

FRANCO-GERMAN RELATIONS IN THE POST COLD WAR ERA

**Dissertation submitted to the Jawaharlal Nehru University in partial
fulfillment of the requirements for the award of the degree of
MASTER OF PHILOSOPHY**

SHUBHRAJEET KONWER

**Centre for American and West European Studies
School of International Studies
Jawaharlal Nehru University
New Delhi-110 067
2002**



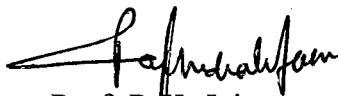
CENTRE FOR AMERICAN & WEST EUROPEAN STUDIES
SCHOOL OF INTERNATIONAL STUDIES
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI-110067

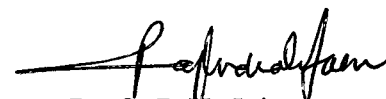
CERTIFICATE

Date - 15.7.2002.

This is to certify that the dissertation entitled "**FRANCO-GERMAN RELATIONS IN THE POST COLD WAR ERA**" submitted by **Shubhrajeev Konwer** in partial fulfillment of the requirements for the award of the degree of **MASTER OF PHILOSOPHY**, is his own work and has not been submitted for the award of any degree of this or any other university.

We recommend that this dissertation be placed before the examiners for evaluation.


Prof. R.K. Jain
(Chairperson)


Prof. R.K. Jain
(Supervisor)

DEDICATED TO MAA AND DEAUTA

***The source of my moral energy and
inspiration in every walk of life.***

ACKNOWLEDGEMENTS

My M.Phil dissertation has led me to the threshold of an academic pursuit. I would like to convey my deepest gratitude to my supervisor and Chairperson, Centre for American and West European Studies (CAWES), Prof. Rajendra K. Jain, whose sincere interest and belief in my abilities induced me towards the successful completion of my M.Phil dissertation. Without his constructive criticisms and instructions, this work would not have materialised. The unwavering guidance, endurance and support of my supervisor despite my many lapses have been my strength.

I benefited immensely from all the libraries I visited to collect resource material for my work with special reference to the JNU Library, Teen Murty Library, Institute for Defence and Strategic Analysis, American Center Library and Max Mueller Bhawan, N.Delhi.

I am indebted to my friend, Jalis who provide me with unlimited access to his computer where I could type my entire work, and to Jawed, who helped me with all its functional aspects. I would also like to thank my cousin, Rupak whose excellent computer skills helped me collect resource material from the Internet.

I am extremely grateful to Shri G.C. Sharma for having trust and faith in me. I will remain forever grateful to Shri R.Talukdar for all his help, cooperation and constant encouragement at all stages of this work. I am also very thankful to Shri N.Saikia, Mrs. M.Sharma and Shri P.K. Das for adjusting their time- schedules to suit me and for all their cooperation at every stage. I would also like to thank all my friends and coursemates for their varying degrees of help, support and concern.

I am greatly indebted to Maa and Deauta for having faith and conviction in me, whose constant encouragement has helped me move forward from strength to strength. Dhunu Da and Riju Bou, Jinti Ba and Deepak Bhindeu, thanks a million to you all, for without your help and encouragement, this dissertation would not have been possible.

Finally, I own full responsibility for any inadvertent error that may have crept into this work.

Date: 15.7.2002.



Shubhrajeev Konwer

ABBREVIATIONS

CAP-	Common Agricultural Policy
CEECs-	Central and East European Countries
CFSP-	Common Foreign and Security Policy
CSCE-	Commission on Security and Cooperation in Europe
DM-	Deutsche Mark
EC-	European Community
ECSC-	European Coal and Steel Community
EEC-	European Economic Community
EFTA-	European Free Trade Association
EMU-	Economic and Monetary Union
EP-	European Parliament
EU-	European Union
FRG-	Federal Republic of Germany
GDP-	Gross Domestic Production
GDR-	German Democratic Republic
NATO-	North Atlantic Treaty Organisation
OECD-	Organisation for Economic Cooperation and Development
OEEC-	Organisation of European Economic Cooperation
PHARE-	Poland/Hungary: Assistance to the Reconstruction of the Economy
SEA-	Single European Act
SED-	Sozialdemokratische Einheitspartie Deutschlands
TACIS-	Technical Assistance for the Commonwealth of Independent States
TEU-	Treaty of European Union
WEU-	Western European Union

CONTENTS

	Pages
1. Acknowledgements	
2. Abbreviations	
3. Preface	i-iv
4. Chapter I	1-16
Introduction.	
5. Chapter II	17-31
French Response to German Reunification.	
6. Chapter III	32-64
France, Germany and the European Union.	
7. Chapter IV	65-84
Nice Summit and After.	
8. Chapter V	85-95
Conclusion: France, Germany and the Future of Europe.	
9. Bibliography	96-105

PREFACE

This study seeks to examine the problems and prospects of the Franco-German partnership in the European integration movement in the post Cold War era. After the Second World War, the shape and direction of the European integration movement has been greatly influenced by agreements between these two most powerful European countries. However the events of 1989-1990 that led to the fall of the Berlin Wall and the quick reunification of Germany upset the comfortable entente between Bonn and Paris and complicated the integration process. Although France was taken by surprise by the quick unification of Germany, President Francois Mitterrand soon realised that French opposition would be counter-productive. Instead French and European support for German reunification was informally traded for German acceptance of a deepening of European integration process. Germany would be inextricably bound into the EC, and the German problem would not resurface.

In the post Cold War era, parity between France and Germany was maintained, but following the reunification of Germany, the image of a triumphant Germany exacerbated France's sudden geo-political marginalisation as the Cold War system disintegrated. France, which for several centuries had held the centre stage of European politics, now felt that it was not going to be the gravitational centre of European politics. Now that Germany has become the most powerful member of the European

community, some have pointed out that Germany has been flexing its diplomatic muscles and asserting itself. But frequent consultation and joint positions between France and Germany has helped Germany to avoid offending European sentiments and sensitiveness, and push the EC along to meet the Franco-German needs.

In fact, the present EU was constructed upon France and Germany's proficiency and willingness to cooperate. With a few exceptions, France and Germany always managed to set the agenda for the various Intergovernmental Conferences namely Maastricht and Amsterdam. Characteristically, France and Germany were anxious to retain leadership in high politics areas of foreign policy, defence and finance. Both the countries soon realised that if the European Union was to be made more dynamic, effective and assertive, then institutional reforms were overdue. Throughout the history of European Union, linkages have been made between admission of new states to the European Union and the core's wish to deepen the integration process. The problem was that the admission of Central and East European countries to the European Union threatened the parity on which the Franco-German leadership in Europe was based.

The Nice Summit revealed that all is not well between these two European powers. Power grabbing by the large states has caused wariness among the smaller counterparts, both current and future members. It showed increasing coolness in the Franco-German 'marriage of

convenience'. With the projected entry of Central and East European Countries into the EU by 2005, the reallocation of seats in the European Parliament, changes in the qualified majority voting (QMV), the Franco-German 'motor' is bound to be affected.

This study seeks to analyse the changing dynamics of the Franco-German relations highlighting the priorities and concerns of both the countries. Even though the Nice Summit revealed the decline in Franco-German relations, qualitatively, yet both the countries are eager to retain their 'cooperative hegemony' in the European Union. The study seeks to provide a descriptive and analytical perspective of the key issues that threaten this relationship. For this, the study has relied chiefly on the official publications of the European Commission for primary sources. Secondary sources have included diverse literature, ranging from books, journal articles to Internet references.

The study is comprised of five chapters. The first chapter essentially is a brief historical background of the Franco-German relationship. It highlights the Franco-German moves towards European integration and the role played by the duo in the adoption of the Single European Act.

The second chapter undertakes to review the French response to Germany reunification. Events leading to the quick reunification of Germany and the French concerns have been adequately dealt with. The

latter half reveals the impact of unification on the Franco-German relations.

The third chapter reveals the bargains and compromises made reached between these two countries in concluding the Treaty on European Union signed in Maastricht in February 1992. It brings to light the difference of views and opinions with regards to key issues - Economic and Monetary Union, Common Foreign and Security Policy, Common Agricultural Policy, institutional reforms of the European Union and the Eastward enlargement of the European Union. Besides an attempt has been also made to evaluate the role played by France and Germany in the adoption of the Amsterdam Treaty.

The Nice Summit revealed the divisions between Europe's leaders about the kind of Union they desire. It particularly showed that the Franco-German couple- always in a marriage of convenience-is increasingly living separately. Therefore, the fourth chapter seeks to evaluate the Nice Summit and the impact of further enlargement on the Franco-German relations.

The final chapter highlights the democratic debate that is to precede the intergovernmental conference of 2004. The results of Laeken Declaration (December,2001) and the future of Franco-German relations is further explored.

