

# Study

Relief and re-engagement – German initiatives for stronger transatlantic cooperation

No. 22 | January 2021

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# Summary

hether and how the states of the transatlantic region can agree on a common strategy towards China will be the litmus test for their future cooperation. The new Biden administration continues to call for more responsibility to be assumed. The United States see themselves in the midst of a systemic confrontation and expect concrete initiatives, diplomatic assistance and substantial support from

their allies in order to face the challenges posed by China's rise in power. Europe and Germany must manage a balancing act. On the one hand, it is important to protect their own interests in the economic sphere, which are different from those of the US. On the other hand, it is important to relieve the US of security policy tasks by assuming more responsibility.

### **Geopolitical framework**

The geopolitical landscape is no longer unipolar. In a multipolar world, the USA as a weakening hegemon is confronted by China and Russia as systemic challengers. Russia may be considered such a challenger because of its military capabilities and aggressive foreign policy, although Moscow's lack of the necessary economic robustness, political stability and innovation capability limit its ability to truly live up to this role in the long term. China, on the other hand, has undergone an unprecedented development in recent decades, characterised not only by economic success and the rapid modernisation and build-up of its armed forces but also by a steady increase of influence in international forums and as a setter of new standards for the rest of the world, for example in the area of high technology. In short, economic prosperity and defence investments have granted China a rapid rise in power, underpinned its increasingly confident and expansive actions in the region, reduced the relative power gap to the US as the leading power and opened up opportunities to position itself as a systemic antithesis to the *Pax Americana*. For some years now, the US has been trying to curb China's increased power, counter its expansionist policy through containment and persuade partner states to show more commitment and assume greater responsibility.

### **European and German options**

This systemic conflict poses a political and economic challenge for the countries of Europe. Although it is important to protect their own economic interests, which are different from those of the US, at the same time, it is vital to relieve the US of security tasks by taking on more responsibility. Many past disagreements between the transatlantic partners can be traced back to this balancing act and the European position on China.

Europe's own interests are reflected in the new EU-China Agreement, for example, which was signed just a few days before Joe Biden's presidential inauguration. Since the new US administration had actually planned to involve the EU in its course of action against China, reactions from Washington have been rather muted. Among other things, the agreement facilitates mutual access to markets. It can also be considered a partial political and diplomatic success for Beijing, however, as it does not address the situation of the Uyghurs or the Hong Kong security law at all. In recent years, discussions of burden-sharing, strategic autonomy and reducing or increasing defence spending (as part of the two-percent debate) have caused some resentment in Washington. Unlike Europe and despite still being economically dependent, the US is ready to do more to counter the autocratic and expansive tendencies of China. Most EU states, however, are critical of the current US sanction policy against Beijing and fear extensive trade conflicts and geopolitical upheaval. In contrast to



the US, Europe has so far relied less on containment policy and restrictive sanction mechanisms and instead was hoping to exert a strong regulating influence on Beijing through extensive economic interdependence. The new agreement pursues the same approach.

Sooner or later, the current approach towards China will have to change, seeing as European concessions have previously been reinterpreted by Beijing. Since the US increasingly has to focus on Asia and the Pacific, the European NATO states and the EU are compelled to assume greater responsibility in Europe, Africa and on the oceans, all against the backdrop of the above-mentioned balancing act. The German strategy for the transatlantic relationship on the one hand and China on the other will also always be faced with the dilemma of Germany having to protect its economic interests in China. At the same time, however, the US has to be presented with a strategy that would (a) ensure the continued American defence of Germany and Europe, (b) allow it to continue to pursue its economic interests in China and Asia (for example, through freedom of navigation), and (c) pre-empt another transatlantic discussion about burden-sharing. The following paragraph will outline what such a strategy could look like.

### Relief and re-engagement – a German R2 strategy?

A separate European security strategy for dealing with China hardly seems possible – the transatlantic relationship would suffer too much, and differences with China in terms of legal and normative concepts as well as security policy interests are too great. Instead, European states should try to take on some of the burden currently shouldered by the US when it comes to Europe, Africa, the Middle East and on the maritime routes, while the US itself focuses more on the Asia-Pacific region. After all, the Asia-Pacific is where China has acted ever more aggressively in recent years - and the EU has no real presence there as a security policy actor. Yet, issues of security and economic policy are particularly intertwined in the region. All EU states have essential economic interests and depend on safe maritime routes and uninterrupted trade. The UK – although no longer a member of the EU - and France are already reacting to this dependency by establishing a maritime presence in East Asia.

Germany could formulate an appropriate *relief and re-engagement (R2) strategy* as a substantial contribution in order to honour its commitment to providing long-term relief for the US. From a national perspective, this would mean reiterating obligations in the context of NATO and following through with visible steps. This includes, in particular, the issue of defence spending and the promise to increase it incrementally. The future funding situation of the Bundeswehr is difficult to predict because of the uncertainty of the long-term economic consequences of the COVID-19 pandemic. It is therefore necessary to revitalise

the idea of Federal Minister Annegret Kramp-Karrenbauer to measure the contribution of countries to NATO not on the basis of the ratio of percent to GDP, but on the basis of capabilities provided. This should then be made the topic of consultations and decisions within the Alliance. Commitments towards NATO to provide three fully equipped and deployable Army divisions by 2031 would constitute such a step. If Germany and France take the lead, the majority of security and Alliance tasks could be achieved in Europe. This includes deterrence of Russia on land and sea. Providing capabilities independently from the US includes air defence of the Baltic states. This should be financed by a consortium of European NATO states. By establishing a Standing Maritime Group from the member states of the Northern Group<sup>1</sup>, Germany and the UK could send a clear signal to Washington. The European NATO states would thus demonstrate that they take the increasing threat against NATO's northern flank serious. This Standing Maritime Group would have to be established outside of the structures of NATO but would have to cooperate closely with the Alliance.<sup>2</sup> The US forces and assets that would be freed up as a result could then be deployed by Washington to the Pacific regions. An expansion of NATO toward a global alliance of democracies under American leadership should also find the diplomatic support of Berlin, although without any presumption of a potential future membership of states such as Australia or New Zealand. All these measures could take some of the burden

