

Peterson Institute for International Economics

Will Europe ever get its defense act together?

February 26, 2026

This is an unedited AI-generated transcript that may contain errors. Please confirm quotes in the corresponding event recording. If you find substantive errors, please contact meetings@piie.com.

[00:00:16.26] - Nicolas Véron

Good morning, good afternoon, good evening, wherever you are in the world. I'm Nicolas Véron. It's my pleasure to introduce this session of the monthly series, What Now Europe? at the Peterson Institute. As always, with great help from the Peterson Institute team, special thanks to Gina Weldon and to Jessica Parada for making it possible today. And we'll discuss European defense. So I'm delighted to greet Cornelia Wohl for the session. Cornelia, you studied at University of Chicago in political science. You got a master's there in international relations, then at the University of Cologne and Sciences Po Paris. You got a joint PhD in 2005 and you stayed there as a research research fellow at the Max Planck Institute in Cologne, which is one of the most noted institutions for research in international relations in Europe. And then from 2006 at Sciences Po, you've done all kinds of things. You were a professor of political science, you were at the Center for International Studies, the Center for Public Policy Evaluation, vice president for studies and academic affairs, and also co-director of the joint center that Sciences Po and Max Planck have on coping with Instability in Market Societies.

[00:01:38.25]

I quote the exact title. In 2022, almost 4 years ago, you succeeded the late Henry Kinderlein at the head of the graduate school for, of the Hertie School for, sorry, in Berlin, which is a graduate school for governance, public policy, and international affairs. Maybe you can tell us a little bit what makes the Hertie School different. It's a bit of a newcomer in that landscape, but a very strong one and in also a leadership position in Europe. So our international audience may be interested in learning about that. And you've published, of course, comprehensively, you've authored or co-authored several books on the political economy of lobbying, of bank bailouts, of economic nationalism or patriotism, whatever, on EU integration, of course. So we'll discuss defense. As I said, defense may not have been what your career has been about, but it's what the current debate is about. And as the head of Hertie School. You're very involved in many debates in Germany, in Europe, and beyond about rearmament, the strategic posture of Europe, and how to react to the big developments in the world. So let me start with that. I mean,

from outside of Europe, it seems blindingly obvious that Europe needs to build up its defense capability, have more autonomy from the US, and get it back together.

[00:03:04.19]

So why is it so difficult?

[00:03:08.12] - Cornelia Woll

Thank you, Nicholas, for having me on. I'm very happy to be here. And this is one of the topics I've been following forever because I think it's a very important topic for Europe, and I'm happy to discuss it here. Europe certainly has to think about defense and had to think about the defense since the very beginning. It's one of the earliest projects of European cooperation, even though it never took shape. And we're now talking about it again, because it is very obvious that we're living in a geopolitical world with lots of conflict and the need to defend ourselves. And the old solutions no longer work. Why are we talking about defense now? I mean, I'm here as a Franco-German, let me put my German hat on and say, you know, we've always had a defense policy in Germany and in Europe, and that was NATO. So NATO is the defense that Europe had for itself, the North Atlantic Treaty Organization, and to a certain degree, a lot of things were outsourced to NATO. And the current discussion we're following is, is NATO sufficient? Is it able to protect Europe and the European countries in all situations?

[00:04:19.16]

And can we rely on our partners? And this, of course, centers on the United States. So the question about Europe is also a question about NATO. And NATO, interestingly, moved from being called, before the full-fledged Russian invasion into Ukraine, by French President Emmanuel Macron, something that was brain dead. People will remember that was in 2019. So it was an organization that was in place, we all relied on it, but it didn't do strategic thinking. I think that was the accusation. And from this brain-dead NATO, in less than 10 years, we've come to an organization that is growing, in particular in fiscal ambitions. So the amount of spending that it will require has just been moved up considerably. It will grow. It grew in membership. We have two new NATO members in Scandinavia, into one of the most important organizations for European defense. So that is already noteworthy, the revival and the strength of NATO. But with it comes a question, is that enough? Can we build something that is just European? Can we rely on the transatlantic partnership? And increasingly, very senior voices, including the heads of states, are saying no, we cannot rely on the transatlantic partnership and we have to build our European defense capacities.