CHAPTER – I

INTRODUCTION

Europe began the twentieth century as the world's leading region. By the middle of the century it was devastated and occupied. By the end it was once more prosperous and free. Given Europe's roller-coaster ride through the past century, no one can predict with much assurance what is in store for this continent. There are too many unpredictable elements. True, Europe's old nation states have left the twentieth century tied into a union that promises a better future. But that 'union is now embarked upon bold but hazardous experiments with monetary integration and territorial expansion. Its complex institutions are overstretched and need fundamental reforms. Meanwhile, ancient national rivalries smolder among the partners'.¹

The shape and direction of European integration movement in the post World War II era has been greatly influenced by the agreement between the two most powerful countries of Europe, i.e. France and Germany. 'European history, complex as it might appear, is following a very simple path: either France and Germany manage to keep the continent together- or the continent simply doesn't keep together'.² The relationship between the two countries, however, was not always been harmonious and periods of tension and disagreement has punctuated the partnership and integration path. But carefully negotiated bargains and

¹ David P. Calleo, "Rethinking Europe's Future",
<http://pup.princeton.edu/chapters/s7123.html>

² Ulrike Guerot, "French Waterloo, German nightmare?",
www.theglobalist.Commission/nor/richter/2000/12-20-2000.shtml

compromises between the two governments were designed to protect each country's perceived national interests and were aided by frequent consultation and close relation between the leaders. Although not always in agreement, the de Gaulle -Adenauer, Schmidt- Giscard and Mitterrand- Kohl partnerships often took the lead in promoting the European integration process³.

The engine of European integration process has been and continues to be the Franco-German relationship, and the national governments remain the chief but not the only players. When the partnership functions, bargains are reached and the process moves forward, when it stumbles, progress falters. When France and Germany have moved together, for example with the plans for Economic and Monetary Union (EMU), the rest of the Union has followed. The past five decades contains many such examples.

In World War II about fifty million people were killed, many once flourishing cities were reduced to ruins and about 20m refugees in Europe alone were looking for a new home. In 1945 and 1946 much of the population of Europe was struggling to survive. It was in this period of misery and hopelessness that Winston Churchill held a remarkable speech on the future role of Europe as well as of Germany and France. In this speech he said, " We must build a kind of United States of Europe....the first step in the reconstruction of a European

³ Christina Pia Wood, "Franco-German Relationship in the post Maastricht Era" in, Carolyn Rhodes and Sonia Mazey, (Ed), *The state of the European Union Vol.3 Building a European Polity?* (Colorado: Lynne Rienner Publishers Inc.,1995),p. 221.

family must bring together France and Germany”⁴ He saw this as the only way to overcome the horrors of the past and give the peoples of Europe a chance of reconstruction in freedom, peace and security. France, a country that endured severe hardship due to German militarism during the Second World War, evinced greater interest than ever before in ensuring that Germany is well knit up in the new fabric of the European Union and also Franco-German framework.

Throughout the nineteenth and twentieth centuries fear of German expansion and domination was a central feature in European politics. It is argued that Germany is the centre of Europe, and mainly surrounded by Latin and Slav peoples had of necessity led a precarious existence. When disunited, it was a natural point of collision for marauding armies converging on it from all directions. When united, it was a force to be reckoned with. Germany’s very existence in any form could in fact be regarded as a source of unrest. European powers often played one German state against the other – not only to hamper the emergence of a unified Germany, but also to keep the ‘pot boiling’ to prevent one of their own members from becoming too powerful in central Europe⁵. Besides Germany has more neighbours than any other country in Europe. German history has become a tale of unending war

⁴ Edmund Ohlendorf, “Germany and Europe in the Second Half of the 20th Century”, <http://www.eduvinet.de/Gaule/eduvinet/uk009htm>

⁵ J.K. Sowden, *The German Question 1945-1973 Continuity in Change* (Great Britain: William Cloves and Sons Ltd., 1975), p. 20.

and tensions with foreigners fighting on German soil, or great armies poised against each other on hair trigger alert.⁶

France, a nation had suffered humiliating defeats at the hands of Bismark's unified Germany and then its soil was trampled over twice in less than four decades of the twentieth century was bound to turn paranoiac in relations to its neighbours. But France which had been nearly defeated by Germany, whose economy was in shambles and politically unstable too, did not have the proper requisites of a nation which could steer the future course of Europe and consequently the world. Since Germany was the pivot of power in the continent, each side wished to shape the future of Germany to coincide with its own ends.

Since 1945, building Europe has been central to French foreign policy. Now that Europe displays a fairly clear shape and purpose, 'France's diplomacy does not only consist in working for Europe but rather working through Europe, politically, economically as well as militarily speaking'.⁷

French argued that Germany in the past had remained peaceful only when it was politically decentralised or fragmented. A united Germany would once again become industrially powerful and be a threat, both through its industrial and consequent military power. In addition there was this apprehension that the Centralised Reich may

⁶ W.R. Smyser, "Dateline Berlin: Germany's New Vision", *Foreign Policy*, Vol.97, Winter 1994-95, p. 140.

⁷ "France and building of Europe",
<http://www.weltpolitik.net/regionen/europa/frankreich/941.html>

seek to perpetuate the Germany boundaries. But this attitude of containing the former enemy by force was negative in nature, slowly waned mainly because of the Anglo-American pressure on France at the London conference, where it had to accept the fusion of the three Western zones. The only alternative left for France to keep Germany on a lease and to counter the growing influence of extra European powers was through some kind of a union.

Through European unification, France hoped to end the conflicts that had twice within thirty years torn the continent apart and weakened France. Robert Schuman said, "For peace really to have any chance, we first need a Europe. Five years almost to the day after the unconditional surrender of Germany, France is accomplishing the first decisive step in European construction and is inviting Germany to join in. this should transform condition in Europe. The union of nations of Europe demands that the century old rivalry between France and Germany should be eliminated."⁸ Thus, by 1949, French safeguard against renewed German aggression depended upon the Anglo-American guarantees and the integration of West Germany within a wider western economic and military complex. Besides, the French and the Germans were war weary, and they were willing to consider any new political device to end the useless rivalry between the two neighbours⁹. Therefore, there was a grave need to device a supranational regional mechanism to ensure in future the optimum level of security to Europe, and to accelerate its economic

⁸ *ibid.*

⁹ H.S. Chopra, *De Gaulle and European Unity* (New Delhi: Abhinav Publications, 1974), p. 35.

development. It is in this context that the new unprecedented momentum that the movement for European unity had gained in the late 1940s and early 1950s may be read.

Franco-German moves towards European unity:

The effective division of Europe between the East and the West after 1945 generated alarm in West Europe and concern about the territorial ambitions of the USSR and led to the deep involvement of US in West European affairs. The consequent cold war – the ideological, political, and diplomatic conflict between the US and the USSR, and the Western and Eastern Europe, that endured until the end of 1991- was a pressure that propelled West Europe towards defining itself as an entity with common interests¹⁰. A consequent feeling assisted this movement that economic recovery could only come about through external assistance from the US, combined with collaboration on development and trade across the states.

The initial moves by the governments were limited in scope, with the war time decision by the Low Countries to establish a Benelux Customs Union being an exception. While the governments were more typically interested primarily in the security arrangements, they had done little more than to consider mutual aid treaties of the traditional variety. The Treaty of Brussels, which served as the basis of Western European Union (WEU), was specifically to guard against the possible future Germany aggression but also with an eye towards possible future

¹⁰ Perek W. Urwin, "From a Europe of State to a State of Europe", in Phillippe Barbour, (ed.) *The European Union Handbook* (Chicago:Fitzroy Pearborn,1996),p. 4.

Soviet actions. By 1948 the cold war was in full swing. The final marriage between West Europe and the US, which alone could provide the desired military security, came with the formation of North Atlantic Treaty Organisation (NATO) in 1949. NATO was the conclusion of the programme of American support first outlined in the Truman doctrine of March 1947. It provided a protective shield beneath which West Europe was free to consider its political and economic options without necessarily having to devote scarce resources to military defence. Against this backdrop, the protagonists of a federal Europe, who would be found all across Europe, began to receive endorsements from a significant number of senior politicians from several countries. They continued to press for action on West Europe integration and union.

