

The New German Question

Challenges of Geopolitical, Economic, and Moral Leadership for a Reluctant Hegemon

SEUNG-JAE OH

From the ashes of total destruction at *Stunde Null*, or the moment of the unconditional surrender that brought an end to the Nazi era on May 8th, 1945, Germany has made a remarkable recovery.¹ In just about every aspect – political, economic, social, intellectual, and moral – Germany has completed a thorough rehabilitation worthy of acclaim, having transformed itself into a state and society that upholds liberal democratic values and provides an exemplary model in historical reconciliation.² Its postwar trajectory has transitioned from an economic revival in the 1950s to a peaceful reunification in 1990, before emerging as the strongest economy within the European Union (EU) in the 21st century. Its reputation as the leading European economy and a social democracy par excellence is rooted in its extensive and effective social programs, such as a universal

1 | This article has been adopted from a term paper written in spring 2016. A 2016 graduate of the University of Notre Dame, Seung-Jae Oh is now assistant professor of Korean at the Defense Language Institute Foreign Language Center in Monterey (CA). The content of this article is the sole responsibility of the author and does not represent the official view of, nor has it been endorsed by, the U.S. Government or the Department of the Army.

2 | Greg Rienzi: Other nations could learn from Germany's efforts to reconcile after WWII. In: Johns Hopkins Magazine, Summer 2015, online <http://hub.jhu.edu/magazine/2015/summer/germany-japan-reconciliation>. Many South Koreans, in their criticism of Japan's uneasy relationship with its wartime past, often invoke the argument that postwar Germany offers an example to emulate for other nations with a history of past aggression and abuse. The continued Japanese reluctance to fully apologize for its colonization of Korea from 1910 to 1945, particularly regarding the controversial legacy of »comfort women,« or sexual exploitation and enslavement of Korean women by the Imperial Japanese Army, remains a thorn in the bush to this day in South Korea-Japan relations.

health care system and a tuition-free higher education that are astonishing by American standards.³

The self-confidence based on this reputation soared to new heights when Germany won the World Cup in 2014 – its first since reunification. It set off a palpable sense of exuberance throughout the country, marking a »new leap forward« for a country more accustomed to expressions of agony and angst over its wartime guilt.⁴ This newfound sense of national pride was unprecedented and stunning even by the standards set during the 2006 World Cup hosted on its own soil, where the German national team advanced to the semifinals. In a sense, the soccer euphoria helped the Germans take another collective step towards *Vergangenheitsbewältigung*, or overcoming the heavy burden of their modern history. Having been the envy of the world in many aspects, Germany today could not be more different from its former self in the 1890s or the 1930s, because it no longer speaks of its place in the sun or of the need to assert its greatness.⁵ This is not only because such a language has long been consigned to the dustbin of history. Today's Germany has no use for this rhetoric for reasons beyond its historical guilt and responsibility: it now enjoys a measure of prestige and respect that its imperial and totalitarian predecessors failed to attain by militarism and conquest.

From football to politics to the economy, Germany's ascendancy, in both absolute and relative terms, has turned it into the most powerful country in Europe, eliciting varied reactions from its neighbors near and afar, as well as its own people.⁶ In marked contrast to the past, the extent to which it has come to dominate the Continent has been mostly met with muted complaints instead of alarmist rhetoric, as its gains are partially a consequence of others' retreat.⁷ In fact, past animosities from the Nazi aggression and occupation, though back

3 | Sonali Kohli: Why you can get a free college education in Germany but not in California. In: The Los Angeles Times, 29 Oct. 2015, online www.latimes.com/local/education/community/la-me-edu-free-college-education-in-germany-but-not-in-california-20151029-htmlstory.html.

4 | Anthony Faiola/Anne Hull: A score for Germany patriotism. In: The Washington Post, 13 Jul. 2014, online www.washingtonpost.com/world/a-score-for-germany-patriotism/2014/07/13/Od2d2618-666a-4919-9b3b-1bbeec1d8645_story.html.