[00:05:45.04]

And that was certainly the one, the one line you heard from every European leader at the last Munich Security Conference as well. So it's a very strong and shared consensus. And then the question is, how do we get there? And if we build a European defense capacity, will that actually double or take away or weaken something that we also have in NATO and that can break apart? So there's a very big strategic discussion about NATO NATO Plus or something that replaces it. I'll just put that aside, big strategy, the why. But then there's also the what. What does it mean to build a European defense? If you talk to anybody in Europe, you'll get a very specific answer based on geography, on perceived threats. Who are we defending ourselves from? Anybody on the eastern flank and possibly all of the Europeans now will say Russia. But there are a lot of other geographical and strategic interests linked to the former colonial empires that member states had built, linked to their status. Some countries have long been neutral. That creates a very specific military position. Sovereignty, of course, this is, you know, are you building a pure defense, are you projecting power outward, etc.?

[00:06:56.27]

And we have in Europe two nuclear powers, in the European Union only France, and that of course creates a differential as well and very different involvement in the discussions at the global scale. And with that come very different public opinions also on what defense is and what defense should be. And I'll develop that for the German case at length, if you like, because Germany is a very specific animal in this discussion. I'm happy to talk about that. So what are we trying to do by building European defense really is a complicated question with at least as many opinions as we have member states. If not more. And then, if we agreed on the strategic vision and if we agreed on what the European line should be, and that's a big if, how exactly do we get there? How do you get something off the ground? If the overall consensus is we have to have a stronger European defense, it means you have to have an institutional structure for decision-making. And currently we don't have that. We have European Union, and in the European Union, of course, defense there is a space for discussing defense, but with very slow decision-making powers because there's a unanimity requirement.

[00:08:07.17]

And we've seen over and over again that member states who don't agree can veto everything. And we also have— most people following this will be a little bit familiar— we have deep divisions in particular with countries such as Hungary, which are not convinced that Russia is a perceived threat and which will veto things like sanctions and other initiatives the other European member states wanted to do. And on top of the difficult financial, difficult institutional discussions, we have financial roadblocks. Who exactly will pay for all the investment that is

necessary within member states and at the European level to actually build European defense? We have a lot of member states that have very limited fiscal capacity. We have a lot of real challenges because defense military equipment is really expensive. And you also want to not just pay for your military personnel, you want to invest in research and development, and that requires a lot of financial effort that very quickly brings you into what is called the guns or butter discussion. Do you build the outward capacity to defend yourself and to have a military might, or do you do the general of social policies a country might need, health, education, energy, all the other internal issues that you also want to have money to spend on.

[00:09:33.14]

And when the money is not enough, how do you cut one in favor of another? Very difficult discussion as well. So I just wanted to put all of this on the table. We are still unsure what exactly the big strategy is. We certainly have in Europe a lot of divisions about priorities and what to invest in depending on the country's traditional positions. And we have no institutional framework and no real fiscal answer to how to fund it. So that's the starting position of why it's difficult.

[00:10:02.16] - Nicolas Véron

Oh, that was great. And after hearing you, I guess my feeling at this moment is that Europe will never get its act together. So is that too pessimistic?

[00:10:12.20] - Cornelia Woll

Well, you know, I remember the 2019 discussion and I mentioned it when, and Emmanuel Macron nicely summarized it with this brain-dead comment, because I was teaching Europe at the time, and I had a special session to undergraduates about European defense, and I was very pessimistic. And I had this graph that shows you weapon systems, and it compared weapon systems in the United States and in Europe. And the question is just to, you know, the 18-year-old sitting in front of me, how do you build a European army? And you have to make them use weapons in some sort of meaningful way. How do you do that when you have, for example, tanks? The US has just one main battle tank. On the European side, we have something, back then it was 17, I think we're at 19 or so, but let's just say 20. It's 1 to 20 for the sake of argument, because every country might have a different type of tank that they use, or maybe you have several in one. And then you build an army that's supposed to use all of this. How, I mean, is this going to be like when you become a car rental driver and you're just quickly able to switch from one model to the other?

