
Russia and Germany: Continuity and Changes



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Abstract

Over the past six years, a subdivided though very centralised mechanism for Russian-German cooperation has been forming. This mechanism has enabled many issues within bilateral relations to be resolved, but at the same time contributed to growing alienation between official attitudes and the mood in civil society in both countries. The Schröder-Putin era in Russian-German relations is coming to an end, and it stands to reason that the new government will make changes. However, these are likely to affect the style, and not the substance of relations with Russia.

Introduction

Autumn 2005: a change of government is on the cards for Germany. While the trend among public opinion may provoke speculation on the members of the new coalition, nobody has any doubt that the position of chancellor will be taken over by the chair of the CDU party, Angela Merkel. There is also no doubt that this autumn we will see the end of the 'Putin-Schröder era' in Russian-German relations.

What is in store for this relationship once the first female chancellor in German history has taken office? What kind of rapport will be forged between Merkel and Putin? One thing is clear: Russian-German relations will no longer be viewed as the 'man-to-man friendship' that has prevailed over the past 14 years – if the warm relationship that existed between Helmut Kohl and Boris Yeltsin can be regarded as a 'man-to-man friendship'.

But this is all superficial. The important question is, which aspects of modern Russian-German relations can be viewed as their stable basis, not varying with a change in leadership, and which depend on the master (or mistress) of the Federal Chancellor's residence?

The Schröder – Putin ‘Vertical’

Over the past five years, the partnership between Schröder and Putin, having grown to a personal friendship, has built a unique mechanism for shaping Russian-German relations. The following features are characteristic of this partnership:

1. **Overcentralisation** of political, social and in part also economic relations between the two countries at the hands, or under the personal patronage, of the Federal Chancellor and the Russian President. According to the constitution, they are the ones who determine the general direction of their countries’ foreign policies. But, in this context, the issue is not their leading role in the development of bilateral relations, but that a *political ‘vertical’* has formed in the Russian-German partnership, which is unwieldy, bureaucratic and inefficient, and which now prevails over practically all spheres, both the fundamental and the trivial, of cooperation.

This vertical is primarily based on the practice of *annual inter-governmental consultations*, which began in 1998 under the chairmanship of the Chancellor and the President. The last consultation took place from December 20-21, 2004 in Hamburg, and involved a wide circle of ministers: the Foreign Minister, the Minister for Internal Affairs, the Finance Minister, Ministers for Economic Development and Trade, Industry and Energy, Transport, Culture and Media, Education and Science, Health and Social Development and intelligence agency chiefs. During consultations, ministers present reports to the leaders of the two countries about their achievements on tasks prepared at the previous consultation, and the Chancellor and President then issue them new assignments.

In economic terms, this vertical is further endorsed by the *High-Level Task Force for Strategic Issues of Economic and Financial Cooperation* established in 2000. In 2002, the decision was taken to afford it the status of a permanent structure. Within the group, discussions are held regarding large-scale projects for cooperation in the areas of economics, energy, science and technology, development of infrastructure and so on.

Today, practically every event in Russian-German relations, significant or insignificant, takes place under the personal patronage of both countries’ leaders. The clearest example of this is the ‘Petersburg Dialogue’, which was conceived as a forum for communication between heads of state and civil society from the two countries, but which deteriorated into a bureaucratic imitation of socio-political dialogue.

This kind of trend is hardly surprising for Russia. A distinguishing feature of the Putin years has been the consistent centralisation of power. These days, not a single decision regarding social and political life can be taken without Kremlin participation or approval, to say nothing of the major transactions made in economic spheres. The Russian state, and above all, the Kremlin, is expanding its influence in both foreign socio-political and economic affairs, having already focussed on the majority of decision-making in its own hands.

Moscow has made attempts to simulate certain elements of the modern political mechanism existing between Russia and Germany in relations with other countries. However, the Council for Cooperation on Security Problems, which was set up in particular with France, has primarily been used for intensive discussions on the issue of Russia-EU relations, and also to raise a number of questions regarding international security.

