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### **U.S.-FRANCE ANALYSIS SERIES**

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## France and Germany: A re-marriage of convenience

Thomas Klau, FT Deutschland

After years of apparent estrangement, the Franco-German relationship has enjoyed a remarkable revival in recent months. The flurry of spectacular Franco-German initiatives started in October 2002 with a surprise compromise on the size of EU agricultural subsidies following enlargement in 2004. This major breakthrough, in which each side made important concessions, has been followed by four important policy papers—on justice and home affairs, on defense, on economic policy and on institutional reform—submitted as joint contributions to the EU's Constitutional Convention. The last of the four outlined a ground-breaking compromise on the future balance of institutional power within the EU, and was released a week ahead of the 40-year anniversary of the Elysée Treaty on January 22, 2003 when further initiatives were to be announced, such as an agreement for cabinet ministers of one country being allowed to participate in government deliberations of the other.

Another equally impressive display of Franco-German policy coordination came in December when Germany's Chancellor Gerhard Schröder and France's President Jacques Chirac successfully joined forces to push for early 2005 as the likely date for the opening of the EU's accession negotiations with Turkey. In a striking exercise of joint leadership, Chirac and Schröder held a crucial and much-publicized emergency meeting with the Turkish delegation at the EU summit in Copenhagen. Together, they convinced the Turks that it was in their best interest to hail the EU's conditional commitment to open negotiations in 2005 as a breakthrough, rather than to savage it, as the Turkish leadership had initially planned, as yet another repudiation of Turkey's aspirations to EU membership. The last three months have thus provided ample evidence for the old assumption that France and Germany, when acting together, can shape the EU's major decisions more effectively than any single country or indeed any other alliance in the EU.

### The Problems of Living Together in France

One of the casualties of this new exercise in Franco-German leadership has been UK Prime Minister Tony Blair's claim to be second to none in setting the terms of the European debate. Nearly all of the first five years of Blair's Downing Street tenure have coincided with a period in which Franco-German cooperation was broadly ineffective, even non-existent. The Prime Minister eagerly seized on the opportunity to take a lead in the EU debate and to project himself as the driving force behind an agenda of economic reform that could shape and perhaps dominate EU policy for years. Blair's finest hour came at the EU summit meeting in Lisbon in March 2000 when the EU proclaimed its goal to achieve full employment and to outperform the US in terms

of competitiveness by 2010, launching a wide-ranging and largely British-inspired reform program to further liberalize the EU internal market.

Downing Street, however, underestimated the extent to which the Franco-German stasis of the period was not so much the consequence of a fundamental shift in the continent's politics as the result of the prolonged historical accident of "cohabitation," that is the division of power in France between a President of the Right and a government of the Left. From June 1997 to May 2002, French foreign and European policy was dominated by a hostile truce between President Jacques Chirac and Prime Minister Lionel Jospin. This truce, while it generally respected the rule that in foreign affairs France speaks with one voice, as good as froze any major initiative departing from established French policy. Germany wisely refrained from publicly criticizing this form of paralysis, but senior officials in the German Chancellery privately registered strong irritation over the impossibility of establishing smooth working arrangements with an internally competitive executive. Attempts to initiate new Franco-German proposals, they complained, were usually shot down by either the President or the Prime Minister's advisers, as each side was keen to do nothing that might give any domestic political advantage to the other.

The enormous practical and political difficulties stemming from the cohabitation do not, however, tell the whole story. Franco-German relations throughout the past decade bear the stretch marks of a strategic rebalancing of European geopolitics after the end of the Cold War. In the last ten years, France and Germany have both struggled to come to terms with the new strategic and economic reality emerging from the collapse of the Soviet Empire and the ensuing reunification of Germany. While the French government had fully accepted by 1992 that enlarging the EU to Eastern Europe was politically inevitable, misgivings about a potential loss of influence in an expanded EU continue to run deep. Many French politicians and senior officials tend to see enlargement as a change in which France has much to lose and Germany much to gain, a view which feeds the undercurrent of mistrust with which the French elite have traditionally viewed their German neighbor. This attitude left its mark on French policy even as late as October 2001, when then French Foreign Minister Hubert Védrine mounted a last-minute effort to block the German-inspired initiative to open the EU to ten new member states at once in 2004—the so-called "big-bang-scenario." Yet barring a potential upset through one or more referenda in the candidate countries, opening the EU to ten new states in May of next year is now nearly inevitable. The finality of this decision should very soon free France from its rearguard battles over EU enlargement and will allow them to reconcile themselves with and adapt to the deeply changed European geopolitical environment.

Efforts at Franco-German cooperation in recent years have further suffered from a lack of chemistry between the key players on both sides—an absence that reinforced the lack of political will. The impulsive, unpredictable, and occasionally ruthless Chirac, nicknamed "le bulldozer" in France, is a man both Schröder and his predecessor Helmut Kohl have at times found exasperating and untrustworthy. Meanwhile, the intensity of Chirac's own commitment to a productive relationship with Germany has varied dramatically over the years. Similarly, the erstwhile Prime Minister Jospin, before his stunning defeat in the April 2002 Presidential elections, made little secret of his skepticism toward the merits of close engagement with Germany and of his cool feelings towards German Chancellor Schröder. Indeed Jospin's foreign minister, Hubert Védrine, used off-the-record briefings to argue that the Franco-German special

relationship has outlasted its usefulness, an attitude that Jospin did nothing to contradict. On the German side, the situation following the departure of Germany's long-serving Chancellor Kohl in October 1998 was not much better. While Joschka Fischer, the new Foreign Minister, swiftly established himself as an advocate of close cooperation with France, Chancellor Schröder initially made it his priority to build a close relationship with Tony Blair, who remains one of the few foreign leaders with whom the German chancellor has established a good personal rapport.

