more closely into the European Union, and therefore preserve the leadership role of others, has in fact been one of the main forces pushing Germany into its unique leading role in Europe.

In an essay published in the New York Review of Books in 2013, I formulated the "new German question" thus: "can Europe's most powerful country lead the way in building both a sustainable, internationally competitive eurozone and a strong, internationally credible European Union?" Since then, expectations have soared even higher. It is seriously debated in some quarters whether Chancellor Merkel is now the "leader of the free world", a suggestion made as early as 2015 by the DIE ZEIT columnist Jochen Bittner, but more widely discussed since the Brexit vote and the election of Trump. I even saw an article in the New York Times suggesting she might help to mediate between the USA and North Korea. Like the Chancellor herself, I think this is greatly overdone.

Germany's global role will emerge above all through Europe, and through Germany's leading

Is the EU on the right track?



On the right track **36%**

59% Not on the right track

don't know 5%

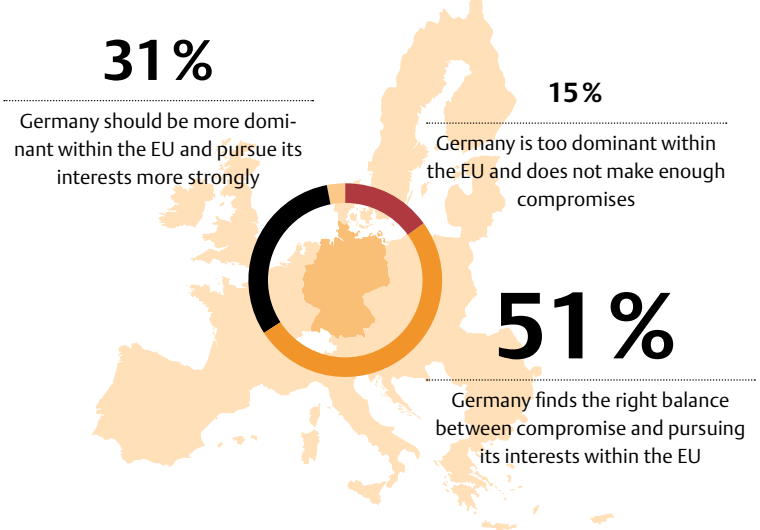
role in Europe. This was the conclusion of Frank-Walter Steinmeier's excellent and admirably self-critical 2014 review of German foreign policy, and nothing is likely to change it, at least in the next few years. Hans-Dietrich Genscher once said of German foreign policy "the more European it is, the more German it is". Today one might add, "the more European it is, the more global it is". The path to a global Germany leads through a global Europe. Of course Germany has its own distinct commercial interests, in China and elsewhere. But only in the wider European framework does that commercial relationship become also a strategic and political asset – or liability.

In this context, the familiar observation that the sharp distinction between domestic and foreign policy has increasingly broken down is more true than ever. That is the case, self-evidently, in the linked questions of refugees, immigration, and relations with the Middle East and the world of Islam. Germany cannot demonise Islam at home, in the manner of some AfD leaders, and imagine that has no consequences for its external relations with majority Muslim countries, including Turkey. Those relations in turn have an impact on minorities in Germany. Managing the flow of refugees to Germany involves securing the external border of the whole Schengen area, diplomacy in the wider Middle East and, as Germany's G20 presidency usefully emphasized, development policy in sub-Saharan Africa.

It is also true in relation to the eurozone, which will constitute some 85 percent of the EU economy after Brexit. A key dimension of European power has always been its "soft power", accurately defined by Joseph Nye as the power to attract. Magnet Europa, to recall Konrad Adenauer's phrase, will only be magnetically attractive to its neighbors, and people across the world, if the eurozone can be enabled to flourish again, in southern Europe as well as northern. This is not a matter of economic theory or dogma. It is a question of what works. Some more pragmatic, results-oriented flexibility from Germany in relation to the eurozone is therefore a key component of building a stronger global Europe.

At the same time, one must hope that Germany will avoid what might be called the neo-Carolingian temptation. This is the tendency, sometimes detectable in countries immediately to the west of Germany, to argue somewhat along these lines: "With Brexit and Trump, the Anglo-Saxons are off on their own non-European trajectory, as de Gaulle always said they would be; the Poles, Hungarians and other East Europeans are falling back into their old authoritarian nationalist ways, as we always knew they would; therefore we must concentrate on building once again the right, tight core Europe of Charlemagne".

Germany's role in the EU



don't know 2%, no answer provided 1%

This cannot be the right answer for Germany. What Richard von Weizsäcker once memorably called *die Erlösung von der Mittellage*, the salvation from the geopolitical curse of Germany's central geographical position as the gift of post-1989 German and European unification, depends on Germany's eastern neighbors being in the same economic, political and security communities as its western neighbors.

But nor can the neo-Carolingian solution be the right answer for Europe as a whole. How can one forge an effective European policy towards Russia without the full, constructive participation of Poland and the Baltic states? The impact of Brexit will be bad enough on the foreign policy capacity of the EU; it would be foolish in the extreme to spurn Prime Minister Theresa May's promise that Britain, with troops newly stationed in Estonia, will remain fully involved in the security of Europe.

The three main dimensions of state power are military, economic and soft power. German foreign policy is, for obvious reasons, particularly strong in the second and third dimensions (it has a notably well-developed cultural diplomacy), and reticent in the first. But can Germany be a serious global player, in the European context, unless it steps up its military spending towards the NATO target of two percent of GDP? Will German politics and public opinion allow that? Even if they do, Berlin will surely want to work very closely with those more used to projecting military power, such as France, Britain and the United States, while playing a leading role in the other two dimensions of power.

If I had to summarize all this in a single metaphor, it would be that of the Global Europe football team. Germany may not be explicitly recognized as the captain or the coach. But in most great teams there is a special, central player who holds the whole team together, giving it direction, flexibility and strength. A player like Zinedine Zidane or Franz Beckenbauer. In short, Germany should be the Beckenbauer of Global Europe.

NORA MÜLLER
Executive Director
International Affairs,
Körber-Stiftung

Things to look out for in the EU

- **The wind is back in Europe's sails. But where are we sailing to?** 2018 will be (yet another) decisive year for the EU. After years of crisis and "driving with the brakes on", Juncker, Macron and Tusk have tabled ambitious plans for EU reform. 2018 will show whether the EU will follow Juncker's federalist vision or Macron's "core Europe" proposal – and whether Tusk's reform blitz, covering all of Europe's hot-button issues from migration to eurozone integration, has a chance of implementation. The concluding summit of Tusk's Leaders' Agenda will be held in Transylvania, home of Count Vlad Dracula – hopefully not an omen for bloodless reforms.
- **Nutella Crisis 2.0:** Central European politicians' complaints about inferior products dumped on their markets are not only about food, but also about a sense of second-class status within the EU. Spats over migration, the rule of law and respect for democracy have given rise to an East-West divide within the EU. 2018 may be the last chance to bridge this widening gap. Austria under its new black – blue coalition could use its EU council presidency to mend fences between Western member states and the Visegrad Group – or take sides with the Club de l'Est.
- **There's a hole in my budget:** The EU's current Multiannual Financial Framework (MFF) expires in 2020. With Brexit looming large and new policy priorities on the horizon, the one-million-dollar question is: "Can Europe afford it?". Negotiations about the next MFF are expected to kick off in summer 2018. Get ready for some serious haggling!

From Paris, with Love!

A letter to revive the excitement of Europe's power couple

ALEXANDRE ESCORCIA
Deputy Director, Policy Planning Staff, Ministry of Foreign Affairs and International Development, Paris

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Dear German Federal Government,

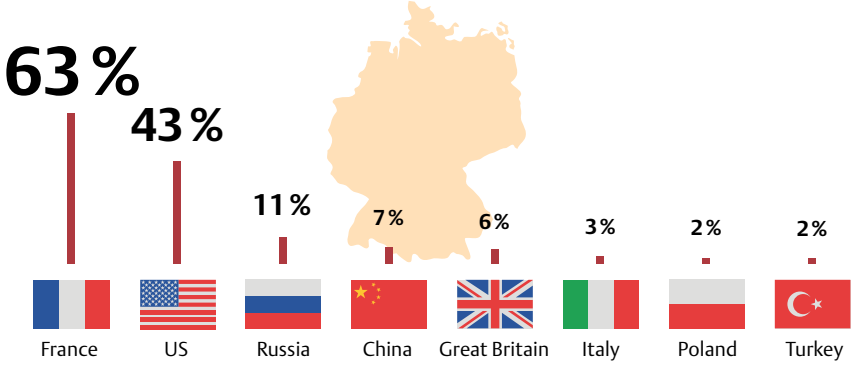
By the time you get this letter, the nerve-racking process of forming your new incarnation may be drawing to a close. And although outsiders are used to being puzzled by the inordinate amount of time that it takes to form a German government after any Bundestag election, the difficulty of the exercise was certainly even more peculiar this time around: Reconciling the views of Greens with those of the "yellow" liberal Free Democratic Party for the sake of a "Jamaica" coalition with Angela Merkel's Christian Democrats represents a task nothing short of squaring the circle. And as we have all learned in art class, mixing green and yellow is liable to result in something wishy-washy rather than exciting.

Dear new German government, you will be born into a complicated world that burdens you with expectations. So although you might still be absorbed with character formation at this point in time, I cannot but provide you with some perspectives on what one of your closest future friends and partners expects you to do, once you rise from the sometimes confusing pubescent phase of forming a coalition.

Germany's political future matters a great deal to us French. The success of our new President's European agenda, as set out in his Sorbonne speech on September 26th, hinges to a significant degree on German goodwill to act. For one thing, we need German compromise in order to establish effective eurozone governance, including political oversight, a significant budget and a completion of the banking union. Progress in the area of social and fiscal policies is another priority.

I know what you are thinking: There go the French spendthrifts again, off to a shopping spree with the hard-earned savings of honest working Germans! But these concerns do not take into

Which country is Germany's most or second most important partner?



a different Country 10 %, don't know31 %, no answer provided 21 %

account the full picture, and particularly disregard the very real budgetary consolidation efforts by the French government, past and current, which have a direct social and political impact. More fundamentally, this clichéd insinuation reflects differing conceptions of a monetary union and different views on debt and public action. Here is what the Germans should know: In France, not only left-wing firebrands but also serious economists debate whether a high level of public debt matters at all in an open economy with structurally low interest rates. What is more, many French have also noticed that the German fiscal probity conceals not only questionable balance sheets deep down in the cellars of some German regional banks, but also insufficient investments in infrastructure. Anybody who has recently driven down a West German Autobahn might have noticed this. It has not escaped the rest of the world either that the German current account surplus, while undoubtedly a sign of good economic health, is not sustainable in the long run unless we want an unhealthy and dysfunctional global economy.

Not only the economic environment, but also the current strategic context requires a European moment, most importantly due to increased security risks in Europe's neighborhood, an ever more assertive and aggressive Russia, an unpredictable nuclear North Korea, and the retreat of the US administration. Whether Europe will be able to seize this moment depends in part on the continued evolution of Germany towards a country that punches its weight on the international stage. And although the wave of refugees that Chancellor Merkel received in the summer of 2015, in a move that will have defined her chancellorship for better or for worse, has already modified that strategic calculation, the traditional restraint of the Free Democratic Party in foreign and security policy as well as the pacifist streak of many Greens may produce an unsavory blend to French taste.

Admittedly, Paris's calls for Berlin's involvement on the world stage are sometimes predicated on a desire to have Germany blindly follow the French lead, without sufficient consultation of German or other European partners. Still, we have moved beyond the point where an exclusive culture of restraint is a viable option for any German government. Germany now has a direct interest in the stability of its neighborhood, not only because its economic prosperity as an exporting nation depends on it, but because its internal social balance may now hinge on whether a significant part of the hosted refugees are in a position to eventually return home.

In the end, dear German government, we all know that France and Germany will have to get along in some fashion or another. All our partners expect from us that the Franco-German motor – though after "Dieselgate" we should probably retain the more romantic French expression, the Franco-German couple – will provide the necessary impulses for Europe.

And we know that progress will have to rest on a meaningful compromise, one that is acceptable to our German partners but also reassures our Eastern partners that we care about the integrity of the European Union. While our marriage might be arranged, it lies in our hands to turn it into a successful relationship. So this is a heartfelt plea for renewed French-German cooperation, which in my view hinges on two fundamental elements: realizing how deeply interconnected the challenges we face really are, and moving beyond our clichés in order to tackle them. From Paris, with love!

The views expressed here are not those of the French government or the French Ministry of Europe and Foreign Affairs.

Do you support the development of a European economic and financial policy and the establishment of a European Minister of Finance?

don't know 6 %, no answer provided 1 %

Reinventing Europe

How France and Germany can form the continent's future – voices from the 166th Bergedorf Round Table in Paris

CHARLES MALINAS
Advisor, Policy Planning Staff, Ministry for Europe and Foreign Affairs, Paris

KÖRBER-STIFTUNG: **Before the German Bundestag elections President Macron said he would be dead if Angela Merkel coalitions with the Free Democratic Party. And now?**
MALINAS: You can never foretell what will eventually be decided in the coalition talks, and this is what matters. One thing is clear: if the Free Democratic Party insists on its position, there will be problems, but not just with France.

JEAN-CLAUDE TRIBOLET
Deputy Director, European Union, Ministry for Europe and Foreign Affairs, Paris

KÖRBER-STIFTUNG: **Emmanuel Macron wants to reinvent Europe. Does this require a more enthusiastic German government?**
TRIBOLET: I believe that enthusiasm exists. The polls in Germany show a true commitment to Europe. I am confident that the new coalition will find the right answers. We have to use the window of opportunity until 2024, as shown by President Macron. It won't be a big throw, but if we go step by step in the right direction, we will be able to offer a vision of our common future to all Europeans.

JANUSZ REITER
Founder; Chairman of the Board, Center for International Relations, Warsaw

KÖRBER-STIFTUNG: **How should European partners react to the ambitious agenda of Emmanuel Macron?**
REITER: France is too important to fail. President Macron sparked great enthusiasm in France, and he deserves fair support from the European partners. If the French feel left alone, that would be a disaster for the entire EU. For example in security policy, France has a tradition of reconciling values and hard power, and it is one of the few European countries with the necessary self-confidence to play an international role. Europe needs this. However, we should firmly anchor our efforts in this field in the transatlantic community. It would not be wise to distance ourselves from the US because we do not like Mr. Trump.

SABINE THILLAYE,
MP; Chairwoman, Committee on European Affairs, Assemblée Nationale, Paris

KÖRBER-STIFTUNG: **Emmanuel Macron's proposals for reforming the EU partly mean more integration and more financial resources for the EU. What if the population is not convinced?**
THILLAYE: When you explain to the population what you are planning to do, the citizens become very receptive. I ran an election campaign on European issues in a constituency where the right-wing extremists were very present, and still my experiences were positive. Debates cannot always come from the top, we must engage with citizens. Particularly we as parliamentarians need to mediate between the national and the local level, because for years now the local political level has not fully taken part in many European decisions. Also, we urgently need to stop this trend of "Europeanizing" everything that goes wrong while nationalizing all of the success stories.

FRANÇOIS HEISBOURG
Chair of the Council, Institute for International Strategic Studies, Paris

KÖRBER-STIFTUNG: Which concrete steps should France and Germany now take on European defense and security policy?

HEISBOURG: France and Germany should first stabilize their bilateral defense relationship. The previous German government's decision to no longer implement the 1972 Schmidt-Debré Agreement increased uncertainty. With this agreement, both governments pledged not to prevent the export of jointly produced armament, and this clarified the rules of the game for their defense industries. We need such predictability, resolving everything on a case by case basis will be a killer for the integration of our defense industries. Secondly, Germany and France should continue to take the lead on the establishment of the European Defense Fund. They should ensure that the fund will be big enough to make a serious difference in terms of procurement policy for our armies. Europeans can no longer afford a non-interoperable hodgepodge of military equipment.

KÖRBER-STIFTUNG: Will Germany and France ultimately share a strategic vision?

HEISBOURG: There is a will to agree on common goals as well as strategic means to fulfill them, but it will not be easy. France has traditionally been looking more to the South and Germany more to the East. But today, the French understand that Africa is too big an issue to be dealt with by France alone, and since the refugee crisis Germany understood that the Middle East and Africa are not only a problem for France and Italy. Most challenges we face today are not only common, they can neither be dealt with by one country alone.

JANUSZ REITER
Founder; Chairman of the Board, Center for International Relations, Warsaw

KÖRBER STIFTUNG: Will the German-French engine drive away overall European solidarity?

REITER: Two countries cannot bear the responsibility for the entire EU, we are 28 member states. Responsibility has to be shared more widely and solutions should include Eastern European members. Germany clearly cares very much about this need for inclusiveness because of its geography and history. I hope France will also internalize this. For example, France rightly claims that imbalances in the Eurozone must be overcome. Yet, solutions must not create new divides. We should ask ourselves how to open this tandem for other countries. I would be happy if Poland joined Germany and France in playing a leadership role in the EU.

MICHEL HOUDEBINE
Chief Economist, French Treasury, Paris

KÖRBER-STIFTUNG: Germany and France see different reasons for vulnerabilities in the eurozone. Germany wants to reduce risks at the national level. President Macron proposes more integration and risk sharing to cope with the constraints of the Monetary Union. What is the solution?

HOUDEBINE: Risk reduction and deeper integration are both necessary for a strong and resilient euro area. This requires a balance between greater solidarity and more responsibility. The pace and timing of different steps will be fundamental in order to maintain this balance. It seems essential to first define a comprehensive package that should be approved by all countries and then implemented by 2024, as President Macron proposes. The process should bridge undue gaps between national frameworks and tackle imbalances. It would thereby not only provide incentives for Member States to implement necessary reforms for risk reduction, but also create the satisfactory conditions for setting up new mechanisms in favor of more solidarity and common governance, such as a fiscal capacity. On the financial side, decisive steps are already achievable. Completing the Banking Union through adopting risk-mitigating and risk-sharing measures will strengthen the resilience of the European banking system. An impulse to the Capital Market Union could enhance capital allocation, ease firms financing and spread the effects of economic shocks through the private sector.