5 | Robert Wohl: A Place in the Sun – A German Need. In: The Great War and the Shaping of the 20th Century. Public Broadcasting Station, online www.pbs.org/greatwar/historian/hist_wohl_01_need.html.

6 | Europe's reluctant hegemon. In: The Economist, 15 Jun. 2013, online www.economist.com/news/special-report/21579140-germany-now-dominant-country-europe-needs-rethink-way-it-sees-itself-and.

7 | In Germany's shadow. In: The Economist, 28 Mar. 2015, online www.economist.com/news/europe/21647363-germany-coming-terms-messy-world-germanys-shadow.

in vogue in countries like Greece,⁸ have been largely replaced by a new kind of discontent based on a perception of German inaction on security issues.⁹ Persistent criticisms have come from Berlin's allies and partners that its economic heft has not translated into a proportional foreign policy, as a series of crises in recent years have exposed a rift between Germany and others. Despite all the talk of Germany's world-class status, the idea of leadership on the world stage still prompts an ingrained sense of reluctance and discomfort, rather than excitement or eagerness to rise to the occasion. Whether it likes it or not, Berlin now stands at a crossroads, as it increasingly faces the calls for its leadership within and for Europe in a world that has come to expect more from Germany.

Circumstances, instead of intent, have propelled Germany to the top of international politics, as it now »dominates Europe to a degree unimaginable even 15 years ago«¹⁰. Yet Berlin's stewardship of its new power has invited characterization of Germany as a »reluctant hegemon,« as the country approaches a turning point in its postwar history with a profound uncertainty.¹¹ It has been down this path before, as the problem with which it must now wrestle once again is the age-old question »about the role of a country too big for Europe and too small for the world,« as Henry Kissinger once famously put it.¹² To be sure, the resurfacing of the so-called German question, which harkens back to the late 19th century that witnessed the emergence of Germany as a modern nation-state, has a fundamentally different feel to it this time. German power no longer gives rise to fear in a manner reminiscent of the interwar period, as there's no doubt regarding the Federal Republic of Germany's commitment to its policy of permanent renunciation of war »as an instrument of its foreign policy«¹³.

8 | James England: Punctuating the Powerful. In: *History Today*, 18 Sept. 2015, online www.historytoday.com/james-england/puncturing-powerful. – The Greek antagonism toward Germany, manifested in comparisons of German Chancellor Angela Merkel to Hitler as well as demands for reparations based on the Nazi occupation of Greece from June 1941 to October 1944, stems from the recent European debt crisis. Greece was forced to adopt painful structural reforms to its economy as a consequence of receiving multiple bailout loans from the European Central Bank, where Germany dominates the agenda and decision-making.

9 | Michael Rühle: Security Policy as Symbolism. In: *Berlin Policy Journal*, 11 Feb. 2016, online <http://berlinpolicyjournal.com/security-policy-as-symbolism>.

10 | Roger Cohen: The German Question Redux. In: *The New York Times*, 13 Jul. 2015, online www.nytimes.com/2015/07/14/opinion/roger-cohen-the-german-question-redux.html.

11 | Europe's reluctant hegemon.

12 | *Ibid.*

13 | Spencer Kimball: Germany's struggle with military power in a changing world. In: *Deutsche Welle*, 28 Dec. 2010, online www.dw.com/en/germanys-struggle-with-military-power-in-a-changing-world/a-6308457.