The first result of the post war debates was the Congress of Europe, held at Hague in May 1948. These political developments were paralleled by the activity on the economic front through the introduction of the European Recovery programme or the Marshall Plan. The US further insisted that the European participants in the programme had to decide for themselves how aid was to be distributed across the countries involved. These were the basic objectives of the Organisation of European Economic Cooperation (OEEC), established in 1948. The OEEC was primarily concerned with cooperation and coordination. Thus like the Council of Europe, it was intergovernmental in nature, only able to operate with the consent of all its members. Both organisations had some permanent structures and

institutions to enable them to perform their allotted functions satisfactorily. While they were limited in scope and relied very much upon the principle of voluntary cooperation, both bodies nevertheless reflected a realisation in West Europe of the interdependency of states—these states especially against the backdrop of the cold war, could prosper or fail together. However both organisations, in terms of degree of integration and of limiting national sovereignty, operated within the broad yet restricting denominator of the intergovernmental cooperation (the lowest common denominator) situation, which could not satisfy those who believed in the imperative of the union¹¹. If the union were to become a practical objective, a different path had to be sought. Jean Monnet and Robert Schuman and their European colleagues, seeking to resolve the problem indirectly, adopted the so-called “pocket book” approach¹². The Frenchmen Robert Schuman, who in May 1950 cut through the tangle in West Europe debate to propose a pooling of coal and steel resources, specifically between France and W. Germany. The Schuman Plan was the blueprint of the European Coal and Steel Community (ECSC), which was formally established in April 1951 as West Europe’s first organisation that involved the yielding of member states’ sovereignty to a supranational authority. The major objective of the Schuman Plan was to bring to end, once and for all, the traditional animosity between France and Germany, through limited but decisive, functional, integration, which would channel these basic

¹¹ Ibid., p.5.

¹² “Perspective on the Post-Maastricht Political Progress within the European Community”, <http://www.homepage.mac.com/brownsteve/tummins/poli/008.html>.

resources to industrialisation of western Europe, rather than to production of war armaments for mutual destruction¹³. Through the formation of the ECSC, France gained some control over Germany's coal and steel industries' (i.e. the main ingredients of war making capacity), and Germany gained a closer economic and political relationship with France and greater international acceptance. 'The Germans wanted to get rid of Hitler's shadow by demonstrating to the world – and to themselves- that they had become a model democracy: a society abiding by the rule of law and an unquestionable ally to the Western world'.¹⁴

It is no coincidence that except for the European Defence Community, which was killed by the French National Assembly in 1954, the 1950s was a period of progress in European integration and a period of Franco-German intimacy. The small member states did at times provide intellectual leadership as in the case of common market, but overall France and Germany dominated the process of integration.

The content of Treaty of Rome, established in 1957, very much reflected French and German priorities. 'The European Economic Community was thus essentially a compromise between the German interests in the market liberalisation and French interest in support for agriculture'.¹⁵ The treaty enjoined its signatories, among other things, to establish a common market. The treaty emphasised the principle that

¹³ H.S. Chopra, n.9, p. 27

¹⁴ Ludger Kuhnhardt, "Germany's Role in European Security", http://muse.jhu.edu/demo/sais_review/15.3Kuhnhardt.html.

¹⁵ Thomas Pederson, *Germany, France and the Integration of Europe: A Realist Interpretation*, (London: Pinter, 1998), p. 80.

the problems of one Member State would be the problem of all. And it did not possess a limited life span, it was to remain in force for an 'unlimited period', meaning essentially that it could not be revoked¹⁶. In addition France obtained a treaty on cooperation in nuclear energy, a topic that attracted a lot of attention in France at that time. The Treaty of Rome represented an important bargain between the two countries. France agreed to open her markets to German industry in exchange for Common Agricultural Policy (CAP), which would provide subsidies for French agricultural products.¹⁷

The advent of de Gaulle in 1958 changed this state of harmony. De Gaulle had been one of the leading opponents of the ECSC. The premise of the German inspired integration strategy was that all member states, including the major ones, should be willing to share power and forgo short-term benefits in the interest of long-term stability and engage in negotiating games. Of treaties he said, " They are like rose and young girls. They last as long as they last¹⁸."

Under his turbulent reign, France turned away from supranationalism and tried to transform into a confederal entity with France as the '*primus inter pares*'¹⁹. A new 'Gaullist method' centering on confrontation on high politics issues and a more rigid national

¹⁶ Perek W Urwin,n.10.,p. 6.

¹⁷ Christina Pia Wood,n3,p. 222.

¹⁸ Thomas Pederson,n.15,p. 80.

¹⁹ *ibid.*, p. 81.

supervision of supranational bodies began to make its presence felt, in sharp contrast to the 'Monnet method'²⁰

Charles de Gaulle's autocratic style demanded independence from the US ascendancy, thereby allowing or necessitating a French leadership in Europe. This was affected through the nascent European institutions, which would service a grouping of independent nation states, in particular combining German industrial and economic capacity with French political, diplomatic and military supremacy. De Gaulle believed in ending the traditional animosity between France and Germany by establishing European confederation in which France must maintain its leadership in defence and foreign policy matters. Even in regard to economic questions, he believed that German economy must be linked to the French economy. De Gaulle, as a military expert, believed in settling the German question from the position of strength and maintaining the acquired position through the added strength.²¹

As his confederal Fouchet Plan failed in 1962, de Gaulle tried to set up a bilateral Franco-German leadership structure outside the community institutions. Germany and France both wanted to use the community as a platform for exercising leadership. But under de Gaulle, France abandoned the Hallstein's, Schuman's and Monnet's community method, developing a preference for *directoire* or external asymmetry within the context of membership of the community²².

²⁰ William Wallace, and Helen Wallace, *Policy-Making in the European Union* (Oxford: Oxford University Press, 1996), p. 46.

²¹ H.S. Chopra, n. 9, p. 38.

²² Thomas Pederson, n. 15, p. 81.

Konrad Adenauer's achievements were partly dependent on and magnified by concord with de Gaulle. It required the Federal Republic, now with a growing economy to play a secondary role to France in foreign affairs and assent to French diplomatic aims. 'Such coordination would benefit German trading interests by guaranteeing free trade among the six, while eliminating pressures for evaluation'.²³ Significantly de Gaulle did not challenge the European Community membership. He soon saw the political as well as the economic benefits that France could reap from the membership of EEC in particular.

In stark contrast to the Germans reticence, the French were very keen to assume the mantle of EC's political leader from its very beginning. De Gaulle could not have transformed France, 'a sick man of Europe' into a politically pulsating, potentially dynamic power, if he had confined himself to the conventional frameworks.²⁴ Fueled by the visions of grandeur, the French believed that the EC provide them the opportunity to achieve self-aggrandising national and pan-European goals. The French considered the leadership of the EC as a way of restoring their flagging continental prestige and autonomy by invigorating an independent united Europe.

However de Gaulle had managed to regain some of the lost sympathy in the FGR during the Berlin crisis of 1961 when he showed himself to be staunch supporter of Germans than the USA. The Elysee Treaty signed in 1963, introduced regular meetings between the two countries' in the area of defence, education and youth. In the field of

²³ Haig Simonian, *The Privileged Partnership* (Oxford: Clarendon Press, 1985), p. 96
²⁴ H.S. Chopra, n.9, p. 52.

foreign policy the two governments agreed to consult each other on all-important questions of foreign policy ' with a view of reaching as far as possible an analogous position'.²⁵ The joint declaration which served as a preamble to the treaty, referred to the solidarity between the two countries and described the increased cooperation as an indispensable stage on the way towards a united Europe. The final provisions echoed concerns about the cohesion of the community and consequently contained an undertaking that the two governments would keep the other members of the EC informed of the developments of the Franco-German cooperation. One notes, however, that the other members would only be informed of the development of the cooperation – not of the activities.

Yet disagreements between de Gaulle and Adenauer over the close relationship between Germany and the US, France's withdrawal from the military structure of NATO in 1966, the French veto of the British application to the EC in 1963 and 1967, de Gaulle's rejection of 'supranationalism' and his boycott of the common market in 1965, and the currency crisis of 1968-69, hindered any further substantial progress towards integration.²⁶

The decades of the 1970s witnessed additional highs and lows in the Franco-German relationship, as France agreed to British membership in the EC in 1973 but worried over Germany's 'Ostpolitik' and argued over the agricultural and monetary policies. However by 1978, the close Schmidt-Giscard partnership led to a major new

²⁵ Thomas Pederson, n.15,p 81.

²⁶ Christina Pia Wood, n.3,p. 222.

initiative towards the European Monetary Union. The European monetary system protected the German Mark against the fluctuations of the US dollar and kept German products competitive in the EC market. Giscard through the European Monetary System (EMS) imposed a politically difficult discipline on France's economy, which allowed France to resist German economic domination over the long run.²⁷

The early 1980s saw the EC in another of its periodic lulls as the Franco-German relationship was plagued by disputes over the deployment of NATO missiles in Germany, the British contribution to the budget, the Common Agriculture Policy (CAP), President Mitterrand's initial Keynesian policies, and France's reluctance to endorse Spanish and Portuguese membership. By 1985 however, the French government had retreated from its Keynesian policies, and President Mitterrand had announced his intention to relaunch the EC.

FRANCE, GERMANY AND THE SINGLE EUROPEAN ACT:

The relaunching of the European integration in the early 1980s is mainly due to the efforts of the European multinationals as well as by the political leaders in Germany and France, assisted by Jacques Delors.

The Franco-German duo played a key role in the chain of events leading to the adoption of the Single European Act (SEA). Their role is especially important the early stages of the process. President

²⁷ Ibid., p. 223.