[00:11:25.26]

In military equipment, you want to make sure people are trained on the LMAT equipment, able to use it. That's much easier when you have one rather than 17 or 19. And if you go through all the different aircraft, ships, missiles, etc., the comparison in weapon systems in Europe and the US is somewhere between 180 or 200 on the European side to 30 that the military would need to master on the US side. So you just see a fragmentation that is huge. On top of that, as always, even the French army, when it was built back a couple of centuries ago, had to struggle with languages. How do you give instructions to people who don't speak the same language? And eventually you say, everybody speaks the French French, and then it works. How do you do that in Europe? What's the line of command? What language are instructions given in? So you also have our 24 languages to—

[00:12:17.25] - Nicolas Véron

You're making me even more pessimist now. So what's to say, Victoria Grace?

[00:12:22.05] - Cornelia Woll

I'm running through all of these things to say we're really, really far away. But given how pessimistic I was in 2019, what happened since then and what happened with the full-fledged Russian invasion and with the response that Europe was able to give, I just kept every single, at every single step of the way, being completely impressed with how coherent the European response was in terms of sanctions, in terms of attitude, in terms of where they stand and how they wanted to respond to Russia in this particular content, how NATO got revived, how much agreement there was to actually start investing into military capacity, So in 2019, I don't even know what the military investment was in terms of GDP. That's what's always cited, but I'll give you a figure. Maybe it was 1.5% of GDP on average. Maybe it was— you know the numbers?

[00:13:18.10] - Nicolas Véron

I suspect it was in aggregate, it depends a bit on your parameter, but it was probably slightly below 1.5. Yeah.

[00:13:25.07] - Cornelia Woll

Okay, good. So let's start with 1.5 and then there was this painful discussion led by the US, which wanted Europe to be more responsible for its defense. Can we do 2%? Can we do 2.5%? Now we have a commitment to actually move up to 5% of GDP in military spending. That is a

huge jump for many of the countries, in particular the ones that said, who needs defense? We have other priorities. So within a—

[00:13:51.19] - Nicolas Véron

But that's not an enforceable commitment, is it?

[00:13:55.15] - Cornelia Woll

Sure. But already it's something that leads quite a strong, uh, gives quite a strong direction of what people are willing to sign on paper. Now, we will get into the nitty-gritty of how long will that take? Um, does that, when and what do you actually invest in? And again, now from, maybe let me take a minute to go into the German case, uh, and what do you do with all the money that you're investing? So there's a lot of questions to be asked, but you asked me, should we be pessimistic? And my answer is, I would've never thought that within the last 6 years, all the changes that Europe produced were possible and they happened. So let's not be pessimistic. Let's try to see how we can fix the challenges that are still remaining because the direction of travel certainly is a very clear one.

[00:14:40.29] - Nicolas Véron

I'd like to come back to one thing you said. You mentioned the diversity of postures of European countries. And obviously there's the European Union, which at this point is 27 members, maybe soon 28 because Iceland has been making moves. Maybe you can comment on that. Within that, you have 3 neutral countries: Austria, Ireland, Malta. Conversely, you have most of the others are all who are members of NATO. But in NATO, you also have Turkey. You have not just the US, but you have countries that are far from being EU member states in terms of their, you know, orientation. Of course, stating the obvious, you have the Ukraine issue. You have a lot complicated issues, even though it's tiny countries in the Western Balkans. So when you're—you mentioned you have both the French and the German perspective, and that's a big part of the whole, but it's still kind of a subset of Western Europe. When you're in Paris or Berlin or in Brussels, for that matter, or in Munich, what is the perimeter? When people talk about European defense, what mental map do they have?

