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Policy Brief

TOXIC RUSSIA:

HOW GERMANY ALTERS ATTITUDE TO NORD STREAM-2 AFTER NAVALNY POISONING

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It is not the first time that Russia is caught in flagrante delicto, be it related to military aggression against post-Soviet countries, evidence of its interference with elections in the West or exposure of Russianled cyberattacks... The list is not exhaustive.

These days, we are witnessing yet another dramatic turn of events as the German authorities report about the poisoning of Aleksey Navalny, a famous opponent of the Kremlin, with a substance from the Novichok group. But while the government of Germany is expecting an official explanation from Moscow, many prominent German politicians have already spoken: Russia must have been involved.



This news has caused a burst of resentment in Germany, and the government is being urged to impose stricter sanctions on Russia, particularly with regard to the notorious Nord Stream-2 pipeline nearing its completion. Energy experts stress that only sanctions can prevent its launching.

Given such new circumstances, the analysts of the New Europe Center have explored the likelihood of restrictions against the Russian-led project.

GERMANY'S IDLE WARNING

There was a time when relations between Berlin and Moscow seemed to be in no way clouded. In 2007, for instance, the only problem widely covered in world's media was the incident when Putin terrified Angela Merkel by letting his Labrador into the negotiation room, some say deliberately.

Over the last years, Merkel exerted a great deal of personal effort to the development of Russian-German partnership and was certainly unprepared for a slap in the face from the Kremlin.

A lot has changed since then.

Now Merkel has grounds to perceive the Russian problem as a personal defeat.

The German Chancellery is finally aware that this whole time Russia didn't really seek any modernization or democratic ideals whatsoever, and capitalized on the naivety of Europeans instead.

The chancellor, however, has been nothing but patient.

Over more than 15 years in office, she has seen enough regrettable moments to lose the slightest bit of hope attached to policies of Vladimir Putin. It will be recalled how Germany turned a blind eye to provocations and operations of the Russian intelligence service in other countries; one can assume that Germans are not much interested in problems of Moldova, Georgia or Ukraine, where Russia has no qualms about using any method.

But what Berlin has neither ignored nor forgiven were Russian intelligence operations on German soil.

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These include a story about Liza, a teenage Russian girl allegedly raped by migrants in Germany in 2016 (a provocation was expected to cause a decline in the ratings, including those of Angela Merkel's party, amid the migration crisis), cyber attacks on the German Chancellor's email, which had their source in Russia, and the lastyear murder of a former Chechen commander in Berlin (the prosecutor's office believes the Russian government to be the paymaster).

However, the fact that it was Germany which officially revealed a possible, but in reality fairly obvious, involvement of the Russian elite in Navalny's poisoning, dramatically doomed all of Angela Merkel's intentions and efforts towards a dialogue-based interaction with Russia.

Not only are German media currently exposing actions of the Russian elite, but are also vigorously debating ways to respond.

The idea of a moratorium on the completion of Nord Stream-2 is one of the most frequently voiced.

The chancellery can't possibly ignore the deluge of criticism and extraordinary attention to the matter in German media.

Ironically enough, despite Ukraine's efforts to draw Germany's attention to the problem and calls from Berlin's transatlantic partners in the U.S., who have taken strict measures (including sanctions), Russia itself became the most effective tool in this regard.

THE GERMAN DEAL

As has been noted, the leading German media have played an essential role in associating Navalny's poisoning with the suspension in the completion of the Nord Stream-2 pipeline.

For instance, since the poisoning of the Russian opposition figure, one of the most popular German magazines *Der Spiegel* has published about 40 articles related to Nord Stream-2 and the Navalny case.

The headlines speak for themselves: "The Struggle for the Last Few Meters" (160 out of 2460 kilometers of the pipeline remain unfinished), "Merkel Trapped in Russia," "Kremlin Accuses Berlin of Bluffing," "Pain and Alienation: Navalny Story Likely to Significantly Change the Atmosphere between Merkel and Putin."

Both the largest daily German newspaper *Süddeutsche Zeitung* ("Merkel and Putin: Russia's Dominance in Escalation") and *Frankfurter Allgemeine Zeitung* ("North Stream-2 Runs Contrary to German Interests") have extensively covered the recent events.

The *Bild* tabloid, boasting the largest readership in Germany, has also openly criticized the project:

the other day, the paper published a commentary entitled "Nord Stream – Mord Stream."

Such heightened media attention to the incident has in fact created a window of opportunity to raise awareness of the German public about the hazardous implications of the Nord Stream-2 project and debunk the myths surrounding the powerful Russian lobbying.

The media attention has also certainly influenced the discussion of Nord Stream-2 by politicians.



On the one hand, the main conclusion is seemingly disappointing: most supporters of Nord Stream-2 have not given up their views, except that they have become a little more careful in choosing their arguments.

On the other hand, there can be seen adjustments in public statements at the highest level. And while these changes are still nuanced and ambiguous, senior officials have finally started talking about the controversial nature of Nord Stream 2 and, for the first time, departed from the mantra of a "pipeline without politics."