Cooperation, not Duplication

Five questions to NATO Secretary General Jens Stoltenberg on the challenges for European security

JENS STOLTENBERG
Secretary General, North Atlantic Treaty Organization, Brussels

KÖRBER-STIFTUNG: **Secretary General Stoltenberg, what would you respond to a room full of fierce German opponents of increased military spending?**

STOLTENBERG: I know what it's like to be in rooms like these. It reminds me of some meetings when I was a Norwegian politician.

Increasing defense spending is not easy. There are always competing demands for government resources, and many politicians would prefer to spend on education, health and infrastructure. As Norway's Minister of Finance in the 1990s, I myself was responsible for reducing defense spending.

After the Cold War, many NATO countries were able to cut defense spending because tensions lowered. We benefited from what we saw as a peace dividend. But the security situation in Europe has fundamentally changed. Russia's illegal annexation of Crimea and aggressive actions in eastern Ukraine – along with its wider military build-up – should serve as a wake-up call. We also see turmoil across North Africa and the Middle East, rising tensions on the Korean Peninsula, and we continue to suffer terrorist attacks in the streets of Europe and North America. All of these challenges come on top of threats like proliferation and cyber-attacks. Responding to this new security environment does not come for free. Of course, defense spending cannot be the only answer to an unstable world, but it is an important part. If we were able to cut defense spending when tensions went down, we need to be able to increase spending when tensions are rising.

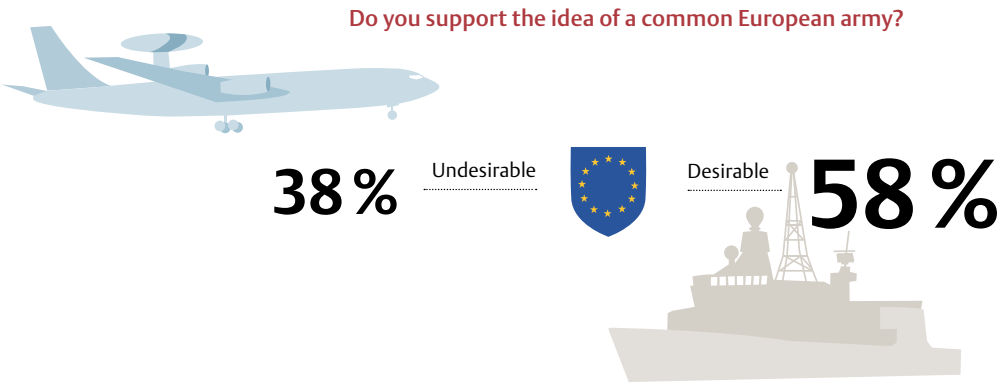
Also, transatlantic security is a transatlantic responsibility, and Europe must do more to share the burden. All NATO allies pledged at our Wales Summit in 2014 to move towards spending 2 percent of GDP on defense by 2024. This remains our goal.

Peace is our mission. We don't want a new Cold War and we don't want a new arms race. We continue to strive for a more constructive relationship and strengthened political dialogue with Russia.

KÖRBER-STIFTUNG: **What role does Germany play for European defense?**

STOLTENBERG: Germany is at the heart of Europe, its largest economy, and at the heart of our Alliance. What Germany does matters for NATO, for Europe, and for international security.

I strongly welcome Germany's recent decisions to boost defense spending and increase the number of troops serving in the Bundeswehr.



Germany makes significant contributions to NATO's missions and operations, including in Kosovo and Afghanistan, where an outstanding German diplomat serves as my Senior Civilian Representative, as well as to the Global Coalition to Defeat ISIS.

Germany leads NATO's multinational battlegroup in Lithuania, and contributes to keeping the skies safe over the Baltic Sea. These are concrete demonstrations of Germany's leadership in addressing the security challenges we face, and I welcome Germany's vital role.

KÖRBER-STIFTUNG: **Which steps need to be taken in order to ensure that increased European defense spending also results in increased defense capabilities?**

STOLTENBERG: I commend all efforts to increase defense spending and defense capabilities in Europe. Within NATO, we should work more closely together on defense investment, focusing on multinational cooperation.

It is also essential that NATO and the European Union cooperate more closely. Duplication is a luxury we cannot afford. I am pleased that European allies have started to invest more in our collective defense. But we will need to continue investing in modern equipment. For example, we need more air-to-air refuelling aircraft, more drones, and more strategic airlift.

On defense spending, we are starting to move in the right direction. We expect 2017 to be the third consecutive year of accelerating defense spending. But it's not enough to spend more – we need to spend better.

At our meeting of NATO leaders in May, allies therefore decided to develop national plans setting out how they intend to meet the investment pledge we made in Wales. These plans will be reviewed annually and cover three major areas: cash, capabilities, and contributions. The first set of reports on national plans will be reviewed by defense ministers in February. This will help us to invest more and better in our defense.

KÖRBER-STIFTUNG: **What is the main obstacle to European defense procurement?**

STOLTENBERG: Defense spending decisions are taken at the national level. The European defense market is fragmented, and this is a challenge. For instance, European allies have 29 different types of frigates. The United States of America has just four. The US manufactures one infantry-fighting vehicle, while in Europe we build 19 different types. This fragmentation problem exists for many types of military equipment: on land, in the air, and at sea.

So I welcome the European Union's initiatives to consolidate the European defense industry. Through its defense planning process, NATO is also encouraging greater multinational collaboration and more joint investment among allies in order to spend smarter on defense. This will mean greater economies of scale, and enhanced capabilities for everyone.

KÖRBER-STIFTUNG: **What kind of defense actor should the EU be and how should it divide labor with NATO?**

STOLTENBERG: NATO and the European Union are complementary. Neither of us has all the tools to deal with the complex security challenges we face. But together, we have the full tool-kit – and by working more closely together, we are more effective.

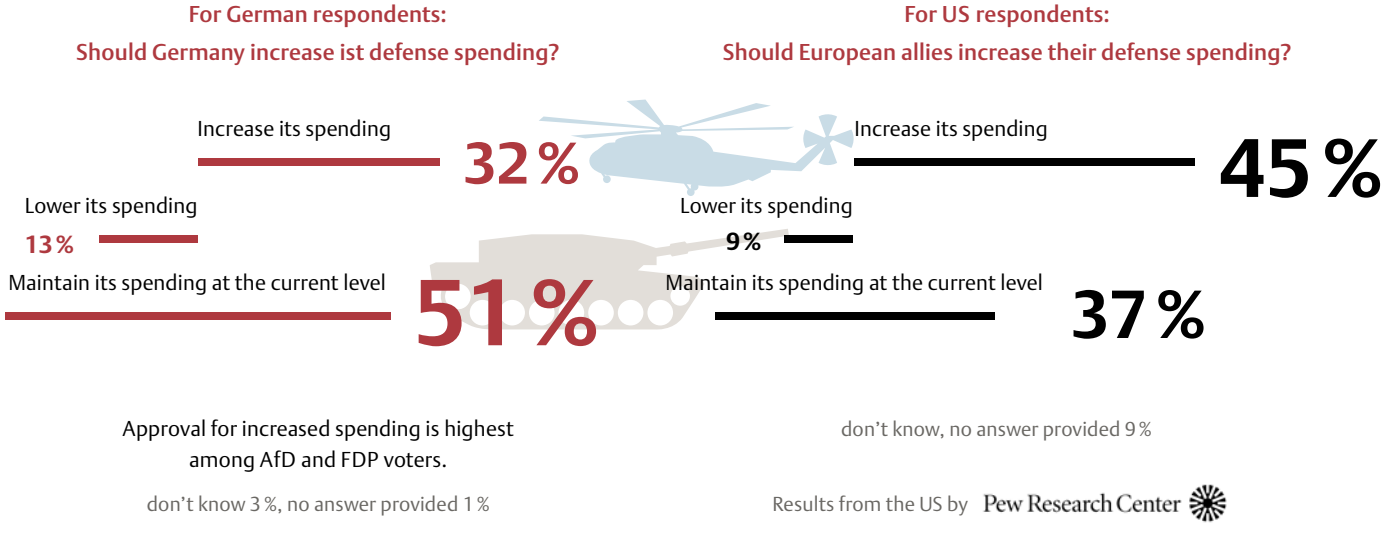
If Europe is more capable of providing effective and collective crisis responses, this is good for our security, and good for NATO. So a stronger Europe will also make NATO stronger. Nonetheless, cooperation instead of duplication is key.

NATO is the primary framework and ultimate guarantor of Europe's collective defense, as recognized by the EU's own Global Strategy. This will not change. This will be even more so when the UK leaves the EU. The UK has the biggest defense budget in Europe. After Brexit, 80 percent of NATO defense spending will be from non-EU allies. Three out of the four battle groups we have deployed in the Baltic countries and Poland will be led by non-EU allies – Canada, UK and the US.

In the past year, we have made a major improvement in our level of cooperation. The EU and NATO are now implementing 42 concrete proposals to cooperate further.

For example, NATO has deployed ships to the Aegean Sea, helping to implement the agreement between the EU and Turkey on migration. We have enhanced cooperation between NATO's Operation Sea Guardian and the EU's Operation Sophia in the Mediterranean through logistical support and information sharing. We are also strengthening our mutual participation in cyber exercises. We have committed to greater coherence on capability development efforts. And we work more closely together to build the capacities of our partners.

When we focus on complementarity, there is no contradiction between strong European defense and a strong NATO. Together we can help secure lasting peace and prosperity in Europe and beyond.



It Takes More than Two

US expectations for European allies to meet the two percent target are not unreasonable. However, a meaningful European contribution to burden sharing cannot be measured by a single figure alone

WOLFGANG ISCHINGER
Chairman, Munich Security Conference, Munich

Since US President Donald Trump took office, US demands in the decades-old transatlantic debate on burden sharing have reached a new and serious level of urgency. Whether Europeans like it or not, the issue of defense spending will simply not go away.

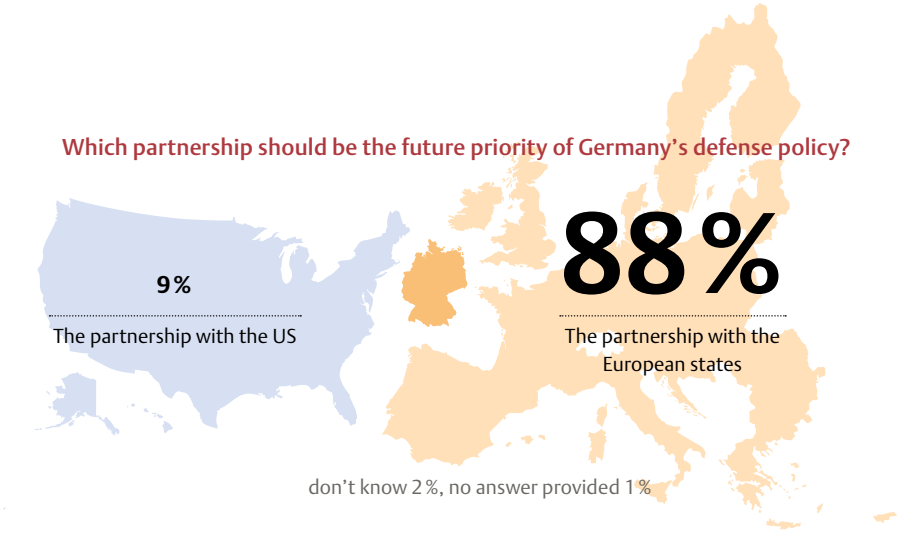
On one fundamental question, Donald Trump and European leaders do agree: Europeans need to spend more on defense. At the Munich Security Conference in mid-February, Merkel reaffirmed her commitment to the declaration adopted at the Wales Summit in 2014. At that summit, NATO member states agreed "to aim to move towards the two percent guideline within a decade with a view to meeting their NATO Capability Targets and filling NATO's capability shortfalls." Berlin already increased defense spending by eight percent in 2017, and intends to continue an upward trend in the coming years.

However, the way the Trump administration tries to impose a much more ambitious deadline, demanding an immediate implementation of the two-percent goal, is counterproductive. After all, increasing defense budgets by such a large margin is an immensely controversial political proposition in several countries, not just in Germany. Time pressure will make it more difficult, at worst even politically impossible, for some European leaders to work towards that goal.

What is more, current European procurement structures are simply not able to manage a much steeper increase in defense spending, and the European defense industry is unable to absorb the additional spending so easily. These problems are homemade, and they should, of course, be addressed and resolved. But that takes time. Right now, they stand in the way of a sensible, dramatic rise of defense budgets.

"The way the Trump administration tries to impose a much more ambitious deadline, demanding an immediate implementation of the two-percent goal, is counterproductive."

In addition, we need to look at the two-percent target within the larger context of European defense integration. Even big European countries like Germany are too small to afford the full spectrum of armed forces in sufficient depth. Increasing spending without harmonizing European defense capabilities bears the risk of perpetuating current inefficiencies. Currently, European armies use six times more major weapons systems than the US – with only a fraction of US fire power as a result. Thus, Europeans should first decide to sharply reduce the number of different weapons systems before wasting money by looking only at national



capabilities. Instead, European NATO allies can and should systematically begin to invest in joint procurement in order to benefit from economies of scale.

In the end, what the United States wants to see is additional European military capabilities, not bigger European military pensions or modernized barracks in Europe – all items that allies might decide to list as relevant expenses towards the two-percent goal. By quickly and drastically increasing their defense budgets but spending the additional money unwisely, Europeans could do more harm than good. Thus, a more balanced transatlantic burden sharing will therefore only be realized through European pooling and sharing of military capabilities.

Finally, what NATO has learned over the last couple of decades is that conflict prevention and conflict management require all instruments of our foreign policy toolbox. While the international coalition may have bombed Daesh out of Mosul, military power alone will not bring sustainable peace to conflict-torn countries like Iraq, Libya or Syria. On the contrary, as now-Secretary of Defense James Mattis noticed during his time as head of the US Central Command: "If you do not fund the State Department fully, then I need to buy more ammunition ultimately."

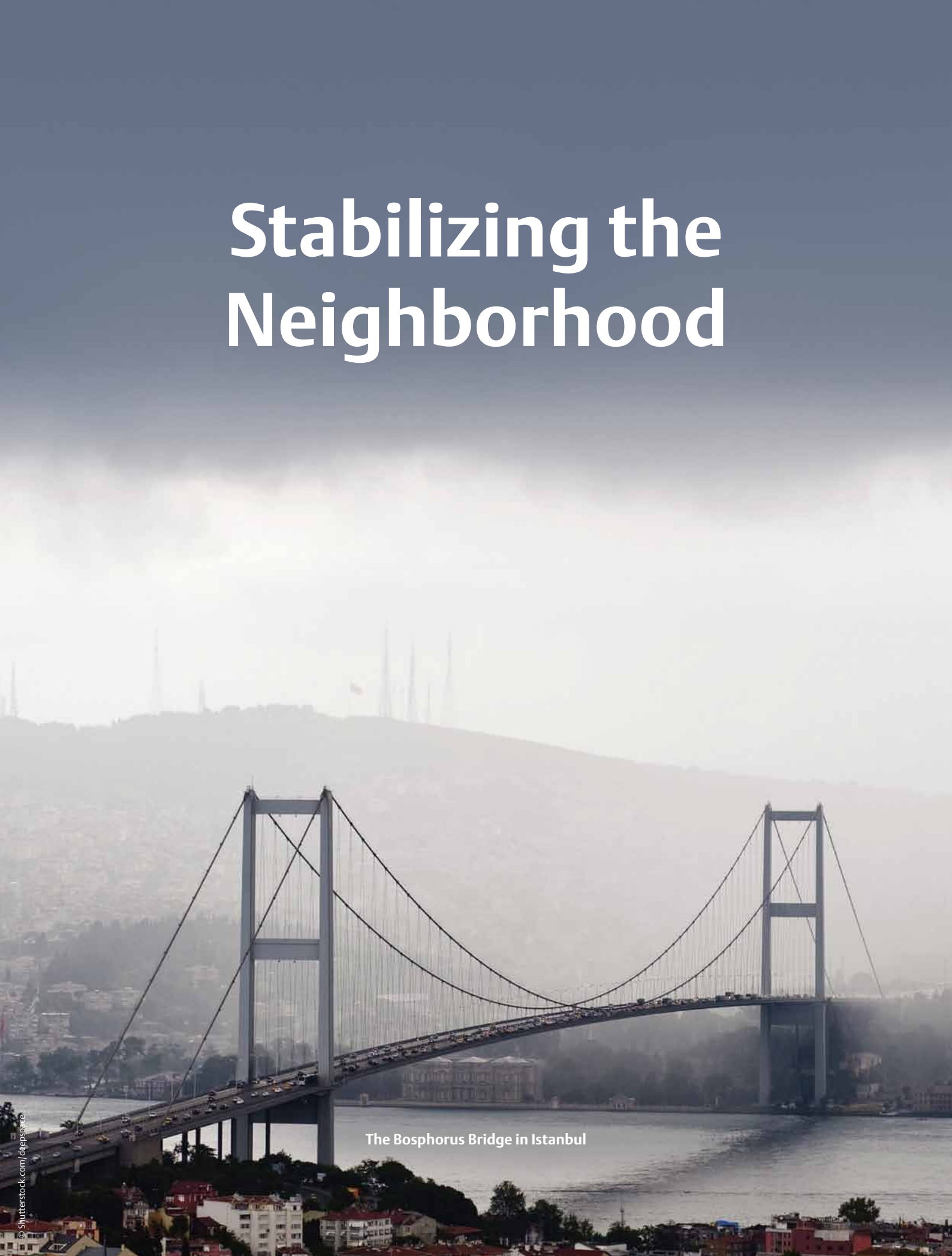
Thus, we must spend more – and more smartly – on non-military means as well. And this should be reflected in the way we discuss spending: I have suggested a broader three-percent goal that would not only cover military spending but also investments in diplomacy, development, humanitarian aid and conflict prevention. This is not meant to diminish our commitment to the two-percent goal, but aims to broaden the debate by looking at those budget lines that are at least as relevant to a more sensible definition of providing for security. The increasingly volatile global security environment requires us to spend more – not just on defense, but also on diplomacy and development.

