

“Zeitenwende” and the German-Franco relation

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60th anniversary of the Élysée Treaty:

60 years ago, in January 1963, Konrad Adenauer and Charles de Gaulle signed the Élysée Treaty. This agreement was supposed to regulate first and foremost important matters concerning foreign, security and cultural policy. After lossy wars for both sides, this treaty paved the way for Germany and France to a common foreign policy. The beginning of a long-standing friendship, yet dominated by many ups and downs.

How is the situation 60 years after? Germany and France are often referred to as the motor of the EU. However, currently, German-Franco relations suffer from severe tensions due to two main disagreements, namely concerning the fields of energy as well as security and defence. Nevertheless, both parties believe in fruitful cooperation and strive for common goals. The bilateral summit, which was initially planned for October 2022, yet postponed because of considerable differences, took now place at the end of January 2023. Germany's and France's objective was to overcome their differences and to sign a declaration. In light of Spain's upcoming presidency of the Council of the European Union as of July 2023, it is crucial to have a glimpse at the Spanish perspective on this bilateral relation.

This paper starts off with a brief review of Germany's domestic policy and how this affects its foreign policy, in particular its relationship with its French neighbour. Subsequently, it discusses the most striking points in the energy sector, followed by an analysis of points at issue and the latest developments regarding security and defence. Finally, the outcome and the consequences of the recent bilateral summit in January are depicted. Certainly, the German-Franco relationship is much more comprehensive than examined in this paper. Yet, due to limitations, not the full scope can be addressed.

Influence of Germany's domestic policy on foreign policy:

Before analysing their relationship, it is essential to look at the current situation of German domestic policy. For the present coalition, consisting of the Social Democrats, the Greens and the Free Democrats, topics such as the war in Ukraine, inflation, energy transition, climate change etc. are dominant issues. The problem, however, is that the political parties set different priorities and have difficulties finding common ground on precisely these points. Debt brake, gas price cap, and arms supplies, to name just a few, seem to be the biggest points of contention.

Lately, one of the most striking examples of domestic political differences was the debate about tank deliveries to Ukraine. Concretely, the political parties demonstrated different visions, accompanied by the ambiguity of who is actually leading the initiative. Germany's chancellor Olaf Scholz or Foreign Minister Annalena Baerbock? This divergence within the coalition does not remain unnoticed by France and provokes interesting dynamics.

Energy:

In terms of energy, the German-Franco relationship is very tense due to the consideration of an EU-wide energy price cap. France accuses Germany of being egoistic and of damaging not only itself but also the entire EU. In contrast, Germany is afraid that a price cap would only worsen the current situation. In reaction to the exploding prices, Berlin just adopted a € 200 billion energy budget, yet, without consulting this decision with other EU member states beforehand. Germany's solo effort led to considerable displeasure among other EU member states since this step was against the allegedly common EU approach to tackling the gas problem.

As an immediate response to the war in Ukraine, the West reacted with sanctions against Russia on various levels. Germany has introduced a new energy model as it decided to cut off gas supplies from Russia. The debate about the gas pipelines *MidCat* and *BarMar* has challenged their relationship further. From a French perspective, *MidCat* was too expensive, which is why Macron argued that the plan could not have been realised for economic and environmental reasons. Besides, he drew attention to the fact that there are already two gas pipelines which connect Spain and France. According to France, the project would not have solved the problem of gas distribution, also concerning the European goal of clean energy. Germany and Spain, conversely, argued that *MidCat* would have allowed Spain to export 7200 million cubic meters of gas per year to central Europe. In other words, this would have been double the current exportations. Since Germany is affected by the consequences of the war in Ukraine and urgently looking for alternatives for gas suppliers, *MidCat* would have been a welcome option. Moreover, it would have permitted to transport natural gas, and in the long term even green hydrogen. Eventually, France, Spain and Portugal adopted the plan for a green corridor through the Mediterranean. With the new project *BarMar*, *MidCat* was replaced and Germany was left out.