However, the commission for issues of bilateral cooperation, its committees for cooperation in the areas of science and technology, agro-industrial systems, and military technology, as well as the council for economic, financial, industrial and trade matters have been created under the aegis of Prime Ministers, not Presidents, although the former are nevertheless authorized to perform a similar function to those who run the high-level Russian-German group.

2. The Chancellor's incredibly benevolent attitude towards Putin. It seems at times as if Putin's critics must first get past the Chancellor. Not only does he not permit himself to instigate disputes with Putin and avoids discussing any provocative issues, he has also taken Putin's side in public on more than one occasion. In November 2004, in response to a question posed by the German television channel ARD 'Is Putin a flawless democrat?', Schröder did not hesitate in answering 'Yes, that is exactly what he is.'¹ After a long silence on the Khodorkovsky trial and the scandal involving the oil company *Yukos*, Schröder again sided unambiguously with Putin, declaring that he did not consider that the law had been broken in any way, and the crux of the matter was that every state needs taxes².

What better explains Schröder's warm regard for Putin - the notorious 'man-to-man friendship' or indifference to what happens in Moscow, and a reluctance worthy of Bismarck to meddle in Russian affairs?

Throughout Schröder's years in office, his working weeks have been filled with complex problems, far removed from Russian affairs. The budget deficit has grown. This has been coming to a head for some time, but domestic reforms have been stuck in a rut. There is the rift with America, the need for internal reforms in the ever-expanding European Union, the collapse of the

¹ See, in particular: *Hamburger Abendblatt*, 23 November 2004.

² See: <www.tagesschau.de/aktuell/meldungen/0,1185,OID3422834_NAVSPM1_REF1,00.html>.

European Constitution, the Balkans and, increasingly, the Middle East. There is also the need, which was far from apparent in 1999, to form a political consensus regarding the deployment of German soldiers abroad, including far beyond Europe's boundaries. And now, again, there are UN reforms, which may help Germany move a step forward in realising its long-standing desire to become one of the permanent members of the Security Council.

With all this in mind, the less bad news coming out of Russia, the better. The Russian economy is growing, and, coupled with this, Russian-German trade is growing. The country is stable. Loan requests are of no concern. On the contrary, Russia is paying off her debts ahead of schedule.

Russia's problems are no longer the centre of attention in Berlin. This is no doubt that it is one of the most important factors defining any chancellor's modern Russian policy. Furthermore, even in the early years of Putin's presidency, officials in Berlin could see for themselves that they did not have the resources or the leverage that might allow them in some way to influence policy in Moscow, and on the issue of Chechnya in particular. There is no doubt that both of these factors contribute significantly to the stable basis of German politics with regard to Russia, and will continue to do so for some time to come.

The style of politics is entirely another matter. Not sidling up to Putin with pointless criticism is one thing, publicly declaring that he is a flawless democrat who took care of tax collection from the unwelcome "oligarchs" is quite another.

Whatever the reasons may be for Schröder's benevolence, it suits Putin down to the ground. Although the state of affairs in Chechnya and the growing authoritarian trend in Kremlin politics have caused alarm bells to ring in Germany, this does not appear to worry Moscow. The main thing is that Schröder does not criticise the Russian leadership in public. In the context of 'vertical' Russian-German relations, only what is said at the very top matters.

The demonstration of amicable relations between Putin and Schröder, publicised widely in the Russian media, helps to support Putin's image. And public support from Schröder on the contentious issues that have recently arisen regarding Russia's domestic policy is an unambiguous signal addressed either voluntarily or involuntarily to Russia's opposition: Berlin supports Putin unconditionally and will not lift a finger for something that does not fall in with Russia's current course.

3. Rift with public opinion. At a time when it appears, at least externally, that unclouded official relations can get no better, there is a growing feeling in both Germany and in Russia that things are somehow going in the wrong direction.

