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And why it is important for European economic governance

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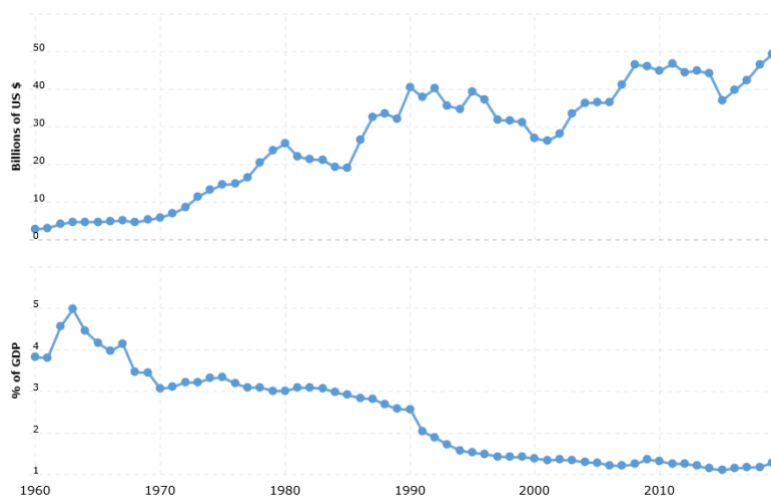
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If it was not for the events in Ukraine, at any other time Germany's rearmament, [announced](#) by surprise on February 27 by Chancellor Olaf Scholz, would have aroused urgent requests for clarification, details and conditions from Germany's European partners. This time, however, the announcement was greeted uncritically by all and even drew emotion in the community of German foreign policy experts and historians.

Almost unanimously Scholz's announcement was hailed as *Zeitenwende*, a dramatic about-face in Berlin's global positioning. International media have been highlighting the size of the new military spending while [Scholz vowed](#) to anchor a 100-billion-euro defense fund in the country's constitution and even surpass NATO's annual spending goal of 2% of each member's GDP. The graph below shows German's declining military spending since 1960. The reversal of decades of poor defense funding has been greeted as a sign of new assertiveness also on the diplomatic front. Speaking at a special session of the Bundestag, the German Chancellor said that the additional funds would help establish Germany as a reliable and capable partner with an appropriate role in the NATO alliance.



For many Germans, who for three generations have been engaged in self-analysis and constant reflection on their country, rearmament sanctions the liberation from the condition of minority that followed the defeat of the Third Reich under Nazism. For others, it completes what historian Heinrich August Winkler calls "[the long journey to the West](#)", which began over a thousand years ago. The German sense of guilt towards Russia has been overcome also because towards Ukraine Germany has an even greater historical sense of guilt.

The most optimistic observers see in Scholz's sudden decision (no more than a dozen people had been pre-informed) the country's assumption of responsibility. To use the formula of a Brookings colleague, Germany "has so far outsourced its political responsibilities." In fact, Berlin has let the Americans take care of its military security; entrusted the production of energy and the distribution of gas to the Russians; imported economic growth from China; and one could add, provocatively, it has extracted financial benefits from the rest of the euro area.

Deciding to rearm is certainly a step towards assuming responsibility. It coincides with Berlin's renunciation of NordStream2, of the construction of two liquid gas storage facilities and the costly boycott of Russian banks.

The decisions also forced all the major parties to pay a hefty political price: the Social Democrats - by renouncing their privileged relationship with Russia; the Christian Democrats - by giving up on opposition tactics that were having success; the Greens - by distancing themselves from their original pacifism; and the liberals - by admitting the need for public spending. Finance Minister Christian Lindner even borrowed Mario Draghi's words: "This is not the time to save, but to spend."

However, it is the military rearmament that is the real turning point. Currently, the number of German troops is one third of those thirty years ago. In these thirty years the number of battle tanks has dropped from 5,000 to 300. The Chief of the Armed Forces defines his army as "virtually powerless." But after Scholz's announcement military adequacy is expected to dramatically improve. Projected on a decade, 2% of GDP spending amounts to 770 billion euros, which is more than enough for the country to acquire the most advanced defense technologies. Enshrining the spending commitment in the Constitution is considered a safe way to tie the hands of future governments. Armaments require long-term investments and financial planning predictability. Armament projects for airplanes and helicopters, for instance, normally have an even longer duration.

Indeed, the problem is not that Germany needs to strengthen its defenses. The issue is that this process should not take place outside an institutionalized European framework. The guarantee that a more militarized Germany, like France, would only act as a force for defense, and not for offence, can only be given if Germany's militarization is enshrined in the European defense framework. But for a European defense system to be credible, it must reflect a common political responsibility, not the will of single national parliaments. This step is still to be taken, and it requires a lot of political work. Currently, it is not realistic that the 27 European governments wage war based on a decision by the EU Council. A unanimous decision process would be impossible and at the same time majoritarian

decisions would not be accepted by those Europeans who disagree. Working on the political foundation of European defense is both difficult and indispensable.

The same should be for European decisions concerning energy and the governance of the European economy. In all these issues, Germany would take responsibility only by building together with its partners a common European response.