New Power
New Responsibility

Elements of a German foreign and security policy for a changing world

A paper of the Stiftung Wissenschaft und Politik (SWP)
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STRENGHTHENING TRANSATLANTIC COOPERATION

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I. Introduction

Germany has never been as prosperous, secure, and free as it is today. But power and influence entail responsibility. This also means that it has to take on new responsibilities.

Before 1990, (West) German foreign policy was derived from a conceptual framework with two fixed points of reference: a past to overcome, and a future to be achieved. From Germany's past followed an unconditional commitment to human dignity, freedom, the rule of law, and democracy, as well as to an international order based on universal norms. This commitment remains valid. Germany's objective of national unity and the threat from the East became the basis for its integration into Europe and the Atlantic Alliance. This second point of reference vanished with the fall of the Berlin Wall and the dissolution of the Warsaw Pact. The UN, EU, and NATO remain the defining framework for Germany's foreign policy – but at the same time, it is also looking for new orientation.

The caesura of 1990, of course, did not lead to the end of history, not even of German history. On the contrary, Germany's strategic environment has changed dramatically since then. Globalization has opened up new spheres of freedom and development, but also creates new dependencies and vulnerabilities, and limits the ability of governments to articulate and implement policy. The declared enemies of yesteryear have given way to diverse and diffuse security risks. Emerging powers are demanding greater participation. The international post-war order is faltering, but a new one is not in sight. The United Nations, NATO, and the European Union are undergoing major changes; the European integration process in particular is in crisis.

Germany has never been as prosperous, secure and free as it is today. But power and influence entail responsibility

Germany must respond to these changes. Mere pledges of support for the existing international order are no longer enough. But the chaotic new situation and the loosening of traditional ties does not mean a free pass for German unilateralism in the world, because Germany has – and that is the paradox of Germany's post-unification foreign policy – regained its formal sovereignty under international law at a time when hardly a foreign policy challenge can be solved anymore by one nation acting unilaterally.

Addressing this problem, then, is the key task task of German foreign policy today. Above all, it must be based on the realization that Germany is more exposed to globalization than many other countries. Its citizens are deeply integrated in Europe and are networked globally; its companies operate on all continents. Germany benefits like few other countries from globalization and the peaceful, open and free world order it makes possible. At the same time, Germany is also especially dependent on this order working well. It is therefore particularly vulnerable and susceptible to the effects of disturbances in the system.

Germany's overriding strategic objective is the preservation and continued adaptationof this free, open, and peaceful order. In future, Germany will have to invest more than it does now to preserve this beneficial status quo. It will in fact have to undertake greater efforts than ever ever to adapt regional and global governance structures to the new challenges. But it can only do this together with others.

What is needed is more creative determination, ideas, and initiatives. Germany will have to take the lead more decisively and more often. But as a country that is deeply integrated in networks of mutual dependence – especially in the context of multilateral commitments it has chosen itself (UN, EU, NATO) – this can only mean: leading towards common goals, with others, and for others.

Germany's new strategic environment

Germany profits like few other countries from globalization, and from the peaceful, open, and free global order that enables it

Expedited by major technical developments, globalization has created political, economic, and social networks that now span almost the entire globe. These networks have created spheres of freedom and opened up new opportunities for growth and development throughout the world, because they move people and goods through physical space, as well as information and ideas through the cyber space. They have revolutionized communications and commerce and connected previously insular societies to global markets and debates. But this interdependence is double-edged: it also causes an unprecedented degree of interdependence and vulnerability, with profound consequences for the autonomy of nation states.

In Germany, located as it is in the middle of a more and more deeply integrated European Union, this is especially evident. Europe benefits from globalization, and Germany benefits from the Union. The economic and political integration of the EU's member states gives them a clout in international affairs that even the major European nations no longer can bring to bear on their own. Conversely, whatever threats and risks Europe faces almost always affect all of Europe's states; it makes less and less sense to conceptualize and organize risk management and protection against threats within a purely national framework.

This new interdependence and its consequences are also evident in security policy. States are still the main actors in world politics; power, competition and geography are still key determinants of international relations. Traditional threats – war, the

proliferation of weapons of mass destruction – continue to exist. However, globalization has accelerated the privatization and individualization of violence in the form of terrorism and organised crime. It has also added a wide range of cross-border risk factors, which tend to crop up together and reinforce each other, and against which the sovereign power of the state can do very little: climate change, demographics, uncontrolled migration, resource and food shortages, pandemics, as well as weak and failing states. As a result, risk management has become the new paradigm of security policy.

The global financial crisis has also shown that networks and integration can also make national economies vulnerable in completely new ways – and societies and governments, too. The euro crisis has shown that imbalances or dysfunctional national economies can threaten the stability of the whole currency area; the closely integrated transatlantic financial market has likewise proven to be highly susceptible. The impact of the crisis can be seen on both sides of the Atlantic in the form of political and institutional impasses, or the success of populist movements. That said, authoritarian emerging powers are by no means better equipped to cope with such shocks than Western democracies.

Authoritarian powers are by no means better equipped to cope with shocks and crises than democracies

The new technologies – the key drivers of this recent deepening of globalization – have an ambivalent impact on state power. On the one hand, they strengthen state executives, because they provide completely new capabilities to monitor and control citizens. The same technologies, however, have also empowered private actors – from freedom fighters and public-spirited citizens, via consumers and businesses, all the way to criminal organizations and terrorists.

The diffusion of power within states is accompanied by power shifts in the international order. Overall, the post-war international order has proved to be remarkably resilient. There has been no alternative universalist challenge to the West, with its model of a legitimacy based on human rights, the rule of law, separation of powers, and democracy. And the power that has guaranteed this order for decades, the United States, continues to be, at least for the foreseeable future, the only superpower with global reach and the will to impose order on the globe.

Yet the United States – conscious of its reduced resources – is sending clear signals that their engagement in the world will be more selective in future, and that its expectations of partners will be correspondingly higher. This means that Europe, and Germany in particular, will have to take on a lot more tasks and responsibilities.

Th United States' engagement in the world will be more selective. For Europe, and for Germany, this means more tasks and responsibilities

The three institutions that provided the orienting framework of German foreign policy in the global post-war order for over half a century – the United Nations, NATO, and the European Union – are themselves in transition. All three are undergoing fundamental disputes among their members about their purpose, remits, and architecture. At the same time, emerging powers are demanding a more equitable representation in international institutions; some of these powers also question their normative foundations or even their legitimacy altogether. But they only rarely offer an alternative. Often, they are only spoilers, not balancers. And Western states themselves, faced with persistent dissent and stalemates, increasingly bypass proven multilateral institutions, relying instead on "coalitions of the willing" or informal formats in order to cope with crises, and to solve problems.

These shifts and disruptions in Germany's strategic environment – in the global order, in European affairs, in its relations with other states, and in international security – require a redefinition of German national objectives.

Germany's goals, values, and interests

Germany's commitment to human dignity, freedom, democracy, the rule of law, and to an international order that is based on universal norms remains valid, as does its commitment to working within the frameworks of the United Nations, European Union and Atlantic Alliance. In light of the changed strategic environment, however, new elements must be added to this definition of German national objectives.

Germany, with its free and open civil society, benefits from globalisation like few other countries. Its current strength is largely owed to its ability to implement reforms that have preserved its competitiveness and capacity for innovation – but it is owed even more to its success as a trading and exporting nation. Its very existence depends on exchange (of people, goods, resources, ideas, and information) with other societies. Germany therefore depends on demand from other markets, as well as on access to international trade routes and raw materials. But what it needs even more is the stable and vital global environment that makes those freedoms possible in the first place: a strong Europe and a liberal,

rule-based international order with free and open states and societies. Germany's overriding strategic goal must therefore be to preserve, protect, and adapt this world order.

At the same time, however, Germany also maintains strategic relationships with countries that, though promising high growth rates and returns, so far show little inclination to accept the Western political and social model as an example to emulate. But this tension does not imply that Germany, in keeping with a new *Realpolitik*, should have to choose between its traditional normative and multilateral orientation and a geo-economically oriented foreign policy; or that it might – to put it even more bluntly – be forced to decide between between its values and its interests. What is true is that conflicts between German values and interests, especially in dealing with authoritarian states, are often unavoidable in the short term and that they must be balanced from case to case. In the long-term, however, a commitment to values is an existential interest for any Western democracy.