"If America wants more balanced burden-sharing, Washington should support joint European action and investment in crucial capabilities."

To be sure, many European governments have long been laggards in development spending as well – Germany included. But by spending 0.52 percent of GDP on development in 2016, Berlin has at least moved closer to the goal of 0.7 percent of GDP for official development assistance. In comparison, the US spent only 0.17 percent in the same year, and might even spend less in the future if Trump and his supporters get their way. Today, the EU countries already spend about two-thirds of all economic aid worldwide. In this realm, the United States is "riding Europe's superpower coattails", as Princeton professor Andrew Moravcsik put it.

If America wants more balanced burden-sharing and enhanced European contributions to tackle our security challenges, Washington should support and incentivize joint European action and investment in crucial capabilities. This will benefit the Alliance more than insisting that individual NATO allies simply spend more no matter on what. Modern burden-sharing can simply not be measured by a single figure.

Stabilizing the Neighborhood



The Bosphorus Bridge in Istanbul

Conflicts in Ukraine and Syria have faded from public attention, yet their message to the EU has not lost urgency: The times of a stable and peaceful neighborhood are over, and the consequences are felt strongly. Against the backdrop of a retreating US government, Europe increasingly has to address the security challenges in its immediate neighborhood.

With regard to migration, Germany has shifted its attention towards reducing the root causes. In our survey, the majority of respondents name Africa as the region in which Germany should be most engaged in the future. Yet, according to Lindiwe Mazibuko this new attention should translate into policies that sustainably improve governance and economic opportunities. Regarding Libya, Jean-Marie Guéhenno emphasizes the need to avoid short-term solutions that could ultimately prolong the current crisis. Germans are not without ambiguity on this issue: Although 59 percent think that in order to reduce migration, the EU should continue to support African countries even if they have a record of violating human rights, 64 percent consider it very important that German international engagement aims at protecting human rights.

Europe's entire neighborhood resembles a ring of fire rather than a ring of friends, and Germany and the EU will have to find both partners and ways to address this. In an interview for The Berlin Pulse, Iran's Foreign Minister Javad Zarif thus lays out his vision for the future of cooperation between Germany and Iran. With respect to Turkey, Şafak Pavey and Ozan Ceyhun give opposing perspectives on how to improve the strained relationship. However, the German public is skeptical of rapprochement: 75 percent prefer a tough stance towards Turkey even if this jeopardizes the refugee deal. Similarly, while Vuk Jeremić and Carl Bildt argue that uncertainty about the Western Balkans' accession perspective increases the likelihood of instability right behind the EU's borders, 66 percent do not wish further EU enlargement at this point. Finally, what should Germany do in its Eastern neighborhood? Perspectives from Alexey Pushkov, Dmitry Androsov and several of our Munich Young Leaders Alumni show that it depends very much on who you ask. The German population is equally undecided: Our survey does not yield clear-cut results with respect to Russia's role in international affairs or the importance of relations with Russia in contrast to partnership with the US.

It's not a Sprint

The fraught history of the military intervention shows that EU engagement in Libya should first and foremost be guided by strategic vision

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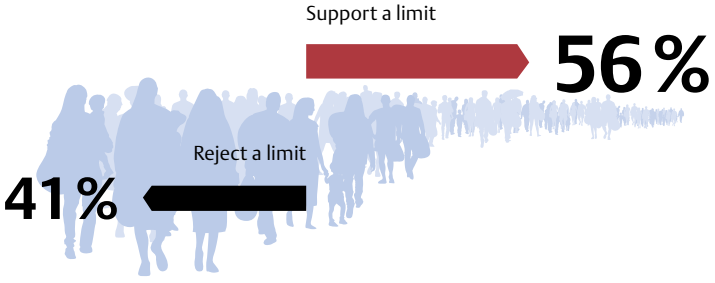
JEAN-MARIE GUÉHENNO
President and CEO, International Crisis Group, Brussels

Whatever one thinks of the initial military engagement leading to the eventual downfall of the country's leader Muammar Qaddafi, there is no doubt that the international community failed Libya after the intervention. Today, Libya is a quasi-failed state, with multiple governments competing for legitimacy. Its accumulated wealth, its oil and a residual Libyan nationalism seem to be all that keeps the country from further fragmentation. This increasing power vacuum has turned Libya into a conduit for desperate migrants trying to reach the shores of Europe. In the absence of a well-functioning state, criminal interests exploit human misery, all the more so as people smuggling remains one of the few viable activities in a collapsed economy.

The migrant crisis adds a measure of urgency to discussions on Libya and threatens to further divide Europeans at a time when more European unity and strategic vision are needed. The stabilization of Libya and a humane response to the migrant crisis are closely related. Without an effective partner in Tripoli, the EU is unable to stem the flow of migrants in a manner consistent with international law and its own human rights standards. But stabilizing Libya requires patience and a long-term perspective that are hardly compatible with the domestic pressures under which European governments operate when it comes to the question of migration. This has led to a wrong choice of priorities: today the EU and its member states seem more preoccupied with stopping by all means available the flow of migrants than with working for an elusive political solution.

This short-term mindset is illustrated by European support for Libyan coast guards which, in the absence of an inclusive political agreement, can be considered as just another militia. Likewise, various deals rumored to have been struck with

Are you in favor of placing a limit on the number of refugees who can stay in Germany?



don't know 2 %, no answer provided 1 %

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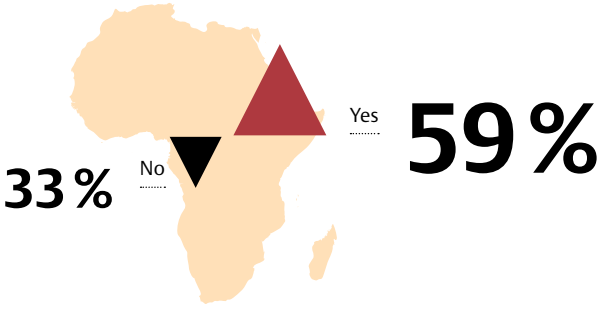
militias to control the southern border of Libya may end up strengthening non-state actors at a time when the international community needs to have a strong state to deal with instead. And pressing the government of Prime Minister Serraj to embrace an agenda driven by European rather than Libyan priorities will not help it gain legitimacy in Libya.

It sometimes seems that the left hand of the international community is undoing what the right hand is trying to do. Indeed, the disparity between Libyan priorities and Europe's anxieties over migration and terrorism is not the only dynamic that makes Libya the victim of outside powers' competing agendas. There are also the differences over political Islam between Gulf monarchies and other Arab states, and the competing regional visions of Egypt and Turkey.

The result of these clashing interests has been a botched political process that is not only unable to address the growing fragmentation of Libya but is also making it worse. While the government of national accord installed in Tripoli enjoys UN and international backing, as well as the strong support of individual countries, particularly Italy, its authority over the country is limited. General Haftar has effective control over a significant part of the east. The only institutions embodying the unity of Libya are the central bank and the National Oil Corporation. But that unity is increasingly jeopardize by Libyan actors' predatory behaviour, and the actions of outside powers supporting proxies. Regional actors have not created the internal divisions of Libya, but they contribute to their deepening.

What then can be done? The starting point should be to do no harm and to support the new special envoy of the UN Secretary General in Libya, Ghassan Salamé, as he tries to restore Libyan trust in the international community. The European Union should be more united, take a longer-term perspective and align its priorities with the priorities of Libya. The only sustainable way to stem the flow of migrants into Europe is to have a stable Libya that can not only control its borders, but also offer job opportunities to the migrants that have traditionally come to the country.

Should the EU provide support to African states for border protection with the aim of reducing migration, even if some of these states are known to commit human rights abuses?



don't know 6 %, no answer provided 2 %

The reconstruction of Libya can provide such economic opportunities for migrants, but only with a more inclusive and more impartial approach to the political process, and an acknowledgment that a foreign-imposed legitimacy is bound to fail. Security arrangements must be negotiated not just for Tripoli, but for the whole of Libya, starting with the south and the west. Peace also requires that the predatory economy sustaining the war is effectively countered. The European Union and the international community can help in this regard, because the illicit economy is for a large part based on the smuggling of subsidized fuel, a trade that needs international partners to thrive.

Germany has a particular role to play in that effort. Since Germany, at that time an elected member of the UN Security Council, parted ways with its Western partners in 2011 and refused to support the resolution that led to the military intervention, Berlin has not been compromised in the ousting of Qaddafi. Also, Germany has no major interests in the oil economy of Libya. Its interest is in the stabilization of Libya, which will contribute to the stabilization of the Sahel, to better migration policies, and will eventually create opportunities for German companies. Libya is of strategic importance for Europe, not as a buffer state between Europe and sub-Saharan Africa, but as a full-fledged partner that can help manage the much bigger challenges emanating from the poor, populous African states to the south.

Pivot to Africa

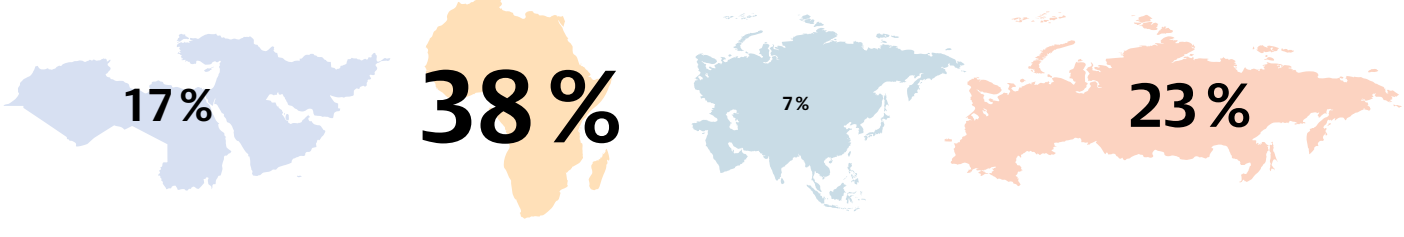
Migration brought Africa back into the limelight. But tackling the root causes of migration should not turn into a root cause for frustration

While the US pivoted to Asia, Germany pivots to Africa! The continent's development featured prominently in Germany's recent political debates as well as election manifestos of the major political parties in the run up to 2017's parliamentary elections.

Undoubtedly, this renewed interest in Africa has its roots in domestic concerns. The most recent example includes the Christian Democratic Union's electoral devastation coupled with the robust performance of the right-wing populist Alternative für Deutschland in September's parliamentary poll, which analysts in Europe and abroad have attributed to persistent voter discontentment over Chancellor Merkel's immigration policies. Already before the elections, German policymakers have therefore shifted their attention to Africa in search for means to address the so-called "root causes" of economic migration from Africa.

But while migration is the catalyst for renewed European interest in Africa's development, Chancellor Merkel should not allow what is essentially a symptom to distract from a broader and systemic malaise. Fully 33 of Africa's 54 states have been designated Least Developed by the United Nations. Africa's youth population, already the largest on earth, is set to double from 226 to 452 million by 2055, while economic opportunities for the vast majority are few and far between. A lack of basic infrastructure providing access to transport, electricity and clean drinking water magnifies poverty and depravation. An age gap of two to three generations between political leaders and citizens serves to amplify the deficit of trust that already exists between governments and their people. Finally, all of these development failures are underpinned by a lack of capable, transparent, and accountable public institutions, which are committed first and foremost to advancing the interests of ordinary people. Thus, Africa's challenges are as diverse and heterogeneous as the continent itself, and sustainable solutions to these cannot be sought without a commitment to supporting a range of structural

In which regions should Germany be most active in the future?



spontaneous response: equally in all regions 6 % don't know 7 %, no answer provided 2 %

reforms, both political and economic. There are no quick fixes for the reasons that pressure African citizens to take the treacherous trip to European shores.

The "Marshall-Plan for Africa", as the G20 Compact with Africa has been popularly labeled, therefore represents a welcome effort by Chancellor Merkel to accelerate development in Africa through a combination of funding, policy instruments and private investment incentives. But as the plan aims to address a historical challenge, it is of no surprise that the risks are buried in the small print. As a plan centered primarily on the demand-driven stimulation of private sector investment, the G20 Compact risks benefitting those African developing economies with solid institutional arrangements, high levels of competitiveness or disproportionate access to natural resources, over least developed economies. This has the potential to further entrench economic inequalities within the continent, while failing to target the very fragile states whose citizens are predominantly migrating towards Europe. Also, the largely government and private sector-focused approach to economic cooperation could risk excluding the very constituents these plans should be designed to support: young Africans.

Tacit support of government security apparatuses through financial injections also risks emboldening repressive states in fragile political circumstances. This will not help to promote peace and security in Africa's most conflict ridden and least developed nations, which should be a corner stone of any policy to address the push factors of migration. Instead, it actually accelerates the rate of migration to Europe by those fleeing state repression and human rights abuses. G20 and EU-Africa cooperation must therefore prioritize long-term political reforms to support socio-economic stability, rather than providing financial incentives for repressive governments. There should also be adequate room for substantive engagements with civil society organizations and grassroots movements that authentically represent the interests and concerns of young people.

LINDIWE MAZIBUKO
Munich Young Leader 2016;
Former Leader of the Opposition, Democratic Alliance, Parliament of South Africa, Cape Town

Finally, the G20 and the EU should not turn a blind eye on their own governments' role, and that of their most prized multi-national businesses, in the spread of corruption, maladministration and illicit financial outflows that deny African citizens access to the economic benefits from international investment. In addition to strengthening independent institutions, parliaments and free media in Africa, the G20 Compact should thus also prioritize legislation in EU and G20 member states to curb and penalize corrupt business practices in and illicit financial outflows from Africa. Political reforms must therefore be accelerated on both sides. An admission of complicity and commitment to reform on the side of the G20 and the EU will go a long way towards securing multi-lateral consensus on necessary reforms in African states that often regard developed nations as hypocritical and unaccountable.

At a time when the politics of Europe and North America have largely been dictated by the rise of populist nationalism, Angela Merkel deserves credit for pursuing productive economic partnerships with Africa that address the causes of economic inequality and international insecurity. She has continuously resisted an oversimplified and disappointing discourse revolving almost entirely around the notion of African migration as an economic and political burden to Europe. After her reelection, hopes are high that she will continue on this path. Despite good intentions, large scale initiatives that do not encourage substantive economic and political reform will fail to achieve sustainability in the long term.

"The EU should not underestimate its capability"

Javad Zarif on European Engagement in the Middle East

KÖRBER-STIFTUNG: **Minister Zarif, when thinking about recent developments in German-Iranian relations, the Joint Comprehensive Plan of Action, which you negotiated, is the most prominent component. Germany in particular pinned its hopes for a new start in Iran's relationship with the West on the deal. Today, it seems as if the agreement's future mainly depends on a currently ambivalent Washington. Can Germany preserve the deal?**

ZARIF: I think Germany and the European Union played a leading role in achieving an essential cognitive transformation during the negotiation process. When everybody understood that a zero-sum approach would lead to a negative sum outcome and that we needed to find a solution that serves the interests of all sides, this marked a turning point. Today, Iran is implementing its side of the bargain. However, especially the current US administration is more interested in maintaining sanctions and making sure that Iran derives the least possible benefits, than in implementing its own obligations. This is contrary to the letter and spirit of the agreement. In this situation, Germany can again play an important role by making sure that we return to a more positively oriented approach, and that Iran receives the promised dividends of the deal, which the Iranian people rightly deserve.

KÖRBER-STIFTUNG: **What about the broader engagement in the Middle East of both Germany and the EU? Would you agree that the EU has limited capacities to change realities in the region?**

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MOHAMMAD JAVAD ZARIF
Minister of Foreign Affairs, Islamic Republic of Iran

ZARIF: I want to concentrate on our immediate region, the Persian Gulf. The EU should not underestimate its capability in that area. The EU proved to be a very capable partner in the Iran nuclear negotiations and I believe it can again be a very capable partner in bringing stability to the Persian Gulf region.

KÖRBER-STIFTUNG: **In what way?**

ZARIF: I think the EU should play a much more assertive role, because its philosophy of positive sum outcomes, win-win situations, and dialogue can be an important ingredient for conflict resolution in the region. The EU should promote dialogue and understanding, since it does not have the baggage

that some other players in that region do. Another important role the EU could play is to send the right signals to various players in the region, who may be receiving very wrong signals from other global players during the recent dispute between Arab countries of the Persian Gulf.

KÖRBER-STIFTUNG: **Let us look beyond the Gulf, to Afghanistan, your big neighbor. Despite a long history of international engagement, instability is persistent and both Germany and Iran continue receiving large numbers of Afghan refugees. Many Germans no longer support the Bundeswehr's engagement within the NATO mission. How do you view the future of international engagement in Afghanistan?**

ZARIF: Well, we are also not particularly in favor of NATO engagement, but we are certainly interested to see the Europeans continue to engage in Afghanistan. We started this project together in Bonn when we helped the Afghans establish a transitional government after the Taliban rule. Today, after 16 years, the government is still working and the electoral process is continuing, so this process has actually been more successful than many people thought. Still, it is important to make sure that Afghanistan remains a viable state. Afghanistan's economy has to transform into a formal and prosperous economy, where the country can use its geographic location and its human and natural resources in order to offer the Afghan people a different livelihood than the one based on drugs, terrorism, warlord structures, and human trafficking.

Achieving an economic transformation in Afghanistan is also the most effective way to address the issue of refugees. People need the opportunity to go back to their homes and find alternatives to criminal activities.