On the contrary, this long-established legacy of the Second World War, a principle of non-intervention abroad using force, is coming under increasing pressure against the backdrop of Europe's changing realities. The center of gravity in European affairs has shifted to Berlin, as Germany finds itself as a first among equals – or, rather, a predominant power without equals. In a way it has no real partners, as its traditional counterparts on the Continent – a politically paralyzed France, an increasingly Eurosceptic Britain, and an over-indebted Italy – have become too constrained by their domestic circumstances to exercise leadership for the EU as a whole, especially on matters of diplomacy and security.¹⁴ It was in this context that they welcomed German President Joachim Gauck's speech at the Munich Security Conference in January 2014, where he exhorted his countrymen to shoulder more responsibility in solving global issues.¹⁵ In his speech, Germany's European neighbors saw for the first time a harbinger of change in a country that had been content to farm out its foreign policy to the United States and its security to North Atlantic Treaty Organization (NATO).¹⁶

Germany has thus shown that it recognizes the need to rethink its foreign policy – and, by extension, its role in the world. This recognition, however, faces long hurdles in translating the vision for a new German foreign policy into reality. For a start, the long shadow of Germany's modern history has created a culture of policy-making with distinctive features that are »mostly legacies of a culture of atonement«¹⁷. Generally speaking, the country has always pursued a modest foreign policy since 1945, aiming to avoid entanglements in politico-military affairs abroad in the name of pacifism that is almost categorical in its nature. In addition, Germany's attitudes toward Europe and leadership within it »run deeper than party politics« at home for a number of reasons. First, the country lacks historical experience of success in international leadership – thus the attendant lack of a tradition of strategic thinking. Second, its belief in European integration, mirroring its faith in a federal system of governance, makes it loath to claim leadership, at least in a rhetorical sense, within a pan-European system designed for decentralization of power. Third, its preference for stability through institutionalization and consensus, particularly in monetary policy,

14 | Alone at the top. In: *The Economist*, 26 Jul. 2014, online www.economist.com/news/europe/21608772-germany-has-done-much-atone-past-now-it-faces-leadership-greater-burden-alone.

15 | Hans Kundnani: Germany Rethinks Its Role in the World. In: *Current History* 114 (2015), No. 770, p. 115.

16 | No more shirking. In: *The Economist*, 8 Feb. 2014, online www.economist.com/news/europe/21595956-germany-ready-have-foreign-policy-proportionate-its-weight-no-more-shirking.

17 | A lurch onto the world stage. In: *The Economist*, 28 Feb. 2015, online www.economist.com/news/europe/21645223-germany-emerging-faster-it-wanted-global-diplomatic-force-lurch-world.

renders it susceptible to a desire to stay the course.¹⁸ Fourth, the painful legacy of National Socialism, more commonly known as Nazism, has resulted in an ingrained hesitation in exercising power abroad. Fifth, the same legacy has imbued the neighboring countries with suspicions of German aspirations based on historical memory.¹⁹

For these reasons, German power, as pointed out by British academic Hans Kundnani, is afflicted with a paradox that renders it unique among the world's great powers – perhaps even admirable precisely for these reasons.²⁰ But this is also problematic in the practical realm, as evidenced by the German reaction to the watershed events in Europe in the last few years, such as the politico-economic crisis in the Eurozone and the foreign policy crisis in Ukraine. Both occasions have proved to be particularly challenging for a country that must engage with its internal forces – »reluctance to lead, desire for European integration and fear of instability« – while it also deals with the needs of the EU.²¹ Such historical forces have constrained its ability to act quickly and decisively, as it seeks to achieve too many disparate goals simultaneously: preventing escalation of crisis into a financial meltdown or a full-fledged war; a moral clarity in its response; defending the international system of rules; and keeping the EU, NATO and the West together.²² Despite various statements by its political leaders, Germany has been seemingly contradictory in its response to these challenges, as it has appeared as decisive yet risk-averse, determined yet uncertain – and, perhaps, unsure of itself – in different moments. As a result, a new German question has surfaced in Europe, where Germany's neighbors may »have every reason to fear its ambitions – for their smallness«²³.