Mitterrand gave the green light to the new approach to the reforms of the EC. Both Kohl and Mitterrand made it clear that the support for the Delors package was limited to the extent that it did not trespass upon either of the two countries national interests. In Mitterrand's view, building a strong Europe, in which Germany was even more closely bound, would strengthen France. Kohl also supported the SEA, which could only benefit Germany's strong industry and reassure the French of German's continuing commitment to Western Europe. Germany appeared keen to go beyond economic integration, thereby enhancing its military- political status and at the same time stabilising its relationship with France .

At the beginning of 1988, France and Germany celebrated the 25th anniversary of the conclusion of the Elysee Treaty. On this occasion Kohl said that 'France and Germany must together build a hardcore European Union'.²⁸ The term 'hardcore' was new and could be interpreted as signaling a new departure in German policy. It placed France and Germany in a separate category, increasing the distance from the other members of the European Community.

International cooperation is always helped by economic growth and by the end of the 1990s saw a long period of expansion in the economies of Europe and particularly France and Germany. Europe's political leaders benefited from this growth because it gave them more room to negotiate the terms of unification, especially concerning the idea of Economic and Monetary Union (EMU). So as Europe moved

²⁸ Thomas Pederson, n.15, p. 121

toward Maastricht, 'this top-down approach towards European unification, one initiated by the leaders of the countries rather than by citizens of their countries, created a clear legal and institutional basis for further steps towards political union and made the entire movement stronger'.²⁹

²⁹ Justin Frankel, "Founding a Community: Germany and the Maastricht Treaty", <http://www.europa.eu.international/comm/dg10/publications/brochures/move/istit/euwork/text.en.html>.

CHAPTER - II

FRENCH RESPONSE TO GERMAN REUNIFICATION

“I love Germany so much that I am happy that there are two of them.”¹

Francois Mauriac.

For the French, the phrase was pronounced sometimes as a confession often in jest; for the Germans, it exemplified French opinion.

The reunification of Germany has been an official objective of the Federal Republic since its inception. It figured in the basic law, notably the preamble and article 23 and 146. It was also acknowledged by Germany's western partners, including the member states of the EC, which appended to the Treaty of Rome; a declaration by the government of the Federal Republic on the definition of a 'German national'; and a further declaration by the Bonn government on the application of the treaties to Berlin. All these confirmed in one way or another that the division was temporary was that Germany should be seen as one.²

The events of 1989-90 that led to the fall of the Berlin Wall and the reunification of Germany upset the comfortable entente between Bonn and Paris and complicated the integration process. French

¹ Anne-Marie LeGloannec, "France, Germany, and the New Europe" in Dirk Verheyen, and Christian Soe, (Ed), *Germans and their Neighbours* (USA: West View Press Inc., 1993), p.23.

² Wolfgang Heisenberg, "Introduction", in Wolfgang Heisenberg, (Ed), *German Unification in European Perspective* (United Kingdom: The Centre for European Policy Studies, Brussels, 1991), p. 15.

President Francois Mitterrand remarked that he was not afraid of German reunification and said, "A reunited Germany would represent a double danger for Europe. By its power. And because it would create pressure for alliance between Britain, France and the Soviet Union. That would mean certain war in the 21st century. We must create Europe very quickly to defuse the German reunification."³ Initially France opposed the quick reunification of Germany, however Mitterrand soon realised that French opposition would be counterproductive. Instead French and European support for Germany reunification was informally traded for German acceptance of deepening of European integration process. George F. Kennan also stated that if Germany had to be reunited, then it would be necessary for the country to be part of something larger than itself. 'A united Germany could be tolerable only as an integral part of a united Europe.'⁴ The Germany government also recognised and accepted the need for the integration process to proceed to reassure its neighbours that the reemergence of an assertive was not imminent. Before reunification, German foreign and security policy, in both states, was restricted and conditional to direction by others; afterwards it was loaded with new expectations.

Road to Unification: The Two plus Four Treaty

Throughout the 1980s the momentum for change in the USSR and

³ Tom Heneghan, *Unchained Eagle-Germany after the Wall* (Great Britain: Pearson Education Limited, 2000), p. 5.

⁴ Jorg Brechtefeld, *Mitteleuropa and German Politics 1848 to Present* (London: MacMillan Press Ltd., 1996), p. 92.

Eastern Europe mounted steadily, with the super-power summit meetings between the USA and the USSR acting as a backdrop to what can now be seen as the crumbling of totalitarian control in one state after another. Whereas in 1961, the completion of the Berlin Wall was an undeniable symbol of state power, dictating where people could, and could not, move, by 1985 it was increasingly irrelevant. Germans in their thousands streamed into the FRG from the GDR and from elsewhere in Eastern Europe and the USSR, no longer physically prevented by border controls from voting with their feet.

'In 1989 and 1990 more than half a million GDR citizens fled to the FRG, their number swelled further by 300,000 from other parts of the fast-disintegrating Communist bloc'.⁵ Viewed in this context, the removal from power of the GDR leader Erich Honecker on October 18 1989 and the symbolic tearing down of the Berlin Wall on November 9 1989 can be seen as an integral part of the logic of change. Nevertheless, the dramatic way in which the Wall was breached, in the form of a popular revolution, and the terminal impact it had on the government of the GDR took nearly everyone by surprise.

The fall of the Berlin Wall in November 1989 was the beginning of great changes in Germany. After the first free elections in GDR in March 1990, the critics of the SED regime took over the government. Thereafter, the Germans paved the ways to the reunification. The Treaty on the Monetary, Economic, and Social Union of May and the Unification Treaty of August 1990 were signed between the FRG and

⁵ Mark Blacksell, "State and Nation : Germany since reunification",
<http://www.intellectbooks.com/europa/number3/blacksell.htm>

the GDR in order to solve the internal problems in the process of unification. However, German reunification could not be realized without the agreement of the Four Powers. The German insisted that they would not sit on the sidelines while the wartime allies discussed their fate.⁶ For the purpose of eliminating the international political and legal obstacles, the '2+4' Talks among the two German states and the Four Powers were held in four sessions from May to September 1990.

The problems that should be solved in the international political aspect included the guarantee of the united Germany for European security and peace, the recognition of the present European border by the united Germany, the status of the united Germany in the new European security order, the restoration of sovereignty of the united Germany, the role of the united Germany in the process of participating in the CSCE, whether the neighboring countries agree to the united Germany or not, whether the united Germany is obliged to compensate the victims of World War II for the damages or not, and so on. 'On the other hand, the problems that should be solved in the international legal aspect included the recognition of European border and the renunciation of the former German Empire' territories by West and East Germany, whether the Four Powers and EC agree to the German unification or not, whether a peace treaty with the united Germany should be concluded or not'.⁷

⁶ Tom Heneghan, n.3, p.55.

⁷ In-Kon Yeo, "Is the German '2+4' Process Applicable to the Korean Peninsula?", http://www.fes.or.kr/k_Unification/U_paper9.html

The important decisions made at the '2+4' Talks, which were reflected upon the Treaty on the Final Settlement with Respect to Germany ("2 plus 4" treaty) of September 1990, are as follows:

- the united Germany shall comprise the territory of the FRG, the GDR, and the whole of Berlin;
- the united Germany and the Republic of Poland shall confirm the existing border between them in a treaty that is binding under international law;
- the united Germany reaffirm their renunciation of the manufacture and possession of and control over nuclear, biological, and chemical weapons;
- the government of the FRG undertakes to reduce the personnel strength of the armed forces of the united Germany to 370,000 within three to four years;
- the united Germany and the USSR will settle by treaty the conduct of the withdrawal of Soviet armed forces on the territory of the GDR and of Berlin which will be completed by the end of 1994;
- the right of the united Germany to belong to alliances shall not be affected by the treaty;
- the Four Powers terminate their rights and responsibilities relating to Berlin and to Germany as a whole. As a result, the corresponding, related quadripartite agreement, decisions, and practices are terminated and all related Four Power institutions are dissolved. The ratification of the Unification Treaty and the

TH-10365

DISS

327.44043

K8375 Fr



TH10365



Two-plus-Four Treaty marked the termination of the rights and responsibilities of the four victorious powers 'with respect to Berlin and Germany as a whole'.⁸

Even though the Treaty on the Final Settlement with Respect to Germany was not a peace treaty between Germany and the Four Powers, the four partial questions in German problem, i.e. reunification, Berlin, Oder-Neisse border, and peace treaty, were solved. The Four Powers recognized German unification and granted full sovereignty to the German people with this treaty. As a result of this, Germany that accomplished its unification in October 1990 appeared on the international stage as a sovereign state with full rights to self-determination. And the Yalta system that had been maintained since 1945 came to an end.