[00:15:51.08] - Cornelia Woll

That's an excellent question. And maybe let me, at the risk of giving an answer that's too long, so stop me, let me start by telling you what the different groups are of countries and of attitudes we have. So, we have, of course, the historical legacies. And I do think Germany stands out a little bit because we had two world wars that we were responsible for, and we had a very strong,

very strong commitment to not become a military power and to really become an integrated part of a defense response that was NATO for a long time. And today, if you just, if you look at the economic capacity and the fiscal capacity, and if you look then at military spending, Germany is going to be a heavyweight in the European defense. So that is really a switch because you do have the countries that will do the most amount in absolute numbers of defense spending. It used to be France and the United Kingdom, and Germany just surpassed the United Kingdom in what they can actually spend because of the commitments to modernize.

[00:17:00.16] - Nicolas Véron

So Germany was clearly underweight defense. Would you say now that Germany's overweight defense in relation with others or just getting back to basically the average?

[00:17:12.00] - Cornelia Woll

I think it's getting back to where it should be economically speaking. And the question is exactly how that will happen. There's to me more question marks answers, but it will be one of the heavyweights. And it's in the club with the two serious military countries with nuclear power, the UK and France. And UK, of course, if you're thinking about the European Union, is not a member of the European Union, but it's still a friend and it's still close enough to the continent that it matters. So you have these heavyweights. You then have people who are on the front lines, people who are so close to the perceived threats that they, Europe or not, have to invest very, very heavily and have invested very, very heavily in their military capacities. That is, of course, the Baltics, that are countries like Poland, but also Scandinavia. So think of the borders here and you see that the discussion is entirely different, even though they're much smaller in size because the per capita investment in countries, for example, in Scandinavia and also the the speed of serious commitments is much, much higher. And they're really leaders if we look at, compared to their size, what they're able to do simply because it's an existentialist question for all of them.

[00:18:24.01] - Nicolas Véron

When you say Scandinavia, an existential question, you mean defense of Greenland against the US?

[00:18:29.14] - Cornelia Woll

That's one. But think of Finland. Have you looked at the Finnish border? The Finnish border is huge to Russia. And Finland is—

[00:18:37.25] - Nicolas Véron

I was meaning to make a joke and you took it seriously. So I think it— It does give an indication of where we are.

[00:18:45.00] - Cornelia Woll

Yeah, no, Greenland is not a joke to anybody. So, I mean, Greenland is a very serious, serious question for everybody to think through, as unexpected as this came upon us. But, you know, why were we thinking, and that's the NATO question, why were we thinking that one NATO member can't aggress, can't attack another NATO member? There's no reason to believe that that shouldn't take place. And that's why really Europe has to answer the question for them separately. And they understand it. If you talk to the Danish, if you talk to people in Greenland, they certainly don't think it's a joke. And neither do—

[00:19:26.16] - Nicolas Véron

And I don't mean it as a joke either, but I think your response underlies the shock that has come to Europeans with the Greenland story, especially in January this year, compared with the, you know, the 2024 campaign and previous episodes. In a way, we are becoming Greece, right? I mean, Greece and Turkey are in NATO, but Greece is entirely, their military posture is entirely against Turkey. Is it a template for what's happening to Europe?

[00:19:57.15] - Cornelia Woll

I think a lot about Greece, yes. And I think we have a lot of things to learn from Greece because there is this comparison, the Turkish-Greece tensions within NATO. Are relevant. And also Greece is one of the countries, they are to me in some sort of catch-up group that is neither the frontlines nor the heavyweights, but they have had consistently high military spending, around 3% of GDP. And they also invest in modernizing and updating in ways that are quite interesting and different because the threats, not just the, I mean, it's called the perceived threat, but the threat and the tensions are very real and are still ongoing. So I think that's relevant. And the other thing that this is, this was a categorization by mainly military spending and legacy, but it is also reflected in public opinion and societal support for the military more generally. So there's this huge line going directly along the Iron Curtain, if I want to make things overly simple, in how much you get out of surveys, whether people are willing to engage in the military and defend their country, all the way to will you die for your country's defense.