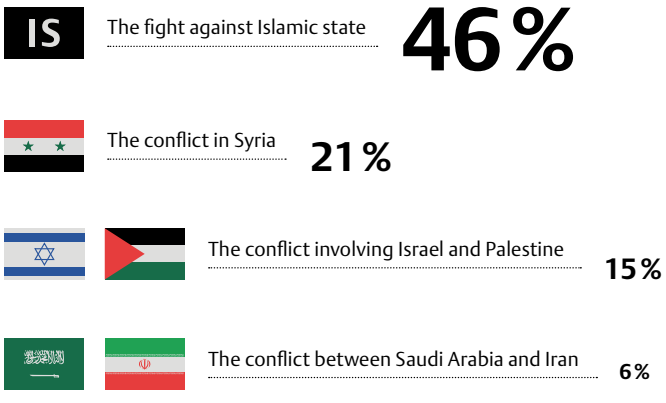
KÖRBER-STIFTUNG: **What can Germany and Iran do to achieve this economic transformation?**

ZARIF: I certainly think that Iran and Germany could work together on Afghanistan, and I already discussed this with German CEOs. One possibility would be to develop transportation from Afghanistan to the Persian Gulf or to the Sea of Oman, and thereby allow the Afghans to develop their mines. We could also engage in joint ventures in order to establish manufacturing inside Afghanistan. For instance, Iran could process Afghan iron ore into steel and export that for the Afghans. Iran possesses advanced engineering and construction capabilities, and can deploy them in Afghanistan at a fraction of other actors' costs. Therefore, we have a comparative advantage.

KÖRBER-STIFTUNG: **A final question regarding Syria. What do you expect from Germany and the EU once the war is over?**

ZARIF: Reconstruction. Syrians should receive the message that there will be peace dividends, regardless of how that peace is formed, and as long as it is an inclusive peace that all Syrians are happy with. Syrians should know that the EU will be there to help them reconstruct their country with no strings attached. The only string should be peace.

In which Middle Eastern conflict should Germany be most actively promoting a solution?



don't know 5 %, no answer provided 1 %

In Search of Wisdom

The international system is troubled by deep structural problems. How can Germany contribute to shaping a new global order?

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PRINCE TURKI AL-FAISAL
Chairman of the Board, King Faisal Center for Research and Islamic Studies, Riyadh

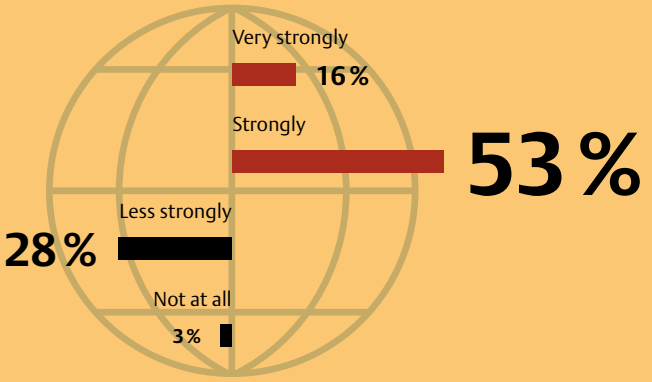
Great transformations throughout history bear opportunities for states, societies, and the international community at large. However, they also carry with them risks. The world we knew is fracturing before our eyes. Today, anarchy, power vacuums and even great wars are real threats facing the international community. Wherever we look, there is a crisis, and appropriate solutions are often out of sight. These crises in the Far East, on the Indian sub-continent, in the Middle East and North Africa, in Africa, in East Europe, and in Latin America are clear indications of a troubled world. We notice this even in the mood of the population, which in many countries reinvigorated populism, nationalism and Islamophobia. The backward-looking nature of these trends threatens the progressive achievements of humanity in all fields since the end of World War II.

The current international, regional, and national crises are symptoms of deep structural problems in the international order. On the one hand, they reflect the failure of our world community to live up to the principles of good governance, as set out in the charter of the UN more than seventy years ago. On the other hand, they painfully remind us that although our interdependent and globalized world has dramatically changed, its organizing principles still breathe the mentality of 1945 and the Cold War. The world is conscious of the unfairness of the present order, and sees it as an outdated structure that is not able to tackle today's challenges. A future international order needs to be restructured towards a more fair and inclusive reflection of an international reality, where power in all its aspects is shared by many power centres. Without such restructuring, geopolitical upheavals will continue to threaten world peace and security. For example, the Syrian crisis illustrates the failure of the international community, and especially the failure of the two great powers USA and Russia, to address this conflict in accordance with the principles of the UN charter. What happened in Syria could recur in another crisis. Issues like the Israeli occupation of Palestine, increasing tensions with North Korea and the conflict between Russia and Ukraine are other cases at hand.

Only through international wisdom, cooperation and leadership, can the world avoid the potential disasters that face us at this juncture. In the past, world orders were a by-product of major wars. After 1945, the victors of World War II created an international order with the aim to preserve peace and security in the world. This time, failing to respond to the current challenges would be a failure of the entire international community. What is more, the world should not risk another war in order to change the system. World leaders need to come

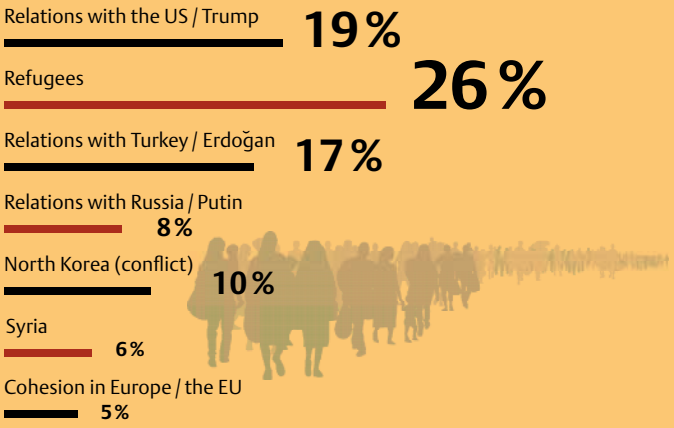
Results of a representative survey on German attitudes to foreign policy commissioned by Körber-Stiftung

How strongly are you interested in German foreign policy?



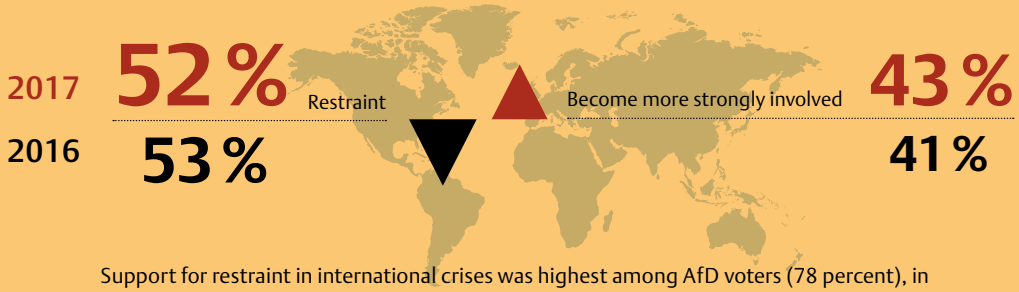
Compared to other parties, the level of interest in foreign policy is the lowest among AfD voters (60 percent).

What are the greatest challenges currently facing German foreign policy?



In contrast to last year, relations with the US are no longer viewed as the greatest challenge. The issue of refugees remains important. North Korea is named as a challenge for the first time.

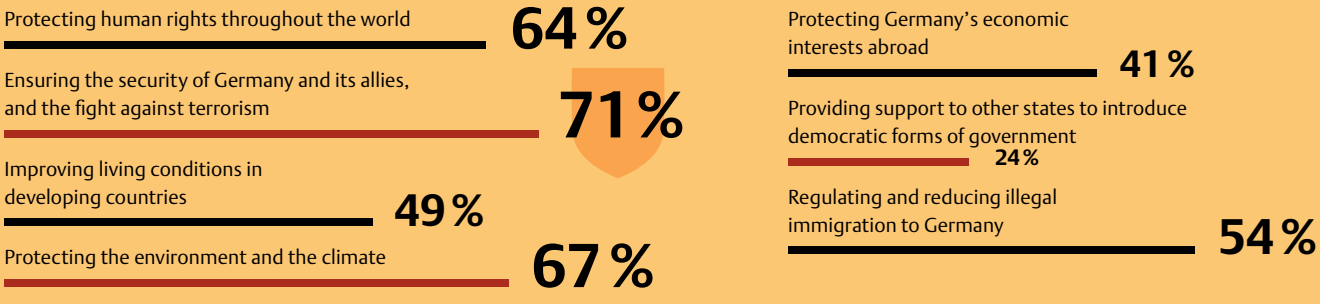
International responsibility: Should Germany become more strongly involved in international crises?



Support for restraint in international crises was highest among AfD voters (78 percent), in comparison to other parties' voters (between 42 and 48 percent).

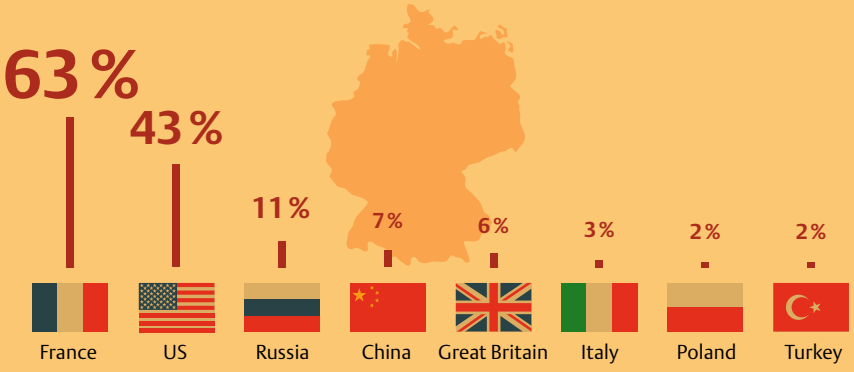
2017: don't know 3 %, no answer provided 2 % | 2016: don't know / no answer 6 %

In which areas is international engagement particularly important?



With the exception of people who voted for the Green Party or DIE LINKE, a large majority of the electorate – more than 75 percent – stress security issues as particularly important. AfD voters are the least likely to view protecting human rights, improving living conditions in developing countries and providing support to build democratic forms of government as very important.

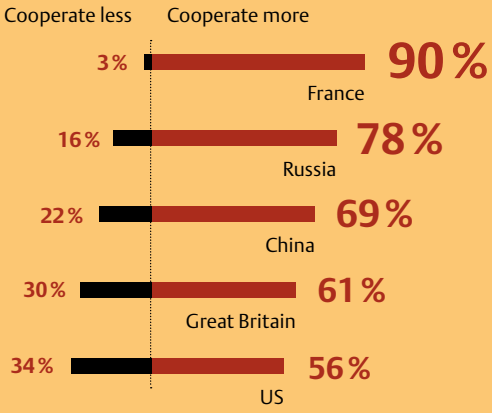
Which country is Germany's most or second most important partner?



In comparison to 2016, France has rolled past the US as Germany's most important and second most important partner.

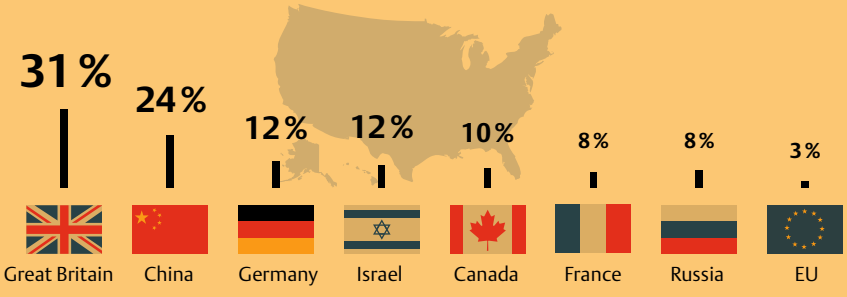
a different Country 10 %, don't know31 %, no answer provided 21 %

Should Germany cooperate more or less with each of these countries in the future?



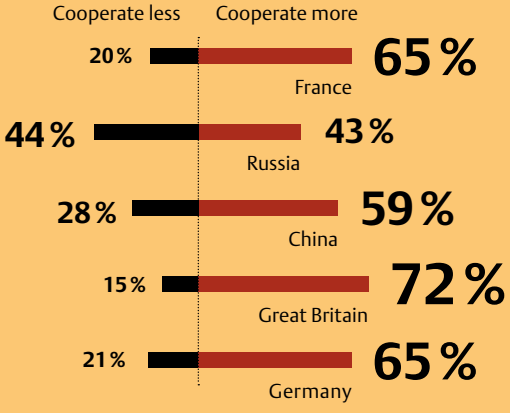
Results from Survey "Russia in Europe: A Cold War in People's Minds?"

Which country is currently America's most or second most important partner?



a different Country 26 %, don't know, no answer provided 37 %

Should the United States cooperate more or less with each of these countries in the future?

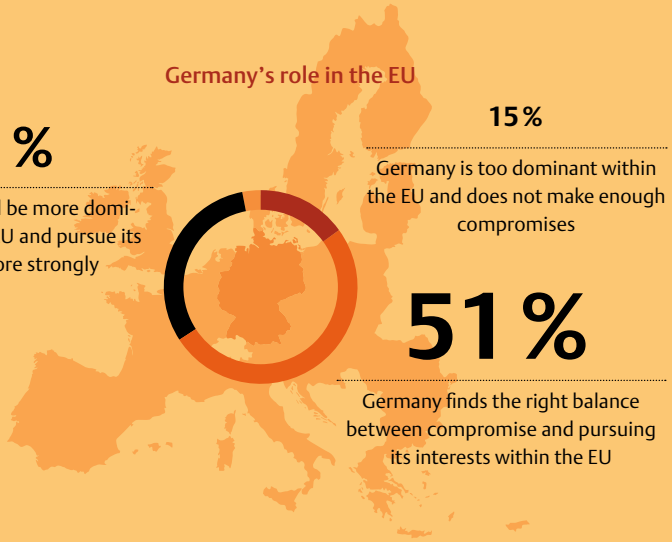


Results from the US by Pew Research Center

Germany's role in the EU

31 %

Germany should be more dominant within the EU and pursue its interests more strongly



15 %

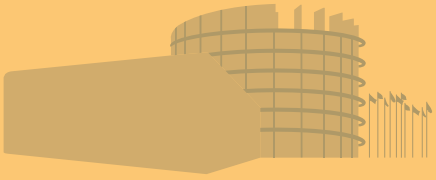
Germany is too dominant within the EU and does not make enough compromises

51 %

Germany finds the right balance between compromise and pursuing its interests within the EU

don't know 2 %, no answer provided 1 %

Is the EU on the right track?



On the right track **36 %**

59 % Not on the right track

don't know 5 %

What will Brexit do to the EU? Will it...

Harm the EU very badly **8 %**

39 % Harm the EU

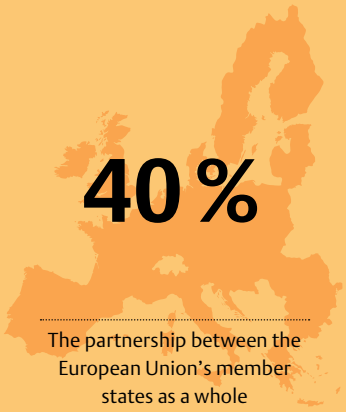
Be useful to the EU **10 %**

Be very useful to the EU **1 %**

37 % Have no particular impact on the EU?

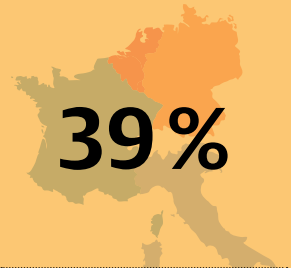
don't know 5 %

Which of the following partnership is of particular importance for Germany for the further development of the EU?



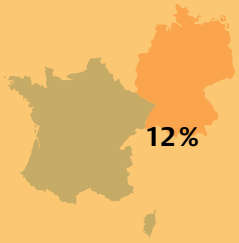
40 %

The partnership between the European Union's member states as a whole



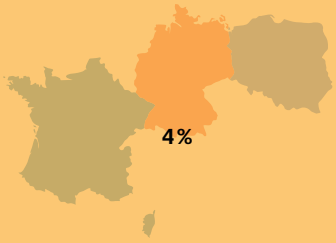
39 %

The partnership between the European founding states: Italy, France, Benelux and Germany



12 %

The tandem between France and Germany



4 %

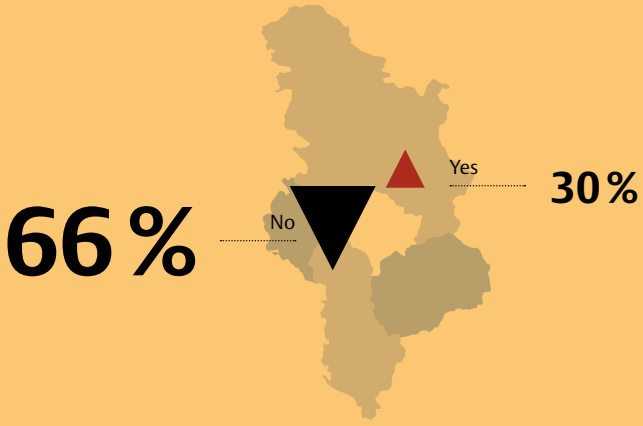
The Weimar Triangle consisting of Poland, France and Germany

don't know 4 %, no answer provided 1 %

Do you support the development of a European economic and financial policy and the establishment of a European Minister of Finance?

don't know 6 %, no answer provided 1 %

Do you support enlarging the EU to include the Western Balkans?



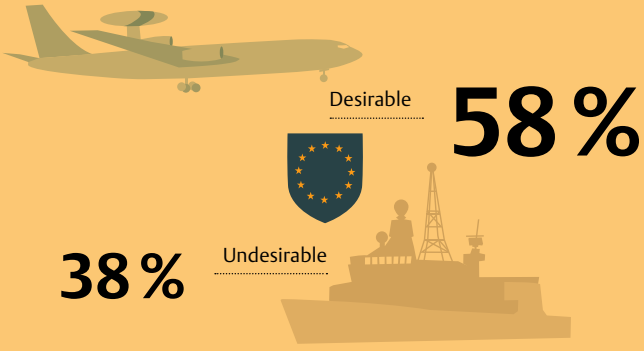
don't know 3 %, no answer provided 1 %

Should Germany advocate breaking off EU Accession negotiations with Turkey?

The overwhelming majority of respondents want accession negotiations to be broken off, irrespective of population group or party affiliation.