The German media, in the past also critical of Moscow's policy towards Chechnya, now refers with increasing frequency to the subject of 'managed' democracy in Russia. Limits have been imposed on media freedom; the system for distributing power has been eradicated; there is no free political competition, and elected governors have been replaced by those assigned by

Moscow, the latter not mixing well with the country's federal organisation. German diplomats are openly voicing concern that Russia is moving in a dangerous direction, one that is fraught with domestic catastrophes about to happen. Such a situation would never have occurred three years ago.

The discord between Schröder's extremely uncritical position with regard to the Kremlin, and public opinion in Germany has been constantly increasing since 2004. This discord almost became an open scandal in September 2004, when professors and students at the University of Hamburg drew up a petition against the University awarding Putin an honorary doctorate. The tragedy of the Beslan school siege, on account of which the Russian-German inter-governmental consultation was postponed until December, saved Putin and Schröder from having to deal with this unpleasant scandal.

In Russia, warm relations with Germany are not under question. Even by the 1990s, Russian public opinion had substantially overcome the Second World War syndrome. At the opening of the Hannover Industrial Fair on 10th April 2005, Schröder referred to opinion polls which suggested that 90 percent of Russians now view Germany in a positive light.

Russian opinion polls paint a more variegated picture. But they all point unanimously to the fact that in the 1990s, a positive image of Germany really did take shape in Russia. Polls show that, although the older generation of Russians still remember the Second World War, the younger generation (aged up to 40), the well-educated, inhabitants of major cities, businessmen/women and the middle classes hold an invariably positive opinion of Germany. Approximately one third of Russians apparently believe that the German people themselves fell victim to the Nazi regime in Germany, whereas only 10% believe that the Germans as a nation bear responsibility for the outbreak of the Second World War.

All surveys conducted among the Russian political elite consistently mention Germany in the category of friendly states (grouped somewhat oddly with Serbia, Kazakhstan, China and Iran), whereas France belongs to the group of 'somewhat friendly' and the USA to 'hostile' states³. Although Moscow and Berlin have not implemented a special programme of reconciliation such as was held between Germany and France on 9th May 2005, Putin and Schröder have drawn a line under the natural shift in mutual perceptions between Germans and Russians with a symbolic act of reconciliation which took place at the Tomb of the Unknown Soldier by the walls of the Kremlin.

Even more than incomprehension in Russian oppositional socio-political circles, there is disregard in the highest echelons of German leadership for the existence of alternative political positions. In these circles there is a growing belief that Germany has put its democratic values on the back burner and is

³ For more detailed information see: *Rossiia na Rubezhe Vekov* [Russia at the Turn of the Century], Rosspen, Moscow, 2000, p. 49-82; *Vneshnyaya Politika Rossii: Mnenia Expertov* [Russia's Foreign Policy: Expert Opinions], RIISNP, Moscow, 2001, p. 26. See also: Zagorski A. *Transformed Relations: From the Cold War to a New Partnership between Russia and the Berlin Republic*; The Spirit of the Berlin Republic, ed. by Dieter Dettke, New York; Oxford: Berghahn Books, 2003, p. 152-156.

instead pursuing a cynical 'realpolitik' consisting of unconditional support for Putin and lobbying in the interests of German business in Russia.

Development of the situation in Russia will, in the future, also fuel criticism in German public opinion, and when Schröder leaves office this will increasingly affect the position of the opposition now coming into power.

4. Support for business interests. The element profiting the most from the existing partnership is German business. It is gaining from the growing demand in Russia. In 2004, the volume of trade between the two countries hit a record level of US\$24 billion. This would indicate that Germany is outstripping Belarus and Ukraine, in second and third place, in terms of trade with Russia, and is far ahead of other EU countries. If the proportion of Russian foreign trade conducted with Germany in 2004 was 8.6%, then with the Netherlands it would have been 6%, Italy – 5.5% and France – 2.7%⁴. The number of German firms with offices in Moscow, representing by German Economic delegation, rose to 4,000 in 2005.