[00:21:17.09]

So this is, of course, the question in the military. And you get in the willingness to fight surveys a very strong no from the former Western countries that have traditionally outsourced would you trust this to NATO and not had to think about it? And you'll get a yes from the countries that are on the other side and towards the flank. And there are interesting differences if you look at it, but even neutral countries such as Switzerland are more willing to fight. The Swiss have a very quick or very comprehensive civil preparedness and societal preparedness system. The willingness to fight then helps you to understand how politically challenging or simple it is to actually have a strong position on defense. And the willingness to fight attitudes also come from things that we're now discussing again in France and Germany, that's military service and mandatory military service. But, and again, this—

[00:22:19.07] - Nicolas Véron

Conscription, as a soft take. That way.

[00:22:23.22] - Cornelia Woll

And come into a discussion that's called civil preparedness or civil defense. How much can any single household switch from normal to wartime? Where do you stock your water? Are you able to have your own electricity supply? In Finland, do you know where the next bunker is where you can live underground for the next 3 weeks, etc.? I can tell you here in Berlin, maybe I shouldn't say that, I have no idea where to go. If there was some sort of attack. So there's no bunker system. I have no preparedness in my home. My parents, when they built their family house, they built a bunker and they had all sorts of stockpiles. So that is a difference in how the generations currently living and across countries' society supports military efforts and thinks about military efforts and is willing to be involved in military efforts.

[00:23:15.06] - Nicolas Véron

So still thinking about the mental map, is Canada part of it? That's a big chunk of the planet.

[00:23:24.23] - Cornelia Woll

That's a good question. I mean, I think most Europeans would certainly see Canada as an ally. Will Canada ever become a new member state of the European Union, as we jokingly sometimes discuss with them? I don't know. But Canada has That implies that European defense has to be EU defense.

[00:23:44.23] - Nicolas Véron

Maybe you can also thread the needle on that again.

[00:23:49.15] - Cornelia Woll

Yes. So certainly the EU as an institutional structure of European, of the 27 member states currently, is not the setting that will give birth to a very quickly capable European defense because of its institutional slowness and because of all the challenges that we already listed.

[00:24:13.08] - Nicolas Véron

So even if, as the polls currently indicate, Mr. Orbán is out in 2 months, this will remain the case, right?

[00:24:21.11] - Cornelia Woll

So let me say this: never believe polls until after an election. But this is the most watched election for anybody in Europe. And of course, discussions can, could be quite different if there was a change in Hungary. That's for one. But only if we actually moved away from the unanimity requirement. And is it sufficient to just have a new leadership in Hungary to move from unanimity to qualified majority voting in foreign and defense policy? I'm not entirely convinced. I mean, Nikolas, I'm tempted to ask you, do you think that would actually happen?

[00:24:56.24] - Nicolas Véron

Well, so election, I don't know, but I agree with you. I think if, I mean, even assuming Orbán's opponent, Peter Magyar, wins election, which is what the polls currently indicate, as you said, that's not a forecast. I think we would still struggle to make the EU a relevant organization for defense for the reasons you mentioned. So I would concur with you on that.

[00:25:18.27] - Cornelia Woll

So I think if we stay with that assumption, then we have to think what is the right institutional setting. And the European Union always had a particular, um, neck and had success in building its most important projects outside of the institutional framework. If you think of Schengen, for example, the free circulation across borders within Europe, that was some sort of experiment among the Schengen countries and then only became integrated as a European Union policy. If you think of monetary union, so having one currency, the euro, that was a side project of member countries and then became and is still not today integrated into what the European Union in other member states can do. So I think about defense in exactly the same way. What is the group of countries that can give birth to some sort of system that can later become the

system of the European Union as an institution? And that group of countries sometimes is called the coalition of the willing approach. Sometimes it has names, by the groups that are forming. There is, for example, the E6 or the EU6, which is very strong member states that are trying to band together.

[00:26:35.28]

Maybe they can develop a solution. There's certainly a lot of—

[00:26:38.20] - Nicolas Véron

Who are the 6?