For human dignity, civil liberties, rule of law, and participation do not undermine the stability of individual countries and regions; they are its prerequisite. Nor are authoritarian regimes necessarily stable just because they are authoritarian. (East) Germany's recent history in particular has shown how fragile autocratic power can be. Supporting these goals in other countries, therefore, is an expression of Germany's values as much as of its strategic interests. For Germany to be not only a successful but a credible player in foreign policy, it must defend the values it upholds at home in its foreign policy as well. That said, the centrifugal forces of globalization (reinforced by the economic crisis) undeniably affect not only Western states, but also their citizens. Societies have become more fragile, social contracts more brittle. So, conversely, Germany must make sure that it credibly defends the values it advocates in its foreign policy at home, too. This is not something to be taken for granted. The global economic crisis has done away with the illusion that modern democracies are immune to populist temptations or to anxious attempts to pull up the drawbridges; this is as true for Europe overall, as it is for Germany in particular. The legitimacy and appeal of the Western model, however, depends on its also being resolutely defended against challenges at home.

Germany's overriding strategic goal must be to preserve, protect, and adapt the liberal world order

The legitimacy and appeal of the Western model depends on its being defended against challenges at home

The domestic dimension of German foreign policy

German foreign policy will continue to deploy the full range of foreign policy instruments, from diplomacy, foreign aid and cultural policy to the use of military force. However, the fact that it is globally networked and interdependent also requires new approaches at the national level: closer coordination between departments; closer cooperation between the executive and legislative, as well as with research institutions; a more effective political control; and a greater commitment to communication with the German public.

Foreign ministries have not had a monopoly on the definition and implementation of foreign policy for some time now. They will have to evolve even further, and become initiators and network managers who organize processes of assessment and decision-making. More and more ministries claim a say in foreign policy today; that makes it all the more necessary to aggregate and concentrate governmental analysis, management, and leadership capabilities. Just by way of example: crisis prevention, management, and follow-up in Germany continue to be hampered by a lack of cooperation between civil, diplomatic, police, and military forces.

A more complex environment with shortened response times also requires better cognitive skills. Knowledge, perception, understanding, judgment and strategic foresight: all these skills can be taught and trained. But that requires investments – on the part of the state, but also on the part of universities, research institutions, foundations, and foreign policy institutions. The goal must be to establish an intellectual environment that not only enables and nurtures political creativity, but is also able to develop policy options quickly and in formats that can be operationalized.

More is also required of Germany's political supervisory bodies. Policymakers and the public alike will have to get used to the idea that a more prominent German role on the global stage will require more resources. Nor should the fact be underestimated that a more forward-leaning German foreign policy does not make political control any easier. This may exacerbate issues of legitimacy at home. A more active German foreign policy also requires appropriate monitoring and control by the legislature. If nothing else, this requires strengthening the human and financial resources of Parliament.

Finally, policymakers as well as experts in Germany like to complain about the public's lack of understanding of foreign policy. But it is up to them to change this, because there is no lack of interest. Today, civil society (at home and elsewhere) not only observes and comments on German foreign policy as never before, but even contributes to shaping it. Policymakers must therefore learn to communicate their foreign policy goals and concerns more effectively to convince Germany's own citizens, as well as international public opinion.

Partners of German foreign policy

German foreign policy will continue to work with partners old and new: with proven like-minded friends and allies, with challengers, and sometimes even with rogue states. But today cooperation in all its formats – from multilateral institutions via alliances to supra-national integration – is about more than sharing burdens, maximizing resources and forces, or providing legitimacy. More and more often, a country that is as deeply integrated in the global economy as Germany will simply have no other choice than to act together with others, because close cooperation across national borders is the only practical or even possible format to solve problems, manage risks, or ward off threats.

There are many examples in the recent past (Libya, Mali, Syria) that show that disagreements among allies are likely and even legitimate despite this interdependence. That is why Germany must factor its globally networked condition and its interdependence into its foreign policy calculus in future. But the reverse is also true: Germany's partners are similarly dependent on Germany. Sovereignty in a networked world, therefore, requires mutual consideration and taking responsibility for the impact of national decisions on others.

The key reason why Germany has a strategic interest in being a good neighbour, ally, and partner is also a consequence of the fact that it lives in global networks. The greatest of all foreign policy challenges – the renewal, adaptation, and reorganization of the international order – cannot be shouldered by any country alone. But Germany has been selective and hesitant even in offering ideas or spearheading initiatives, at least in relation to its economic strength, geopolitical clout, and international standing. In this sense, at any rate, Germany remains a global player in waiting.

German civil society not only observes and comments on foreign policy – it contributes to shaping it

Sovereignty in a networked world requires consideration and taking responsibility for the impact of national decisions on others

Germany will also have to lead more often in the future. This does not mean always taking the initiative and expecting others to follow. Rather, it means investing in long-term relationships and compromises; that calls for patience and empathy. This kind of collaborative leadership entails sacrifices. They are worth making, because only a leadership style that is seriously committed to consensus-building and balancing interests can count on success in international relations. Germany must play a greater role in shaping global affairs, but it either does so together with others, or stops altogether.

The following four chapters deal with four key areas of this new responsibility:

- Germany and the international order
- Germany and Europe
- Germany's strategic relationships
- Germany and international security

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II. Germany and the International Order

The emergence of a polycentric world in the wake of globalization entails many benefits, but also great new challenges for Germany. Germany benefits like few other countries from globalization and from the open, peaceful, free, and cooperative international order that makes it possible. At the same time, Germany is especially dependent on this order working well, and is particularly vulnerable and susceptible to the effects of disturbances in the system. The protection and adaptation of the international order must therefore be Germany's supreme strategic objective – if only out of self-interest.

The challenge: an international order in flux

The current international order was shaped primarily by the United States and its allies in 1945, with new rules and institutions – above all the United Nations – that were meant to ensure peaceful relations among states. A complex architecture of regional and sectoral systems, each with their own norms and institutions, evolved under the auspices of the world organization and its charter. They include almost all regions of the world (NATO, ASEAN, ECOWAS, Mercosur, etc.) and almost all aspects of public life, from human rights via issues of peace and security to the economy, trade, and development. Over time, global commons like the Arctic, the oceans, airspace, and space were included. There were wars and conflicts nonetheless, but this post-war order enabled significant gains in peace, prosperity and freedom for more than 60 years. For Germany, active participation in this order over decades has been both an amplifier of influence and a source of legitimacy.

The architecture of the international order is under enormous pressure today

But there is no mistaking the fact that today the architecture of the international order is under enormous pressure, exacerbated by the global financial and debt crisis. Globalization, expedited by technical innovations, has integrated the world politically, economically, and socially; this has created new spheres of freedom, and provided states and societies with new opportunities for communication, growth, and development. But there are also formidable counterforces at work: climate change, demographic shifts, uncontrolled migration, poverty and social disparity, ethnic and religious tensions, and increasing competition between an ever larger number of stakeholders over increasingly scarce resources, food, and access to trade routes and technologies. Even the global commons are increasingly contested and subject to disputes over access, usage, and exploitation rights. These fragmenting and centrifugal forces make countries vulnerable and government policy less controllable; this is even more the case for international governance and its institutions. The implementation and enforcement of binding rules remains difficult, whereas expectations regarding effective governance and an international order guaranteed by the states have, if anything, grown. In

conjunction, these effects are potentially destabilizing. Globalization has reduced the power of states, even the strongest. And it has made the world, for all the gains in freedom, smaller and more contested.

Then there is the global power shift. The United States, conscious of its reduced resources, is no longer willing to play the role of global hegemon and guarantor of the international order on its own. The European Union, which is still struggling with the financial crisis and its consequences, currently appears neither willing nor able to take on a similar role. The international engagement of individual European countries has also declined significantly during the crisis. Thus, the ability of the West to set agendas and build coalitions has dwindled. The result is a leadership vacuum at the global level.