Moreover, there are those who assume the introduction of restrictive measures at the level of the European Union.

WHO CALLS FOR SANCTIONS?

The ruling parties, the *Christian Democratic Union* and the *Christian Social Union (CDU/CSU*), are generally in favor of continuing the construction of Nord Stream-2, but **the position is not monolithic**.

For example, the pro-Russian Minister President of North Rhine-Westphalia, Armin Lashet (one of the candidates for the post of CDU chairman, Merkel's party), has spoken in favor of completing the construction of the gas pipeline and against linking this issue to Navalny's poisoning; Marcus Söder, CSU Chairman and Bavarian Minister President, and Michael Kretschmer, Minister President of Saxony, have traditionally taken the same position.

Instead, the current chairman of the Bundestag's foreign affairs committee, Norbert Röttgen, Lachet's rival in the party's leadership race, has sharply criticized the project, but in fact he had done so before.

Another candidate for the CDU presidency, Friedrich Merz, who previously supported Nord Stream-2, has recently proposed a two-year moratorium on its construction. In a similar vein, German Defense Minister Annegret Kramp-Karrenbauer has also not ruled out the possibility of sanctions against the gas pipeline.

Merkel herself does not make categorical statements, but there are noticeable changes in her position.

Until recently, she advocated not mixing economics and politics (that is, completing Nord Stream 2 despite Navalny's poisoning).



However, government spokesman Steffen Seibert said a few days ago that Angela Merkel "does not rule out anything."

Another member of the governing coalition, the *Social Democratic Party of Germany* (SPD), has traditionally been considered supportive of Russia and advocated the construction of Nord Stream-2. In general, the party does not endorse the suspension of the project. However, German Foreign Minister Heiko Maas, who is also a social democrat, has recently expressed hope that Russia would not force Germany to change its position on Nord Stream-2. And although such a warning by the chief German diplomat seems to be too lenient, it was Maas who became the first high-ranking official to bring the issue of Nord Stream 2 and Navalny's poisoning to the German political agenda.

The Vice Chancellor and Minister of Finance of Germany, social democrat Olaf Scholz also hasn't excluded the possibility of imposing anti-Russian sanctions in response to Navalny's poisoning.

Opposition parties have generally maintained their traditional positions.

The *Greens* have always opposed Nord Stream-2. The *Free Democrats* (FDP) have taken a cautious stance. And although there are a number of lobbyists of the project in their ranks, the party's statement generally meets Ukraine's interests.

In contrast, the pro-Russian *Left* and *Alternative for Germany (AfD)* have supported the project.

Moreover, they promote other Kremlin's narratives.

The other day, the Left party's MP Sevim Dağdelen vaguely noted that samples of the poison had fallen into the hands of the Federal Intelligence Service in the 1990s and, accordingly, Western intelligence services. Thus, it is purportedly impossible to draw any conclusions about the origin of the poison and the criminal.

Leif-Eric Holm, a representative of the AfD party, has said that Germany could not "bury 10 billion euros in the Baltic sand because of its hypermorality."

It should be borne in mind that there is an inextricable link between foreign and domestic policies. In a year, Germany will hold a federal election; thus, actions or positions of German politicians are often part of the struggle for a pro-Russian electorate. In reality, the number of pro-Russian voters is small, but for the Left or the AfD, even that number is critical.



WHAT IS HOLDING MERKEL BACK?

The fact that the crime was committed in the Russian territory is an argument against a firm response, thus raising the question as to the grounds for sanctions. However, the absence of reaction is politically challenging.

"The attention to Russia is so acute that Angela Merkel simply cannot but react" — this is the main idea of all German diplomats and analysts we have had a chance to talk to in recent days.

Our interlocutors have unanimously stated that if everything depended on the chancellor, the decision would probably be approved sooner. Unfortunately, there is no consensus on this issue, not only within the ruling coalition, but also within Merkel's own party. Therefore, most German experts are currently skeptical about the readiness of the German government to tighten sanctions against Russia (even at the EU level).

However, there is one possibility that can make a huge difference.

It all depends on Russia itself.

Germany, which takes a responsible attitude towards the letter of the law, has given Moscow the right to explain the situation.

Germans certainly have no illusion that Russia will conduct an honest and transparent investigation into the poisoning, as everyone calls for. But the German government adheres to a diplomatic ritual rather than really counts on constructive cooperation from the Kremlin. They remember Russia's "readiness" to cooperate in similar situations – the poisoning of Litvinenko, Skripal or the downing of MH17. Nonetheless, how exactly Moscow's "no" will be formalized is difficult to predict. The more nonsense it does, the more likely a stringent reaction from both Germany and the European Union as a whole will be.

The EU's position is essential because Berlin will not resort to unilateral action. Fearful of being labeled a "German dictator," Germany is principally trying to avoid this in international relations. That is why it is important for Berlin, for example, that not only the German side participates in the dialogue with Russia to end the war in Donbas, but that French diplomacy is also involved in this process.