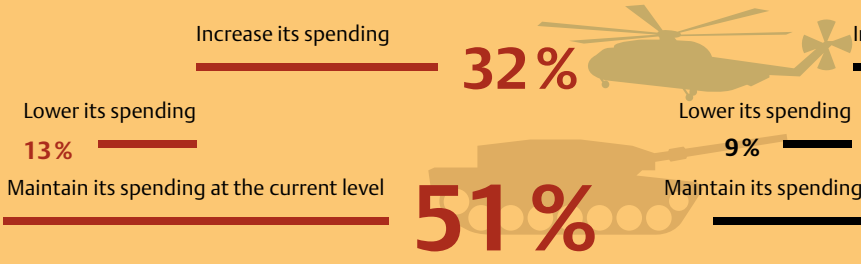
don't know 4 %, no answer provided 1 %

Do you support the idea of a common European army?



don't know 3 %, no answer provided 1 %

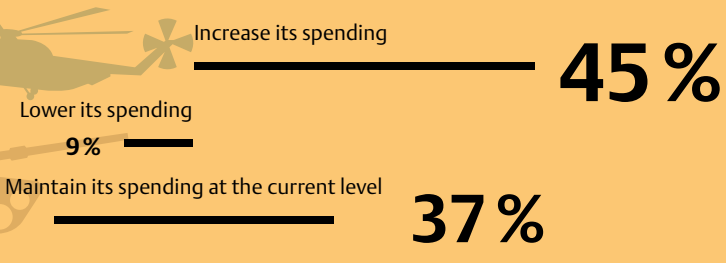
For German respondents: Should Germany increase ist defense spending?



Approval for increased spending is highest among AfD voters (48 percent) and FDP voters (40 percent).

don't know 3 %, no answer provided 1 %

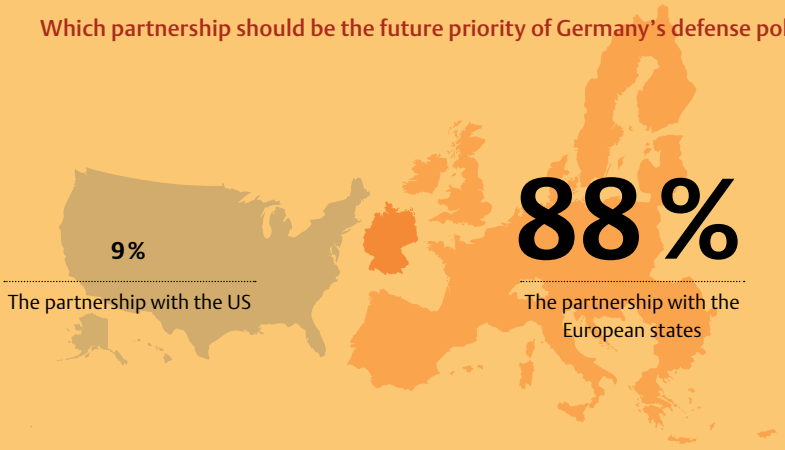
For US respondents: Should European allies increase their defense spending?



don't know, no answer provided 9 %

Results from the US by Pew Research Center

Which partnership should be the future priority of Germany's defense policy?

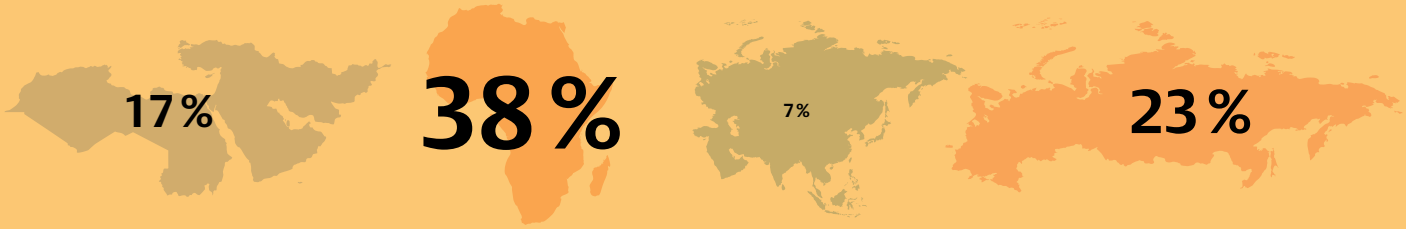


9%
The partnership with the US

88%
The partnership with the European states

don't know 2%, no answer provided 1%

In which regions should Germany be most active in the future?



17%
In the Middle East

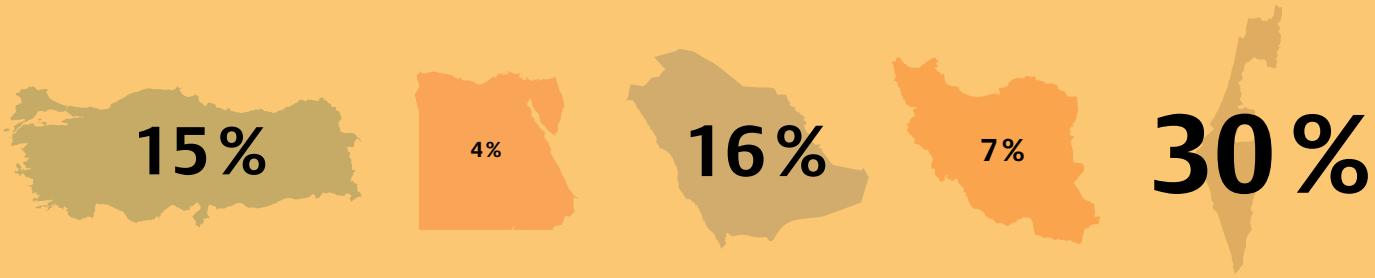
38%
In Africa

7%
In Asia

23%
In Eastern Europe and Russia

spontaneous response: equally in all regions 6% don't know 7%, no answer provided 2%

Which country is Germany's most important partner in the Middle East?



15%
Turkey

4%
Egypt

16%
Saudi Arabia

7%
Iran

30%
Israel

spontaneous response: equally in all regions 8% don't know 18%, no answer provided 2%

In which Middle Eastern conflict should Germany be most actively promoting a solution?

- The fight against Islamic state — 46 %
- The conflict in Syria — 21 %
- The conflict involving Israel and Palestine — 15 %
- The conflict between Saudi Arabia and Iran — 6 %

don't know 5 %, no answer provided 1 %

The Bundeswehr is carrying out one of its largest foreign operations in Mali. Are you aware of the reasons behind this mission?

- Yes — 30 %
- No — 69 %

don't know 1 %

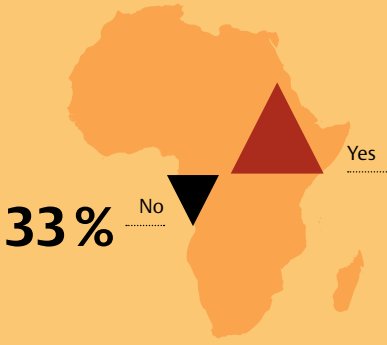
Are you in favor of placing a limit on the number of refugees who can stay in Germany?

- Support a limit — 56 %
- Reject a limit — 41 %

Support for the limit is strongest among AfD-voters (97 percent), non-voters (75 percent), CDU/CSU (62 percent) and the FDP (58 percent). Voters of the Green Party and Die Linke, reject a limit (79 percent, 73 percent). SPD voters are divided on this issue with 50 percentin favor and 50 percent against.

don't know 2 %, no answer provided 1 %

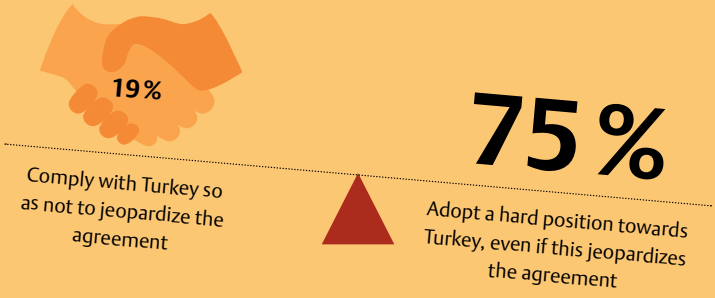
Should the EU provide support to African states for border protection with the aim of reducing migration, even if some of these states are known to commit human rights abuses?



- Yes — 59 %
- No — 33 %

don't know 6 %, no answer provided 2 %

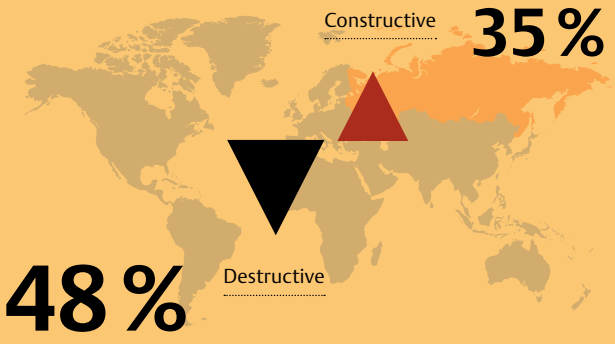
How should Germany act on the refugee agreement amid tensions with Turkey?



There is again a clear consensus towards a tough attitude, irrespective of population group or party affiliation

don't know 5 %, no answer provided 1 %

What is your perception of Russia's role in international politics?



spontaneous response: both 6 %
don't know 9 %, no answer provided 2 %

The EU has imposed sanctions on Russia in the course of the Ukraine crisis. Should these sanctions...

don't know 9 %
Results from Survey "Russia in Europe: A Cold War in People's Minds?"

What is more important for Germany ... ?

having close relations with the US

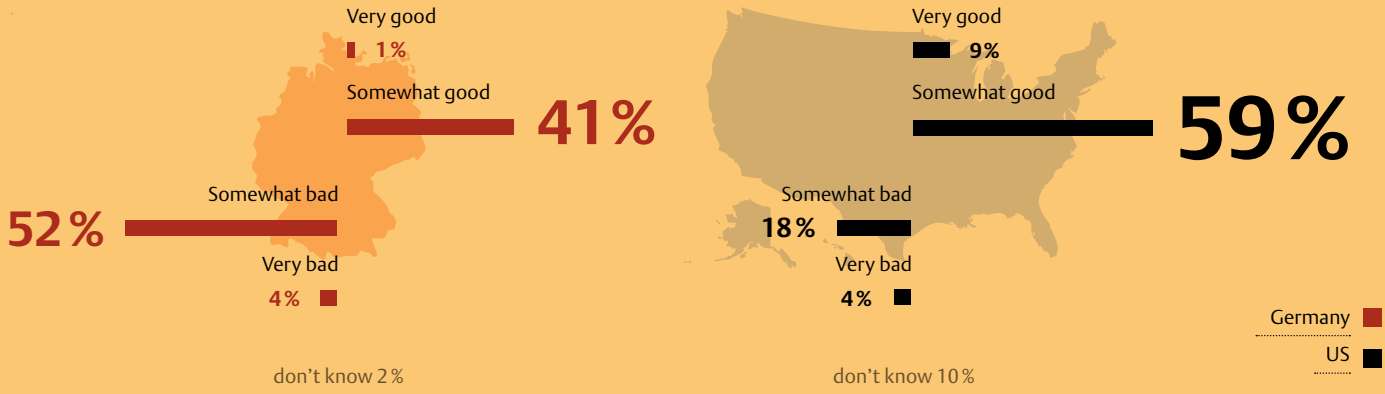
spontaneous response: equally close relations with both countries

having close relations with Russia

Respondents living in eastern Germany as well as AfD and DIE LINKE voters in general consider closer relations with Russia as more important than closer relations with the US.

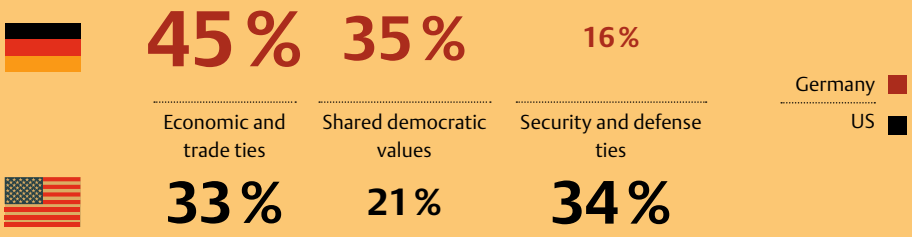
don't know 4 %, no answer provided 2 %

How would you rate the current relationship between Germany and the US?



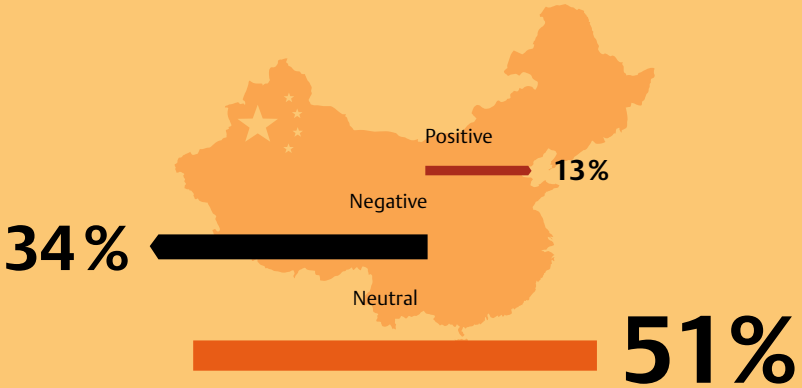
Results from the US by Pew Research Center

What is the most important basis for US-German relations?



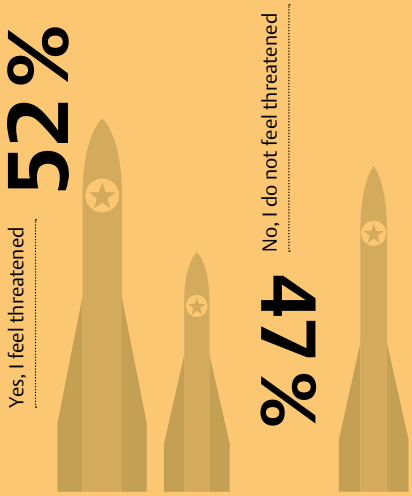
Germany: don't know /no answer provided 4%, US: don't know /no answer provided / 12%

What is your view of China's growing influence?



don't know 1%, no answer provided 1%

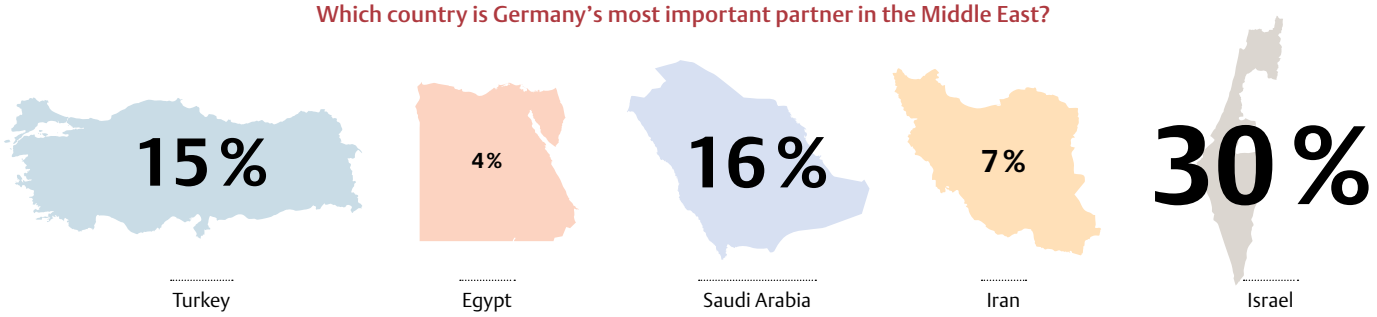
Do you feel threatened by North Korea?



don't know 1%

Survey Period: 4–18 October 2017; Sample Size: 1.005 Respondents; Detailed results are available at **www.theberlinpulse.org**

Which country is Germany's most important partner in the Middle East?



spontaneous response: none of the above 8 % don't know 18 %, no answer provided 2 %

to their senses, since reforming the existing order requires new thinking by all UN member states, including the five permanent veto members. A sustainable international order that preserves peace and security in the world must be an equitable one in order to meet the pressing challenges and threats facing humanity.

However, progress has been slow. Although reforming The UN system was the dominant theme of this year's UN General Assembly meeting, the world is still waiting for real tangible reforms.

In this situation, Germany, as one of the success stories of a peaceful, stable international order, has a special responsibility in leading international efforts to transform the international order. No country has learnt the lesson that changes in international order can be accompanied by the most severe and brutal conflicts in such a hard way as Germany. And today, its prominent role in Europe and the entire world, for example reflected in the P5+1 negotiations on the nuclear deal with Iran or its generous hospitality towards victims of the Syrian war, are but tangible proof of its emerging leadership. The world is in need of this kind of outlook to avoid the possible dangers along the way towards a new world order.

Things to look out for in the Middle East

- **President Trump's decertification of the JCPOA** has led to a new environment of unpredictability surrounding the future of the nuclear agreement. European governments will need to take a greater lead in safeguarding the deal, while trying to push for constructive engagement with Iran on regional issues such as the war in Syria, Yemen and the Iranian ballistic missile program.
- While 2018 marks the 400th anniversary of the Thirty Years War, the Syrian war will enter its eighth year and **the road to a "Westphalian Peace" in the Middle East remains rocky.** As the battle against ISIL's "caliphate" could finally come to an end, conflicting regional power interests continue to hamper any long-term solution for the war-torn country.
- As the rift continues to widen in the Gulf between Qatar and its fellow members of the Gulf Cooperation Council, **the 39th GCC Summit might not take place with all six parties at the table.** So far, mediation efforts have not succeeded at ending the dispute, which could turn into a crisis of extended duration.
- **The wind of change is blowing through the Kingdom of Saudi Arabia,** where the young Crown Prince Mohammed Bin Salman is pushing for radical economic and social reforms. 2018 will provide a hint to what extent his 'Vision 2030' can realistically be achieved against the backdrop of rifts within a society, which is torn between religious conservatism and modernization.