Given Germany's investment in the creation and maintenance of the European order, violations of its integrity by Greece's bad-faith defiance of German-imposed austerity and Russia's revanchism demands a response that signals Berlin's new understanding and acceptance of its burden in preserving the existing order.²⁴ Particularly regarding the Euro crisis, however, Berlin desperately

18 | Europe's reluctant hegemon.

19 | This author wishes to thank Prof. Lörke for his suggestion for the fourth and fifth reasons for the paradox of German power.

20 | For more information, see his recent book *The Paradox of German Power* (New York 2015).

21 | Europe's reluctant hegemon.

22 | A lurch onto the world stage.

23 | Yascha Mounk: A Sheep in Wolf's Clothes. In: *The Wall Street Journal*, 10 Mar. 2015, online www.wsj.com/articles/book-review-the-paradox-of-german-power-by-hans-kundnani-1426028861. The article is a review of Kundnani's book.

24 | Power v piffle. Germans face a wrenching debate about what their diplomats and soldiers may do abroad. In: *The Economist*, 20 Nov. 2014, online www.economist.com/news/21631821-germans-face-wrenching-debate-about-what-their-diplomats-and-soldiers-may-do-abroad-power-v-piffle.

needs a willingness to rethink the roots of the problem by reconsidering its policy in a broader context. The German response to the Euro crisis has exposed the European system's structural weakness of allowing the divergence between rights and responsibilities to the detriment of the system – and also to Germany's leadership. Currently, the EU as a political union is not linked to the Eurozone as a fiscal union, which poses no threat to the former as long as the latter is stable. However, this arrangement allows a fiscal crisis to become a larger political crisis and subsequently damage the integrity of the entire system, as such a lack of linkage allows member states to prioritize national interests over pan-European interests. Especially in a debt crisis, the absence of debt mutualization, which creates the politico-economic linkage, leads crisis-afflicted member states, now deprived of their own currencies and thus their ability to manipulate them to defend their national economies, to question the wisdom of political integration without economic integration. In other words, a debt crisis can doom the debtor state and its economic fate if its creditor states insist on austerity measures without regard for economic recovery through growth.²⁵ The human misery that results from this folly can ultimately break the unity of the political union, thereby risking the failure and disintegration of the European project in its entirety as a direct response to the horrors of the first half of the 20th century.²⁶

Germany's response to this crisis as the biggest economy in Europe has left much to be desired. At the fundamental level, the crisis is a sovereign debt crisis caused by fiscal irresponsibility by certain EU member states, of which Greece was the most egregious culprit.²⁷ Despite having already defaulted on its debt once in June 2015, Athens still has access to the credit market thanks to the EU's political resolve, with Germany's economic weight behind it, in keeping Greece

25 | Paul Krugman: Austerity and Growth. In: New York Times, 18 Feb. 2012, online <http://krugman.blogs.nytimes.com/2012/02/18/austerity-and-growth>. – Krugman, an economist at Princeton University and a Noble Prize laureate, has argued for years that the problem with insisting on austerity measures for a depressed economy with a debt problem is that such measures prevent the economy from growing again, thus ultimately condemning it to a destructive cycle of debt, austerity, depression, no growth, and more debt. His argument in a nutshell is that only the Keynesian proposition, which prescribes fiscal stimulus to restore growth before tackling debt, can be the solution. For more information on this argument, see his book *End This Depression Now!* (New York 2012).

26 | The euro and Greece: Europe's future in Greece's hands. Whatever its outcome, the Greek crisis will change the EU for ever. In: The Economist, 4 Jul. 2015, online www.economist.com/news/leaders/21656662-whatever-its-outcome-greek-crisis-will-change-eu-ever-europes-future-greeces.