[00:26:41.00] - Cornelia Woll

So that's a good question. From memory, basically, they're the— I don't want to say something wrong now. Is it Germany, Spain, Italy, France, the Netherlands, who am I forgetting? Poland. Poland, thank you. So we have them. So they are countries that are big enough and strong enough and covering the different regions so that if they uphold a solution, it can work. But in addition, there's a lot of very interesting conversations going on with the United Kingdom. And the United Kingdom is not even in the EU anymore, but it certainly is one of the heavyweights for talking about European defense that we want to hold as close as possible and possibly integrate back again into some of the defense discussions. And similar to the discussions with the UK, why not include Canada in one of these formats? That was your original question. If we can do it with the UK, we can do it with Canada. There's military cooperation, like the intelligence cooperation that happened across different countries. You can have all sorts of formats. And I think that it is absolutely necessary to have creative ways of working with people who are willing to support solutions and then see who you can enroll rather than becoming constrained by an institutional setting.

[00:28:03.23] - Nicolas Véron

One big country in that respect, which we haven't talked about a lot yet, is Ukraine because Ukraine has fighting prowess, has capability, has demonstrated the will to fight and potentially can become a big asset. For the EU, can also become a big problem for the EU if it's not within the framework. So how do you think of Ukraine? I think you have had many conversations with Ukrainians on these issues. Can you give us a sense of how people, not only you, but people in Paris and Berlin or Berlin and Paris at this point view Ukraine? Is it the third country? Is it the part of the military core? Will it be part of the E7? What's happening?

[00:28:46.26] - Cornelia Woll

Good question. It certainly is the elephant in the room, and I don't mean this derogatory. It's a very important question to solve. And I think the way it can be solved can only be in a very context-specific answer. So everybody knows Ukraine has said over and over again, for Ukraine, the most important things on their wish list is membership in the UN, membership in NATO. And I mean, after the war ends, but as security guarantees and as a framework in which they believe they can function. And of course, EU membership, as anybody in the Western Balkans or anywhere else would tell you, is a painful, long process that takes years and years and might never get somewhere. So what is now discussed and I like that approach, apart from what Vladimir Putin may think about it, is that you can grant Ukraine a membership without any rights or any specific things that they can participate in. And then over time, you gain access to all the different elements of what the EU is. So you are part of the EU without voting rights on certain decisions, without being part of, I don't know, free circulation, without being part of particular packages, euro and whatever.

[00:30:09.12]

And once you've proven that you, as a basically minimalist member, you have conformed to conditionality on, I don't know, corruption, on public administration, on fiscal soundness, etc., then you move up in that way. And I think in the defense discussion, that's a useful model because talking about European defense without the Ukraine without Ukrainians makes no sense. So you want to have them included, but you cannot include them as a full-fledged member. So that's what I actually, is one of the things I think the European Union, the von der Leyen Commission, and also the heads of states altogether have been very good at, is speaking despite their multitudes with one voice and making sure Ukraine is always on the table. And I think that's the way— That also has to continue.

[00:31:02.05] - Nicolas Véron

And our first session in this series at the Peterson Institute, What Now Europe, was with Aleksandr Azarhina on exactly this challenge. And for those who haven't watched it, I really recommend listening to what Azarhina had to say on this. It's of course on the PIE website. Let me move to something that you mentioned at the very beginning and intrigued me. You mentioned the legacy of colonial empires for some of the EU countries. Of course, this is primarily France in the EU, also of course next door the UK, maybe to different degrees Spain and Netherlands in different ways, and others, Belgium comes to mind, for better or worse. What exactly does that create vis-à-vis the discussion we're talking about, which is primarily discussion about Russia? Is the weight of colonial history still a big factor in shaping attitudes to the number one problem of European security right now, or is it fading away?

[00:32:05.14] - Cornelia Woll

I think it's very relevant, but I'm going to engage you because you're more of an expert on France. But I would like to take us to Africa. If you think of the involvement, and let's start with France, of the involvement of France in security in Africa and also just the presence of the French army in different conflicts. We very clearly see that the— I'll oversimplify it, but then it'll become visible— the attack of Russia against Europe took the shape of proxy battles to support military roles in Africa with Russian military support, the Wagner Group in the past, and against the French army. And this, you know, a lot of people have a very simple reading of this as some prolonged French colonialism in Africa, but I think it is much more relevant to look at it as a battle of spheres of influence from Russia over other parts of the world. And of course, a very good knowledge of France about the dangers that this actually means to European influence and security and also presence therefore in the region. And You cannot explain to anybody in all of Germany why Mali— well, maybe Mali is the wrong example— why certain very internal African country security issues would be German defense issue.