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ELISABETH VON HAMMERSTEIN
Program Director International Affairs, Körber-Stiftung

Across the Bridge

In their relations with Turkey, Germany and the EU should …

… take a bird's-eye view

Being built on the ashes of a collapsed empire, it was vital for Turkey to join the heart of the modern world. EU membership was what we wanted to achieve in order to become a member of the community which continues to raise the ceiling of justice, human rights and freedoms. The idea of the European Union as a project of peace seemed much more precious than the promise of a free market and prosperity.

Today, we again need to earn peace and respect for each other's rights and freedoms much more than money. But how did Turkey and the EU get from being neighbors with good intentions to becoming two entities looking at each other with constructed hatred? As the chain of mistakes on both sides is long, it shall suffice to mention a few.

The Turkish government's ongoing use of propaganda in order to spread the image of a morally corrupt EU has contributed to turning the EU into a hate figure for many AKP supporters. While the government is reaping all the benefits of an age of information and knowledge, it is paradoxically raising a generation that is more and more suspicious and inclined to conspiracy theories. As a result, both science and the West are perceived as enemies of the state.

Yet, admiration for the EU was also tainted among the segment of Turkish society that supports EU membership and worries about the future of their country. One of the reasons for this was that a Europe which recently could not even convince some of its member states to uphold democratic principles ironically criticized Turkey's previous secular system. Although this system was stumbling at times, it was definitely more democratic than the current one. The EU never truly believed that Turkey could be a both modern and Islamic society, and therefore couldn't comprehend the grand hopes that Muslims worldwide associated with Atatürk. The EU even failed to provide secular governments in Turkey with the same generous political and economic support as the AKP.

Yet, the EU can still avoid the biggest mistake vis-à-vis Turkey: to treat the AKP and Turkey as synonymous. To quote a friend: "It is not the people who are wrong, it is the system." The EU should acknowledge the courage and struggle of citizens that oppose the AKP's vision of the future. It should approach Turkey free of prejudices.

Despite global security threats, pandemic populism and religious hatred, Europe is still the safest continent on earth. There are Turkish people who want to contribute to this by using their country's key position between Europe and Asia. The EU should keep its ears and arms open to them. Overcoming our differences would mean we succeed in passing on peace to the next generations, not hatred.

ŞAFAK PAVEY
Munich Young Leader 2016;
Former Member, Grand National Assembly of Turkey;
Member, CHP, Ankara

Should Germany advocate breaking off EU Accession negotiations with Turkey?

don't know 4 %, no answer provided 1 %

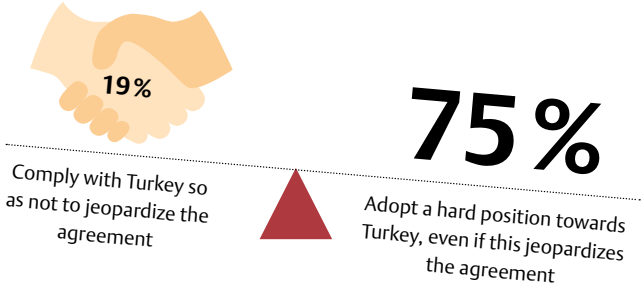
… start a new dialogue

The 24th of September 2017 will unfortunately be remembered as a shameful day in German history. For the first time after over sixty years, a right-wing party is represented in the Bundestag. Having led a campaign based on racism and xenophobia, the Alternative for Germany (AfD) became the third largest group in parliament. But Turkey stole the AfD – a party thriving on anti-migrant sentiments – part of its thunder and prevented a much worse election result as it rigorously implemented its part of the so-called "refugee-deal" thanks to which the number of migrants and refugees reaching the EU was significantly reduced.

The refugee agreement is paradigmatic for a change in the balance of power between Turkey and the EU. There is a new Turkey. This new Turkey still considers EU membership to be its most valuable option and is determined to continue to work towards EU membership. However, Turkey is no longer condemned to become an EU member. As trade relations with non-EU countries are improving by the day, Turkey can now prosper without EU membership, although this is not the preferred trajectory. Europeans should become more rational, acknowledge this new reality, and most significantly stop to interfere in Turkey's domestic affairs.

Turkey takes its relations with Germany particularly seriously. It therefore watches closely as the new German government is being formed. Depending on the outcome of the coalition talks, Cem Özdemir, Co-Chair of the German Green Party who is known for his pugnacious attitude towards the current Turkish leadership may very well become Germany's next Foreign Minister. Turkey will not try to determine what the new German government will or will not do. In particular, it respects any decision as to which politician will lead the Federal Foreign Office. Nonetheless, Turkey expects that the next Foreign Minister will responsibly represent the international role of such an important country as Germany, and that he or she will comply with the rules of political ethics and international diplomacy in Germany's relation with Turkey. The relationship between Turkey and Germany should not depend on individual politicians. It is important to achieve a constructive and resilient connection. As the election period in both countries has come to an end, it is now the time for dialogue.

How should Germany act on the refugee agreement amid tensions with Turkey?



don't know 5 %, no answer provided 1 %

OZAN CEYHUN
Former Member of the European Parliament; Special Advisor, Permanent Representation of Turkey to the EU, Brussels

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It Comes with the Territory

Körber-Stiftung asked for eight arguments in 140 characters on why EU enlargement has to continue in the Western Balkans

CARL BILDT @carlbildt
EU is about war and peace – and EU membership for Western Balkans is about securing peace (1/8)

CARL BILDT @carlbildt
If EU shuts the door to the Western Balkans, we will open the door to new wave of extreme nationalism (2/8)

CARL BILDT @carlbildt
New wars in the Western Balkans will bring huge refugee waves. EU has fundamental interest in stability. Membership is the key (3/8)

CARL BILDT @carlbildt
Western Balkans countries must reform more. Membership is not a free lunch. But membership prospect drives reform (4/8)

CARL BILDT @carlbildt
Since 2000 a fifth of population has left Western Balkans, mostly for EU. Membership should lift their economies. More will stay (5/8)

CARL BILDT @carlbildt
The Western Balkans should be part of common EU infrastructures of transport and energy. That's in mutual interest (6/8)

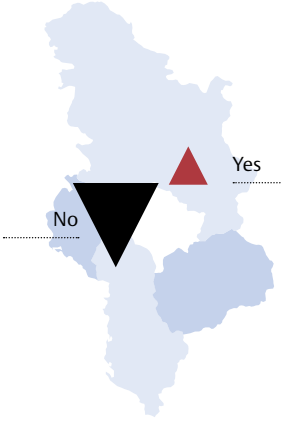
CARL BILDT @carlbildt
We need to think about new steps on the road to EU membership. Is customs union a good interim step? (7/8)

CARL BILDT @carlbildt
In 2003 EU promised that all Western Balkans countries could become members. And EU must stand by its word (8/8)

CARL BILDT
Former Prime Minister and Minister of Foreign Affairs of the Kingdom of Sweden

Do you support enlarging the EU to include the Western Balkans?

66 %



30 %

don't know 3 %, no answer provided 1 %

Opportunity or Autocracy?

The EU's current negligence in matters of EU accession of the Western Balkans risks long-term stability and undermines the potential of the region. Germany should advocate a reappraisal of EU policy – or the EU will bear the consequences of its own miscalculation

© United Nations

VUK JEREMIĆ
Former Minister of Foreign Affairs of the Republic of Serbia; President, Center for International Relations and Sustainable Development, Belgrade

Nothing explains the strategic importance of the Western Balkans for the EU better than a simple look at the map. Located at the midpoint between Berlin and Istanbul, what happens in the Western Balkans inevitably affects the entire European Union. The Western Balkans is also the gateway between Western Europe and the Middle East, illustrated by the recent refugee crisis as well as the worryingly high number of Kosovo Albanian fighters in Middle Eastern conflicts. Thus, while geography alone would justify making this region a priority for EU policy, the rest is literally history: Events in the Western Balkans twice cast a long shadow across Europe in the past century – first at the dawn of World War I in 1914 and then during the Yugoslav Wars in the 1990s. In both instances, solutions failed to resolve the underlying tensions that caused these conflicts in the first place.

Their geographic and strategic locations notwithstanding, the Western Balkans remain outside the European Union. Seemingly overwhelmed by the ongoing challenges and infected by accession fatigue, the European Union has relegated the integration of the Western Balkans to the back burner. As the above mentioned interconnections have sometimes earned the Western Balkans the title of Europe's black hole, I believe this is one of the most short-sighted strategic decisions made by the present generation of EU leaders, and it has a high potential to backfire.

The region's increasingly distant European perspective has eased the way for local autocrats to seize power through populist rhetoric, dismantling the achievements of nascent liberal democracies. What is more, the EU increasingly seems to prefer what University of Alberta scholar Srđa Pavlović has called "stabilitocracy" over veritable democratic reforms. An illustrative example is Serbia's new

"The EU increasingly seems to prefer 'stabilitocracy' over veritable democratic reforms."

president, Aleksandar Vučić, who served as information minister under Slobodan Milošević in the 1990s. Vučić, as well as other Balkan strongmen, seems to have reached a tacit agreement with various Western decision makers: in exchange for appearing to maintain stability, he enjoys free rein to suppress fundamental rights and freedoms. Under Vučić's

increasingly autocratic rule, Serbia has experienced rigged elections, has witnessed its opposition leaders being slanderously vilified, and its media outlets surrendering their objectivity and independence to autocratic demands of fealty and subservience. On the economic side foreign investment levels are falling, corrupt and incompetent cronies hold most significant positions, and record numbers of young and educated people are leaving the region.

The picture is similar in other parts of the region, where there have been massive and sometimes violent street demonstrations in the past few years. Calls for the creation of Greater Albania, which would presuppose forcible changes in borders that are hardly imaginable without triggering serious tumults, have also reappeared.

Such developments widen the gap between the region and the EU even further and thereby make the prospect of EU accession even more unlikely. Yet, both sides seem content with maintaining the illusion that accession negotiations remain steadily on track, although there is no end in sight.

Trading stability for democratic development is not only morally questionable. It runs contrary to the EU's long-term interests. As long as Western Balkan strongmen operate on the assumption that state institutions must not serve as barriers to the exercise of their will-to-power and consider it perfectly legitimate to manipulate public opinion in favor of their own selfish interests, it will be impossible to achieve sustainable political and economic stability, not to mention sustainable regional cooperation and social reconciliation.

Should the EU continue to lend credence to Western Balkan strongmen's lip service to European values while they intensify coercion and repression at home, then this is bound to produce at least two negative strategic consequences: popular disillusionment with the European project in the Western Balkans on the one hand, and heightened skepticism towards the desirability of enlargement in European public opinion on the other. Such a strategy only makes sense if the goal is to entrench the region as a sort of no man's land-buffer zone between the EU and the Middle East.

However, if the goal is to bring the Western Balkans into the European fold, then Germany, as the most influential EU member state, should lead

> "Germany should lead in a strategic reappraisal of European policy for the region"

in a strategic reappraisal of European policy for the region – one that would reject "stabilitocracy" as a tolerable concept. I believe this would open the way for a truly stable and prosperous Western Balkans to become an eminently reachable goal in this generation. The region is blessed with a favorable geo-economic position, abundant natural resources, and perhaps most importantly, smart and creative people who possess the wherewithal to compete at a global level in their respective fields. It has the potential to catch up with Central Europe in terms of economic development and continental standards. Yet this can only be achieved if the free exchange of ideas, thoughtful debate, and meritocratic advancement can flourish within a genuinely democratic framework.

This article is based on an op-ed that appeared in the Washington Post in July 2017.

LIANA FIX
Program Director
International Affairs,
Körber-Stiftung

Things to look out for in Eastern Europe

› No surprises are to be expected at **the Russian presidential elections** in March, but the Moscow mayoral elections in September 2018 will demonstrate what space remains for the opposition in local politics. The FIFA World Cup will provide bread and circuses à la russe.

A Wish List for the Eastern Neighborhood

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HANNA HOPKO
Munich Young Leader 2016;
Head, Committee on Foreign Affairs, Verkhovna Rada (Parliament) of Ukraine, Kyiv

"Germany should harmonize its own bilateral ties to states of the Eastern neighborhood with initiatives of the European Union, particularly the Eastern Partnership and the Common Foreign and Security Policy. Through the EU framework, Germany should focus on strengthening sound governance and strong institutions in the region, especially to counter Russia's open as well as covert aggression towards several states of the Eastern neighborhood."

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DOMINIK P. JANKOWSKI
Munich Young Leader 2011;
Head, OSCE and Eastern Security Unit, Ministry of Foreign Affairs, Warsaw

"The ongoing Russian-Ukrainian conflict has a lasting negative political and military impact for the whole Eastern neighborhood as well as European security system. Therefore, finding a peaceful solution to it – in close cooperation with other partners from the transatlantic alliance – should continue to be Germany's foreign policy priority."

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SERGEJS POTAPKINS
Munich Young Leader 2015;
MP: Member and Secretary, Foreign Affairs Committee, Saeima (Parliament) of the Republic of Latvia, Riga

"The potential of German foreign policy towards its Eastern neighborhood is much higher than the role Germany plays today. Germany should stop pretending to be small. It is more interconnected with the region than most other European states and therefore in an ideal situation to take on a leadership role in shaping EU policy. This policy should be balanced and pragmatic, and it should aim at maintaining stability and security in Europe."

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EKA TKESHELASHVILI
Munich Young Leader 2013;
Former Minister, Ministry of Foreign Affairs; President, Georgian Institute for Strategic Studies, Tbilisi

"On the one hand, Germany should continue to consolidate the EU's policy on issues of European Security, such as the sanctions against expansionist Russia. On the other hand, Germany should proactively foster convergence between Eastern European countries and the EU, and enable the full realization of the political and economic potential offered by Association Agreements."

- **Ukraine's tedious reform efforts:** Despite economic recovery, Poroshenko's chances for reelection in 2019 hinge on the success of political and economic reforms in the rule of law and combating corruption. If an agreement for a UN mission is reached, the Donbass might see a de-escalation.
- The **Moldovan parliamentary elections,** scheduled for November 2018, are a watershed moment for the country's foreign policy orientation. Locked in a stalemate, the Moscow-friendly president advocates early elections, but pro-European parties fear a new electoral code marginalizes their chances at the polls.

The Munich Young Leaders Program is a joint project of Körber-Stiftung and the Munich Security Conference

East is not East

ALEXEY PUSHKOV
Senator; Member, Committee on Defense and Security, Council of the Federation, Federal Assembly of the Russian Federation, Moscow

DMITRY ANDROSOV
Munich Young Leader 2017; Member, Federal Political Council, People's Freedom Party PARNAS; Candidate for the State Duma Elections 2016, Moscow

What has recently been the German government's most severe mistake in relations with Russia?

Before the conflict in Ukraine, Germany had a special economic relationship and a privileged political relationship with Moscow. It ended due to the unconditional support of regime change in Ukraine. However, it was wrong to believe that the Euromaidan would bring Ukraine into the European family of nations. This country is not ready to become a member of the European Union or a member of NATO. For the time being it is a semi-failed state with a sky-rocketing corruption and an extremely strong nationalism. Crimea made the relationship between Germany and Russia even more complicated and marked the starting point for hostile actions, sanctions and angry rhetoric towards Russia. If the German government thinks Russia has violated international law in Ukraine it should be consistent and also accuse the US intervention in Iraq, NATO's actions in Libya, or Kosovo's separation from Serbia. Does international law have to be applied on some occasions only, but not on others, especially when it is violated by the allies of the German government? These are evident double-standards.

Germany has become a hostage to the position of EU countries with pronounced anti-Russian foreign policies such as Poland and Lithuania. I wonder why Germany is paying so much attention to them and does not listen to EU countries that favor a more balanced approach towards Russia.

Germany has always played a vital economic and political role for Russia. Nonetheless, the German government has missed opportunities that could have helped it strengthen support among Russian society for Germany and the European Union as a whole.

The failure to abolish visas between Russia and the EU is a good example. A broad section of Russian society would have welcomed visa-free travel. At the same time, Germany should not falsely assume that the overwhelming majority of Russians support their government's foreign policy. Although President Putin has certainly seen his popularity increase over the last few years, this is mainly due to effective state propaganda and false reporting, as is the case in all authoritarian regimes. As such, I am sure that democratic change will be accompanied by a change of mood throughout society.

The sanctions that resulted from the annexation of Crimea and the conflict in the Eastern Ukraine are a further example. Our party – PARNAS – believes that sanctions should only affect the people responsible for taking political decisions. Otherwise, Putin will be able to exploit the resulting deteriorating economic situation to drive forward his anti-Western policies and spread anti-European hysteria throughout society.

Can you think of any mistakes that have been made by the Russian government in relations with Germany?

The relations deteriorated because of the crisis in Ukraine, not due to a conflict in our bilateral relations. Neither Russia, nor Germany did anything wrong in their bilateral relations. Russia did not act against German interests. We merely reacted to an illegal change in government in Ukraine and complied with the will of the people of Crimea. We did not start the conflict.

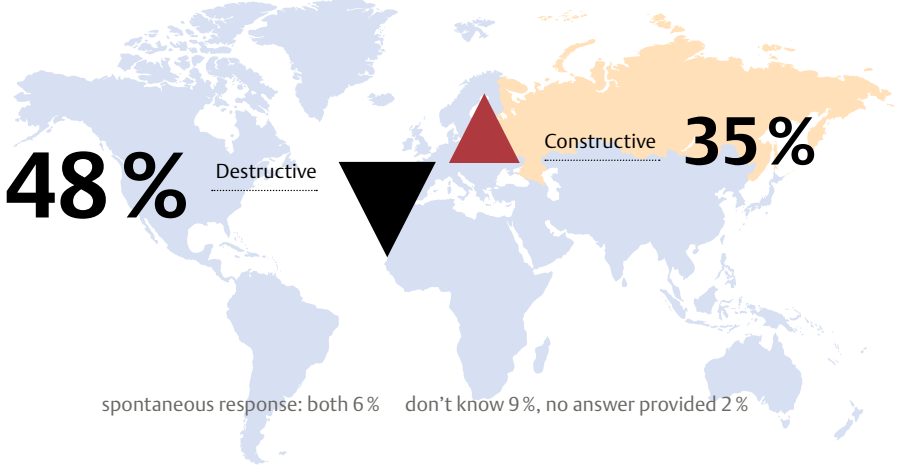
The Kremlin has distanced itself from the West over the last few years through its aggressive foreign policy. The Kremlin demonstrates military strength towards neighboring countries that are undergoing processes of democratization, and evokes apparent ideological differences with the West. As long as the pretext of a clash of ideologies with the EU and the US serves Russian interests and helps to maintain his personal monopoly on power, improved relations with the West are not in Putin's strategic interests.