The rewards from this universally-positive atmosphere in Russian-German relations are reaped primarily by large business. They have long since grasped a central principle formulated by the American entrepreneur Armand Hammer, who made agreements directly with all the Soviet leaders (apart from Stalin): 'Sort it out with the boss'. But this is the Chancellor that usually meet the 'boss' in Moscow. And that is a good thing. Because a leader of two countries can take the largest economic projects under his patronage. This is the purpose for which a high-level group exists.

For example, the Declaration of Expansion of Business Contacts in the area of energy concluded between Russia and the Federal Republic of Germany on 7th August 2004, stated that Putin and Schröder would attach more significance to cooperation on the level of enterprise in this sphere, and that the two governments would work closely together with the aim of 'minimising non-commercial risk as much as possible and helping to remove obstacles to successful implementation of these projects on a European level'⁵.

It is obvious who is supposed to minimise non-commercial risk and who should help remove obstacles on a European level. But it is true that this formula does not always work. After lengthy reflection, global electronics giant Siemens was refused permission to buy a controlling stock interest in a pool of St Petersburg mechanical-engineering plants. Instead, Putin and Schröder's arrival at the opening of the Hannover Industrial Fair in April 2005 was coordinated with the signing of the framework contract between Siemens and a Russian consortium for the construction of high-speed trains.

⁴ Calculated based on data provided by the Federal State Statistic Service. See: <www.gks.ru/bgd/regl/brus05/lswPrx.dll/Stg/25-02.htm>; <www.gks.ru/bgd/regl/brus05/lswPrx.dll/Stg/25-05.htm>; <www.gks.ru/bgd/regl/brus05/lswPrx.dll/Stg/25-06.htm>.

⁵ The Ministry of Foreign Affairs of the Russian Federation, Information and Press Department. Declaration on the expansion of business links in energy between the Russian Federation and the Federal Republic of Germany, 07-08-2004. (Statement given by the Russian President's Press Service).

Working together on major joint projects is also institutionalised within the framework of 'vertical' Russian-German relations. Alongside the high-level task force, plans are in place to hold the *Forum for High Technology*, the second phase of which took place at the Hannover Industrial Fair in April 2003, and the *Energy Summit* of leading groups of companies from both countries, in autumn 2005.

The Fruits of Cooperation

Schröder and Putin are justified in talking about the achievements of their teamwork within the Russian-German partnership at the very highest level over the last 15 years. Today, many questions are asked and answered between Moscow and Berlin that Moscow and Bonn would never even have dreamed of.

In the crisis situation that arose in Ukraine in autumn 2004 surrounding the presidential elections and threatening to divide Russia and the EU on different sides of the barricade, Schröder was the first European leader that Putin called. The trusting nature of their relationship helped bypass the serious rift that had begun to emerge in relations between Russia and Brussels and ensure participation in the mediatory mission to Kiev led by an ambassador for Putin, Boris Gryslor, speaker of the Russian State Duma.

Moscow can always, or almost always, count on *support from Germany in furthering its interests* in relations with the European Union, and, if this is not given immediately, it proposes that Berlin become a ground breaker for innovations put forward by Moscow. The Russian Minister for Foreign Affairs, Sergei Lavrov, stresses that 'cooperation with Germany is ahead of dialogue with other leading European partners in many spheres, which serves as a clear leading light for them.'⁶

This concerns, for example, the simplification of visa procedures, the intensification of exchanges for young people, and "structured" public meetings in frame of the 'Petersburg Dialogue'. It was Germany who, in 2003, suggested starting to draft a 'road map' between Russian and the EU, having anticipated the impending crisis in relations between the two.

Schröder has, in turn, been able to count from the outset on a charitable attitude in Moscow towards Germany's aspirations to gain a *permanent seat in the UN Security Council*. Especially as Russia's agreement to this came at a reasonable price. Moscow does not have its own programmes to reform the Security Council and it's not in its tactical interests to oppose the enlargement of the council.

