EU defence

Poorly equipped German army awaits financial reinforcement from Berlin

Barely any of extra €100bn announced by Olaf Scholz in February has been spent due to bureaucratic hurdles



The opposition and leading security experts are beginning to ask whether Germany's commitment to a leading role in European defence is anything more than rhetoric © Wolfgang Rattay/Reuters

Sam Jones and Guy Chazan in Berlin 3 HOURS AGO

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Nine months ago, in the wake of Russia's full-scale invasion of Ukraine, Olaf Scholz declared a *Zeitenwende* — a turning point — for Germany's military and its place in the world. But since then, barely any of the €100bn in extra funding the German chancellor pledged has made its way to the armed forces.

The parliamentary body set up in the spring to allocate money to <u>modernisation and</u> <u>reform programmes</u> has met once. The defence ministry had no procurement proposals to submit to it. Its next sitting will not be until February.

Now opposition lawmakers, and some of the country's leading security experts, are beginning to ask whether Germany's commitment to a leading role in European defence is anything more than rhetoric.

"Mr Chancellor — I can't call it anything else, you are breaking your promise to the parliament and especially to the Bundeswehr [federal army]," opposition leader Friedrich Merz said in an attack on Scholz in the Bundestag on Wednesday morning.

Far from rising, the 2023 defence budget, Merz noted, was set to shrink by €300mn

based on current government plans. The lack of German action was "[giving] rise to considerable distrust" at Nato and in allied capitals, he claimed. Germany has long fallen short of its Nato-set obligation of spending the equivalent of 2 per cent of GDP on defence.

"It's a long-term plan, not fast, hectic PR statements," Scholz retorted. "We want to ensure . . . that we order the right things and that the Bundeswehr is equipped in such a way that it works for decades to come."

Though few in Berlin doubt the chancellor's sincerity, some believe he has only just come to grips with the scale of the challenge he has set the country — and has underestimated the political capital needed to meet it.

In 2021, Germany's military and its 183,000 active personnel received €46.9bn in funding, according to the Stockholm International Peace Research Institute.

To hit its Nato target this year, spending would have had to have soared to €75.5bn — catapulting Germany into third place behind the US and China in terms of absolute figures spent on defence — and to €85.6bn by 2026.

The €100bn special investment fund, if used at once, would thus run out within half a decade. The government will therefore need to make the political case for further sums beyond that timeframe to a country that has made pacifism a <u>defining</u> feature of its post-cold war foreign policy.

The €100bn fund is "a good start, and the right signal", according to Marie-Agnes Strack-Zimmermann, chair of the German parliament's defence committee. "[We have to] create this mindset — to make clear to the people in Germany that something is changing."

That will not happen overnight, she said: "[Some people] are getting impatient about where the money is going and what is to be spent. But you don't go to the supermarket and spend €100bn just like that. You need a certain amount of preparation."

Military experts agree that Germany's military planners have a lot of work to do.





German chancellor Olaf Scholz in the Bundestag debate on Wednesday: 'It's a long-term plan, not fast, hectic PR statements' © Krisztian Bocsi/Bloomberg

"If you look at the big picture, you realise that this really came quite suddenly," said Ulrike Franke, a scholar of German defence policy at the European Council on Foreign Relations, a think-tank. "On the 24th of February Russia invaded Ukraine, and on the 27th Scholz suddenly said he was giving €100bn extra to the military. It was a total shock to the system."

"The background to this in Germany is one of decades of under-investment and political neglect of the armed forces." The deficiencies in capabilities — on land, sea, air and in cyber space — are "everywhere", she said.

Allies are growing concerned. A Nato diplomat described Germany's new stance as "overall net positive". "But there have been inconsistencies since then... [they] seem to have no strategic logic," he said.

Much attention has focused on the big items such as <u>the orders for US F-35 fighter</u> <u>jets</u> and a new fleet of submarines. But a large chunk of money needs to be directed towards more prosaic gear.

In 2015, not long after Russia's annexation of Crimea from Ukraine, the Bundeswehr sent soldiers on a Nato joint training exercise with broomsticks painted black to resemble mounted weapons. A recent report by the German parliamentary commissioner for the armed forces said soldiers returning from Lithuania complained that their counterparts from other countries "made fun of them" about the state of the Bundeswehr's radio equipment".

Last Sunday, German mass-circulation newspaper Bild ran a story on its front page

about military ammunition supplies and even clothing nearly running out.

The scale of the updates and resupply needed requires a bureaucratic overhaul, according to analysts. Germany's military procurement body — the Koblenz-based Federal Office for Equipment, Technology and Support of the Bundeswehr — has the capacity to process about €9bn of military spending annually, according to an analysis by Christian Mölling at the German Council on Foreign Relations.

"The defence and procurement system is so shipwrecked and everyone knows this. It will take a tremendous effort to make it work again," he said.

With defence contracts prone to huge budget overruns, government officials say they are taking their time to get things right.

"These are not trivial procurements where you are buying a small thing and can get it done quickly. They have to be very balanced and everything has to be negotiated in great detail," said defence ministry spokesman Christian Thiels.

Several large contract proposals were likely to be presented to parliament for approval by the end of the year, he added.

For Mölling, prudence is an excuse that masks a bigger problem. By now, the defence ministry should be "working triple shifts", he said. "The security environment has changed so dramatically but I don't think the political urgency to get things done exists at all."

Germany's military powers have yet to embrace *Zeitenwende*, Mölling suggested: "I get the impression that the ministry of defence really hasn't completely inhaled."

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