27 | Hans Kundnani: How Europe's Refugee and Euro Crises are Linked. In: The German Marshall Fund of the United States, 16 Feb. 2016, online www.gmfus.org/blog/2016/02/16/how-europe%E2%80%99s-refugee-and-euro-crises-are-linked.

in the Eurozone for stability's sake. At the same time, however, Berlin's dealings with Athens has revealed a style of leadership that maximizes national interests without regard for the health and stability of the overall union, whose existence benefits it more than any other member.²⁸ Berlin's refusal to mutualize debt, preferring not to further sacrifice its national wealth for the benefit of the Eurozone, has won Merkel approval at home. Within Europe, however, resentment and polarization have sharply risen in recent years due to high unemployment and continued depression in its peripheral economies, which is blamed on the Eurozone's austerity policy that Germany helped establish.²⁹ The international impression of Germany since the beginning of the Euro crisis in 2008 as rigid, uncompromising, and self-interested suggests trouble for its economic leadership by virtue of its size.³⁰

Against this overall backdrop, the emergence of the refugee crisis as the mother of all crises, though seemingly disconnected from the euro crisis, is an even more daunting challenge for Germany's reluctant leadership, pulling it in contradictory directions. In a »sudden and surprising departure from her usual pragmatism,« Chancellor Merkel opened her country's doors to a huddle mass of more than one million refugees in last year alone. In the process, she evinced a moral leadership that has galvanized the Left, earning her new admirers and greatly improving Germany's image abroad.³¹ Yet at the same time, she has exposed her considerable political capital, which emanates from »an extraordinary consensus in German politics« that she has built, to a political backlash potentially even greater.³² Her unexpected display of *Willkommenskultur* has now

28 | Floyd Norris: Euro benefits Germany More Than Others in Zone. The Continent's most powerful country is grappling with its leadership role – and other nations are, too. In: New York Times, 22 Apr. 2011, online www.nytimes.com/2011/04/23/business/global/23charts.html.

29 | Anton Troianovski: Greek Crisis Shows How Germany's Power Polarizes Europe. In: The Wall Street Journal, 6 Jul. 2015, online www.wsj.com/articles/germanys-power-polarizes-europe-1436231408.

30 | Hans Kundnani: The return of the German question: why conflict between creditor and debtor states is now the defining feature of European politics. In: European Politics and Policy Blog. The London School of Economics and Political Science, 26 Jan. 2015, online <http://blogs.lse.ac.uk/euoppblog/2015/01/26/the-return-of-the-german-question-why-conflict-between-creditor-and-debtor-countries-is-now-the-defining-feature-of-european-politics>.

31 | Fareed Zakaria: Germany's road to redemption shines amid Europe's refugee debate. In: The Washington Post, 10 Sept. 2015, online www.washingtonpost.com/opinions/germanys-road-to-redemption-shines-amid-europes-refugee-debate/2015/09/10/00955630-57f0-11e5-8bb1-b488d231bba2_story.html.

32 | Hans Kundnani: Angela Merkel: Enigmatic leader of a divided land. Only recently, the most powerful woman in Europe seemed unassailable. Now, with crucial elections today, the German chancellor faces a growing reaction to her policies as the

embroiled Germany in a much-needed yet haphazardly framed and increasingly polarizing debate over its identity and its obligations toward the world in light of its history.³³ The refugee crisis has already resulted in a significant change in the political landscape by fueling the rise of *Alternative für Deutschland*, a far-right party.³⁴

Outside of the country, Merkel's enthusiastic embrace of refugees has also created newfound friction within the EU, injecting a new source of discontent and instability into a system already battered from the euro crisis. Additionally, the deepening civil war in Syria as the origin of the refugee crisis has even inspired cautious talks of treating the cause, rather than the symptom, of the war. Still, it remains to be seen whether Germany and the EU can reach a consensus on whether a European intervention is justified and how it should be carried out.

For the time being, such a scenario is unlikely in the near future, given Germany's well-known reluctance to contribute militarily to international missions, let alone take the lead.³⁵ Thus, attention must now shift to how the refugee crisis has already merged with the Euro crisis in unexpected ways to produce further complications in EU politics. The overwhelming nature of the former has forced Berlin into an ironic reversal of previous rhetorical emphasis. It has shifted from member states' individual responsibility, as had been the case with the euro crisis, to collective responsibility, as Berlin now wants the refugee population to be re-distributed within the EU.³⁶ Already, this split has prompted fierce opposition from other member states, creating poisoned dynamics in their relations with Germany.