The Russian-German *Military Transit Agreement*, signed in 2003 regarding military transit through Russian territory to Afghanistan, was unprecedented. Protocol within the agreement covered land-based (rail) and

⁶ The Ministry of Foreign Affairs of the Russian Federation, Information and Press Department. Interview with the Minister for Foreign Affairs, S. Lavrov, by *Diplomat* magazine, March 2005, 9 April 2005.

air traffic. Moscow emphasised the bilateral character of the agreement, since it was hardly likely that relations with NATO would permit a multilateral agreement to be concluded in Brussels.

Germany is considered to be a model partner for Russia in implementing projects for *the eradication of chemical weapons and utilisation of written-off nuclear submarines* within the framework of 'global G-8 partnership' programs.

Positive feedback has also been received regarding teamwork in tackling cross-border organised crime, between rescue forces, in the field of the Fight against Terrorism. The *High-Level Task Force on Questions of Security*, formed in December 2003, has played a leading role in this.

Germany is not only *Russia's number one trading and economic partner*. It is the main provider of imported products on to the Russian markets. Of all vehicles and machinery imported to Russia, 35% originates from Germany, along with 58% of clothing and 45% of footwear. Germany is *Russia's number one lender of capital*. Up to one third of all Russia's foreign debt is owed to Germany, including almost 43% through the Paris Club.

Germany is, perhaps, lagging behind only in the area of *investments* in the Russian economy. During 2004, the volume of German investment in Russia decreased by 8.6 per cent, and at the end of 2004 totalled US\$9.3 billion. Of this, US\$2.6 billion was directly invested. Germany is in fourth place in investments in Russia, after the USA, Cyprus and the Netherlands⁷. For comparison, on 1st September 2004, the overall volume of French investments in the Russian economy was US\$4.9 billions, of which direct investments amounted to US\$299 million⁸.

Nevertheless, despite progress in many areas, the longer the cogs of the bureaucratic 'vertical' in Russian-German relations turn, the more they grate. The 'vertical' is becoming less effective. The correlation between problems solved and efforts expended is weakening. This is not because the two sides are losing the desire to move forward – neither side is lacking in good will. The main reason for the current stagnation in bilateral relations between Russia and Germany is the inadequacy between bureaucratic ways of management and complexity of the relations. What is now required above all else, is release from bureaucratic constraints.

It is becoming consistently frequent that large-scale projects are curbed by the limitations of resources. For many years, Russia and Germany have been holding energy dialogue aiming to increase the supply of Russian gas

⁷ Data provided by the Federal State Statistics Service. See: The Ministry of Foreign Affairs of the Russian Federation, Information and Press Department. Federal Republic of Germany (background information). 24-05-2005.

⁸ Data provided by the Federal State Statistics Service. See: The Ministry of Foreign Affairs of the Russian Federation, Russian-French relations (background information). 24-03-2005.

and oil⁹. The Russian company *Gazprom* and the German *E.ON* are consulting on joint projects for natural gas extraction and energy production, the creation of new pipelines across the Baltic Sea, the expansion of infrastructure for selling Russian natural gas in the Federal Republic of Germany and throughout Europe, as well as implementing joint projects in gas-fired power plants on the European market.

However, progress in this area is linked with many unresolved questions. From 2008, Russia will run into serious difficulties in exporting energy resources to Europe. To a large extent, filling the transbaltic gas pipeline depends on investing considerable amounts to explore and develop new gas deposits. Having abandoned the use of nuclear power, Germany will undoubtedly need an ever-increasing supply of Russian gas. This is one of the permanent foundations for bilateral relations, irrespective of who occupies the post of chancellor in Berlin or president in Moscow. However, even this kind of investment is further impeded not only by restrictive politics on the part of the Russian leadership toward western investment in 'strategic' industries in the Russian Federation, but also by uncertainty of energy market itself and of the hydrocarbons prices.

⁹ Russia currently provides Germany with roughly one third of their gas requirement and 30 percent of oil.

Continuity or Changes?