German capabilities for playing a more active role in the Pacific region are limited because of budgetary and material constraints. Nonetheless, through more active involvement, Germany can signal to the US that Berlin shares Washington's threat perception when it comes to China. Australia, New Zealand, Japan and South Korea, for example, could be key states for closer security policy cooperation. Aside from the already adopted German government guidelines on the Indo-Pacific region as well as the announcement of sending a frigate to Australia in 2021, the willingness of German officers to participate in freedom of navigation operations of American, French

<sup>1</sup> The Northern Group (NG) is an informal, non-institutionalised forum for consultation and pragmatic cooperation on matters of security and defence policy among the countries that border the North and Baltic Seas. It was established in 2010 on the initiative of the UK. The list of member states includes the members of the Nordic Defence Cooperation (NORDEFCO) – Denmark, Norway, Finland, Sweden and Iceland – as well as the UK, the Baltic States of Estonia, Latvia and Lithuania, Poland, the Netherlands and Germany. The aim of the Northern Group is to provide a consultation and cooperation format that a) exhibits a clear regional perspective and b) facilitates cooperation between NATO and non-NATO countries.

<sup>2</sup> See also "Maritime strategic thinking: The GIUK example", Metis Study No. 17 (June 2020).



Fig. 1 Exercise NORTHERN COAST: SEA LYNX on-board helicopter taking off from Frigate Rheinland-Pfalz on 1 September 2011. | © Bundeswehr/Björn Wilke

and British allies are all part of this signal. Another such signal would be to further intensify military cooperation with Australia and New Zealand as two key states already identified by the Federal Ministry of Defence. Mutual involvement of specialised forces of both sides in exercises and manoeuvres would be a first step towards in that direction. All these approaches would have to be implemented in close cooperation with the US as well as France and the UK as central European partners, but they would serve as a clear signal of German commitment in the region beyond mere political symbolism.

Germany could also serve as an initiator of multilateral cooperation forums in the region. This would include issues of nuclear strategy, conventional arms control, exchange over military doctrine and regulation of new military technologies. These forums should be inclusive (meaning that an invitation should also be extended to China) and aimed at creating predictability through information exchange in order to minimise mutual uncertainty about intentions. Ultimately, such initiatives could work as trust-building measures – which would also be in the

interest of the US – with the aim of creating medium-term opportunities for substantial arms control talks.

Further, Germany could share with the coastal states its technical expertise when it comes to establishing maritime surveillance systems (surface and underwater) and thus help set up maritime surveillance systems in the region. Closer cooperation of military intelligence services of the states in this region (with the exception of China) is another initiative that Germany could pursue. A win-win-situation thus seems possible in the medium term, for Germany and the other states involved in the cooperation.

An R2 strategy can help Germany to achieve two political goals. Firstly, by assuming responsibility in Europe, on the Atlantic Ocean and Mediterranean Sea and in North Africa, it can take some of the burden off the US, deepen the cooperation with France and enhance the role of Germany and France as an anchor of stability in Europe. Secondly, increased engagement in the regions where the US seeks support also allows Germany to make proactive and creative contributions that go beyond mere



lip service. This is the only way that an R2 strategy can help rehabilitate the tense relationship with the US. The following measures could be pursued to ensure that this is successful.

### In Europe, the Middle East and North Africa

- further Europeanisation of NATO contingents to protect the northern, eastern and southern flank
- implementation of ground-based air defence in the Baltic region as a purely European contribution to NATO, financed by the European NATO states
- establishment of a Standing Maritime Group in the Atlantic
- assumption of greater financial and personnel responsibility for Individual Cooperation Programmes (ICP) as part of the NATO Mediterranean Dialogue and the Istanbul Cooperation Initiative
- support for keeping Turkey anchored in NATO through EU policy

### In the Asia-Pacific Region

- support of coastal states in the Indo-Pacific region through technology transfer
- support for the establishment of new maritime surveillance systems and the expansion of existing ones
- participation in exercises of the navies and air forces of partner states in the Indo-Pacific region (especially Australia and New Zealand) in order to strengthen maritime diplomacy
- closer cooperation with Australia and New Zealand in the area of special forces
- regular participation of German officers in freedom of navigation operations
- closer cooperation of the secret services of the partner states in the region
- initiation of forums and conferences with Chinese participation on nuclear strategy, arms control, regulation of military technology and military doctrine
- introduction of regional cooperation in the areas of natural disasters, maritime search and rescue operations, cyber defence and counterterrorism





### **IMPRINT**

### **Publisher**

Metis Institute for Strategy and Foresight Bundeswehr University Munich metis.unibw.de

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# **Original title**

Entlastung und Engagement – Deutsche Impulse für eine verstärkte transatlantische Zusammenarbeit

### **Translation**

Federal Office of Languages

ISSN-2627-0609

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