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GERMAN-RUSSIAN RAPPROCHEMENT: GAS AND COMMON ENEMIES



**VLADIMIR PUTIN AND GERMAN FEDERAL CHANCELLOR ANGELA MERKEL
UPON THE COMPLETION OF THE JOINT NEWS CONFERENCE. MAY 18, 2018
SOURCE: KREMLIN.RU**

- Over recent months, Germany has been systematically striving for better relations with Russia while its alliance with the United States seems to have plunged into a crisis. Nonetheless, such state of matters can be neither referred to as temporary nor related to the Trump administration. Instead, the ongoing changes are of lasting character and stem from a series of conditions being independent from political decision of the incumbent.
- There are fewer and fewer enthusiasts of German security and defense policy based on state's alliance with the U.S. and NATO; interestingly enough, there emerged a political camp whose members call for constructing an alternative plan that would take into account separating from the United States and building the country's own capabilities within the European Union.

- Germany's stronger and even dominant position in Europe clearly pursues to make the country „Russia's most privileged partner" in the European Union, as evidenced by the growing importance of Russian gas supplies.
- The Nord Stream 2 gas pipeline project is extremely important for both parties; it will enable Russia to increase both Germany and Europe's dependence on its raw material while hitting Ukraine. As for Berlin, it will be provided with direct access to such volumes of gas that would manage to dominate the gas market in Central and part of Western Europe.
- While focusing on both countries' common points (including gas exports and the question of Iran – as Berlin strongly opposes any further restriction to be introduced), Germany and Russia clearly tend to overshadow all issues about which they are unable to speak with one voice. For instance, there is a political stalemate in the case of Ukraine; nevertheless, as for Syria, Putin seems much closer to achieving his main goal, mostly by involving Berlin in his plan.
- The German-Russian rapprochement may traditionally translate into weaker security of Central and Eastern European countries. Nonetheless, the so-called Three Seas Initiative can count on Donald Trump as a strong ally. It appears that further steps of the U.S. presidential administration on the implementation of Nord Stream 2, including some potential sanctions, shall be perceived in terms of a sincerity test, thus depicting U.S. actual involvement in Central and Eastern Europe.

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Changes in Germany's political course do not result exclusively from Trump's current policy as the U.S. incumbent and his critical attitude towards Berlin became a catalyst for shifts in German political practices. Importantly enough, such state of affairs has been only corroborated by top officials of Angela Merkel's cabinet. For instance, in a press interview published on September 23, German Foreign Minister Heiko Maas claimed that „there is a conviction that Trump's policy can be waited until it passes and everything will eventually return to its former state. I think this is wrong”, he urged. “As for the transatlantic relation, there have occurred some structural changes that will not be completely eradicated during Trump's term of office. We must strategically set this for ourselves, both in Germany and in Europe”, he added.

THE MESEBURG SUMMIT

On August 18, Chancellor Angela Merkel and President Vladimir Putin held a meeting at the German government's castle in Meseburg. This was the first bilateral summit of both leaders in Germany since 2013 that clearly reflected a noticeable warming in German-Russian relations. According to many Germans who advocated cooperation with Moscow, such step constituted a symbolic return to a „diplomatic normality” after ties between the two countries had been strained following Russia's annexation of the Crimea region. And even Putin was the first to reach out to the Germans – as evidenced by symbolic presence of Gerhard Schroeder and Matthias Warning during the swearing-in ceremony in the Kremlin – a thaw in countries' bilateral relations would not be possible without a deep conviction

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of both German government and business milieu that Berlin should strive for rapprochement with Moscow. German politicians, also those who do not belong to the so-called „Putinversteher” group, are becoming more and more convinced that German-Russian cooperation is crucial for the country to achieve several important goals, especially facing the conflict with the United States. Naturally, it is all about importing from Russia even greater amount of gas as well as the ongoing conflicts in Syria and Ukraine. Thus, Russia's help will potentially aim to prevent further escalation of the war in Syria and the influx of a new wave of refugees as well as to lead to a political settlement of the Donbas conflict that has been a serious burden for German diplomacy since the adoption of the so-called Minsk agreements.