[00:33:35.19]

So the European Union for a very long time has only functioned as a peacekeeping mission. So really just upholding, fighting conflict and supporting peacekeeping missions. And that's what a lot of early European defense policy was. And I think today we see that really these struggles have to do with spheres of influence, and France is rather good at understanding that and knowing where to be and where not to be, but is of course severely challenged as a former colonial power. And that conversation is difficult because you cannot take that out of France and communicate it to other countries. But I'd be interested in your opinion.

[00:34:18.18] - Nicolas Véron

I find the way you presented very flattering or gentle for my home country. But let me ask you the question a little bit more starkly. In your view, do foreign policy folks in Berlin view the post-colonial legacy, which is largely a French but not only French legacy in the EU or in Europe, as an asset or as a liability?

[00:34:51.04] - Cornelia Woll

I don't know if I can answer that question.

[00:34:55.24] - Nicolas Véron

Um, if one of the two comes to your mind, please say it.

[00:34:59.06] - Cornelia Woll

And well, I think they view it as completely idiosyncratic. They view it as some sort of French particularity that they just don't understand. So when you, when you come into a conversation, they'll say, oh, and then it's the French again with this or that. And they may understand that it comes out of the colonial legacy, but they just don't get it. They don't find it relevant and they just kind of find it also politically impossible to sell to their own audiences. So they just kind of want to get rid of it. I don't think it's because it's a liability, but it's just an inexplorable.

[00:35:36.25] - Nicolas Véron

This reminds me, I heard an international organization official recently paint discussions on their board and the way that person was picturing it, this is don't kill the messenger, was that only 4 countries on the board had a view on every topic basically. And that was predictably the US, China, the UK, and France, but that the other countries only had views on specific selected topics, not on every topic. And I found that intriguing in terms of the way you can transpose that to European debates. Let me ask you, of course, one country which is absent from that list because the realities that Persson was depicting is recent, is Russia. So let's move to a different challenge. What is the European plan for Russia? Let's assume there's an end to the war. In with Ukraine, which everybody wants at this point. How do Europeans in Berlin and Paris in particular, or beyond, if you want to comment, view the future of relationships with Russia, what they want to happen in Russia? Is there any view?

[00:36:51.26] - Cornelia Woll

It's a good question. I'm not sure. My impression is we're not yet ready to ask that question entirely, but it will come. And maybe let me make you travel back in time to project a little bit of what would be in the future. The German policy towards Russia was, I think, what Olaf Scholz, former Chancellor Olaf Scholz, addressed when he talked about the Zeitenwende, the era change that happened with the full-fledged invasion. Because what happened before was a paradigm where a lot of German leadership knew about the Cold War and everything else, but wanted to engage with Russia through economic ties. And the Zeitenwende was the moment where that hope broke because it had worked for the European Union. You work with your former enemies, you create economic ties, Wandel durch Handel, we call it, so change through trade, and you engage enough so that you will pacify relations. And that hope broke into pieces. That was the paradigm change. And I am of those that think, and it can't be patched up and put

back together. I do think that is a permanent break, but I'm not in an environment where I think that is an actual consensus.

[00:38:14.22]

I think some people still hope that if the war ends and if we move into some other relationship, we can reconnect with Russia. I also would like to say with the Russian friends that I have, Russia is not Vladimir Putin, and Putin is not eternal. So what Russia are we talking about? Is there going to be change in Russia as well, and how are we going to interact with a different Russian government? So I'll put that away because that's now getting us into very deep hypothetical waters, but I think there will quite quickly be divisions of what exactly the Russia policy should be between those who are either on the eastern flank and who will repeat and repeat over and over again, we've told you time and again, Russia cannot be trusted under any circumstance, And at least in Germany, I know some bits and pieces, they'll say, "Yeah, let's try it again. Maybe we can engage with them. They're so important. Let's reach out for the sake of our own history and ties." And so I don't know if that'll be entirely coherent, but I think the dominant one is the one that knows today that Russian attack against Europe hasn't been just a military attack against Ukraine.