How will Moscow gain from the change of chancellor in autumn 2005? Early indications suggest that the CDU party will adjust Germany's policy towards Russia, however the changes will on the whole be insignificant.

Firstly, Angela Merkel appears to favour normalising relations with the USA and reviving transatlantic cooperation. Many CDU advisors have quite bluntly said, off the record, that America is more important to Germany than Russia.

Secondly, for this reason, but also in the context of earlier criticism of Schröder, the CDU party intends to oppose the formation of a Germany-France-Russia 'axis'. Although the CDU leadership is in no doubt that, as previously, three-way consultation would in the future give impetus to the development of relations between Russia and the European Union, the current opposition party has never hidden its disapproval of the anti-American overtones which have surrounded the revival of this kind of partnership under the conditions of the Iraq crisis of February 2003.

The question of how the three-way meetings on the narrower subject of Russia's relations with Europe are continued will, most likely, be revised by Germany's new leadership. The CDU has repeatedly stressed that Poland must participate in the French-Russian-German meetings.

The addition of Poland to the European 'Troika' is hardly likely to be acceptable in the current mood in Moscow. But neither will it sicken them. However, the catastrophic cooling of Russian-Polish relations over the last year would suggest that Moscow is unlikely to be interested in this kind of partnership, let alone that any such partnership would be effective.

These circumstances are all the more important since in 2006, Russia and the EU intend to begin considering the question of either extending the Agreement on Partnership and Cooperation (currently due to expire in 2007) or replacing it with a new agreement. Since the two sides are currently directly opposed on this question, serious effort will be required to avoid aggravating relations between Moscow and Brussels even more at the end of 2006 and start of 2007.

Thirdly, many have noticed the critical tone used by several CDU politicians from Merkel's entourage when discussing the Russian issue. In particular, Friedbert Pflüger, a member of the Bundestag who is supposed to get a high post in the Federal Chancellor's office, has on more than one occasion publicly criticised Moscow's policy on Chechnya and the

intensification of authoritarian tendencies in Russian politics. In 2004, he even protested vigorously against Gerhard Schröder's apparently 'pro-Putin' statements regarding the YUKOS affair¹⁰. Hermann Gröhe, the representative of the CDU/CSU party, demanded that Schröder change his policy on Moscow and centre it on democracy, the rule of law and observance of human rights¹¹.

Incidentally, the CDU has never had a monopoly on criticism of the Kremlin. Within the SPD and the 'Greens', similar criticism has been voiced no less loudly. Schröder has also been criticised for his warm relations with Putin by delegates from the Green Party involved in the ruling coalition. This has not deterred Schröder from remaining on friendly terms with Putin. CDU leaders still in opposition have repeatedly stressed that support for a constructive partnership with Russia is an integral part of the country's foreign policy consensus.

Furthermore, it is clear that CDU politicians are currently gambling on the development of relations with the Kremlin. Most of them are now shying away from any contacts they may have in the Russian opposition, since they do not expect these contacts to have even the slightest power to influence Kremlin policies in the foreseeable future. This is occurring in such a way that even under the influence of public opinion it is most likely the style of Russian politics, and not its essence, towards Germany's new government that will change. There will be less reverence to Putin and more expression of concern over the state of affairs in Russia – even if there is no hope of influencing its politics. Which is all the more likely since Merkel is clearly lacking the qualities needed for a strong political leader. A relatively weak Chancellor Schröder is to be replaced by an even weaker Chancellor Merkel.

Fourthly, the Christian Democrats have pledged to once again take a more aggressive stance with Moscow regarding the restoration of cultural treasures – namely the return to Germany of works of art, archives and library collections which were elojned after the war. Kohl also frequently raised this issue with Yeltsin, but it did not get in the way of their 'man-to-man friendship'.

Lastly, the CDU rise to power in Berlin will most likely devalue the symbolic support that Moscow has promised Berlin on the matter of Germany's inclusion as a permanent member of the UN Security Council. The CDU party has traditionally attached less importance to this issue, although with discussions in New York in full flow the party is unlikely to withdraw the request. Yet there will not be a great show of enthusiasm for it either.