Which steps would Germany and Russia have to take in the next years to improve their bilateral relationship?

Improvement of the relations is possible. Russia and Germany do not have territorial disputes. We respect the German political system, and Germany is not trying to change the government in Russia. However, Germany would be wise to focus more on a long-term strategy. Ukraine is neither the center of world policy nor something Germany's future depends on. Germany can be a leading country in Europe, but having bad relations with Russia will always stifle Germany's international importance. I therefore welcome the suggestion to regard Crimea as a fait accompli, rather than an impediment to normalizing relations with Russia. We should move beyond this crisis. This is the only reasonable thing to do.

Russia would first have to withdraw its troops from Ukraine, end the support it provides to the separatists, and encourage negotiations at the United Nations over the status of Crimea. Germany would need to remain aware of its role as an intermediary and ensure that it keeps discussion channels with Moscow open. My grand vision is that Russia, Germany, and other European countries become integrated into a unified, wide-ranging alliance that also includes the military sector. This would make military disputes impossible, but it would require NATO to be dissolved or at least substantially reformed.

What is your perception of Russia's role in international politics?



spontaneous response: both 6 % don't know 9 %, no answer provided 2 %

Shaping the Global Order

Traffic congestion in Beijing

The global order is in a state of flux. This is a particularly pressing issue for Germany: As a middle-sized European country with limited influence on world affairs, it depends more than others on clear and respected rules of the game.

One transforming characteristic of global order is the role of the United States. For THE BERLIN PULSE, Körber Foundation cooperated with the Pew Research Center to field a number of questions both in Germany and the US, with interesting differences in perceptions on both sides of the Atlantic: Despite both publics' wish for more cooperation between their countries in the future, they each do not consider the other to be their most important ally, and assign different importance to pillars of the transatlantic relationship such as shared values or defense ties. On defense spending, half of the German population prefers to keep spending at the current level. On the contrary, Condoleezza Rice argues that more equal burden sharing is a prerequisite for reviving the transatlantic alliance.

These centrifugal forces in the transatlantic relationship implicitly bear the question which new partnerships Germany could develop, especially in Asia. Yan Xuetong outlines why building a new world order can be a future task for Chinese-German cooperation, and Shashi Tharoor gives his perspective from India on how Germany should respond to China's rise. Finally, Parag Khanna argues that while it may seem as if the end of the world as we know it may have arrived, a rules-based liberal order never existed in the first place.

Awareness for Asia is not least due to tensions with North Korea: While this conflict was never mentioned as one of the main foreign policy challenges for Germany in past surveys, it has jumped to 10 percent in 2017, and 52 percent of Germans feel threatened by Pyongyang's missile tests.

“We had times that were at least as difficult”

Condoleezza Rice on the challenges and prospects for the transatlantic alliance

CONDOLEEZZA RICE
Former Secretary of State, United States of America

KÖRBER-STIFTUNG: **Dr. Rice, right after 2016’s US Presidential elections, many in Germany believed the transatlantic relationship had been irreparably shaken. When you became Secretary of State, the US and Germany had just disputed over military engagement in Iraq. Do you view the current situation as an unprecedented low, or have you seen worse?**

RICE: I think we had times that were at least as difficult. You mentioned Iraq; another was due to the NATO Double-Track Decision in 1979. We are an alliance of democracies, so from time to time we see things differently. The United States do not command loyalty or require that we all have the same ideas and policies. We still share values, and what we have accomplished together is having created an international system that is based on free trade and free peoples.

KÖRBER-STIFTUNG: **What should be our common priorities in the next years?**

RICE: I think we have several priorities that demand our attention. One is the continuing Russian assertiveness in Europe and around NATO, this is very concerning. I would therefore say that having a consistent and coherent Russia policy is the first priority. Secondly, Syria is another place where we need to find an answer to a war that has gone on too long in humanitarian terms, and the refugee issue continues to put great pressure on Jordan, Lebanon, Turkey and Europe. Finally, we once talked about a European-American free trade agreement. This is probably not going to work in our politics for some time, but maybe we can take incremental steps to open markets and harmonize standards. We should go back to smaller achievements to remind us of how well the relationship does function.

KÖRBER-STIFTUNG: **How to keep Germany on board for a consistent policy towards Russia? German public opinion towards Russia tends to be more favorable, and many Germans want to see rapprochement.**

RICE: I think Germans would be concerned about the kind of interference that we have seen. With its engagement in elections around the world, Russia is aiming at the heart of our democratic processes. We should continue to look for areas of cooperation and we should not isolate Russia, but we need to sanction that harmful part of Russian policy. I firmly believe that if we reach out to the young Russians, there is a Russia beyond the policies of Vladimir Putin. I have encouraged Americans to do that and I hope Germans will do that as well.

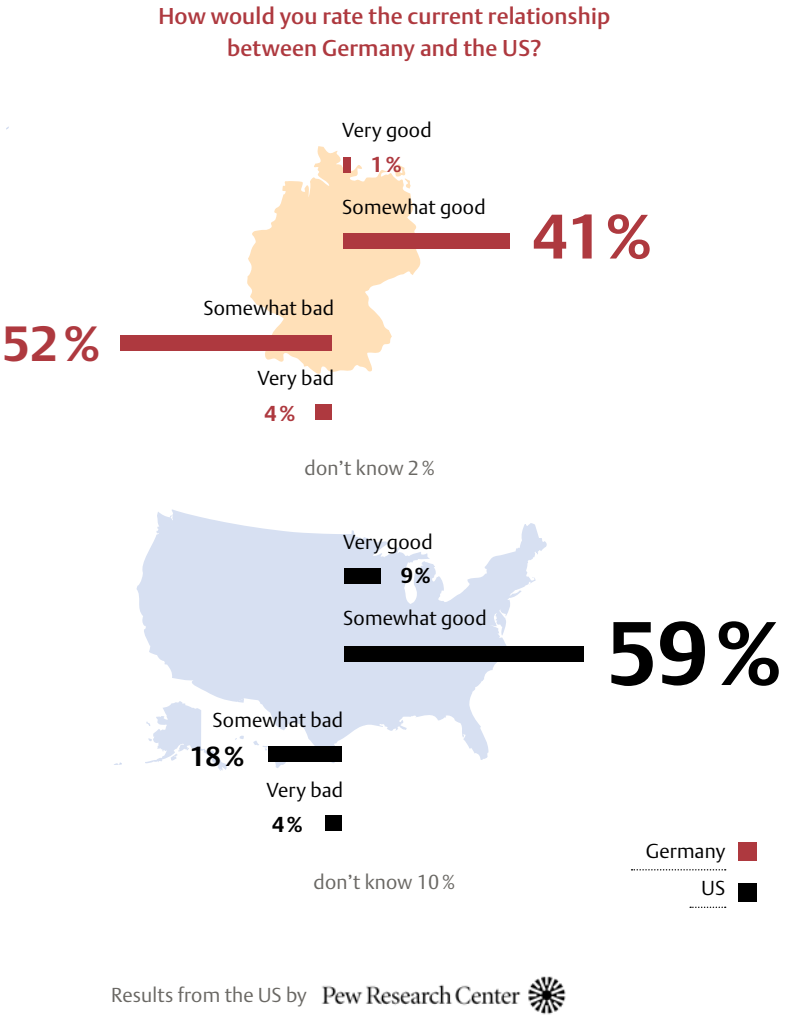
KÖRBER-STIFTUNG: **The German public however, seems unconvinced that cooperation on trade is**

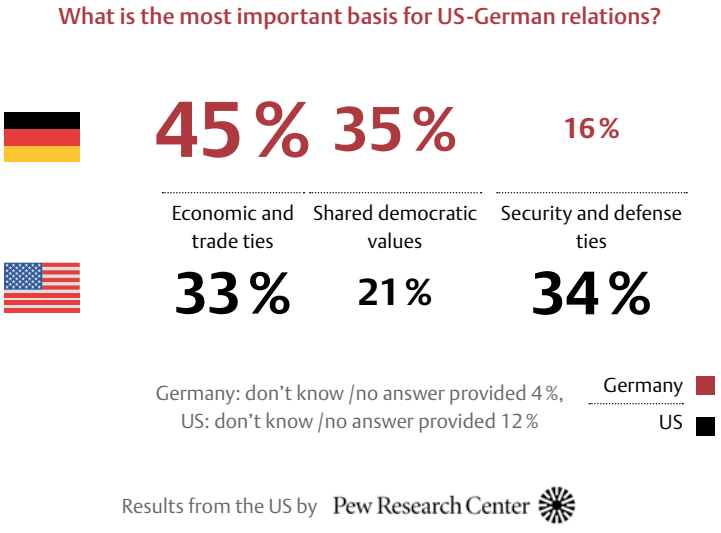
important. Over months, thousands marched the streets against TTIP.

RICE: You have to show people what trade has done. This system that we built has lifted hundreds and millions out of poverty and has given ordinary people access to cheaper goods. Trade was good for people's lives and I think you have to say that. Nonetheless, you have to deal with the pockets of places where trade has not been beneficial. In the United States, this means dealing with education and skills gaps. In Germany, I know that some people feel they have not yet even fully benefited from reunification. One has to go to those places and address those concerns rather than just proclaim that the world is better with trade.

KÖRBER-STIFTUNG: **Germany's large trade surplus with the US has caused discontent both within the Obama and the Trump administration. Is this an issue that affects the relationship?**

RICE: I have always believed that trade balances are not a very good way to think about trade relationships. Trade balances are usually not controlled. I think the reason for the German trade surplus really is German competitiveness. And one more thing: I come from Birmingham, Alabama, where the unemployment rate is around five percent. If Volkswagen and Mercedes were not making cars in Alabama, the rate would be much higher. We also need to look at the benefits of Germany's economic strength.





KÖRBER-STIFTUNG: **Intelligence cooperation is another area where Germany and the US could work more closely together, but again, the German public is suspicious. What is your reaction?**

RICE: Intelligence sharing and cooperation is absolutely critical in order to fight international terrorism, which affects all countries. I remember working very hard with Germany to break what was called the "Hamburg Cell" of Al-Quaida. We need more of that. I know that there have been suspicion and concerns after the revelations of Edward Snowden, but I can assure you that the United States and our European allies have more in common about the protection of privacy than we have apart.

KÖRBER-STIFTUNG: **You once said that the biggest challenge for US foreign policy is North Korea. Can Germany and the EU contribute to avoiding escalation at all?**

RICE: This is an international conflict, not just a big power conflict. The members of the Six-Party Talks will remain the most important players, but Germany and the EU can support the sanctions regime within the United Nations, or cooperate on intelligence in order to limit the inflow of goods through the North Korean black market. Finally, in situations like when the US citizen Otto Warmbier was detained in North Korea, it also helps if voices from outside the region speak out for these people. The whole world should do this, not just big powers.

KÖRBER-STIFTUNG: **In the past years, leaders from the German Foreign Minister to the Federal President endorsed that Germany needs to take on more international responsibility. Since then, Germany for example equipped and trained Kurdish fighters in Northern Iraq, played a leading role in the Minsk negotiations, and sent troops to Mali. Is Germany finally becoming the international actor the US has always wanted it to be, or do you feel like being back in Old Europe?**

RICE: [laughs] I think it is a very valuable turn for Germany to engage in this way. A vibrant democracy and strong economy like Germany has to be active in the international community. I understand the reluctance of Germans, but the days when people did not trust German activity in the international system are long gone. We need others than the United States to play an international role. I would even hope for stronger bilateral ties between our countries.

KÖRBER-STIFTUNG: **Should Germany be more engaged in military operations?**

RICE: This is something for Germans to decide, not for someone from the outside to determine. Countries have their own traditions, values and norms about what is appropriate. I think Germany will evolve toward more active roles across the board, but this has to come through German democratic debate.

KÖRBER-STIFTUNG: **Finally, what would be the most important task you would assign to the German government in order to revive the transatlantic relationship?**

RICE: NATO. The two percent has much more importance than just the two percent. It is not just that the money is needed, but it is a signal of shared responsibility. The American people see a world in which we have taken great responsibility for a very long time, and we appreciate that the United States needs to continue to take responsibility. But for those of us who believe in a strong transatlantic alliance, and even for those of us who believe in an active and engaged America, it is helpful to be able to say that our allies are sharing in the burden.

A Misaligned Alliance?

In October 2017, the Pew Research Center and Körber-Stiftung conducted surveys on US and German public perception of transatlantic relations

Germany and the United States are each grappling with a new emerging world order, and what it means for the future of transatlantic ties. Will Germany and the US grow closer or drift apart?

The surveys find Americans more upbeat than Germans about ties between their countries (68 % vs. 42 % say "relations are good"). With respect to the most important pillars of the German-US relationship, Americans tend to place equal emphasis on security and defense (34 %) and economic and trade ties (33 %). While 45 percent of Germans also consider economic and trade links to be the most important pillar, only 16 percent choose security. 35 percent of Germans see relations rooted in shared democratic values, but only 21 percent of Americans share this view. The two publics also diverge in their assessments of NATO. A plurality in the US (48 %) think the transatlantic alliance does too little to help solve global problems while 31 percent think it is doing the right amount. In Germany, more are satisfied with NATO's current role in world affairs (49 %) than say it does too little (29 %). US attitudes toward NATO coincide with the prevailing view that America's allies in Europe should spend more on defense (45 %). A substantial share of Germans (32 %) support an increase in national defense spending, but far more (51 %) are content with current expenditure levels.

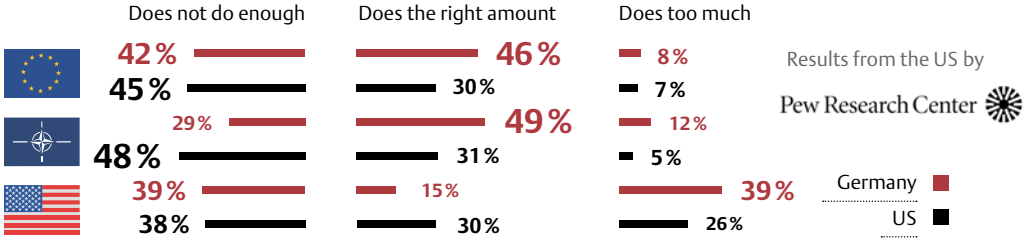
© Pew Research Center

MICHAEL DIMOCK
President, Pew Research Center, Washington DC

Nonetheless, both publics back closer bilateral ties: 65 percent of Americans and 56 percent of Germans favor increased cooperation. Neither country, however, sees the other as its top ally. Over half of Germans (53 %) consider France their country's most important foreign-policy partner, distantly followed by the US (17 %). Americans name Great Britain (18 %) as their country's key partner in world affairs, then China (15 %), Israel (9 %), and, still further back, Germany (5 %).

General public opinion is a key factor influencing how elected officials approach foreign policy. But it is, of course, not the whole story. Particularly partisan and social-economic differences shape people's views of German-US ties. These divisions should not be overlooked as factors affecting how elected officials balance representing their constituents, as opposed to their nations, when it comes to foreign policy and international engagement.

The role of the EU, NATO and the US in solving global problems



How Trump Can Make Europe Great Again

To strengthen Europe and the transatlantic alliance in one fell swoop, Chancellor Merkel needs the courage to re-think Germany's role in Europe

Europe has looked inward for much of the past decade, preoccupied first with the Euro crisis, subsequently with migration from the Middle East, and now with crafting a response to a newly aggressive Russia. These challenges are by no means resolved, yet Europe seemed to have gained momentum after Emmanuel Macron's election in France. And although Angela Merkel's fourth re-election left a bittersweet aftertaste, she may still have the opportunity to bring European insularity to a close, and to engage with Europe's most important partner: The United States.

The main challenge facing transatlantic relations preceded the Trump administration – and is likely to remain beyond the 2020 US election. The comparative unwillingness of NATO allies to spend on security has long been a bone of contention between Washington and the continent. Nonetheless, President Trump has voiced his beliefs more bluntly. Secretary of Defense Jim Mattis echoed the President when he noted at NATO headquarters that "Americans cannot care more for your children's future security than you do."

The United States has long had a "guns vs. butter" spending debate. It is in this context that President Trump compared the considerable US investment in collective defense to a US subsidy for European social welfare spending. Already President Obama and his secretaries of defense, most notably, Robert Gates, made frustrated pleas to NATO allies to meet more of their fair share of the defense burden. Hillary Clinton would have had to respond to these concerns as well. She would have done so soothingly, rather than aggressively, but the "fair share" issue would have been center stage.

Getting allies to fulfill their commitment to spend two percent of GDP on national security is a proxy for a deeper debate about what allies should expect from each other in an era when hard security threats have returned to the European continent, for example in the form of Russian military aggression and information warfare as well as repeated attacks by ISIS.

The challenges Chancellor Merkel faces in building a new government exposes how hyperbolic it was to talk about Germany leading the free world against or without the United States. Instead, the Trump administration does represent an opportunity to make Europe autonomous and strong while remaining firmly anchored within the Atlantic alliance. However, Germany needs a new model for its role in Europe.

Germany might see itself as Europe's humanitarian superpower, but now it is time for Germany to spend more on defense to address both conventional and emerging threats. Beyond spending on capacity, Germany needs to shoulder more of the responsibility on specific missions, especially regarding the European periphery.

Germany should also continue to take a clear position towards Europe's most troublesome neighbor. The final form of the new government notwithstanding, the departure of the SPD from the coalition presents an opportunity to further bolster Germany's stance against Russian aggression.

Ending support for the Nord Stream II pipeline can make Eastern Europe less dependent on Russian natural gas and thereby increase the West's margin for policy maneuver.