This stands as a lost opportunity for all of Europe, as it is furthering the divide between Germany and the southern European countries. It could have

refugee crisis fuels an angry radicalization. In: *The Guardian*, 12 Mar. 2016, online www.theguardian.com/world/2016/mar/13/profile-angela-merkel.

33 | Hans Kundnani: Angela Merkel will survive – but will the soul of post-war Germany? The migrant crisis is testing the country's idea of itself. In: *The Spectator*, 29 Oct. 2015, online www.spectator.co.uk/2015/10/angela-merkel-will-survive-but-will-the-soul-of-post-war-germany.

34 | Hans Kundnani: Germany turns right. In: *The World Today*. Chatham House, the Royal Institute of International Affairs, April/May 2016, online <https://www.chatham-house.org/publications/twt/germany-turns-right>.

35 | When the United Nations Security Council voted on a resolution that established a no-fly zone over Libya at the height of the country's civil war in early 2011, Germany, along with China and Russia, abstained, frustrating the coalition of the willing that was composed of the US, France, and the United Kingdom. See Security Council Abstention: Germany Hesitates as UN Authorizes Action against Libya (in: *Der Spiegel*, 18 Mar. 2011, online www.spiegel.de/international/world/security-council-abstention-germany-hesitates-as-un-authorizes-action-against-libya-a-751763.html).

36 | Kundnani: How Europe's Refugee and Euro Crises are Linked.

been a teachable moment for the former to »understand how it feels to need help« from its EU partners, and this newfound empathy could have perhaps softened Berlin's hardline position on the Greek sovereign debt. Instead, the Germans have only become more resentful of the EU, as they have been led to believe that their solidarity with countries like Greece during the euro crisis has only resulted in a lack of solidarity in return within the EU on the issue of refugee redistribution.³⁷ Thus, the German finance minister Wolfgang Schäuble has already ruled out the possibility of instrumentalizing the refugee crisis in debates over fiscal matters within the EU. However, for Germany to convince its EU partners to take in refugees, it will need to accept the inevitability of the linkage between the euro and refugee crises in the EU politics.

Rather unexpectedly, the paradoxical nature of the German power is evidenced in the dichotomy between its exceptional hospitality to refugees and its uncompromising approach to the debt crisis that has now become a new Greek tragedy. In both cases, the circumstances have forced Germany to confront the challenges of graduating from a »geo-economic power« to a geopolitical power sooner than it would have liked.³⁸ Therefore, the convergence of these disparate but equally explosive crises hangs a profound uncertainty over Germany's capacity in terms of moral leadership as well as economic leadership. In a recent statement, Schäuble argued that his government's refugee policy was driven not by »Germany's desire to free itself of its history« or »moral imperialism,« but to »save Europe's honor.«³⁹ Can the same logic behind this thinking help Germany accept the necessity of the »mutualization of debt as well as refugees«⁴⁰? Therein lies the immediate challenge of the German leadership as a reluctant hegemon.

37 | Ibid.

38 | The term »geo-economic power« was coined by Kundnani to explain Germany's tendency to use economic means, rather than military means, to advance its interests abroad. See his article *Germany as a Geo-economic Power* (in: *The Washington Quarterly* 34 [2011], No. 3, p. 31-45).

39 | Germany's refugee response not guilt-driven, says Wolfgang Schäuble. In: *The Guardian*, 3 Mar. 2016, online www.theguardian.com/world/2016/mar/04/germanys-refugee-response-not-guilt-driven-says-wolfgang-schauble.

40 | Kundnani: How Europe's Refugee and Euro Crises are Linked.