THE IMPACT OF UNIFICATION

Germany's lightning reunification was in Chancellor Kohl's phrase, a catalyst for Europe as it gave urgency to west European integration as the only way to provide neighbors with leverage over the new German colossus.⁹ It further paved way for the reentry of Eastern Europe into Europe proper, and it clarified the eventual terms for any entry into Europe by a Russian outsider. Re-unification thus, promoted European integration and transatlantic unity rather than hindering them. The federal republic was now willing to convert its economic weight into political power.

⁸ "The German Unification Treaty", www.europe-today.com/gerunif.html

⁹ Elizabeth Pond, Germany in New Europe, *Foreign Affairs*, Vol.71,no.2,p. 114.

To some France emerged as a big loser among the winning western powers. France's main post war foreign policy stage was West Europe, and its main dilemma was how to maintain a political edge over West Germany's ever growing economic influence. In a divided Europe, built on a divided Germany, French overall influence was maximised. Till the end of the Cold War 'the relationship was unequal and favoured France, as Germany remained divided , without a final settlement, while France was a united power with a permanent seat in the UN Security Council'.¹⁰ The end of a divided Europe meant for France, above else German ascension.

'With a population jump from 61 million to 80 million, unified Germany suddenly accounted for 23 percent of the European Union's population base, while Italy and the United Kingdom both weighed in with 51 million citizens each and France with 56 million. Upon unification, Germany's landmass increased by 30 percent, accounting for 15 percent of all European Union territory, as compared to France's 23 percent and Spain's 21 percent. Besides in 1989 itself, West Germany alone had a GDP of USD 1193 billion, compared to France (USD 942 billion), Italy (USD 854 billion) and United Kingdom(USD 832 billion), with exports of USD 341 billion to France's USD 171 billion. Thus, Germany's economic dominance in Europe was apparent'.¹¹

¹⁰ Philippe Moreau-Defarges, "A French Perspective on the European Union's Inter-governmental Conference",
www.ttc.org/organisation/archieve/moredefa.htm

¹¹ Wolfgang Deckers, "Two Souls, Twin Realities, German foreign policy from Slovenia to Kosovo", <http://www.ce-review.org/00/26/deckers26.html>

The consequence for the French is a rapid evaporation of France's ability inside the European community to be the political/diplomatic engineer of the German economic locomotive in the pivotal Franco-German relations. 'German reunification has changed the balance of power within that relationship, for it strengthened Germany, thus making France even more concerned to contain it through a close alliance'.¹² Or worse, with the probable expansion of the European Community into a larger European Union-centred geographically more in the east and north, the Franco-German relations will be put under stress if not completely thrown into question.

In 1989, Mitterrand was initially reluctant about encouraging German reunification, not as a matter of principle, which he saw as inevitable and right, 'but as a practical matter- about the pace at which it was coming, the risks West German leaders created by moving so quickly and the nature of the resulting entity'.¹³

In contrast the Bush Administration showed early and broad confidence in the political instincts of West German Chancellor Kohl, and the American public also demonstrated solid support for reunification. Post-reunification, the Germans wanted not just to be loved, but also respected but the French were caught between elation and foreboding for it represented a threat to European stability and

¹² Charles Grant, "Continental Drift", Worldlink, September/October 1998, <http://www.backissues.worldlink.co.uk/articles/03111998104644/04111998140529.htm>

¹³ Ronald Tiersky, "France in New Europe", *Foreign Affairs*, Vol.71, No.2, p.131.

France's status.¹⁴ France's emotions, according to the German view, were real but coloured by apprehensions and second thoughts. These divergence created strains within the EC's central leadership and within the Franco-German couple in particular.

As major European powers, Britain and France also showed reservations at least at the elite level in both the countries which presumably reflect concerns about the altered balance of power in the continent. Other more distant neighbours like Italy, Spain and Romania appear to have reacted with considerable official and public support for German reunification, although there were reservations expressed here and there at elite levels. Reactions in Norway, Sweden and Finland seemed to be more muted and low key, perhaps reflective of their rather peripheral geographic location vis-a-vis Europe's dynamic and turbulent centre.¹⁵

Countries that had fought Germany or experienced German military occupation tended to be more skeptical than countries that had successfully remained neutral or that had been a co-belligerent of Germany. Older generations have been more critical and concerned than younger cohorts who have no individual experience or memories of the Third Reich. On the whole, there has been skepticism expressed by the Left, in the media and in the polls, than on Right.

Mitterrand wanted to make German reunification as an important

¹⁴ Dominique Moisi, "The French Answer to the German Question", *European Affairs*, Vol.4, No.1, Spring 1990, p.30.

¹⁵ Dirk Verheyen and Christian Soe, "Introduction" in Dirk Verheyen, and Christian Soe, (Ed), *Germans and their Neighbours* (USA: West View Press Inc., 1993), p.5.

means to strengthen the process of European integration and to have remained a silent spectator and adopt a different course would have been counter productive. But the process of unification was taking place at such a swift pace that the French response there to turned out to be somewhat critical and confused.

It goes without saying that President Mitterrand, along with Prime Minister Thatcher and other EC leaders, were seriously concerned about the political power consequences of German reunification in the European equation. In addition , Mitterrand wanted to keep the process of unification under control, recognising the explosive character of the situation wanted the unification process to proceed in a spirit of close consultation with the other European partners as well as the US and the Soviet Union. Consequently French policy firmly supported unified Germany's full membership into NATO. Finally to assure a French concern that the unification might lead to a German policy eastwards and away from the plans for EC monetary and political union, Kohl agreed with Mitterrand that German unification and further EC ' deepening' must go together. The unity of Germany is the price for reunification of Europe and a more tightly integrated Europe, conversely, is the necessary accompaniment of a united Germany.¹⁶The Germans in turn understood well that legitimacy for German unification required deeper EC integration, that German unification and the unification of Europe were the two sides of the same coin.

¹⁶ Dominique Moisi,n.14,p.34.

Genscher remarked to Germany's EC partners that if they were worried about growing German power, their best strategy was not to isolate Germany into some '*sonderweg*' that the Germans did not want anyway, but rather to tie up Germany in a deepened, thickened and more federalised European Community, which the Germans would happily accept because it had been their proposal all along; unification would not change Germany's EC and western policies.¹⁷ And both 'Kohl and Genscher often repeated the powerful slogan that German leaders wanted a 'European Germany' and not a 'German Europe'.'¹⁸ Kohl founded his position in the experience of German history, that peace, stability and security in Europe had always been guaranteed when Germany – the country in the middle of Europe, had lived with all its neighbours in firm ties, with contractual equality and mutually beneficial exchanges.

Chancellor Kohl and other older Germans in high offices feel an urgent need to knit the country into an interwoven Europe, before ceding their posts to a generation they fear might be less inhibited by German history and therefore less European. Germans have demonstrated the spirit of promoting European integration.¹⁹ Concerns about their position in Europe had driven the French to reassess their strategy. Painfully aware that a united Germany might challenge France's dominant political role within the European Union, 'Mitterrand moved to deprive Germany of the deutschmark, its major

¹⁷ Ronald Tiersky, n.13,p.134.

¹⁸ *ibid.*,p.134

¹⁹ Elizabeth Pond, n.9,p.115.

symbol of national independence and strength'.²⁰ The French assumed that the Federal Republic, having achieved its desired objective, would have less need for allies, and would demote them, unless Paris bound it firmly to the EMU before unity occurred. The balance of power had now shifted not only between the East and the West but also within the European Union. In terms of its population, economic power, and its geographical position in Europe, Germany was now a major force, which required a counterbalance. The occasional go-it-alones during recent years, over the recognition of Slovenia and Croatia, had given the impression that Germany was ready to pursue a policy geared to purely national goals.²¹ Yet the Germans have so internalised positive interdependence and the negative risks of solo operations that they themselves are seeking not only monetary union but also political union, that would go far beyond any pooling of sovereignty that the French or the British are prepared to accept.

Nevertheless there are legitimate concerns about the rise of German political power. 'France wants to strengthen its relationship with Germany, while on the other hand it strives to hold German power in check'.²² France in particular is keen to play a significant role in balancing Germany, and what will be an unavoidable tendency towards the establishment of a German sphere of influence in a complex framework of the new European arena. This is all the more important

²⁰ William Anthony Hay, "Quite Quake in Europe: the French and the Germans Divide", Foreign Policy Research Institute, October 2000,
<http://www.nyu.edu/globalbeat/emu/FPR11000.html>

²¹ Rudolf Scharping, "New Challenges for the Franco-German Cooperation", *Aussen Politik*, Vol.45, No. 1, p.5.