Globalisation has reduced the power of states, even the strongest

In this situation, new players are thronging onto the stage of international politics, driven by the development of the global South. This trend is not uniform by any means, as many states continue to stagnate politically and economically, while others are menaced by failure. But it has lifted millions of people out of poverty and promoted the emergence of an increasingly prosperous and politically assertive middle class worldwide. Moreover, it has led to the rise of emerging powers that have established themselves as new power centres besides the established powers of the "West." Germany has advocated and promoted this development for decades under the aspect of poverty reduction and global burden-sharing. Germany has also benefited greatly from this development: it has opened up the emerging nations as new export and investment markets, thereby generating high profits. Germany's new power and influence is based to no small degree on this development.

But the rise of these new powers also represents a fundamental challenge - for the West, for Europe, and especially for Germany, which has labelled its relationships with many of these countries as "strategic partnerships." The new powers demand a representation in the existing institutions of international order that is commensurate with their new clout, and in doing so challenge the dominant role Germany and other Western states have played in these forums until now. Some of them share an interest in a free, peaceful, and rule-based world order, and say they share values such as the rule of law and good governance. Other rising powers, however, question the norms and architecture of the international order itself; some do so because they see international politics as a zero-sum game among major powers, and hope to be able to assert their interests more successfully in an unregulated competition. Mostly, they do not articulate an alternative. But some have established counterweight institutions (such as the Eurasian Union, or the proposal of a BRICS Development Bank). Yet, for now, no alternative bloc has managed to establish itself firmly.

The states of the West have contributed to weakening the existing architechture of global norms and institutions, whether by acting inconsistently or using double standards, by employing trade discrimination, or even by not sufficiently legitimizing the use of military force, by resorting to informal "coalitions of the willing" and ad-hoc formats such as the G-20, or simply by their failure to appropriately adapt the international order to the new challenges until now.

The task: shaping the international order together with others

A German role in the adaptation of the international order must be based on the fundamental values of human dignity, freedom, rule of law and good governance, democratic participation, a global social market economy, sustainable development, peace and security. The starting point for any efforts at reform must be the current liberal and collaborative world order. The goal of reform should be to adapt and expand it, not to transform, let alone reorganize it. Nor is this about Germany forging ahead with a comprehensive blueprint of its own design. Rather, it should work with like-minded partners and in consultation with those emerging powers with similar values and interests, to offer ideas and incentives for change on a broad array of issues.

The goal of reform should be to adapt and expand the internatio-nal order

At the top echelons of international governance, Germany should push for reform of the United Nations and the international financial institutions. But this will require changes that ensure that room is made for participation by the emerging powers, and that their interests are taken seriously. Those new shaping powers who are able and willing to assume responsibility for the international order ought to be represented in the Security Council. This includes Germany; yet a European seat on the Security Council is desirable in the long term. Western nations – including Germany – will have to give up some of their voting rights in the decision-making bodies of the World Bank and the International Monetary Fund so that emerging powers are adequately represented. Germany may still continue to work within informal or weakly formalized structures, such as the G-20 group, if only to preserve the ability to act and to solve problems in a crisis, an impasse, or simply when established institutions prove to be ineffective. Over time, though, such formats should be codified or at least be broadly formalized in order to make them transparent, predictable and stable.

Germany also has an interest in functioning regional governance – above all, in the renewal of the European Union itself. But as a globally networked economy, it also has a vested interest in the stability and prosperity of other world regions. Even if

other countries show little inclination to hand over responsibilities to supranational authorities like their European counterparts, Europe and Germany have a lot of experience to offer, from coming to terms with war crimes via arbitration procedures for border and territorial disputes to fighting corruption. In all this, Germany should pay greater attention to issues of security policy: it is precisely because Germany has a vital interest in trade with China and its neighbors that it should not be indifferent to the tense relations between the countries in southeastern and eastern Asia.

Germany should also push for the adaptation, consolidation and, where possible, legal regulation of sectoral governance. One of the greatest achievements of the liberal post-war order was to set out a framework for the creation of a series of groundbreaking multi-lateral conventions: on human rights and international criminal justice, on trade and finance, on disarmament and arms control, as well as on maritime and space law. But many of these instruments now need to be renewed, typically because new developments (such as new techniques of extracting raw materials and deep sea drilling for oil and gas, the melting of the polar ice caps or the privatisation of space) have opened up new unregulated – and increasingly contested – spaces.

Germany should not be indifferent to tensions in the Far East

The global commons and their critical infrastructure enable the mobility of people, goods, and information that is necessary in a globalized world; it is vital to protect them. This includes airspace and space (satellites) and the world's oceans (telecommunication cables). Cyber space, which has become part of almost all aspects of political and social life, has generated a particular potential for conflict, from cyber war, terrorism, and espionage to organised crime and shadow banking. Finding an international regulatory approach here is a particularly complex challenge, but it is no less urgent.

Support of effective statehood – be it through poverty reduction, development cooperation, crisis prevention and management, or through support for peacebuilding measures or transformation partnerships – remains an important component of any rule-based international order. Free societies and functioning social contracts are also essential aspects of effective statehood. German diplomacy and development aid must not only address state elites, but must be based on the principle of human security.

The path: influence in a networked world

In a polycentric, globalized world, the classic elements of state power, such as gross national product, resources, and military power, have by no means become meaningless, but they no longer suffice to confer real clout in international relations. Today a state is a shaping power in international affairs if it is able to solve problems and conflicts affecting parts or all of the international community; to articulate ideas, provide incentives and offer compromises, rather than dictating terms unilaterally; and if it works towards its goals in coalitions and networks of like-minded states, using negotiation platforms that are both open and transparent; and if it includes both states and non-government actors in the process. Above all, influence is wielded by states that demonstrate they are guided by the principle of legitimacy in their efforts to shape the international order.

Shaping power means the ability to help solve problems

Since any peaceful adaptation of the international order is possible only with, and not against, the new powers, Germany will have to engage with actors that profess values and interests that clearly differ from its own or from those of other like-minded partners – for example in the fight against climate change, or in the shift to renewable energies, or when negotiating sustainable production and consumption standards. Germany will therefore be compelled to make compromises and concessions, because of its overwhelming systemic interest in maintaining international rules and institutions: better compromises than a crumbling international order. Yet at the same time, it will have to press for more global responsibility from the emerging powers, because these new powers are too often only consumers, but not producers of global common goods and security.

However, where spoiler states questions the international order, where they violate basic international norms (such as the genocide prohibition or the prohibition on the use of weapons of mass destruction), where they lay claims to – or even attack – the commons or the critical infrastructure of globalization. In other words, where offers of compromise or dispute resolution are made in vain, Germany must be willing and able to use military power within the framework of collective measures sanctioned by international law (or at least credibly threaten its use), in order to be able to protect these goods, norms, and collective interests.

Recommendations:

- In the long term, Germany should see itself as a provider of ideas for organizing the adaptation of the international order.

- Germany should advocate reforming the institutions of the international order, in particular for making the UN system more effective and legitimate. This also includes reforming the Security Council with German participation.

- Germany should work towards the adaptation, deepening, and legal regulation of sectoral governance, and for the protection of the commons.

III. Germany and Europe

The serious crisis of the European Union has caused many inside and outside the EU to lose faith and confidence in the project of European integration. This has led some critics and doubters to conclude that the project itself has had its day: the European unification process, they argue, has bestowed an unprecedented level of peace, prosperity and freedom on the continent for more than 60 years, and has now come to its natural end. That would mean there can be only two ways out of the crisis: freezing the status quo, or "downsizing" the EU to a healthier state.

But the story of European integration is by no means at an end; it has only begun a new chapter. The challenge now is to ensure both Europe's capacity to act and its democratic legitimacy in an era of globalization and the rise of new powers. Economic and political integration has given Europe's states international clout – a clout that even the major European nations can no longer bring to bear on their own. Without a deepening of the European project, Europe will not withstand the challenges of globalization.

The story of European integration has begun a new chapter

Why Europe?

As a country that is globally networked like few others, Germany has a vital interest in the success of European integration, from which it has benefited more than any other member state. At the same time, its history and location at the center of Europe, but even more its present economic strength and new geopolitical weight, confer a special responsibility on Germany for the preservation and development of the European Union. Germany will have to take the lead in this field more often and more decisively; but it must do so for common European objectives, and only for the benefit of and together with other member states.

Overcoming the current crisis in the EU is also a prerequisite for Germany achieving other strategic goals. Without economic recovery and stabilization of the euro area, there can be no long-term prospect of strong growth for the Federal Republic; without overcoming the crisis, there will be no European leverage for Germany's ideas on global order.