The Meseburg meeting constitutes the very culmination of seemingly stronger ties between the two countries. Back in May, after the beginning of Putin's new presidential term, Merkel was invited to his residence in the Black Sea resort of Sochi. Later that month, Peter Altmeier and Heiko Maas, heads of German ministries being



DEFENSE MINISTER SERGEI SHOIGU (RIGHT) AND CHIEF OF THE GENERAL STAFF VALERY GERASIMOV AT THE CRASH OF A RUSSIAN AIRLINER OVER SINAI. NOVEMBER 17, 2015 SOURCE: KREMLIN.RU

of key importance for the two countries' bilateral relations, paid visit to Moscow. Interestingly, the former passes for Angela Merkel's very close associate. In June, a Bundestag delegation visited St. Petersburg in order to hold talks with their Russian counterparts in the State Duma while in July, Merkel and Maas received Russia's Foreign Minister Sergey Lavrov and West-sanctioned Chief of the General Staff of the Armed Forces of Russia, Valery Gerasimov, in Berlin. Yet the theme of their talks was not revealed to the public.

It seems that both the long face-to-face negotiations between Putin and Merkel – with no interpreters being present – served first and foremost to somewhat „probe” the other side and thus determine

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some boundary conditions on key issues. According to Kremlin spokesman, Dmitry Peskov, two leaders have „synchronised watches” on a number of essential questions.

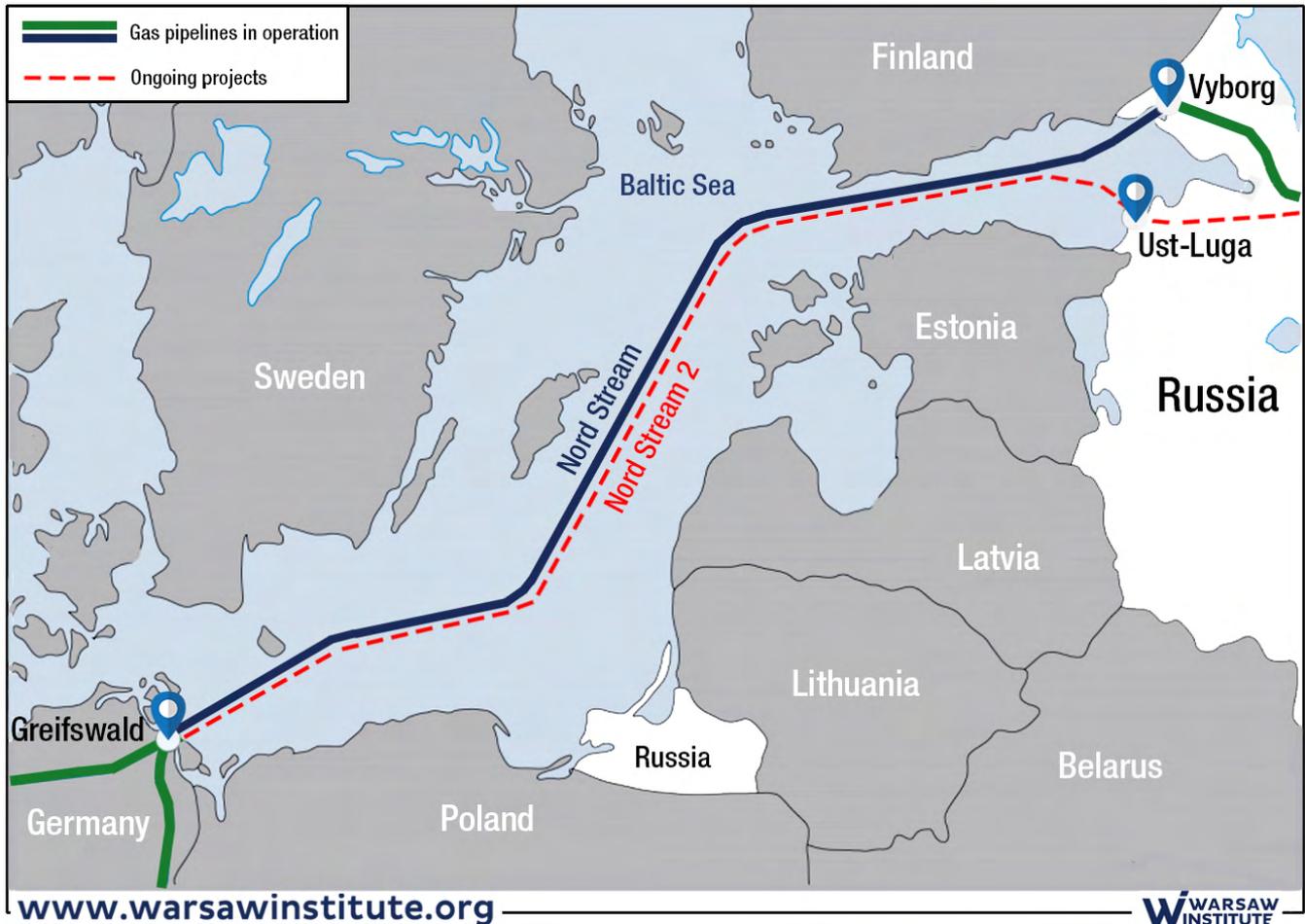


BEFORE THE START OF RUSSIAN-GERMAN TALKS. AN INFORMAL CONVERSATION WITH FEDERAL CHANCELLOR OF GERMANY ANGELA MERKEL. AUGUST 18, 2018
SOURCE: KREMLIN.RU