But what are the consequences? Can Germany benefit from the new project nonetheless? The final declaration which was signed after the bilateral summit in January addresses the gas pipeline project *BarMar* and both parties agreed on the measures required. Nevertheless, there are heated debates about the production of hydrogen. At this point, Germany and France are not on the same page and it would be recommendable to re-label green energy to prevent any misinterpretations. The classification of green energy at the EU level is accompanied by economic interest. Assuming that hydrogen made of nuclear energy can be considered green, competition between Germany and Spain is to be expected since both countries pursue the same approach. At this point, it becomes clear why the German-Franco relationship should not exclusively be regarded as bilateral cooperation but rather as the foundation for a more open and multilateral collaboration.

Overall, Germany and France have rather distinct energy models: While France counts on nuclear energy (about 70%), Germany's approach is to face out from this and invest in renewable energy instead. Currently, one-third consists of a mix of coal and natural gas as fossil fuels. These different models also shape their national identities, respectively, as they come along with ideological divisions.

For a successful continuation of the project, it is indispensable to classify concretely what green hydrogen is and what is not. Only if this question is answered at the European level, the project has the potential to be rewarding for Germany as well.

Related to their different energy models are also their distinct perspectives on the gas price cap. The € 200 billion fund for German households and companies, which chancellor Scholz announced during the European Council, was extremely negatively received. Especially, because this decision was made behind closed doors and without consulting with other member states. It might be understandable that Germany wants to compensate for the repercussions of the energy crisis, however, the fact that it has attempted to prevent other countries from taking similar measures as well as Germany's strict refusal of any proposal concerning a European gas price cap antagonised the other member states. Consequently, Germany's selfish solo effort sparked immense frustration and a lack of understanding. One can assume that Germany's decision was deeply motivated by the pressure stemming from the industries due to a lack of competitiveness which had accumulated over the year. There is a great interest in finding a solution to this growing problem.

Defence:

One of the main controversies that burdens the bilateral relationship is the one about the differences between Germany and France over defence. In his "Zeitenwende"-Speech shortly after the outbreak of the war, Olaf Scholz introduced Germany's radical reorientation of foreign policy objectives. The war threatens the entire post-war order and this is why a reset was needed. In 2022, *Zeitenwende* was chosen as the word of the year in Germany and was on everyone's lips. The question is, how visible has Germany's u-turn on defence policy been so far? Their tensions seem to have reached a new level. Since the two parties are not able to find common ground, they are paralysing the EU to act. At this moment, both countries prefer individual paths which results rather problematic. Germany and France present the strongest economies among the EU member states and no EU country is big or powerful enough to ensure political stability on its own. This is why their collaboration is vital for the functioning of the EU.

Looking at the realisation of this radical change, one has the impression that so far this policy change has rather been a symbolic one. Scholz's speech, which sent important signals, as well as a large amount of money invested, should not be underestimated. These actions indicate that Germany has the right intentions and stands with Ukraine. Nevertheless, considering the gravity and brutality of this war, Germany's performance is rather poor as it fails to live up to its own expectations and standards.

With regard to the annual defence budget, one can even detect a decrease from 2022 to 2023. This again also reveals that Germany remains below the 2% target of NATO. How adequate the sending of 5000 helmets to Ukraine was, which more or less equals one helmet for ten soldiers, is debatable. However, by some, this was perceived as a farce. As far as the delivery of tanks is concerned, Germany has also shown restraint and a wait-and-see attitude. Concretely, the US had to take the initiative for Germany to react. This pattern draws attention to the transatlantic dimension of this dynamic.

From a French viewpoint, it might be plausible that Germany can't implement the promised u-turn on defence policy overnight. Especially, taking into account, for instance, the special doctrine that stipulates that Germany does not deliver weapons to countries at war. At this point, two main aspects have to be reflected on: Firstly, the historical context plays a decisive role and this is why Germany is reluctant to overthrow this principle. Secondly, it cannot be neglected that Germany failed to invest sufficiently in its defence system over the past 25

years. The magnitude of this underinvestment becomes now apparent. France, by contrast, focused a lot on its investments in the defence sector intending to conserve an industrial base on defence in Europe. France is aware of its importance within the EU and does not want to take any chances of losing influence on key competencies which would result in a shift in the power structure.