Germany's European policy must therefore be directed at deepening the Union in order to enable it to cope with the internal and external challenges facing the EU. The ultimate goal here is not the creation of a European superstate. What is at stake, however, is restoring confidence in the Union's ability to act and improving the demo-

cratic legitimacy of EU decisions by taking further steps towards integration. In doing so, the strengthening of the euro area has to be balanced against the goal of keeping all EU member states in the Community.

The price of failure

Europe's crisis means many things to many people: a banking and sovereign debt crisis, an adjustment and growth crisis, a political and social crisis, a leadership and legitimacy crisis. And the potential way out of the crisis involves other dangers: the deepening of European integration could itself split the Union. Since the crisis remains menacing, the time has come to reform the architecture of Europe beyond crisis management and the pragmatism of small steps, and in a way that makes it better prepared for future crises.

The crisis remains a menace because it might yet evolve from an acute into a chronic stage and thereby derail the entire project of European integration. Nor is Germany's current strength unlimited. The rapid aging of the German population could put an end to the economic miracle. It is the South that is implementing economic reforms, not Germany; and other EU states will aim to limit Germany's influence.

This is why deeper integration is not one alternative of many, but the alternative to failure. A failure to act would lay the seed for the next phase of the crisis. The crisis has starkly revealed the interdependencies and systemic risks operating in the euro area, and demonstrated the vulnerability of member states. This fragility is rooted in the incompleteness of monetary union, which makes the public finances of the member states susceptible to market fluctuations, hampers economic recovery, exacerbates social disparities and deepens the divide between the EU and its citizens. The political consequences of these tensions can already be seen throughout Europe. It is not only the EU and the idea of further European integration that are losing support among the population. National democracies are also being destabilized, either by the growing influence of populists or even by reforms that threaten democracy and the rule of law.

Europe's architecture must be reformed so as to make it better prepared against future crises

It cannot be ruled out that the centrifugal forces in the EU will increase under these conditions, and that European policy makers will no longer be able to keep the Union together. If the Euro fell apart, this would most likely also tear away part of the internal market. From Germany's perspective, the loss of these achievements would entail immense political and economic costs.

The way forward: two integration options

Under the pressure of the crisis, some crucial institutional and political reforms – such as the establishment of the European Stability Mechanism and the European Semester – were set in motion, and the European Central Bank has taken on a central role as a crisis manager. This has temporarily calmed the situation. But these steps alone are not enough; the greatest challenges still lie ahead.

The stabilization and development of the euro area with its 17 (soon to be 18) members remains the central task of German European policy. But the economic and budgetary policies of member states in the European monetary union also cannot remain a purely national concern forever – another lesson taught by the crisis. The monetary union must therefore be supplemented by an economic and fiscal union. The challenge here is not simply the formulation of fiscal and economic policies in the member states designed to achieve stability and competitiveness, as well as greater convergence in the euro area; and the latter cannot be achieved exclusively by adjustments in the countries affected by the crisis. A German contribution to convergence could, for example, take the form of a liberalization of the service sector, or of investments in infrastructure, education, and innovation. Nor is all this merely a question of technocratic optimization processes. What is at stake, rather, is the promotion of a pan-European consensus on common economic and financial policies that is supported by European publics. To this end, the European Parliament and national legislatures must be involved in the policy-making process more closely than before. Only this can make the European Union plausible as a part of European democracy, instead of a threat to it.

The stabilization of the euro area remains the central task of German EU policy

How to achieve these goals remains controversial. Should responsibility lie with national governments, or ought there to be greater solidarity between the states? Should there be more rules or more political decision-making power at the European level? Ought there to be more or less citizen participation? The challenge here is readjusting two delicate balances: between national autonomy and the common European interest on one hand, and between institutional capacity to act and democratic accountability on the other – and all this under conditions of globalization and interdependence. Solutions to these questions can only be found together with the European partners, and with the participation of European publics. But German European policy must be able to offer its own answers and ideas – if only to avoid being caught on the defensive.

German policy for Europe has two models to choose from. They are not alternatives; they differ only in terms of the degree and depth of integration they

envisage, as well as in the specific balance they strike between intergovernmentalism and integration. The second model is premised on the first, and builds on it. In both cases, deeper integration must go together with a deepening of democracy. Both models will inevitably lead to further political and institutional differentiation in the EU.

Model 1: a stronger European framework for national reforms

This option continues on the path of pragmatic integration, focusing on further fiscal consolidation, and strengthening the competitiveness of the member states. Recent reform efforts should be consistently continued and expanded. At the same time, Germany should work towards closer political cooperation in Europe. The member states and their legislatures would continue to retain control over the reform process, but the EU Commission would play an important role in the control of national budgetary and fiscal policy. The potential of the existing European treaties concerning budgetary control could be further exploited.

European countries suffering under the impact of the crisis need support and incentives to continue to reform their economies and to get back on a growth path. *First,* the EU budget, which currently focuses heavily on agriculture and infrastructure, should be used in a more targeted way to support economic reforms. *Second,* a special fund should be set up and financed by the member states to promote structural reforms and measures to increase competitiveness in member states that comply with European recommendations. *Third,* consultations on economic policy in the euro area should be intensified at the executive and ministerial level. An ageing population will become a heavy burden on public finances in some member states. In the long term, this will make it more difficult to reconcile the consolidation of national budgets with incentives for growth and jobs. Which is why – *fourth* – the European Stability Mechanism should in the medium term be developed into a European Monetary Fund which, among other things, would provide for a procedure to deal with sovereign defaults.

Deeper integration must go together with a deepening of democracy

Convergence in the eurozone area is only possible if the euro countries comply with the debt limits of the Stability Pact. This is why this model requires not only incentives, but also sanctions. If the budget of a eurozone state repeatedly exceeds the deficit limits set by the Pact, the EU should be allowed to declare it invalid. The European Court of Justice should exercise this authority at the request of the Commission or individual member states.

In the European Parliament, decisions about the eurozone area should be the exclusive privilege of representatives of the eurozone countries. Furthermore, national parliaments should be more engaged in decisions made in Brussels. Legislators from the member states should, above all, be more involved in consultations on decisions concerning the euro group. This could include the creation of a second chamber in the European Parliament, in which members of the national parliaments would be represented.

Model 2: more common capacity to act on the European level

Budget consolidation and structural reforms must continue

The second model partly builds on the steps towards further integration taken in the first model. But it represents a qualitative leap: it is based on the insight that the integration of monetary and financial markets massively constrains national capacities to act, and makes public finances vulnerable. It concludes that a policy of converging reforms at the level of member states is no longer enough to stabilise the euro area. Consequently, this model proposes that to regain the ability to act and take control, greater integration steps are needed. However, any further integration is only acceptable – and this is especially true for Europe's donor states – if the countries affected by the crisis resolutely continue with the consolidation of their national budgets and with structural reforms to improve their competitiveness.

A package of three measures would stabilize the monetary union and make it less vulnerable in the long term. First, the completion of a banking union, including a common bank resolution regime and sufficient funds to restructure banks, in order to break the link between public finances and the stability of banks. Second, the creation of a euro area budget that can be used not only to support national reform efforts, but to mitigate cyclical divergence through automatic stabilizers (e.g. a European unemployment insurance scheme). In the long term, and combined with the structural reform efforts, this could reduce cyclical divergences and to that extent enable the European Central Bank's monetary policy to better "fit" the euro area. Third, if control over fiscal policy is strengthened as described in Model 1, common euro bonds could be introduced for a share of the national debt. This would be done to help break the mutual dependence between public finances and the banking system, which has led to a parallel banking and sovereign debt crisis. Above all, it would make public finances less vulnerable to fluctuations on the financial markets – a key risk since national central banks can no longer act as lenders of last resort after the power to set monetary policy was transferred to the ECB.

The overarching goal of German European policy, were it to opt for the second model of deeper integration, would be the creation of a transnational European multilevel democracy. A central element of this second model would be the development of the Commission into an economic government that reflects the political composition of the European Parliament and is accountable to it. The Federal Constitutional Court's admonition that the German legislature should play a greater role in matters of European policy ought to be taken seriously, but without setting the European Parliament and the Bundestag up as competitors. In future, national parliaments should continue to stay out of the ordinary legislative process of the EU; they should, however, play a key role in fundamental policy decisions. Not least to ensure the democratic accountability of these reforms, Germany should work towards convening a Convention on a parliamentary basis.