In this case, solidarity is even more important. German politicians are confident that in the event of the rejection of Nord Stream 2, Russia will definitely submit the matter to arbitration and will be able to obtain compensation if the grounds for such a measure are not properly formalized. For Angela Merkel personally, the legal justification of sanctions is also important.

By the way, a few words on the Merkel's position.

The chancellor's term of office is drawing to a close. After the election to be held no later than in twelve months, a new government will be formed, and Angela Merkel, as she promised, will step down. Under such conditions, other politicians acquire the status of a "lame duck," a leader who is already losing influence. But this has nothing to do with Merkel, who remains one of the most popular politicians in the country. According to the latest poll, more than 60 percent of Germans trust her. Given that she is ruling Germany for the fourth consecutive term, the number is truly astonishing.

One might assume that in the last year in power, such a high level of trust could prompt



Angela Merkel to take a bold step; perchance, even contrary to fellow party members... But obviously, the secret of the German Chancellor's popularity and influence lies in her prudence and rationalism.

Therefore, the decisive factor in this situation is the level of audacity of the Russian reaction.

WHAT SHOULD UKRAINE DO?

Our position in this respect is absolutely obvious —our state has consistently warned Germany against supporting Nord Stream. It is thus not surprising that Ukrainian diplomacy continues to insist not only on stopping Nord Stream 2, but also on a temporary moratorium on the purchase of Russian energy in general. It is important to choose arguments carefully — not to focus solely on the issue of transit fees so as not to create the image of a state which is concerned about North Stream-2 in a purely economic sense.

All the more so that the biggest threat from alternate gas routes lies in the security domain.

It is now important for Ukraine to send clear messages through various channels that she has sufficient transit capacities, that our pipeline is in a proper condition and that the completion and launch of Nord Stream 2 support and open up new opportunities for Russian aggression.

It is important for Kyiv to take into account the current situation in addressing other challenges related to Russia. According to diplomatic circles, Russia has recently raised an issue with the German Foreign Ministry on easing sanctions of the European Union. One of the arguments is the truce in Donbas, which has lasted for more than a month. German diplomats refused before Navalny's poisoning with Novichok became known, as Berlin understood both the fragility of the current armistice and the insufficiency of the truce alone to review the sanction regime.

And under the new circumstances (and also because of the recent ceasefire violation), Russia is definitely not in the position to even hint at easing the sanctions in force. Therefore, chances are that the meeting of counsellors to the leaders of the Normandy format scheduled for September



11 will be a rather stressful experience for Russian negotiators.

In conclusion, it should be noted that the question now is not the likelihood of sanctions, but rather their scale in the future, including whether the new wave of restrictions will provide for a ban on the completion and launch of Nord Stream-2.

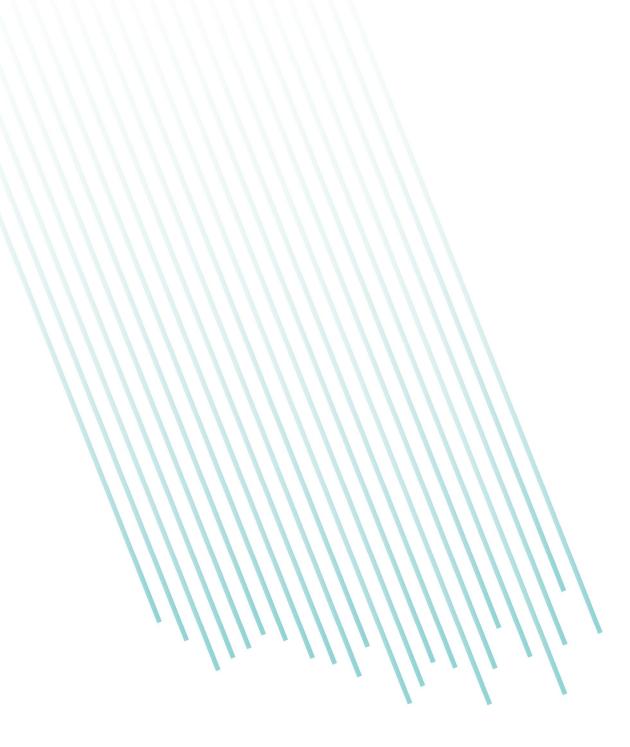


ABOUT NEW EUROPE CENTER

The **New Europe Center** was founded in 2017 as an independent think-tank. Despite its new brand, it is based on a research team that has been working together since 2009, at the Institute for World Policy. The New Europe Center became recognized by offering high-quality analysis on foreign policy issues in Ukraine and regional security by combining active, effective work with advocacy.

The New Europe Center's vision is very much in line with the views of the majority of Ukrainians about the future of their country: Ukraine should be integrated into the European Union and NATO. By integration, we understand not so much formal membership as the adoption of the best standards and practices for Ukraine to properly belong to the European System.

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