#### **Reconcilable Differences**

The impressive number of new initiatives launched since October suggests that despite continuing personal difference and despite the changed circumstances of an enlarged EU, both France and Germany see a continuation of their traditional alliance as the best response to the challenge of a radically altered geopolitical environment. Clearly, the Franco-German relationship can no longer derive its legitimacy and impetus mainly from memories and fears of the past. Healing the wounds caused by World War II is no longer a consideration uppermost in the minds of policymakers in Berlin or Paris, although a great number of them still cite the war as a key factor driving European integration. Indeed, more than a few members of the French or German political establishment privately agree with Védrine that both countries should move on, pursue their national interest and seek new alliances within an expanded Europe.

Yet in what some might see as a paradox, the very pursuit of their narrow national interest should push France and Germany to continue their search for bilateral consensus and common initiatives. The absence of significant Franco-German leadership during most of the five past years filled many continental policy makers with unease rather than relief, and the EU's impending grand enlargement has strengthened rather than weakened the yearning for clear direction. On most policy issues, both economic and political, Germany and France tend to start with widely differing positions that represent the two extremes of the spectrum of opinion held within the EU. Reconciling them frequently results in a compromise, the essence of which is acceptable to many other EU countries, and which can be thrashed out faster and better in a secret bilateral negotiation than with 15 (or 25) participants haggling under the glare of a media spotlight. So far, at least, the Franco-German role as an incubator of European compromise is as much in demand as ever. Taking on ten new members states with very different national experiences and needs might, in due course, make Franco-German proposals much less relevant to the whole of the EU. But such an outcome, while clearly possible, is by no means certain. Indeed, the relative confusion and institutional paralysis that could follow the first years of enlargement might make many countries' eagerness to embrace Franco-German policy initiatives even stronger than before.

For France and Germany, there are clear benefits to close cooperation across the range of EU policies. As the October compromise on agricultural subsidies and the joint initiative on Turkey demonstrates, both countries acting together can often seduce and occasionally bully their European partners into following their lead. The difficult business of coming up with a joint Franco-German position is thus richly rewarded with a degree of influence neither country could hope to exert on its own, or indeed in any other partnership. Franco-British initiatives could easily run into overwhelming resistance. They might well send Germany, the largest contributor to the EU's budget and its strongest power, into a sulk, and would be viewed with deep suspicion

by most of the EU's smaller countries—neither Paris nor London has ever paid much respect to their sensitivities. A German-British alliance, on the other hand, would raise deep misgivings among the EU's more protectionist and statist southern member states in all matters of economic legislation and trade. Moreover, effective cooperation on constitutional questions between Germany and Britain is nearly unthinkable in view of the deep gulf—and the even more divergent rhetoric—separating the federalist-minded Germans from the British, who remain keen to proclaim the primacy of the nation-state over the Union.

While such an intergovernmental vision of Europe finds many advocates in France, it does not dominate politics and opinion pages in the same way it does in the UK. Moreover, the French approach to the EU differs fundamentally from the British one in that like the Germans, the French see themselves as owners and guardians of the Union's strength and integrity. They can, after all, rightfully claim to have invented the EU and much of its policies. Hardly any French politician would dream of calling the Union, as even a British europhile like Blair is fond of doing, "the alliance on our doorstep"—a formula that clearly downplays the very notion of the EU as a supranational power. As Blair himself said of Britain's relationship to the EU in a recent speech given in Cardiff: "We have never felt it's our club."

Chirac and Schröder have apparently failed to build a relationship of personal trust—each, in the words of one European leader, views the other as a reckless opportunist. However, both have clearly understood that, for now at least, pooling their influence to better lead in Europe is to their mutual advantage. Chirac repeatedly said during the 2002 campaign that he would make a strong relationship with Germany the linchpin of his European policy, and so far at least, the French President has been true to his words. And the appointment of Jean-Pierre Raffarin as Prime Minister and Chirac's trusted aide Dominique de Villepin as Foreign Minister has put in place two politicians with whom Schröder and Fischer can work.

The lack of personal commitment and the pragmatic, short-term focus of both Schröder and Chirac does make the new cooperation a fragile one, with neither side likely to take a significant political risk to help the other—although the initiative on Turkey did show political courage. They will not surmount every obstacle together and there will be serious bumps on the road ahead, as the arduous negotiations for the joint paper on Constitutional reform have shown. As if summing up the entire Franco-German relationship, a disgruntled-looking Fischer commented upon completing that particular deal, "We wanted to find a compromise, although it was very, very difficult." The Franco-German special relationship will continue to conjure up unity out of deep disagreement as long as this works as an effective tool for joint leadership. It will only wither away, or perhaps transform itself by opening up to a new partner such as Poland, if and when that tool ceases to function—and that will likely not be for many years.