²² Philippe Moreau-Defarges, n.10

for France in that 'Europe' meaning both the EC and the Europe writ large, is France's stage, where France can act as 'in the front rank' and through the Franco-German couple and other multiplier coalitions, maintain a world role through the coming of European Union.²³

Since unification, the German government and press have watched with considerable concern the reactions on the part of neighbouring countries to a variety of developments in the 'new' Germany. Unification gave rise to a Germany that was domestically 'normal' but still had a long road to tread in terms of international policy.²⁴ Some of Germany's western neighbours are finding it difficult to accept that an already economically dominant Germany might now become an equally powerful political giant. The German question can still said to occupy Europe in the 1990s even in a vastly changed setting. The country has been formally unified but its uncertain identity, its quest for true unity, its multifaceted power, and its prominent role in world affairs continue to shape the often ambivalent reactions of many of its neighbours.²⁵ With a population of 80 million, reunified Germany is the natural leader in a multipolar Europe and, indeed, is starting to play that role in its efforts to press ahead with integration. 'Its power and influence, moreover, are all set to grow as the European Union enlarges into central and Eastern Europe, areas that traditionally formed part of Germany's sphere of influence'.²⁶ The

²³ Ronald Toersky, n. 13, p. 138.

²⁴ Wolfgang Krieger, "Towards a Gaullist Germany? Some Lessons from the Yugoslav Crisis", *World Policy*, Vol. 11, No. 1, p. 26.

²⁵ Dirk Verheyen and Christian Soe, n. 15, p. 6.

²⁶ John Hooper, <http://www.guardian.co.uk/elsewhere/journalist/story/0,7792,430914,00.htm>

dynamics of German unification has caused the fifteen Community states to think seriously about the acceleration and extension of European unification, so as to adjust the rates of both processes to one another as far as possible.

The question whether Europe will continue to be important for Germany depends greatly on France. There is growing concern about the French reluctance to come to terms with Germany's new position, which is creating strains for all in Europe.²⁷ 'Without close cooperation between France and Germany – as Winston Churchill had already said in 1946- there would be no revival of Europe as an independent force in world politics'.²⁸

The Germans understood well that legitimacy for German unification required deeper EC integration, that German unification and the unification of Europe were the two sides of the same coin.

As a proof that Kohl and Mitterrand, after a period of friction were again on the same wavelength, they introduced in April 1990 a joint French German initiative to revive momentum towards EC political union. There were two purposes: to implement the economic side of the integration process, that is, the 1992 single market project and the plan for European Monetary Union; and to give practical assurance that German unification was not derailing European

²⁷ Daniel Hamilton, "France, Germany, and the Transatlantic Partnership", <http://www.deutsche-aussenpolitik.de/publications/newsletters/issue4.php#french>

²⁸ Edmund Ohlendorf, "Germany and Europe in the Second Half of the 20th Century", <http://www.eduvinet.de/eduvinet/uk009.htm>

integration process. ²⁹It was this proposal, stimulated at the time by tensions over German reunification, which turned into political union Treaty initiated at Maastricht.

²⁹ Ronald Tiersky, n.13, p.133.

CHAPTER - III

FRANCE, GERMANY AND THE EUROPEAN UNION

The state and quality of the Franco-German relationship has always been measured by the yardstick of their common capacity to impart political direction to the development of the European Union. 'Because of common positions of both countries on matters of major political importance in scientific literature, France and Germany are frequently mentioned as the most intensive and most important 'subsystem' of the European Union'.¹

Officials in France and Germany seem to be well aware of the challenges lying ahead and of their deteriorating relationship. However, 'the common will and the steps taken to improve the consultative mechanism between them on European matters reflect the enduring force of a normative consensus on the importance and necessity of their bilateral relationship for the future of the European Union'.²

Maastricht Treaty:

Both Kohl and Mitterrand were largely responsible for re-invigorating the

¹ Philippe de Schoutete, 'The European Community and its Subsystems', in William Wallace, (Ed.), *The Dynamics of European Integration* (London: Pinter, 1990), p. 106-124.

² Joachim Schild, "The German Perspective" in Wolfgang Brauner and Dr. Hanns Maull, *Towards a Common European Project*,
<http://www.deutsche-aussenpolitik.de/publications/newsletters/issue4.php#french>.

European idea after the 'sclerosis' of the early 1980s negotiating the Single European Act (SEA) and pushing through the Maastricht Treaty on European Union.³

The TEU signed in Maastricht in February 1992 responded to both countries concerns that Germany be entwined to the European Community. As with other major agreements in the European integration process, the Maastricht Treaty and particularly the EMU were the results of a bargaining process that necessitated compromises on all sides.

The Maastricht summit was highly contentious. It had the task of finalizing a radical overhaul of the treaty of Rome that would constitute a framework for the EU that would incorporate political measures and EMU, determine the timetable for implementation of the changes and launch the EC along a new security dimension also. By and large these objectives were achieved. The TEU set 1999 as the deadline for the EMU implementation, but with strict monetary conditions being imposed upon member states. It extended the competence of the EC in several policy areas, established a new cohesion fund to assist the poorer member states satisfy further integration set in the treaty and transformed the EC into EU whereby the EC and its supranational institutional structure would be paralleled by two pillars of intergovernmental cooperation directed by the European council, one dealing

³ Stephen Wood, Germany, *Europe and the Persistence of Nations: Transformations, Interests and Identity 1989-1996* (England: Ashgate Publishing Ltd., 1998), p.216.

with a Common Security and Defence Policy (CFSP) and the other with Home Affairs and Justice.⁴

A social policy was also established under Maastricht. Embodied in a text called the Social Charter, it was a commitment to the 'promotion of employment, improved living and working conditions, proper social protection, dialogue between management and labour, development of human resources with a view to lasting high employment and the combating of exclusion.'⁵

Germany played a highly influential role in the Maastricht negotiations. The principles enshrined in the Maastricht Treaty must also be seen the context of European eastward enlargement. The fact that new members had to accept the unions previous decisions (the principle of *acquis*) in fact gave the union and in particular Germany a tremendous opening to diffuse its values and principles as well as its legislation. The chapter on foreign policy and security largely corresponds to the German proposal submitted earlier in November 1990 in which Germany suggested on evolutionary process towards majority voting on foreign policy. The new co-decision procedure constituted a more unequivocal victory for Germany. After the summit Kohl stated that the summit had been an unqualified

⁴ Perek W. Urwin, "From a Europe of State to a State of Europe" in Philippe Barbour(ed.),*The European Union Handbook* (Chicago:Fitzroy Pearborn,1996) p.10-11.

⁵ David W.P. Lewis. ,*The Road to Europe : History, Institutions and Propects of European Integration1945-1993* (New York: Peter Lang Publishing Inc.1993),p.185.

success for his team and added “we are getting what we wanted- an irreversible progress towards economic and monetary union”.⁶

Like every government the French won their specific rounds including a few against the Germans. France led the fight against the extensive powers for the European Parliament and against awarding unified Germany eighteen new parliamentary seats.

The two central Maastricht advances for the French were the agreement on the monetary union and the beginning of a European security and defence policy.⁷ Both involved remarkable French and German concessions on national sovereignty. France’s primary gain was EC commitment to the monetary union, adoption of a single currency and creation of a European Central Bank.

With Germany’s deep integration into the multilateral European framework and into the close bilateral Franco-German alliance, France had achieved its aim in this respect. Not only was German power contained, but France even benefited from this containment as it secured its share in the German economic prosperity. France’s goals were therefore ‘to link France economically to Germany, thereby to share all the benefits of its economic success’.⁸ Paradoxically, the French want monetary union as their chance to regain some control over their own monetary policy.

⁶ Thomas Pederson, *Germany, France and the Integration of Europe: a Realist Interpretation* (London: Pinter, 1998), p.149.

⁷ Ronald Tiersky, “France in New Europe”, *Foreign Affairs*, Vol.71, no.2, p.139.

⁸ A. Guyomarch, H. Machin, E. Ritchie, *France in the European Union*, (Basingstroke: Macmillan, 1998) p.40.

In agreement with the Germans prior to the Maastricht to an integrated military command for a French-German military entity pledged to the WEU, France's obsession with the maintenance of a strictly national defence was also sacrificed. The trade amounted to abandonment of the monetary sovereignty for French abandonment of military sovereignty. This Franco-German understanding was the keystone of the entire Maastricht accord, a vision of full political union to complete a vision of full economic and monetary union. The French also scored some points in the adoption of a modest beginning of social policy legislation, including community wide labour laws.

The Bush Administration finally agreed after some rigorous debate that it would not object to elevating the WEU to a formal connection with the European community, meaning that such a move would not be considered as anti NATO. Likewise in the area of EMU, France managed to reduce the role of the commission and the European Parliament to a largely advisory one. Maastricht created an institutional framework for the European Union which was pursued by France in order to 'preserve their *defacto* domination of the Community, despite the increased size, population and economic power of Germany'.⁹

The Germans made concessions to every one, and though it may not have won any single point at Maastricht Germany emerged strengthened overall in that German Unification was legitimized and Germany's new

⁹ L.Siedentop, *Democracy in Europe*, (London: Allen Lane, 2000), p.30.

strength was cloaked in legislation.¹⁰ The directional leadership of France and Germany comes out quite clearly from the account of the process leading to the Maastricht summit. With a few exceptions, France and Germany managed to set up the agenda.