All of the factors mentioned are merely cosmetic and will not change the fundamental state of Russian-German relations. ***The continuity will be much greater than the changes.*** The recently-developed areas for collaboration, of some importance to Germany, also speak in favour of this. These serve the interests of the German economy and envisage cooperation on issues of security – such as the Afghan transit as well as cooperation

¹⁰ See, in particular: <www.dradio.de/aktuell/377429/drucken>.

¹¹ *Die Welt*, 21 December 2004.

between ministries of the Interior and intelligence agencies. In all likelihood, the changes will concern the style of the relationship.

Much will depend on whether Merkel continues Schröder's tradition of regarding Russian-German relations as a question for the Chancellor, and, to a lesser extent, for the Minister for Foreign Affairs. This will depend on Merkel herself, her partner in the coalition, and his or her ambitions.

The preservation of 'vertical' Russian-German relations in their present form may also be open to question. The annual inter-governmental consultations planned for September have already been sacrificed in favour of early elections in Germany. The question of whether consultations will be continued in the long term, and in what form, will be decided by the new government. It will not be the most important issue they have to resolve.

It stands to reason that personal contact between Merkel and Putin will not be as intensive as the meetings held between Putin and Schröder, who met for different reasons six to seven times per year.

The change of government in Germany, while not altering the positive mood in Russian-German relations, does provoke questions about their de-bureaucratism. However, it would hardly be possible to de-bureaucratise relations completely, since issues in contemporary Russia are resolved exclusively through 'vertical' power.

Conclusions and Proposals

The years of 'friendship' between Schröder and Putin have witnessed the formation of an unwieldy and bureaucratic 'vertical' in Russian-German relations, upon which Schröder and Putin have based much of their decision making. With this 'vertical' as a foundation, the two countries have managed to make progress on a number of issues they have tackled jointly, primarily in economic and military spheres as well as the on problem of combating cross-border organised crime and international terrorism.

The effectiveness of this mechanism is, however, limited. While it is in use, it will always be difficult to avoid stagnation in Russian-German relations. The lack of mutual criticism in discussions between the Chancellor and the President has particularly antagonised socio-political circles in both countries.

The change of government in Germany implies certain cosmetic adjustments which will not change its main substance. However, such adjustments will open the door for de-bureaucratisation in collaboration between the two countries. And first and foremost – in counteracting two negative trends that have emerged in recent years: excessive centralisation of the annual 'Petersburg Dialogue' meetings held under the patronage of the two countries' leaders, and the obstacles placed in the path of any socio-political links not directly controlled by the Kremlin.

It is easy to solve the problem at hand. *It would be enough simply to hold the 'Petersburg Dialogue' at a different time from high-level meetings between Russian and German leaders. Government institutions (principally in Russia) must be stripped of the monopoly they currently have over forming agendas and the structure and composition of forums which are intended to reflect real pluralism and the point of view of both societies.* All organisations from civil society in both countries must, together with their partners, have the opportunity to participate in the dialogue and have their say in designating items on the agenda.

It is important not to allow Russian state and official party structures to dominate the projects outlined for exchanges for young people, which formed the subject of an agreement reached in 2005.

Over the next year, particular attention must be paid to realistic perspectives for further developing relations between Russia and the EU. The decision to be taken in 2007 regarding the fate of the Agreement on Partnership and Cooperation must be based on a concise and practical analysis of its achievements – the Agreement envisaged forming a zone for free trade and relations between the EU and Russia (subject to Russia joining

the WTO), and also made provisions for work on the 'roadmaps' signed in May 2005.

All of these questions will undoubtedly form the basis of consultations and negotiations between Moscow and Brussels over the coming year. However, any opportunities for confidential dialogue between Russia and Germany, and within the Germany-France-Russia triangle (with or without Poland) could be best used for highly informal, practical and constructive discussions on all of these issues.