Also the „Trump problem” seems particularly important as it surely brings Moscow and Berlin closer together, with particular regard to their gas cooperation. Anyway it is not a coincidence that a new format of talks on Syria, which was discussed in Meseburg, includes Germany, Russia, France, and Turkey but excludes the participation of the United States. Naturally, Berlin’s consent to such a solution will act to the benefit to the Kremlin’s interests as Putin has long been using his best efforts to put an end to the U.S. presence in Syria. The two leaders also discussed the issues of Ukraine and Iran: according to Germany, both of them, just like the Syrian problem, can only be resolved with Russia’s direct engagement. Thus, any potential advances in these three issues could be transformed by Merkel into a domestic success, especially

due to the fact that other German chancellors managed to save their position and maintain good popularity ratings thanks to their efficient international policy. And it seems that such state of matters would be much endorsed by Angela Merkel.

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Nonetheless, the Meseburg summit cannot be simply reduced to the Merkel-Putin meeting that was essentially of a courtesy character. Russian President arrived with his guests whose names seem to prove the summit's versatile character; the talks were attended by former heads of Russia's Gazprom and Rosneft energy and oil giants, both of them being very interested in developing further cooperation with Germany, as well as by Kremlin aide on relationships with Ukraine, Vladislav Surkov. The Meseburg summit constituted a German-Russian power demonstration, blatantly targeted at Trump and the United States; moreover, it could be perceived as a clear message for the Germans that there is an Eastern country being ready to launch such a pragmatic cooperation. The Kremlin is aware of numerous divisions

between the United States and a large part of Europe, in such cases as trade issues or nuclear agreement with Iran. Still, Merkel and Putin have already „informed” their U.S. partner that „they have no intention to be blackmailed”. All issues concerning Ukraine, which has recently strained ties between Germany and Russia, seemed to be overshadowed by the threat of a policy against the Nord Stream 2 project, pursued jointly by the U.S. and its allies.

A GAS COVENANT

Berlin and Moscow have long ignored protests from such countries as Poland and Ukraine, as evidenced by the implementation of the Nord Stream pipeline and then also by launching the Nord Stream 2 project. The situation appeared much more complex following Trump's victory in the U.S.

presidential elections as well as legislative voting in Poland that ended up with the triumph of the Law and Justice party. But now both Putin and Merkel need to actively defend the project. So what is the main argument behind such decision? First, it was viewed as a purely business venture; nonetheless, in the spring of this year, Merkel could no longer pretend that Nord Stream 2 had not any political aspect. During the Meseburg summit, the leaders of Germany and Russia emphasized that the gas pipeline constituted only an economic issue that concerned essentially the two countries while Berlin has already begun to notice the question of Ukrainian transit but continues to treat it in an instrumental way. Thus, other countries, including the United States, should not interfere in the undertaking.

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In 2017, Gazprom delivered as much as 53 billion cubic metres of gas, which constituted 13 percent more compared to the previous year. Such amount means almost full use of the capacity of the Nord Stream gas pipeline while its new line, Nord Stream 2, will increase an annual capacity to 110 billion cubic metres. Germany already imports 40 percent of gas

from Russia; thanks to the newly constructed pipeline, such share could potentially result with a twofold increase. On one hand, the country will strongly depend on Russia while, on the other, it will manage to provide large deposits enough to strengthen Berlin's position as Europe's top gas hub. According to recent estimations, in a year, the pipeline will transport the amount of gas that corresponds to one quarter of the EU annual needs; in 2017, it had a total of 467 billion cubic metres.