In both of the two models, European integration will proceed in a differentiated manner; European integration should not overburden either the states or their citizens. But at the same time, it must not drive a wedge between the members of the eurozone and the other member states. Regardless of the depth of future integration, German European policy should take great care to be inclusive and Community-friendly, but not at any price. Inducing individual member states to stay in the Union ought not to be achieved at the cost of turning back the clock of European integration. Conversely, a German leadership in Europe that is based on partnership requires patience, empathy, and, above all, a willingness to compromise – and not just with regard to those partners with which it collaborates most often.

European integration should not overburden either the states or their citizens

European foreign policy

Europe can only be a shaping power if the European Union has a more unified external representation. Germany's foreign policy should seek to ensure that the EU's enlargement and neighborhood policies are adapted to current developments, that the Common Foreign and Security Policy is revived, and that the EU becomes a strong player on the world stage.

In 2003, the EU committed itself to admit the countries of the Western Balkans. It is in Germany's interest to ensure that this promise is kept, so as to permanently pacify and stabilize this part of Europe. Yet for those countries still willing to accede, the EU has undeniably lost some of its transformative power. Conditionality and financial as well as technical assistance programs are often no longer enough to advance the necessary

reforms for EU membership. But failed reforms in the candidate country stand to threaten the political, economic, and social stability of the new member state. Once a country is a member, though, the EU has even fewer incentives and sanctions. Germany will therefore need to do more to make candidates ready for accession, and should actively encourage a constructive debate about these changing circumstances. Regardless of the success of the accession negotiations with Turkey, Germany has an interest in a Turkey that looks toward and is anchored in Europe – that is, in a close and stable EU-Turkey relationship which includes enhanced economic cooperation, closer cooperation on security matters, and a more flexible visa policy.

As a regional stabilizing power, the EU must strive for stability and good governance in Europe's southern and eastern neighbourhood and direct its efforts not only at governments, but also at civil societies. To this end, it should systematically deploy all the economic, diplomatic, and security policy instruments at its disposal. The advancement of democracy, pluralism, rule of law, and respect for human rights in transitional societies and in countries under authoritarian rule remains a key objective of the EU and the goal in any cooperation with the relevant states. Germany should help to ensure that the EU forges ahead with opening the internal market for goods, labor and services to neighboring countries to provide incentives for domestic reforms. The promotion of mobility between the EU and the neighboring European countries is key here, especially for the younger generations.

Germany must contribute to the EU becoming a strong global player

The development of the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP) remain key objectives of any deeper integration. Indeed, the cooperation between member states on foreign policy issues has been mostly issue-by-issue to date, for example on Iran. This puts the EU at risk of being marginalized in international affairs. Preventing this should be a main objective of its policy for Europe. This also includes strengthening the role of the High Representative and of the European External Action Service. In the medium term, the content and speed of foreign policy decisions would benefit from the introduction of qualified majority voting.

Within the international institutions, the EU member states will lose influence due to recent global power shifts. In the long term, therefore, the interests of the member states can only be preserved by strengthening the role of the EU. Accordingly, Germany should encourage a more coordinated approach among the EU members in the IMF and World Bank and support existing plans for the consolidation of voting rights of the euro-area members, which should be exercised by a Euro Executive Director in future. In the United Nations, its short-term goal should be to maintain the EU's share of permanent and non-permanent seats. A comprehensive reform of the Security Council (which Germany supports),

could in the long term involve an EU seat in a slightly enlarged circle of permanent members, and additional non-permanent seats that would be rotated within the EU.

Germany must be willing to be represented internationally by the EU, even in policy areas involving shared authority between the EU and the member states, e.g. the Common Foreign and Security Policy. Being able to influence the EU position, however, requires a clear articulation of German interests and goals. For the purpose of an effective pursuit of European interests, all EU policies should be coordinated as far as possible by a single instance. To do so, transparent procedures should be established in Brussels that provide information on the status and content of negotiations. A leverage effect that goes beyond the boundaries of individual policies can only be achieved through better coordination. Effective coordination requires strong coordinating bodies.

The EU's role in international institutions should be reinforced

Recommendations:

- Germany must work to deepen European integration in order to enable the European Union to master the internal and external challenges facing it, without compromising on democracy.

- Germany should push for the enlargement of the EU through accession of the Western Balkans; strive for a close and stable relationship of the EU with Turkey; and ensure that the EU, as a regional power, consistently uses all its instruments to promote stability and good governance in its southern and eastern neighborhoods.

- Germany should seek to ensure that the CFSP and CSDP are developed further; that the EEAS and the High Representative are strengthened; and that qualified majority decisions are made possible.

Part

IV. Germany and its Strategic Relationships

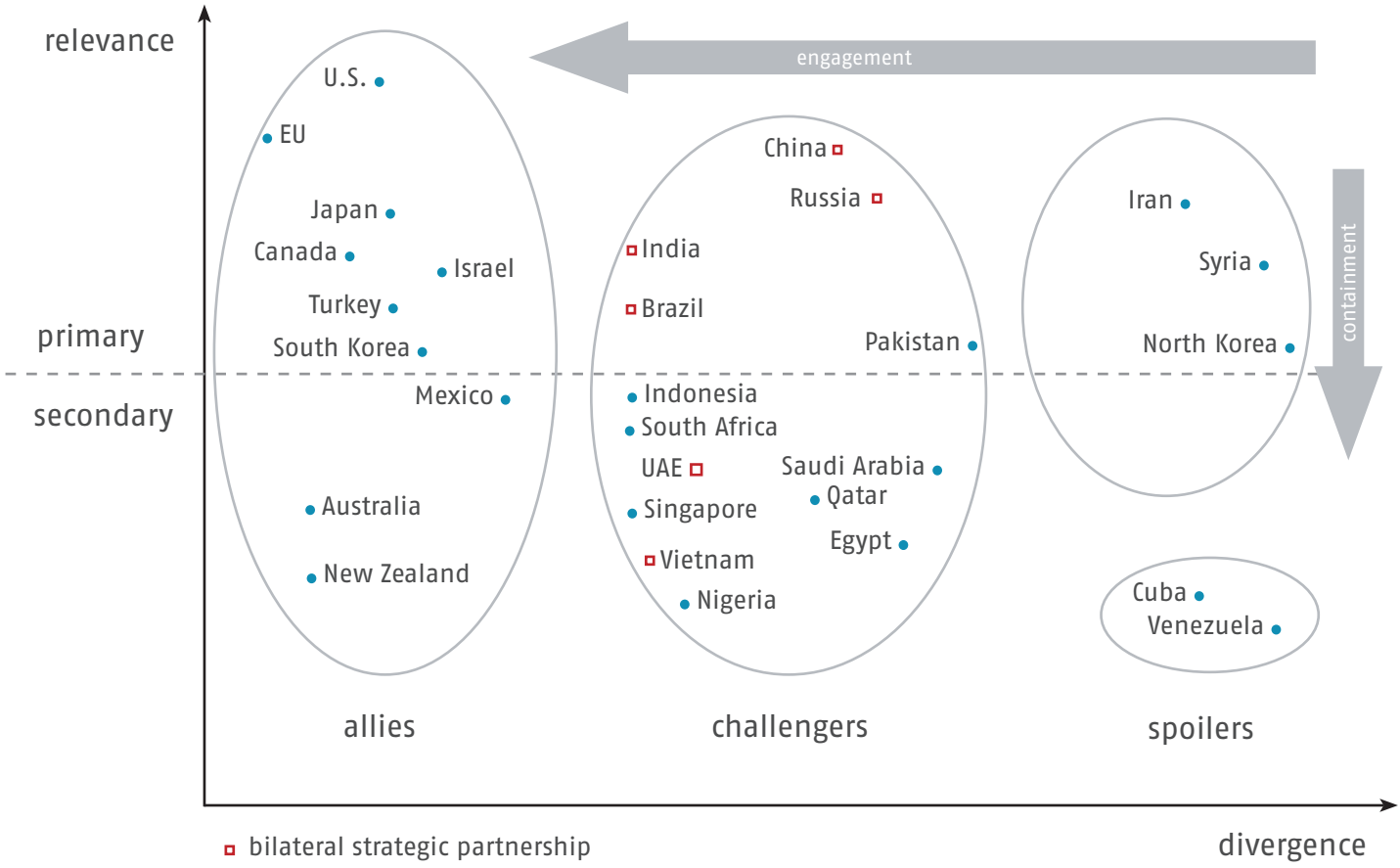
Globalization and the rise of new powers have made the international system more disordered and contested. For a country like Germany, which benefits from globalization and plays an active part in it, this is a double challenge. The paramount strategic goal of German foreign policy must be to ensure that the international order remains peaceful, free, rule-based, and cooperative. That entails adapting it to the new situation – in particular, to reflect the rise of new powers. However, the new players must also be encouraged to take on greater responsibility for confronting global problems; and where they act as spoilers, they must either be engaged or contained. In doing so, German foreign policy should not focus only on cooperation between governments, but must engage civil societies as well. For all of this, Germany will have to work together with like-minded allies.