As regards political union, the role of France and Germany as directional leaders was also apparent, although it must be qualified. 'The EC's competences had been extended; the area of immigration policy, asylum, visa policy and the fight against drugs and organised crime had been transferred to the union; a European citizenship had been introduced and the European parliament had been granted a right of co- decision; it was furthermore decided that the European parliament should confirm the nomination of a new commission, QMV had been extended to all areas and the notion of common action areas had in principle been accepted'.¹¹ The final treaty thus broadly reflected the Franco-German compromise negotiated at the start of the negotiations.

Undoubtedly, the importance of the directional leadership in the EU at a given point in time depends to a certain extent on which the country holds presidency. Characteristically, France and Germany were particularly anxious to retain their directional leadership in the 'high politics' areas of economics, foreign policy and defence. During the final staged of the negotiations, 'France and Germany once again asserted themselves. Maastricht and its consequences were neither a success nor a failure, but

¹⁰ Ronald Tiersky, n.7,p.139.

¹¹ Thomas Pederson, n.6,p.155.

rather one more step in intricate dance which over the decades has locked ever more European states more closely together'.¹²

However the ink was barely dry on the treaty before the fledging EU was beset with problems. Time and again differences have cropped up in the Franco- German partnership in the post Maastricht era with special reference to the Economic and Monetary Union (EMU), Common Agricultural Policy (CAP), Common Foreign and Security Policy (CFSP), institutional reforms and Eastward enlargement of the European Union.

Economic and Monetary Union:

One of the most important provisions of the treaty concerned the creation of a political union. The goal was to create an area free from international frontiers so as to promote balanced and sustainable social and economic progress. This would ultimately result in a single economic and monetary union with a single currency for all members of the Union.

Paragraph 42 of the Delors Report states that “economic and monetary union form two integral parts of a single whole and would therefore have to be implemented in parallel,” thereby suggesting that the economic benefits of the economic union are greater if there is monetary union.¹³

The EMU was at the heart of Maastricht treaty and this legislation is to facilitate both economic and monetary union. Also agreed upon at

¹² Perek W. Urwin, n.4, p.11.

¹³ Peter MacMillan and Alison M.S. Watson, “Economic and Monetary Union”, in Philippe Barbour(ed.), *The European Union Handbook*, (Chicago: Fitzroy Pearbom, 1996), p.145.

Maastricht were the requirements for joining the monetary union. To join, a country cannot have an annual inflation rate of more than 1.5 percentage points above the rate of the least inflationary member states, and a budget deficit above 3 percent of the GDP.¹⁴

The EMU would not have happened the way it did without German reunification. 'Helmut Kohl is said to have accepted the disappearance of the D-Mark and the end of unilateral Bundesbank supremacy in exchange of British and French acceptance of German reunification'.¹⁵ The Kohl government wanted to calm the fears about a larger Germany by integrating the unified Germany even deeper into the European framework. The official line was that the unified Germany would continue its foreign policy tradition of focussing on 'worldwide partnership, close cooperation and peaceful balancing of interests,....remain committed to European unity.'¹⁶ EMU can be seen as a major sacrifice for Germany and Chancellor Kohl realised that it would be a major symbolic step to prove that a larger Germany would not have any hegemonial aspirations. As a result, Germany did not resist any French attempt to 'Europeanise' unified Germany's power by integrating it into an even tighter institutional framework. Maastricht and EMU therefore

¹⁴ David F.P. Lewis,n.5,p.182.

¹⁵ Markus Jachtenfuchs, " Germany and the 'New Relance Europeenne' ",
<http://www.iu-bremen.de/md/content/test/6.pdf>.

¹⁶ Christian Schweiger, "Between 'Good European' and Leading Partner: Germany's New European policy",
<http://www.psa.ac.uk/2002/papers/pdf/Schweiger.pdf>

became 'proper means to communitise the German Mark as the most important power asset of Germany for building a hegemonial position'.¹⁷

'With respect to the EMU , the real alternative for France was either a complete loss of control over monetary policy *de facto* remote controlled by the Bundesbank or at least potential influence via a French national in the ECB council and, preferably, via increased monetary policy prerogatives of the European Union Council of Economic and Finance Ministers(EcoFin)'.¹⁸ France obviously opted for the latter.

The agreement to locate the EMI in Frankfurt made on 29 October 1993 at a meeting in Brussels was never in much doubt. The French supported this decision for a variety of reasons. First they were willing to repay the

Germans for its earlier support to keep the European parliament in Strasbourg; secondly, the endorsement of Frankfurt would go a long way towards improving of Franco-German relations after the currency battles; thirdly, France realised that the German Bundesbank would adamantly oppose abandoning of the DM for a single currency unless the ECB was located in Germany.¹⁹ In French view, a single currency would end the dominance of the Bundesbank and the DM and giving the EMI to Frankfurt was a small price to pay to advance this goal.

¹⁷ W.Wessels, "Germany in Europe: Return of the Nightmare or Towards an Engaged Germany in New Europe", in D.Webber (Ed.) *New Europe, New Germany, Old Foreign Policy?: German Foreign Policy Since Unification* (London: Frank Cass,2001),p.110

¹⁸ Markus Jachtenfuchs, n.15.

¹⁹ Christina Pia Wood, "Franco-German Relationship in the Post Maastricht Era", in Carolyn Rhodes and Sonia Mazey(ed), *The State of European Union vol.3 Building a European Polity* (Colorado:Lynne Rienner Publishers Inc.,1995),p.227.

Reactions to the Maastricht agreement in Germany were decidedly cool – critics accused the government of giving away too much on EMU in exchange for little on political union. The German government did not just give away the D-Mark but ‘it also advocated the EMU because it corresponded to its political vision of the European Union and at the same time served German business interests. EMU for Germany resulted primarily from the trilemma of uncompetitive exports, domestic inflation, and monetary hegemony’.²⁰ The Kohl government had sound economic reason to pursue EMU, which entailed both a positive diplomatic externality for German reunification in 1990 and, after the Treaty was negotiated, an unwarranted negative impact on Germany’s European image. However, the demise of the DM was not taken favourably by the Germans. The European exchange rate crisis of 1992 and 1993, combined with the growing worries about domestic economic fundamentals and the lack of progress on the European agenda, fed the public skepticism about the EMU.²¹ Whatever the unpopularity, European leaders stayed the EMU course during the inauspicious 1990s and reached its achievement in 1999.

Common Agricultural Policy:

CAP replaced national agricultural programmes with a common framework of price supports, variable levies on imports, and programmes to address structural weaknesses in Europe’s agricultural sector. The CAP is often portrayed as the centerpiece of the grand Franco-German bargain that

²⁰ Eric Richard Staal, “European Monetary Union: The German Political–Economic Trilemma”, http://www.zei.de/download/zei_dp/dp_c45_stall.pdf.

launched the EEC in the 1950s, 'in exchange for the creation of an internal market open to German industrial and manufacturing might, Bonn agreed to the common management of agricultural policy, a sector in which the French were expected to excel'.²²

The Treaty of Rome explicitly states that "the common market shall extend to agriculture and trade in agricultural products" and that "the operation and development of the common market for agricultural products must be accompanied by the establishment of a CAP among member states."²³ For France in particular it was important that its agricultural products should have access to a wider European market if the French market is to be opened up to manufactured products from other member states. Franco-German cooperation in agricultural policy-making, to the extent that it exists, is not the cooperation of natural allies with parallel agricultural structures, interests and preferences. On the contrary - France is a net food-exporting country, Germany is a net food-importer; France had and has, overall, a relatively strong and efficient agricultural sector confident of its capacity to compete in a single European market, Germany had and (at least up until reunification) has a comparatively weak and inefficient agricultural sector; France was and is a leading beneficiary of the transfers paid through the CAP, Germany is the leading contributor; France is more strongly interested than Germany in exporting agricultural produce to third markets; the two countries have a different spectrum of agricultural products; in France,

²¹ Jeffrey Anderson, *German Unification and the Union of Europe: Domestic Politics and Integration Policy* (Cambridge: Cambridge University Press, 1995), p.47.

²² *Ibid.*, p.173.

alternative employment opportunities to agriculture are scarcer in the rural and semi-rural areas than in Germany; and so on.²⁴ These structural differences translate into different national agricultural policy discourses, with France stressing the importance of its 'exporting mission' (*vocation exportatrice*) and Germany the need to maintain the 'family farm' (*bäuerlicher Familienbetrieb*), and into opposed positions on issues like the maintenance or reduction of subsidies for EU agricultural exports and the relative weight assigned to price cuts and administrative 'set-aside' measures as instruments for the containment of EU agricultural production and expenditure.²⁵

In the late 1950s agriculture was electorally and economically important. France's over 20% of the working population, and in Italy over 30% of the people were engaged in agriculture, and city dwellers had close family ties to the land. Farms were fragmented and small and inefficient. Besides the fear of food shortage loomed large in the aftermath of the Second World War. Consequently it is not surprising that all the western European states pursued agricultural policies to protect their farm sectors and to reassure their citizens that food security was of national concern. But the pursuit of national agricultural policies was inconsistent with the inclusion of agriculture within the free trading provisions of common market.