Gas cooperation with Russia is favored by Berlin's strategic decision to move away from atomic and carbon energy sources. In the light of the fact that Merkel's government ceased further production of nuclear power following the Fukushima disaster, Germany has little choice in this respect, especially bearing in mind a restrictive climate policy that excludes all energy sources except gas. It seems that Russia constitutes the cheapest source available while the American LNG could be perceived in terms of an alternative. Nonetheless, Berlin strongly emphasizes that the U.S. gas is much more costly. Such decision stems also from Germany's poorly developed infrastructure; nonetheless, its advancement is unlikely to happen in the foreseeable future. For instance, German energy group Uniper, previously known under the name of E.ON, is still only planning construct a LNG terminal in the Wilhelmshaven deep sea port. Thus, Merkel can actually admit that Germany has no alternative to Russian gas; still, there emerges a question whose policy has led to such a situation. In addition, German „gas egoism” means greater danger for its neighbours in Central and Eastern Europe. Cooperation with Russia – considered

by Western countries as hostile to their interests – is more valued than security of Germany’s NATO and EU allies. On September 14, during a visit to Vilnius and after a meeting with the presidents of Lithuania, Latvia and Estonia, Merkel expressed her understanding for the Nord Stream 2 criticism from the Baltic States; nonetheless, she firmly defended the venture, stressing its economic nature. Interestingly enough, Berlin, in spite of sharing slogans of a strong European Union used to build the state’s national influence in the Old Continent, keeps conducting a policy being in conflict with the objectives of EU common energy policy.

Donald Trump strongly criticized Berlin for increasing gas imports from Russia and its willingness to implement the Nord Stream 2 project.

Germany could further disregard the position of the Baltic countries or Poland, as evidenced by the case of Nord Stream; yet this time the floor was taken by a much more powerful actor. Donald Trump has no intention to follow any diplomatic rules: during the NATO summit in Brussels and at the UN General Assembly in New York, he strongly criticized Berlin for increasing gas

imports from Russia as well as he condemned Germany for its willingness to implement the Nord Stream 2 project. The United States threatens to sanction Western firms involved in the pipeline construction. According to Peskov – and such information was not denied by the Germans – during the Meseburg meeting, Merkel and Putin agreed that it had been necessary to defend the Nord Stream 2 project against attacks from other countries and the very idea of making the venture more political, mostly in the context of potential U.S. restrictions. So it seems that Germany has already negotiated a common standpoint with Russia, which will be consistently pursued by both countries. Such can be concluded from the reaction to Trump’s speech during a UN General Assembly session; the U.S. President again accused the Germans of being „completely dependent on Russian energy” and pointed out Poland as an example to be followed. „These arguments have nothing to do with reality”, Maas commented. „There is no German dependence from Russia, and certainly not on energy issues”, he added. He also reiterated that the German government perceived Nord Stream 2 primarily in terms of economy and not politics.

Yet the German side demands that the gas transit through Ukraine be maintained after the gas pipeline is finally launched. According to Putin, such solution is possible; nonetheless, Russian President sets some conditions. He takes advantage of Germany’s tacit agreement to exert pressure on Kiev in such cases as financial disputes between Gazprom and Naftogaz in the European courts. The negotiations with Russia to maintain Ukrainian transit are mostly carried out by Peter Altmaier, Germany’s former Minister in the Chancellor’s Office and current Federal Minister for Economic

Affairs and Energy. The bilateral talks between the German official and Gazprom representatives coincide with the tripartite negotiations of Russia's Gazprom, Ukraine's Naftogaz and the European Commission. Nonetheless, Nord Stream 2 has no intention to stop gas transit via Ukraine; instead, it aims to make Germany dependent on Russian gas supplies. The price for the position of the main distributor of Russian gas in Europe will be the need to take into account Moscow's political interests. Nonetheless, on August 24, during her trip to Georgia, Angela Merkel announced that, in her opinion, the planned Nord Stream 2 pipeline would not make her country dependent from Russia.

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NEW-OLD OSTPOLITIK?

It seems that enhancing German-Russian relation has not been such a difficult task. Despite the officially declared Ukraine crisis and some sanctions having already been introduced, part of the Bundestag government as well as political parties as well as German states clearly pursued an overt pro-Russian policy, even regardless of the chancellor's official standpoint in this respect. Such a solution seemed convenient for Merkel as it could give her an open door for further communication with the Kremlin. Berlin's support – both for Nord Stream 2 and Western restriction – does not depend on any party divisions. Both Altmaier and Merkel belong to the Christian Democratic Union party while Maas represents Social Democrats.

To make matters worse, Berlin has no intention to draw any conclusion from Moscow's unfriendly actions also towards Germany. On October 5, the German government announced that the Russian military intelligence agency GRU was, „with almost absolute certainty,” behind the APT28 cyberespionage campaign, which also attacked the German Bundestag and government data network. Yet the attacks have not triggered any serious consequences. In November 2017, the head of the Federal Intelligence Service (BND) listed the five main challenges for Germany's security and foreign policy by 2030. As for the second on the list, Bruno Kahl pointed to the growth of the Russia's power ambitions, for which an effective counterweight could be created only with the help of the United States. So it does not come as a surprise that Germany worries about such situations as providing Vladimir Yakunin, a close ally of President Putin and a former officer of Soviet and Russian intelligence services,



PRESIDENT OF RUSSIAN RAILWAYS VLADIMIR YAKUNIN. JULY 1, 2015
SOURCE: KREMLIN.RU

with a possibility to settle down in the country. He was even granted a special visa that allows the holder to live and work in Germany. For many years, Yakunin has curated hybrid activities of Russia's NGOs in Europe. In Germany, he intends to lead the Research Institute of the Dialogue of Civilizations, which supports various extreme right movements in Europe and a network of Russian influence agents within Europe's political and business elites.