Germany, too, has joined the league of global players

Yet Germany, too, finds itself in a new situation, because it has joined the league of global players itself. This was not always the case. Before unification, German foreign policy was largely focused on the East-West axis, whereas its relations with the global South focused on development policy, as well as recognition for and support of Germany in the United Nations and other international organizations. The Bonn Republic lacked both the weight and freedom of movement for independent relations with partners beyond the European and transatlantic frameworks. Today, Germany's new strength gives it new opportunities to use its influence. This, too, is cause for reassessing its international relationships.

Germany's strategic relationships: a framework

Countries are strategically relevant for Germany if and to the extent that their decisions and internal developments have a major effect on German interests and the international order as a whole. The classical criteria for the calculus of relevance are: military power, economic clout, population, resources, capital, and geographic location. But what makes a country strategically relevant in the context of foreign policy is its capabilities and shaping power – that is, the ability and the will to bring political, economic, cultural, or religious influence to bear in bilateral relations with third states, in multilateral formats, or on a strategic market. Even small countries can achieve strategic importance in this way. Germany's practice of officially designating certain countries as "strategic partners" already points in this direction, but is still characterized by a lack of consistency (see chart).



Germany's strategic relations

Germany's relations with these powers are primarily governed by how closely their values and interests match its own. The greater the divergence between their worldview and goals and those of the West, the more difficult it will be to engage them and to bring them closer, and the more there will be conflicting objectives.

Germany's strategic relationships: a typology

Proven partners and like-minded allies: The guiding principles of German post-war foreign policy – alignment with the West, reconciliation, European integration, and effective multi-lateralism – remain a valid framework for the pursuit of Germany's values and interests. On most key issues – peace and security, a rule-based global order, rule of law and human rights, functioning markets, secure supplies of energy and raw materials, the environment and climate change, or human development – a comparison of German positions with those of its proven European and transatlantic partners will show broad agreement, despite disparities on specific issues. The circle of these partners with influence and shaping power extends beyond the "West" and includes (in concentric rings) not just the EU member states (indispensable partners) and the NATO allies United States, Canada, and Turkey (key partners), but countries like Japan, South Korea, Australia, New Zealand, Mexico, and Israel (important partners). Nurturing these proven partnerships and deepening bilateral relations with other like-minded allies should be a priority for German foreign policy, because these relationships act as amplifiers: they expand the scope, reach and legitimacy of German shaping power. This is especially true in relation to the world's emerging powers.

Like-minded partners act as amplifiers for German foreign policy

Challengers: This group includes countries of very different political clout and ambitions: the major powers China and Russia, as well as rising developing countries such as India, Brazil, South Africa, Indonesia and others. Germany now maintains relationships with most of these countries that extend considerably beyond mere economic cooperation. Some of them share an interest in a free and peaceful world order, and not a few expressly acknowledge that they share values such as the rule of law and good governance.

However, societies in many of these countries do not see the "West" as a role model at all. Nor are all of their governments willing to grant their citizens political and social rights and freedoms. Some governments even question the universality of human rights. Much as the self-empowerment of civil societies and the rise of new wealthy and self-confident middle classes may be apparent throughout the world, there can still be no question of an inevitable convergence towards free, democratic, and liberal systems.

Inevitably, this will lead to competition and conflicts in Germany's relations with the new economic and political power centers of the world: struggles about influence, and access to resources, but also about the architecture of the international order as well as the validity of the norms on which it is based. It is in Germany's interest to ensure that they are directed into peaceful channels. This will require an adaptation of the interna-

tional order, which currently still reflects the post-war distribution of power. The new powers will have to be appropriately represented there – if only to prevent the formation of new blocks which might challenge the liberal order (the beginnings of which can already be seen). In this process, some challenger states could become real partners for Germany, but it is also conceivable that some will opt for confrontation. Here, Germany will have to combine engagement and containment in concert with other like-minded states.

Spoilers: Both strong and functioning as well as fragile or failing states can act as spoilers in the international order. Iran and North Korea (and, much less importantly, Venezuela or Cuba) belong to the first category, the latter include states such as Syria, Somalia, Afghanistan, and Mali. Their spoiler potential can result from the fact that they possess or proliferate weapons of mass destruction or that they support or harbour terrorists; from their location (for example at a strategic transport route or a maritime choke point); or from internal conflicts that have an impact on their neighbors and quite often on the entire region. In today's globalized world, a local problem can quickly develop into a regional or international problem. The interests (and values) of a globally networked country like Germany can therefore be severely compromised even by a small or distant spoiler state.

New powers should be represented in international institutions

Strategic relationships: guiding principles

For all its new strength, Germany is well advised to continue relying on multilateral cooperation with reliablen partners and other like-minded allies on the major questions of reshaping the international order. For Germany, it remains a wise strategy to continue to be a reliable and predictable partner and to nurture its long-term partnerships. Conversely raising its own profile at the expense of others – such as the European Union – is short-sighted, because even the global player Germany is no more than a middle power on the international stage. Indeed, the recent discussions about the cooperation and competition between Western intelligence services show that trust cannot be taken for granted, even in the context of these proven partnerships, but must be continually renewed. Moreover, it is all too easy for powers such as China and Russia to take advantage of competition among Western nations, and to drive a wedge between the members of the EU or the transatlantic alliance.

By contrast, two key questions shape Germany's strategic relations with the challengers and rogue states: which instruments should German foreign policy employ in its dealings with them to further its objective of a peaceful and rule-based inter-

national order? And what price is German foreign policy prepared to pay for this overriding objective in the event of conflicting interests?

Incentives and cooperation mechanisms have always served German (and European) foreign policy well. In the German "Ostpolitik" of the 1970s ("change through rapprochement") as well as the EU's eastward enlargement, this form of influence has been very successful. But many of Germany's key bilateral relationships unmistakably demonstrate the limits of a policy based explicitly on cooperation. Incentives have produced few tangible results in the context of the EU's neighborhood policy or of the "modernization partnership" with Russia; China can choose which offers of cooperation to accept and which to reject. And among the spoilers, Iran and North Korea have turned down Western offers for years.

Meanwhile, Germany also regularly participates in the imposition of sanctions within the framework of the EU or UN. In the case of Iran, it was only the severe sanctions of the West that brought Tehran back to the negotiating table. Sanctions will continue to be one of the instruments of German foreign policy.

The inherent tension between Germany's governance interest in a peaceful reshaping of the international order on one hand and its interest in bilateral trade relations with high growth rates, returns on investment, and access to key resources on the other becomes particularly sharp where it is dealing with countries that are economically and politically strong enough to dictate the terms of bilateral relations themselves. If they are also autocratically governed states, trade relations with them may touch on fundamental German values – such as human dignity, civil liberties, rule of law, good governance and participation. Over time, such trade relations may themselves boost civil societies in these countries; they can also lead to improved integration of the country in international governance frameworks, create incentives for constructive behavior, and perhaps even encourage social change in the country itself. But it is equally conceivable that trade contributes primarily to stabilizing a regime, or even gives it new leverage over its own civil society. Such tensions are neither avoidable, nor do they lend themselves to simple resolution. Conversely, and contrary to what is sometimes claimed, they by no means force German foreign policy to choose between its traditional normative and multilateral orientation, and a more geo-economic orientation.