Future Combat Air System

Diving more into the defence and security sector, it is indispensable to mention the Future Combat Air System (FCAS). The FCAS is a European air defence system, which was initiated by France and Germany in 2017 and is considered one of the biggest European projects as it is supposed to replace previous fighter jets with manned fighter jets and unmanned drones. The Spanish company Indra joined the initiative in 2019. It was the desire of both sides, Germany and France, that the competitive companies Airbus and Dassault Aviation collaborate. In theory, the roles are clearly defined, yet, in practice, the plan proves to be challenging since France does not seem to be willing to share technical knowledge. There is a clash of cultures: While Airbus is known for being a transnational company, France is rather focused on itself. The project discloses the difficulty of finding a common approach. More precisely, the challenge is twofold: Not only the financing of the FCAS is central to the debate but also introducing a concrete schedule for how to proceed. Moreover, the project goes hand in hand with a great amount of bureaucracy which does not accelerate the process at all. Translating contracts into practice is a lengthy process. To decide where to procure from and how to invest the money concretely are only examples of the many important questions.

Besides, Germany makes contradictory statements and decisions. On the one hand, Germany promises to respond as fast as possible, on the other hand, it favours US systems over European systems as it can procure them off-the-rack. With this behaviour, Germany faces incomprehension on behalf of France and Spain. There is a heavy lack of communication. To calm down the situation, Germany owes France an explanation and has to step up its efforts. As mentioned above, it is of utmost importance to preserve an industrial base within Europe. For this reason, Germany has to be willing to make the respective commitments.

In the matter of the triangular relationship, it is favourable to have Spain on board as it allows a larger operating range. In other words, the problem does not lie in having various participating countries but rather in the difficulty for the industrials to come to agreements. This is where the repercussions of the lack of political guidance on the project become visible. Understandably, industrials attempt to promote their interests and fight for them, respectively. Accordingly, these discussions seem never-ending as nobody wants to make concessions and they are going in circles.

All these discrepancies triggered a long dispute which delayed the initial schedule various times. Today, the situation seems more promising and one can be positive that this burden has been overcome. The prototype is expected to be ready by 2028. Finally, there are two main takeaways: Firstly, Germany has to present clearly defined objectives, and secondly, Germany should consider the inclusion of French/European material when it comes to procurement.

European Sky Shield Initiative

Another striking point concerning security and defence issues is that during a recent meeting in October 2022, 14 NATO members signed a letter of intent for a new air defence system called the European Sky Shield Initiative (ESSI), which was initiated by Germany. France, however, did not participate. The objective of this project is to reinforce NATO's Integrated Air and Missile Defence. More precisely, the idea is "to protect the skies of the entire continent by integrating and coordinating the air and missile defence systems of its members and cooperating in the procurement" (Khvostova & Kryvosheiev, 2022). Yet, the project faces two main challenges: Not only does it have to withstand Russia's aggressive offensive, but it also has to manage the coordination of the participating member states. In this regard, the war in Ukraine can help to assess where the projects still lack capabilities and where it has to be improved.

Has Germany the power to convince France of the benefits of the ESSI? Or more on the point, what would be the benefits for France to participate? There is no doubt that a lot of damage has been done. The lack of communication caused not only disappointment but also distrust. What does that mean for the future? If Germany really intends to convince France, it has to step up its efforts and demonstrate more reliability. Lies the motivation in saving money thru common procurement or is it a matter of an integrated air defence system to share information? Assuming that Germany strives for interoperability, this could already awaken France's interest. In a nutshell, as long as Germany does not specify its objectives, nothing will change. The defence systems at hand are manifold. For instance, it would be recommendable for Germany to also include the French-Italian SAMP/T MAMBA air defence system, which can intercept ballistic missiles and is intended to help Ukraine defend itself against Russia. Political and technical aspects often go hand in hand and in this context, one cannot separate them from one another.

The great number of different defence systems visualises how much EU member states struggle to find the best modus operandi even though they eventually strive for the same objective. France is disappointed about the slow progress with regard to the common procurement and production of defence equipment. Besides, France stressed the fact that the EU experiences a much stronger need for military equipment due to the outbreak of the war in Ukraine. Yet, it points out, that the facilities are not made for wartimes. What is at stake is whether Europe is capable to stand up and to deliver aid to Ukraine. After all, the object is not only to manoeuvre with a sophisticated and unique weapon system but also to comprise basic logistics and to have interoperable troops.