In the years ahead, Germany's relative weight within the EU will grow because of Brexit. The view expressed by President Trump that Germany has used the rules of the EU to its advantage is also widely held in Southern Europe, and not merely in Greece. To be sure, Germany has reformed its labor market in a way neighbors such as France have not, and made considerable efforts to ensure export competitiveness. Yet German exports have been the main beneficiaries of structural imbalances in Europe. The euro has been a boon for the German economy. Acknowledging these realities and supporting eurozone reform to make the euro more stable, for example, through a dose of financial transfer, will strengthen German leadership in Europe. The Chancellor will face resistance from the liberal Free Democratic Party and her own Christian Democratic Union, both wary of deeper integration. But she should take this opportunity, perhaps her last, to convince the public of the need to move forward. Macron's reforms of the French labor market and the relative economic improvement in the eurozone will enhance her case.

The US is not becoming isolationist. President Trump upgraded efforts in Syria and Iraq. He even reversed his initial instinct and ordered increased US troop deployments to Afghanistan, where Germany's contingent, the third largest among NATO allies, is deeply appreciated. The US continues to meet its responsibilities within NATO, with a 40 percent planned increase to the US contribution to the Reassurance Initiative in the Baltic States and Poland.

But as the North Korean crisis shows, the United States is simultaneously involved in numerous global challenges. In this light, it is hardly unreasonable to expect allies with strong resources, led by Germany, to do more to manage the challenges in their immediate neighborhood.

Germany's harsh criticism of the Trump administration during the country's electoral campaign does not represent a lasting burden for the transatlantic alliance. These views are amply represented in

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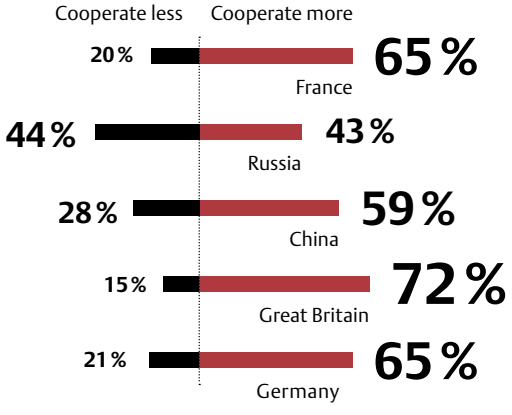
the United States as well. More to the point, however, the American president himself would not begrudge Chancellor Merkel saying what she needed for re-election. Just as the president's own tweets are not necessarily settled policy, neither is electoral politicking necessarily policy.

As Chancellor Merkel enters her fourth term, the question on the minds of Americans and Europeans is what role she will play on the international stage. Now that the election is over, Chancellor Merkel therefore has a historic opportunity to use some of her political capital for bold measures. The United States, Europe, and Germany herself need more German leadership, not less. Whether we get what we need is a question that rests squarely in the office of the Federal Chancellor.

Should the United States cooperate more or less with each of these countries in the future?



Results from the US by Pew Research Center

“The current norms are no longer suitable”

Yan Xuetong on how Germany and China should rethink the global order

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YAN XUETONG
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KÖRBER-STIFTUNG: **Professor Yan, both Germany and China are debating whether they need to take on more international responsibility. Do they have a similar understanding of what international responsibility means and entails?**

YAN: In Germany, it seems popular to regard international responsibility mainly as economic aid to other countries. I do not find this very helpful. Real international responsibility mainly means security protection by major powers to weaker countries. But it is very interesting that both China and Germany are simultaneously facing pressure from the international community to undertake more international responsibilities. The reason could very possibly be that America is no longer willing to implement global leadership, thus, the whole world is expecting rising powers to fill that gap. This expectation does not mean that China and Germany are qualified to fill the vacuum of America’s global leadership. It is quite possible that we will witness a world without any single country exerting global leadership for the next five to ten years. I would therefore suggest both China and Germany concentrate on regional rather than global leadership. Providing qualified regional leadership will serve both their own as well as their neighbors’ national interests.

KÖRBER-STIFTUNG: **Does Germany’s ambition to take on more international responsibility have any significance for China at all?**

YAN: Above all, China will benefit from Germany maintaining peace in Europe. It seems to me that most Europeans consider Asia a more conflictual continent than Europe. For instance, North Korea’s nuclear issue could easily give that impression. People tend to ignore the fact that there have been many tensions but no wars in East Asia since the end of the Cold War. I believe Europe actually faces a higher risk of major clashes than Asia. Looking at the post-Cold War history, we can find several wars in Europe, for example in Kosovo, Georgia and Ukraine. Also, secessionism, which has often been the source of civil war, is gaining momentum in Europe, and immigration has already fueled racial tensions.

KÖRBER-STIFTUNG: **You have argued that while non-alignment has suited China in the past, China should form stronger alliances to enhance its power and influence. Are Germany and Europe on this list of potential allies?**

YAN: First and foremost, China's immediate neighbors are more important to China than European countries. Not every neighbor of China is a potential ally, but some of them share common security interests with China, such as Russia, Kyrgyzstan, Uzbekistan, Kazakhstan, Tajikistan, Pakistan, Thailand, Cambodia and many others. There is no common interest between China and European states to form an alliance at the present time.

KÖRBER-STIFTUNG: **Which issues will be most important for Chinese-German cooperation over the next decade?**

YAN: Trade and environment are the most obvious fields in which China and Germany can cooperate based on shared interests. But I believe China and Germany should not only consider how to do business, generate wealth and clean the air, they should develop cooperation beyond these two fields and consider how to establish new norms for the future world order. The current norms that were established after the Cold War are no longer suitable for the changes of today. Globalization has turned many domestic issues into international issues, and new norms should reflect this. Therefore, China and Germany should first establish stable orders in their own regions and then work together on developing new norms for global trade, finance, security, immigration, and anything necessary.

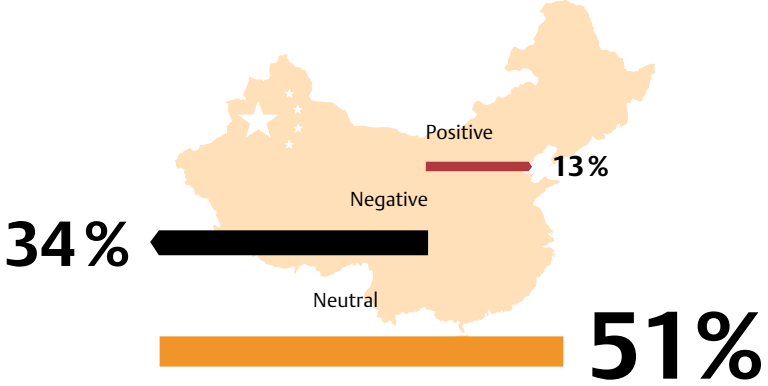
KÖRBER-STIFTUNG: **You argue that in order to become a true superpower, China also needs to win hearts and minds abroad. China has not quite yet won the hearts and minds of Germans, for example due to a lack of reciprocity in trade relations but also due to differing attitudes with respect to human and civil rights.**

YAN: Economic cooperation does not speak to people's souls. If China wants to win German hearts it should cooperate more with Germany on cultural issues. Also, China should consistently practice the values it advocates to the world at home in order to strengthen its political leadership. This is a precondition for increasing Chinese soft power. The inconsistency between the ideology guiding foreign policy and that guiding domestic affairs is a serious problem to which China should pay a lot more attention.

KÖRBER-STIFTUNG: **What do Western countries need to understand about North Korea in order to play a meaningful role in the conflict?**

YAN: We need to understand why North Korea is desperately developing nuclear weapons. North Korea is not a modern country. It is a feudal system. Power is owned by one single family, not by a party, not by the people, not by the society. Kim Jong Un regards nuclear weapons as the only means to keep his family regime alive. So no matter what economic disasters the international community imposes on North Korea, Kim will not give up. He will not give up his family's security guarantee for money. If Europeans understand this, they can play a more positive role in preventing war in East Asia. For instance, when people get an illness, they certainly want to cure it. But if they cannot cure it, they have to consider how to live with it. Now, what is the most urgent objective for the international community with respect to North Korea's nuclear issue? I would argue, to prevent this illness from spreading to other parts of the world rather than to cure it! To prevent further nuclear proliferation is more urgent and pragmatic.

What is your view of China's growing influence?



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So Far, Yet so Close

An unexpected partnership emerged between Beijing and Berlin. But what should be the German answer to China's rise: engage or embrace?

SHASHI THAROOR
MP; Chairman, Parliamentary Standing Committee on External Affairs, Lok Sabha, New Delhi

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In the midst of what seems to be a transformative phase of the global order, a spotlight was cast on unexpected linkages in the back rows of the concert of nations. As the two industrial powerhouses of their respective continents, Asia and Europe, China and Germany are increasingly seen as likely contenders for an informal alliance on the global stage.

As US President Trump seems disinclined to provide leadership, many expect Germany and China to fill this vacuum. Mr. Trump's less than smooth relationships with both China and Germany have helped push the two countries even closer together. When China's president Xi Jinping met the German chancellor Angela Merkel in July ahead of the G20 summit in Hamburg, he declared that ties between the two countries "are about to enter a new phase".

Indeed, there are signs of greater closeness. As the previous and current hosts of the G20, China and Germany had to work closely together on the grouping's agenda. Sino-German relations were upgraded from a "strategic partnership in global responsibility" to a "comprehensive strategic partnership" during President Xi Jinping's official visit to Germany at the end of March 2014. At the G20 Summit in Hamburg, Merkel stated that the Sino-German relationship must expand in a "time of global insecurity". After the US pulled out of the 2015 Paris Agreement, there is even a virtuous element in Germany and China making common cause to slow global warming and compensating for a truant America.

China wants far more than mere engagement with Germany: it is looking for an embrace. "The strategic character of Chinese-German relations is steadily gaining in importance," President Xi Jinping wrote in an op-ed article in the German newspaper Die Welt. The two countries "should intensify cooperation on implementing China's 'One Belt, One Road' and jointly make contributions to the security, stability and prosperity of neighboring countries."

The neighboring regions will not necessarily see the benefit of such intensified cooperation. Germany is surely conscious of the mistrust in South and South-East Asia towards China's strategic intentions. Its tendency to assert claims at the expense of other countries in the region and its willingness to back those claims with military muscle have been demonstrated in the South China Sea, on its Indian frontier and most recently along its Himalayan border with Bhutan. The failure of the Trans-Pacific Partnership free-trade agreement, which would have created a US-centered free-trade bloc among Pacific Rim countries from Chile to Vietnam, eliminated one mechanism for subsuming Chinese ambitions in a larger partnership.

But Germany has other reasons to maintain a critical distance from Beijing. Besides misgivings about human rights, German businesses' market access in China is a cause for frustration. Although China wants German high-end industrial machinery, non-tariff barriers in the form of onerous legal

requirements have stumped European companies wishing to do business in China. High levels of corruption add to the perception that trade with China doesn't always occur on a level playing field. As a result, although Germany sold more than 76.1 billion euros worth of goods to China last year, China maintains a clear trade surplus with Germany. What is more, Chinese desire to purchase German technology by buying German companies conveys China's intention to divert German intellectual property to China. Germany was rightly concerned about the murky deals involving Chinese investors on the takeover of the robotics maker Kuka and the ultimately unsuccessful bid for the high-tech company Aixtron. There is now even talk about a potential "investment-plus" free trade agreement between Germany and China. But the mentioned asymmetries in trade relations as well as the stark differences in political values should give pause to those in Germany who, following China's "panda diplomacy" this summer, are inclined to embrace Beijing. China would look to detach Germany from the rest of the EU, where its relations are considerably less warm. As the EU still opposes granting China market economy status at the WTO, Beijing understandably seems to prefer dealing with Berlin rather than Brussels. But being peeled away from the bloc Germany leads is surely not in Germany's interest. And there is no need to fall into China's strategic embrace as long as it remains a Communist dictatorship with expansionist designs on its neighbors' land and waters.

Still, there is a sustainable level of engagement that allows keeping China within the global fold without unconditionally giving in to its demands. In this regard, the strategic dialogues on foreign and security policy between the two countries' foreign ministers and the high-level dialogue on financial policy between the two finance ministers and central bank heads are important new formats for coordinating policy. Tourism in both directions is on the upswing. And Germany became the first European country to conduct a joint military exercise with China, although it was aimed at building humanitarian relief and response mechanisms rather than fighting wars.

Germany should well engage with China, not least to compensate for the inattention of an increasingly truculent Trump Administration. A US detached from the world is bad enough. A China that the West pushes away, or a China that looks askance at prevailing global institutions, could be a disaster. While an embrace is unwise, so is rejection. The case is therefore clear: engage, but with your eyes open.

Things to look out for in Northeast Asia

- China's 19th Party Congress enshrined "Xi Jinping Thought" in the CCP's constitution, cementing the Chinese leader's grip on power. However, many top national posts will be allocated only during the **First Plenary Session of the National People's Congress,** taking place in March 2018. Overall, the new year should provide important cues on Xi's vision for the future role of the Party within Chinese society, as well as on the practical implications of Beijing's desire to play a more active role in world politics.
- Beyond China, Asian politics in 2017 were dominated by North Korea's repeated nuclear and missile tests, including it's first-ever launch in July of an intercontinental ballistic missile. As a result, the **2018 Winter Olympics in Pyeongchang,** located less than 100 km from the border with North Korea, will take place in a tense security environment. **The DPRK's 70th anniversary in September** may well be accompanied by further tests, and concurring tensions between China and the US.
- Having secured a two-thirds supermajority in the October 2017 elections, Japanese Prime Minister **Shinzo Abe will seek to amend Japan's pacifist constitution.** However, this remains a divisive issue within Japanese society, and could exacerbate existing tensions with China and Korea.

JOSHUA WEBB
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Survival of the Fittest

The rules-based global order is an illusion. Developing a new order will require more pragmatism

PARAG KHANNA
Richard von Weizsäcker Fellow, Robert Bosch Academy, Berlin

KÖRBER-STIFTUNG: **We would like to show you this headline on international order in the context of the US elections. It states "The end of the world as we know it". What is your reaction?**

KHANNA: I would say: It was going to come to this anyway! And to speak in the words of Donald Trump: It's gonna be unbelievable! [laughs]

KÖRBER-STIFTUNG: **So the end of the world was inevitable and you even seem to look forward to it …**

KHANNA: It was inevitable that Brexit and the election of Trump happened in two Anglo-Saxon states. At the end of 2016, everyone assumed the dominoes were falling across the West. But the West is not a uniform entity. Dominoes did not fall in Canada, France or Germany. Why? Because those are social democracies and multi-party systems that can moderate their extremes. Frankly, they are better regime forms than the market democracies in the US and the UK. Especially in the US, the quality of governance decreased steadily over the past years. One could view it as evolutionary competition among different kinds of states facing the same challenges. Just like in evolution, you can become extinct. So do you want to be a duck-billed platypus or do you want to be a biped with fingers and limbs? No one wants to have governments anymore that do not protect people in a world of disruption!

KÖRBER-STIFTUNG: **So the West is not declining, but at least, the rules-based international order is falling apart, right?**

KHANNA: There has never been such a thing as a global rules-based liberal order. Why would you say there was? In the last 27 years since the end of the Cold War, I do not recall any phase where everyone was playing by the same rules or in which power dynamics disappeared. This is a Eurocentric perspective. Asia's rules were never Washington's rules, but Asia makes up 52 percent of the planet's population. We Westerners are so shocked right now, because we have never listened to the rest of the world. Guess what, now it is talking.

KÖRBER-STIFTUNG: **In the conflict with Russia, the EU seems eager to defend this non-existent rules-based international order by not allowing Russia to get away with a breach of international law. Is this a waste of time then?**

KHANNA: Christian Linder said it is very unlikely that the EU will convince Russia to abandon Crimea, and he is right. You cannot pretend that the rules-based order already exists, you have to build it. This has to be done by coming to a settlement based on the existing reality and using this as a foundation of the new order. The EU will not be able to turn back the clock on Crimea. We need a political compromise that can serve as a cornerstone for how we are going to handle such disputes in the future.

KÖRBER-STIFTUNG: **So all rules of international law are up for debate?**

KHANNA: No, it depends on the field and who is part of them. Many countries were not part of the process that made these norms, or did not even exist when they were written, so it is not surprising they do not feel bound by them. They have their own rules for solving local conflicts, and these matter much more than any Security Council Resolution. No UN resolution has solved the conflict in Kashmir or Palestine. Again, this truly universal rule of law has always been a fantasy.

KÖRBER-STIFTUNG: **And who will matter in tomorrow's world? Given that Asia not only accounts for half of the world's population but also experiences much more dynamic development, will Germany and the EU become irrelevant?**

KHANNA: The EU is an economic, diplomatic and legal pole of power. Secondly, EU trade with Asia is now greater than EU trade with America. We've grown up in a world were the transatlantic relationship seemed to be the single most robust economic anchor in the world. That is not true today. Asia seems to need Europe more than it needs America. So the question is rather, is America still relevant?

KÖRBER-STIFTUNG: **Is the EU only attractive as a market, or do political systems and values play any role?**

KHANNA: It is tough to say. Europe is supposed to be much more adamant and loyal to human rights and values. But on the other hand, Europe just failed to criticize Chinese human rights, because Greece and Hungary are taking Chinese investments.

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KÖRBER-STIFTUNG: **What does Germany's strength mean for the EU?**

KHANNA: You would not have a meaningful European Union without Germany, but Germany without the European Union would not be that important either. Remember that Europe as a whole has 600 million people! Britain just learned the hard way how unimportant it is in the world without the EU. Germany as the biggest economy has special responsibilities for the EU, but it is still too small to be a global power. Take defense, for example: neither Germany, nor any other European country is really going to matter in the world unless there is coordination, pooling of resources and a common set of military assets.

KÖRBER-STIFTUNG: **Finally, which of the following actors do you most likely trust to solve global problems: Russia, China, the United States, the European Union, the United Nations or NATO?**

KHANNA: The EU. It has the right ideas for solving problems, even if it doesn't have the capacity to implement them itself. The right idea is regional integration. Strong regional integration means stability.

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