Some spoilers have turned down Western offers for years

Nonetheless, it is possible to formulate guiding principles on how to deal with such tensions, as well as red lines that German foreign policy may not cross without being compromised. *First,* Germany, with its new economic power, is a key player, especially (but not only) in the EU; the weight of its support will often be decisive for the success of incentives as well as sanctions. This implies a certain responsibility. *Second,* Germany's relations with partners are usually so diversified that the loss of a single transaction will not jeopardise the economic basis of the entire relationship. *Third,* these partnerships are two-way streets. The partners, too, have a greater interest in a vibrant, multi-dimensional relationship with Germany: in goods, investments, technology transfers, and training cooperation, but also in collaboration on other issues such as resolving regional conflicts. *Fourth,* Germany should avoid dependency on any particular bilateral relationship, for example by diversifying its energy imports. *Fifth, w*hen weighing between bilateral trade and governance interests, the opportunity costs of a deal must also be taken into account. If there is reason to believe that multilateral negotiations or institutions will be compromised by it, then German long-term interests, too, will be compromised. *Sixth,* in its dealings with autocratic regimes, Germany must meticulously scrutinize goals, means, costs and compatibility with its values. This is especially true for arms exports or police training – all the more if there is reason to believe that a government will use these supplies or capabilities against its own people. *Seventh,* Germany is naturally more strongly interested in the internal development of countries in the immediate EU neighborhood, whether in the East or in the South, than in that of more distant states. This must be reflected appropriately in Germany's support for a sustainable transformation of its neighbours towards stability and democracy, rule of law, and a market economy. The fact that the Eastern European countries in particular have formally committed themselves to these values should be helpful in this regard. But Germany must do more to make sure that these commitments are kept, and at the same time promote closer ties of these Eastern and Southern neighbourhoods with the EU. *Eighth*, Germany must not become vulnerable to extortion. In terms of its security, the best guarantee to prevent this is active membership in the North Atlantic Alliance. In economic terms, this requires further diversification of German export markets and sources of raw materials; in particular, it necessitates a sustainable strengthening of Europe's economic power and the expansion of transatlantic free trade.

Arms exports should be closely scrutinized: Could they be used against civil society?

A different kind of tension is at play where fragile and failing states (Afghanistan, Mali, Somalia) are concerned. These countries are at the bottom of the development scale, and as the losers of globalization they have often missed out on economic and social development. It would be pointless to pressure or offer incentives to governments that de facto have little or no control over their countries. Here, too, German foreign policy must deploy the full range of its foreign policy instruments – from humanitarian aid, develop-

ment cooperation and diplomacy to military stabilization missions. The immediate goal is to end conflicts and promote stability, while the long-term goal is to create conditions that allow legitimate and capable governments to fulfil their government functions themselves.

If Germany uses its new potential together with its allies and like-minded partners, it can contribute to peace, freedom, security, and prosperity in the world, and even take the lead on certain issues. Yet for this, it needs political, economic, and military partnerships that are reliable and resilient more than ever.

Pressure can achieve little against a failed or failing state

Recommendations:

- Germany should maintain, strengthen, and expand its proven partnerships in the frameworks of the EU, NATO and the United Nations. These should take precedence over relationships with emerging powers.

- Germany should enhance its partnerships with challengers whose interests largely coincide with those of Germany and Europe. Specifically, it should promote regional leadership roles for such countries, as well as their participation in international organizations.

- German foreign policy must either integrate challengers by encouraging them to act constructively, or contain them by limiting their scope of action (e.g. by diversifying its supplies of raw materials, or by supporting regional competitors).

V. Germany and International Security

Germany's citizens have been enjoying a phase of unprecedented security. Their country is at peace with its neighbors in Europe and is a member of the most powerful military alliance in the world. The enlargement of the EU and NATO has placed a protective ring of stable democracies around Germany. But that does not mean that the protection of individual, social, and national security in Germany is now merely an issue of internal security. The world remains full of uncertainties and threats. For a globally networked state like Germany, this means that the security of the world and German security are inextricably linked.

Traditional threats like war, the proliferation of weapons of mass destruction, and terrorism continue to exist. In recent times, we have seen a wide range of new security risks, from climate change and shortages of resources and food to pandemics, from open data networks, and the erosion of government power (up to the point of state failures) to the empowerment of private actors. Germany's Southern and Eastern neighborhoods – from North Africa and the Sahel, the Western Balkans and the Middle East, to the Caucasus, and Central Asia – remain the scene of tensions, crises, and violence.

Germany's openness and integration in global trade, transport, and communication networks affects its security in two ways. They make Germany susceptible and vulnerable to anything that disturbs these networks. At the same time, pulling up the drawbridges would not be a realistic option, because it would mean cutting off the country's lifeblood. If Germany, then, is existentially dependent on exchange with other societies, this means that the vulnerability of its neighbors, allies, and partners also affects German security, and their protection is in Germany's interest. Moreover, Germany has a strategic interest in the open and free world order that makes globalization possible in the first place, as well as in protecting the domains (sea, air and space, cyberspace) that are global commons, but are also increasingly contested due to new technological developments. If Germany wants to preserve and protect its own way of life, it must work for a peaceful and rule-based world order, using all legitimate means at its disposition, including military force where and when required.

EU and NATO enlargement has placed a ring of stable democracies around Germany

The growth of Germany's power and influence mean that it must also exercise greater responsibility. For decades, Germany was a consumer of security, guaranteed by NATO and especially by the United States. Today, its allies and partners expect Germany to become a provider of security, and not only for itself.

For all these reasons, German security policy can no longer be conceived otherwise than globally. That said, Germany's history, its location, and scarce resources are reasons to be judicious about its specific strategic objectives. This also means that a pragmatic German security policy, especially when costly longer-term military operations are

called for, will have to concentrate primarily on the increasingly unstable European vicinity, from Northern Africa and the Middle East to Central Asia, not least to relieve Germany's U.S. allies in NATO, as the United States increasingly focuses on Asia. On the other hand, an exclusive emphasis on the management of acute crises at the expense of long-term strategic action must be avoided. German security policy must be able to do both at the same time: fast response and pursuit of long-term goals.

Security policy as risk management

Germany, as a globally networked country, must conceptualize and organize its security in terms of a whole-of-government risk management approach that includes defense, and domestic as well as external security. Security provision must begin with cognitive capabilities like knowledge, perception, analysis, judgment, and strategic foresight. A security policy that is defined within a risk management paradigm covers the full range of government instruments, from development cooperation and humanitarian aid via classical diplomacy and intelligence services to disaster prevention and the use of military force. Internal and external security connect seamlessly. A forward-looking, comprehensive security policy must include all relevant ministries and institutions (and, where appropriate, civil society).

Security policy today means risk management

Risk management places high demands on communication between government and the public. Risk assessments, priorities, and consequences must be convincingly explained and justified to the citizens. There can be no all-encompassing protection in an open society. Not all risks can be avoided, not all dangers can be averted. In the new strategic environment, the limited ability of states to control the implementation of security policy with sovereign instruments has become clear. This is why a risk management approach also requires that government, the business sector and society learn to understand their own vulnerability and build up resilience, in systems that are as decentralised as possible.

Instruments of German security policy

The instruments of German security policy must be enhanced and better networked with each other. Overall, despite a commitment to a "national" or "networked" approach, inter-agency coordination is mostly practised on an informal and ad hoc basis in Germany, or not at all. Any further expansion of interagency coordination so far has

always run up against the departmental principle *(Ressortprinzip)*. Like other states before it, Germany will have to strengthen its ability to integrate systems. In particular, crisis prevention, management, and post-conflict follow-up are still characterized by a lack of coordination between civilian, police, and military forces. Germany is ahead of many EU and NATO partners in its ability to send civilian personnel, such as police officers, judges, or election observers, to crisis areas. Nevertheless, its performance often lags behind its own ambitions in this area.

Germany's armed forces (together with its allies and partners) make a wide-ranging contribution to providing security. They provide situational awareness and contribute to early warning; they remain necessary for national and alliance defence; they help to prevent crises and to mitigate, contain, and end conflicts; they participate in securing lines of supply and transportation; and they rescue German citizens abroad where necessary. Their missions today range from humanitarian aid to military advice, support, reconnaissance, and stabilization operations, all the way to combat operations.