Hopes for the German-Franco motor were high, yet, the alliance is increasingly referred to as obsolete as it fails to meet expectations. Instead of reactivating its leading position on behalf of Germany and France, there has been a power shift perceptible: States in the (north) east of Europe have become more the centre of attention.

Summit:

After the festive ceremony in celebration of the the Elysée Treaty, French President Macron and the German Chancellor Scholz sat together to discuss the biggest points of contention which are currently harming their relationship. The meeting was initially planned for October, yet, it was postponed due to severe differences. These ongoing tensions have not remained unnoticed by the other EU member states. Consequently, both governments stressed the fact that they are keen on presenting concrete solutions and the expectations were

correspondingly high. It is clear that institutional reform is needed, otherwise, a change is impossible.

While France is pushing for a new sovereign EU fund to boost the EU's industry - especially intending to be able to keep up with the US -, Germany does not consider this idea very urgent. France demonstrates discontent with the slow progress on the behalf of Germany in many aspects, meanwhile, Germany refrains from making any ad hoc decisions. It is the common problem Germany has been repeatedly confronted with: Being too hesitant with making quick decisions! This, in consequence, often provokes discontent among partners.

In essence, the summit was a more symbolic one. Both parties underlined the importance of a functioning relationship, but they remain very vague in their statements. Eventually, they issued a joint statement to stipulate shared projects with regard to battle tanks, space programmes and hydrogen production, among others. It is worth mentioning that the Franco-Germany Brigade was specifically outlined in the declaration as well. However, a genuine fresh impetus fails to materialise. Europe finds itself in an emergency situation. But is the EU aware of the ramifications if it does not tackle the problem now? Europe is on its best way to lose ground if Germany and France do not stay together. Besides, the relationship should not exclusively be a bilateral or trilateral one but rather more inclusive cooperation.

What is Spain's role?

What role does Spain play in this context? Spain bears responsibility as well to keep the relationship warm. In a moment of weakness of leadership at the hands of Germany and France, Spanish President Pedro Sanchez might have gained leverage. Although Germany and France, at least until now, are still the motor, Spain wants to contribute wherever possible. This is also why Spain is firmly involved in the discussions about different energy models in Europe and put forward a proposal for structural reforms to modernise the electricity market. Not only in the energy sector but also in the defence sector Spain wishes to be more involved and to take actively part in this. Furthermore, Spain is strongly interested in a common industrial policy. It is not a secret that Spain does not have the same financial resources as Germany or France. For this reason, Spain hopes for a more common approach to subsidise businesses.

Geopolitically, the *Zeitenwende* doctrine has not demonstrated the intention of strategic autonomy, at least until now. The war in Ukraine should not result in a dependence on other great powers, neither the US nor China. The importance of strategic autonomy cannot be emphasised enough and this is why the current situation is worrisome. Spain would be in favour of this but Germany does not reflect on this in its policies.

Conclusion:

This paper revealed how much discrepancies within the German coalition affect Germany's foreign policy, especially how it complicates its relationship with France. The energy as well as the security and defence sector seem to be the most challenging fields for the partners. Numerous initiatives substantiate their willingness to maintain their close partnership and overcome obstacles but the right impetus remains in vain.

As a concluding remark, Germany and France have to be cautious not to be perceived as an exclusive club. Instead, they have to endeavour to exchange and discuss more with other

member states, for instance Spain. The analysis has demonstrated how interwoven the German-Franco relationship is but also how many factors have to be taken into consideration when it comes to cooperation with other EU member states. Moreover, it also disclosed that the *Zeitenwende* was not necessarily a u-turn in Germany's foreign policy but rather simply a wake-up call to finally acknowledge and tackle longstanding deficits of the *Bundeswehr*.

In view of Spain's presidency of the Council of the European Union, which will introduce a new trio, followed by Belgium and Hungary, it will be interesting to observe how the dynamics will change. Will Spain be able to contribute more actively?

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