[00:39:24.23]

It's a hybrid war that goes through all infrastructures, through all economic systems, that uses of course, intelligence, data, any economic ties in order to keep Europe constrained, that is happy to weaponize migration, that is happy to weaponize everything at their disposal of our economic interconnectedness, and that we should make sure we very sparingly expose ourselves to the risks that that represents.

[00:39:54.06] - Nicolas Véron

I have a question in the Q&A from Marc Wale on Germany, but before that, I want to ask you a follow-up question because in the US, There are many people who talk about what has been commonly referred to as a reverse Kissinger. Kissinger got China on the US side against Russia, or at least that's a narrative that has a lot of currency in Washington, DC. I'm sure in Beijing it's viewed differently. And the reverse Kissinger argument is to say, actually the US interest is to decouple Russia from China, to be with Russia, to have the Europeans somehow go along with that, and to create a unified bloc of the US and most of Eurasia against a real enemy, which is China. Does anybody in Berlin think about that scenario? How is that viewed?

[00:40:44.26] - Cornelia Woll

And that's Mark Mail's question?

[00:40:46.29] - Nicolas Véron

No, that's my question. And then we'll come to Mark's. So please make a very brief answer to my question because I want to keep the few remaining minutes for Mark.

[00:40:59.01] - Cornelia Woll

I think it's important for everybody to understand that this complete obsession with China as the system rival enemy is a US obsession. So there's a lot of reserves or hesitations in Europe about how exactly to deal with China. But when asked, I think the majority of Europeans will be Russia hawks. Hawks, so tough on Russia, and China doves. You make sure you protect yourself, but there's no reason to be as paranoid currently, I think, about China as Russia. That's my sentiment. So just so, I mean, this is my finger in the air sentiment of where we stand. So this whole, is it in the US interest to decouple Russia from China? I mean, probably certainly is, but I would advise against making choices that are going to be a gamble on riskiness in that manner.

[00:42:01.22] - Nicolas Véron

So now to Mark's question, and we have a few minutes for that, even though we're coming to the end of our session, unfortunately. But he's asking, there's a Zeitenwende, there's this commitment in Germany to increasing defense and procurement, but it's often described as hopelessness. Bureaucratic, stuck in the past, lots of scandals in the last years about defense procurement in Germany, inefficiency, basically lack of capability. How do you see, with all the conversations you have with German officials, is Germany going to be able to confront that legacy?

[00:42:42.16] - Cornelia Woll

I'll say yes. You wanted a short answer. I think yes. I think, of course, it's struggling. There are certain issues. There's also You know, we have a lot of money to spend on defense now in Germany, but what do you spend it on? And European countries in general, but possibly also Germany, still has a significant part of their spending go into personnel costs. And, you know, that's something that is, of course, relevant in even pensions. But how much goes into R&D? How much goes not into the traditional defense industry? We have Rheinmetall, we have, you know, the typical tanks, ammunition, of fighter plane type of things. How much goes into AI? How much goes into drones? How much goes into things that, you know, maybe future warfare? And I think the Germans are grappling with this in the very traditional, theoretically it's called

political economy of who lobbies hardest, you know, can the newcomers win against the incumbents? All of that is always true in politics and is true in Germany currently, but let's try to see if we can master that. I have no reason to be pessimistic.

[00:43:47.24] - Nicolas Véron

On that optimistic note, this will be the end of our session. There are so many more questions that I would like to have your opinion on, but thank you so much, Cornelia Woll, for an illuminating perspective from Berlin with a French touch. The next session of our series, What Now Europe, will be on March 12th. I will greet Gertjan Koopman, the Director General for Enlargement at the European Commission. So we will have some overlap. With this session because enlargement is tied with European defense, but also a lot of other issues, including on the Western Balkans and of course Ukraine and now Iceland. So thank you so much, Cornelia. Thanks to everybody who participated. Special thanks to Mark Vale for engagement, and I look forward to seeing you again soon.

[00:44:34.17] - Cornelia Woll

Thank you very much.