National and alliance defence remains the primary focus of Germany's security policy, because the risk of intra- and inter-state conflicts as well as the proliferation of weapons of mass destruction and their delivery systems continues to grow in Europe's southern and eastern neighbourhoods. This gives new urgency, for example, to Germany's participation in the establishment of a common NATO missile defence shield in Europe. At the same time, the German Armed Forces (Bundeswehr) must continue to be prepared for missions of crisis prevention and crisis management beyond Europe, even after their withdrawal from Afghanistan. Germany should also continue to contribute its armed forces to the enforcement of international law within the frameworks of the United Nations, NATO, and the EU.

The Bundeswehr must continue to be prepared for missions beyond Europe

Dissent: Use of military force without a mandate of the UN Security Council?

How should Germany act when there appears to be an urgent need for military action to prevent, for example, an imminent genocide, ethnic cleansing, or the use of internationally prohibited weapons, and a consensus in the Security Council cannot be reached in time – especially if such consensus is blocked by a veto?

Positions on this question remained irreconcilable within the project.

No military intervention without a Security Council mandate: According to the Charter of the United Nations, the use of military force is only permissible if authoriszed by the UN Security Council to maintain or restore international peace, or in the case of indivisual or collective self-defence. The prohibition on the unilateral use of force expresses the need for a reliable, rule-bound international order; it is intended to prevent abuse and errors of judgment. This prohibition ought to be respected by every state that wishes to retain the ability to invoke it in the future. While the UN General Assembly established the principle of "Responsibility to Protect" in 2005, this does not oblige the Security Council to make the protection of threatened civilian populations a primary consideration in its decisions, let alone to authorize a military operation. Consequently, no military intervention is permitted without a Security Council mandate – not even to prevent a genocide.

Germany should use its new influence to strengthen the UN, the EU, and NATO

Intervention without a Security Council mandate in exceptional cases: In very narrowly defined exceptional cases, such as an imminent threat of severe human rights violations, and if the use of military force appears inevitable to avert an imminent danger, so-called "humanitarian interventions" should be permissible without authorization by the UN Security Council. In situations of this nature, there is a conflict between ethical considerations of human security on one hand and international law on the other; accepting a genocide is a greater breach of fundamental taboos and civilizational norms than breaching the ban (indeed often broken in practice) on the use of force. In such situations, therefore, Germany should be open to a collective military action. Germany bears a special responsibility in this regard because of its overwhelming interest in a world order that is bound by values and because of its commitment to human rights.

Partners of German security policy

Today, security cooperation with neighbors, partners, and allies – from ad hoc coalitions via formal alliances to supranational integration – no longer merely serves to leverage scarce resources, to multiply forces, or to establish legitimacy. Security cooperation across national borders is now the necessary consequence of interdependence.

But all three institutions that for decades have provided the framework of German security policy – the United Nations, NATO, and the EU – are going through fundamental debates about their purpose, remits, and architecture. Germany's contributions therefore should not be limited to specific policy issues or participation in individual operations. It needs to offer ideas and initiatives to promote the renewal and adaptation of these institutions.

Cooperation across borders is a necessary consequence of interdependence

The *United Nations* is the only organization with universal membership. For all its weaknesses, it offers a uniquely legitimate forum for the cooperative settlement of contested issues such as the protection of the global commons, security of supply routes and access to raw materials; and its charter provides the framework for a rule-based international order, in whose preservation Germany has a special interest. Where law and rules are recognized, there is no need to enforce them. It is therefore worthwhile for Germany to invest in the recognition – and where necessary, in the adaptation – of international law. Strengthening the United Nations and its affiliate organisations therefore remains a goal of German foreign policy. Nevertheless, NATO and the EU must continue to expect to be called on by the UN to enforce international law, if necessary by military means.

As an alliance of Western democracies with standing political and military structures, a broad range of instruments and capabilities for collective defence and the preservation and and enforcement of peace, and a worldwide network of partners, *NATO* is a unique amplifier of German security policy interests. However, the impending end of the ISAF mission in Afghanistan, the new priorities of U.S. foreign policy, drastic cuts in European defence budgets, and a public that is sceptical of military operations, all put a question mark over the future direction of the alliance.

Germany must use its increased influence to contribute to shaping the future of the alliance. It has an interest in the continued existence of a strong and effective NATO, because the alliance is a proven framework for political consultation and military

operations, in particular with the United States. The need for consultation at the strategic level will only grow, and here too the United States will expect far more input from Europe and Germany. On the military-operational level, however, the Europeans will have to get used to the idea that the United States will not only assume a leadership role less often, but will also want to participate in fewer joint missions. Europe and Germany must therefore develop formats for NATO operations that rely less on U.S. contributions. This requires greater investment in military capabilities, and more political leadership. Europe in particular will have to provide more security in its own neighborhood. This is Europe's unique responsibility, and Germany will have to make an investment that is commensurate with its strength.

With its Common Security and Defence Policy (CSDP), the *European Union* has been able to distinguish itself in civilian, civil-military, and military operations of low and medium intensity. It cannot replace NATO, but it plays an indispensable role in European security policy because (unlike NATO) it has a comprehensive range of policy instruments at its disposal. However, the financial crisis, the dispute among Member States about the future direction of the Union, and uncoordinated cuts in defence budgets have weakened the credibility of the Union and prevented a strengthening of CSDP.

Europe and Germany must do more for the security of their neighborhoods

But it is precisely their political integration – including CFSP and CSDP – that gives the European countries their international clout. Consequently, Germany must use its new responsibility to help the CSDP regain new vigor. This can only be successful if such an initiative is coupled with the development of specific civil and military capabilities. But the member states have been half-hearted in their efforts to counter budget cuts by pooling, sharing, and specialization of capabilities and equipment. There is already (within NATO) an integrated air defence system with joint air surveillance. Even a common European border police, coastguard, or a military procurement according to the rules of the single European market – including uniform technical standards and certification procedures – is conceivable. Modern defence technologies are becoming increasingly complex and costly. An internationally competitive European defence industry can only be maintained in the long term by a broad consolidation of national industries within the European context. This is therefore in Germany's interest.

Just as important as the hardware of CSDP, however, is the Europeanization of its software: the development of common strategic foresight and planning capabilities, as well as of joint training, doctrines, and exercises.

All this should lead to the development of military and civilian capabilities that can be used interchangeably within the framework of the UN, NATO, or EU (or in joint operations). If nothing else, this should make the Europeans more effective as partners. A stronger, more responsible role for Europe in NATO requires an EU that is capable of providing security effectively on its own.

What does alliance solidarity mean under these circumstances? The use of military force will always be a highly sensitive issue in Germany. Germany's Basic Law and international law provide the mandatory frame of reference for any decision to use force; and the participation of the legislature (Bundestag) is constitutionally required. Yet cases in which law or circumstances actually *compel* Germany to use military force will remain rare exceptions. And if risk management, rather than just defense, is taken as the overarching paradigm of security policy, legitimate disagreements on specific risk assessments or priorities within NATO or the EU/CSDP will be all the more likely, perhaps even the norm. Like other member states, Germany will therefore have to be clear(er) in articulating its own interests and values. But it must also include the fact of its mutual dependence with others in its calculations. Not only does the Federal Republic rely on its allies and partners, they are also reliant on Germany. In sum, alliance solidarity in a networked world requires special consideration of the needs and interests of allies, and taking responsibility for the impact that a sovereign decision has on them.

Germany and its partners are mutually dependent. That entails a special consideration

Recommendations:

- A risk management paradigm for Germany's security policy requires a whole-of-government approach and the reinforcement of capabilities in the areas of knowledge, analysis, and strategic foresight – including an inter-departmental strategic risk analysis.

- A crisis and military deployment committee should be established in the German Bundestag. Parliamentary participation in deployment decisions should be made more flexible, for example by making missions subject to recall, combined with an earlier involvement of the legislature by the executive, and information exchanges with allied legislatures.

- To better inform the German public about current security challenges, the Federal Government should regularly submit a report on Germany's security to the Bundestag.

New Power
New Responsibility

The Project and its Participants

The project

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The paper reflects the consensus, but also the dissent in their discussions, which were held in four working groups between November 2012 and September 2013. The analyses and recommendations contained therein are not necessarily shared by all members of the project.

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