Since the very beginning of Merkel's cabinet, subsequent heads of diplomacy have been pursuing soft – and sometimes even – pro-Russian policy. For instance, Frank-Walter Steinmeier, who was in office in 2005-2009 and 2013-2017, tried to strengthen relations with Russia under the slogans of „modernizing partnership”. Even Guido Westerwelle (2009-2013)

In 2017, the head of the BND recognized the increase of the Russian Federation's superpower ambitions as one of the most important challenges for Germany's security and foreign policy until 2030.

represented a mild attitude as he called for „greater respect” for Russia while Sigmar Gabriel (2017-2018) sharply criticized Western sanctions and was in favour of the Nord Stream 2 project. Current Foreign Minister, Heiko Maas, faces critics from members of his own party as he allegedly leads rather Russia-unfriendly politics. However, he managed to meet their expectations when it comes to the United States.

At the beginning of June, the head of German diplomacy strongly criticized Trump’s policy, claiming that none of the recent American moves „will make the world better, safer or more friendly.” Moreover, they are harmful for European interests. The head of German diplomacy stated that European differences with the US „can no longer be swept under the carpet.” Thus Heiko Maas keeps a distance to Russia. Recently, he even launched the theme of a „new Ostpolitik”, which means a greater openness to cooperation with Central European countries and is to „take into account the needs of all Europeans, these from the Baltic countries and Poland, as well as those from Western countries”. An important step in this direction was Maas’s participation in the September summit of the Three Sea Initiative in Bucharest. The problem is that his words are not reflected by any subsequent deeds. Shortly after the meeting in Romania, Maas paid a visit to New York. On the occasion of an annual UN General Assembly, he reassured about Berlin’s support for the Nord Stream 2 project. In a press interview published on September 23, Maas accused the United States of no longer consulting their decision on some key international politics matters with its allies. He called for EU’s greater self-confidence while dealing with the United States. Such is yet another sign of Berlin’s stiffer stance towards Washington.

For years Germany has been one of Europe’s most anti-American nations. According to the May survey, issued by German public broadcaster ZDF, only 14 percent of respondents trust the United States while 36 percent and 43 percent of the Germans expressed their trust to Russia and China respectively. As much as 82 percent of Germans do not see the United States as a reliable partner. 33 percent of respondents believe that Trump constitutes greater risk to Europe than Putin while 50 percent claim that both leaders should be distrusted to the same extent. Nearly 80 percent of Germans perceive Donald Trump – and not Vladimir Putin – as greater risk to world peace.

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It seems alarming that all major German parties are currently tightening their stance towards the United States while pursuing to strengthen their ties with Russia. Merkel’s influence is getting much weaker while some of Germany’s political forces, including AfD or Die Linke parties, openly declare their anti-American attitudes that prevail in the case of SPD and liberals. As for Germany’s ruling coalition, the rapprochement with Russia is primarily sought by the SPD party. Because, according to Achim Post, the party’s top official,

„in such an increasingly uncertain world, we have to first and foremost talk with difficult partners, such as Russia.” Manuela Schwesig, Social Democrat Minister-President of Mecklenburg-Vorpommern, constituted relations with Russia one of her most important goals; for instance, she made her first foreign visit to St. Petersburg and she currently chairs the German-Russian Friendship Group set up by the Bundesrat. Her state also hosts the Russia Day, an event co-financed by the Nord Stream consortium. Also Bavaria, ruled by the CSU party (coalition partner of the CDU and the SPD), strongly lobbies for cooperation with Russia.

Pro-Russian attitudes are overtly expressed by the Left Party (Die Linke) whose parliamentary chairperson is in favor of combining „Russian raw materials with German technology” while the far-right AfD party takes advantage of anti-immigrant moods to criticise NATO and seek support of the so-called Russian Germans. Merkel must take into consideration the internal political conditions, mostly due to her weakest popularity rate since long time ago. To make matters worse, everything seems to indicate that if her party loses power, the next government may even appear more pro-Russian than previously expected. ■

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