²³ Alan Swinbank, "The European Union, Common Agricultural Policy", in Phillippe Barbour(ed.), *The European Union Handbook*, (Chicago: Fitzroy Pearborn, 1996), p. 132.

²⁴ Douglas Webber, "The Hard Core: The Franco-German Relationship and Agricultural Crisis Politics in the European Union", http://www.iue.it/RSC/WP-Texts/98_46t.html

The source of many conflicts between Germany and its partners, above all France, green money was the cornerstone of Germany's renationalisation of CAP beginning in the 1970s when CAP reforms took centre stage in Brussels in the 1980s, in the midst of wine lakes, butter mountains, and spiraling budgetary costs.²⁶

The reform of CAP finally became a serious issue in the second half of the 1980s. Projects under CAP receive half of the EC's total budget, or 1.3 percent (\$85 billion U.S.) of the total Community GNP.²⁷ Most of this money goes to subsidising the French farming industry so that it can remain competitive in a European market where cheaper agricultural products will soon be available. This is seen as a necessary evil in order to keep French support for the community. For the Germans, who are the biggest net contributor to the EU budget, CAP reforms now became imperative. Also, important trading partners of the European Union began to exert pressure on the European Union to change a policy that was held responsible for disturbing world agricultural markets. Besides, the successive enlargements had increased the diversity of agricultural interests in the EU.

France and Germany no longer occupied the two most extreme positions on agricultural and agricultural trade issues. Rather than from Germany, the strongest support for a reform of the CAP and agricultural trade liberalisation came from Britain, which has a very small and relatively

²⁵ Ibid.

²⁶ Jeffrey Anderson, n.21, p.173.

²⁷ Walter Goldstein, "Europe after Maastricht", *Foreign Affairs*, Vol.72, No.5, p.60.

productive agricultural sector. The strongest supporters of the status quo were France and Ireland.

French rejected the proposals of CAP reforms on the grounds that it would reduce the incomes of French farmers. With the elections nearby the government was clearly worried that sacrifice beyond the CAP reform would ignite a violent opposition from French farmers. Radical measures for the reform of CAP was prevented by the leaders of both the countries because of the apprehension that they would be sanctioned by farmers in pending elections if they were to acquiesce in a thoroughgoing CAP reform.²⁸

The German government was however being subjected to conflicting pressures. German industrialists wanted a GATT agreement at all costs and had little sympathy for French position, while the German farmers supported their French counterparts. Germany certainly did not want to damage the Franco-German partnership or to split the EC, but neither did it want to be forced to choose between the US and France. A strong supporter of free trade, 'Germany was leery of France's tendency towards protectionism but recognized that a slightly more protectionist agreement was better than no agreement at all'.²⁹ Thus a compromise appeared essential to protect German interests.

Despite France's weaker economic position, the Germans threw their weight behind France because for Kohl it represented a strategic bargain to prevent a choice between the GATT agreement and Germany's traditional

²⁸ Patterson, Lee Ann (1997), "Agricultural policy reform in the European Community: a three-level game analysis", *International Organisation*, Vol.51, No.1 (Winter 1997), p.147.

partnership with France. The chancellor's commitment to European unity and the Franco-German partnership as the engine of further progress towards integration outweighed the unhappiness to domestic industrialists. The US soon declared itself willing to "discuss and review" the European concerns. With all sides negotiating a compromise the final act of the Uruguay round was signed on 15 December.

The French government immediately declared victory and indeed the final terms were advantageous. GATT would be replaced by the WTO, which in theory will have broader powers to conduct multilateral negotiations and to enforce trade agreements and agricultural export subsidies would be cut 21% over the next six years, but a more favourable time frame would increase the overall tonnage of French exports.³⁰ At the same time, the EC guaranteed the French that if the GATT agreement conflicted with the CAP reform, French farmers would not be asked to take more land out of cultivation. Because of the close alliance with France, Germany frequently had to consent to policies that did not benefit its own national interests. Despite the potential high costs, Germany became the main paymaster within the European Community and had to accept the CAP in which France was the main beneficiary,³¹ the German government decided to give a higher priority to a successful conclusion of the GATT negotiations, which would overall benefit the export driven German economy.

²⁹ Christina Pia Wood, n.19, p.229.

³⁰ Ibid, p.230

³¹ A.Guyomarch, H.Machin, E.Ritchie, n.8, p.141.

Common Foreign and Security Policy:

The concept of European defence pillar is as old as the Atlantic alliance itself. Time and again it has emerged under different names and in various shapes. It's purpose though has always not been the same. For some, a European defence pillar shall assert a greater voice for the European NATO members in alliance decision making. For others, it shall provide more potential freedom of action and interdependence from the predominance transatlantic NATO ally, which is sometimes perceived as too imposing. As a consequence, they advocate a European defence more independent from, if not outside the NATO. Still others regard the European defence pillar mainly as an avenue to more equal burden sharing within the NATO.

All the major European allies particularly France and Germany, recognise the importance of coalitions to their ability to use military power. However, political, budgetary and military constraints have meant that they have taken insufficient steps, both individually and through WEU and NATO, to ensure adequate preparation for multinational operations. This has been reflected in the EU's reluctance to take part in ongoing military operations in Afghanistan and Iraq.

The Franco-German couple remains a critical component of efforts to build a more capable European defence. Contrary to some expectations that bilateral French-German cooperation would decline with German unification and the end of cold war, the commitment in the two capitals to preserve their special relationship has endured with some strains. Although the agreement in Maastricht on CFSP in December 9-10,1991 was due in large part to the

Franco-German line, underlying differences create a tension in their relationship. In line with the French thinking, the CFSP was placed in a second, intergovernmental, pillar of the Treaty of European Union with the European Commission, Parliament and the Court of Justice playing little or no roles. Unanimous voting remained the rule with only limited scope for qualified majority voting (QMV) in President-determined areas. 'The Franco-German negotiating line foresaw the establishment of a European security and defence policy within the Union using WEU as a bridge between the EU and the NATO'.³²

As one of the two initiators of the Common Foreign and Security Policy in tandem with Germany, France places the highest priority on its development. Given the country's traditional emphasis on independence in security and defence, French diplomatic policy aims to use the CFSP and in the larger sense, the European Union as an instrument to maintain its international presence. 'After Germany's unification, especially for France, the great question was how to prevent the nationalisation of German foreign and security policy'.³³

The treaty represented for France the precondition for Germany's unification, although fulfilled afterwards. Germany was now free to return to role of one of Europe's great powers. Yet, the reunited Germany showed no desire to depart from its post war foreign policy orientation. It insisted on

³² Dr. Colette Mazzucelli, "Franco-German Contributions to the Common Foreign and Security Policy: The Area of Conflict Prevention/Resolution with a perspective on Enlargement", <http://www.boschalumni.org/organisation/alumni/mazzucelli/vienna.pdf>

³³ Christian Deubner, "Franco-German Relations and European Integration: A Transatlantic Dialogue", <http://www.aicgs.org/organisation/publications/PDF/franco-german.pdf>

continuity in its integration into the western alliance system and even proposed an acceleration of European integration, involving further far-reaching transfers of German sovereignty. Germany remained committed to the foreign policy orientation of a civilian power.

The most important elements of continuity in Germany's security and defence posture were the decisions to retain membership of NATO. Germany also pursued rapprochement with France through the Eurocorps originally meant primarily as a political vehicle for close Franco-German security cooperation.³⁴ Germany aims focus on sustaining a reliable multilateral architecture within which pressures for renationalisation of German defence arrangements can be contained. Under an umbrella of "cooperative independence" a series of Franco-German initiatives have been launched since the 1990s.³⁵

Germany's interest in European integration and the development of common policies with its neighbours derives from its geographical position, its history and its economic dependence on trade exports, particularly within the Union, but increasingly in the pan-European context. The complex and varied dimensions of German interests in a common foreign and security policy are bound to cause tension with its French partner. Another area of divisiveness with France is the extent to which Germans are inclined to take on a role in global security. Here there are clear constraints that limit cooperation between France and Germany. Nonetheless, German troops are

³⁴ Hanns w.Maul, "Germany and the Use of Force: Still a 'Civilian Power'?", *Survival*, Vol.42, No.2, Summer 2000, p.69.

prohibited to take part in military interventions and are unlikely that German attitudes will evolve to match the French international security engagement.³⁶

Enlargement to the East would enable the country to be surrounded on all sides by neighbours which derive their security from membership in European and transatlantic institutions, which is not enthusiastically supported by the French. This is one reason why cooperation between the two countries to provide a bilateral impetus to multilateral decisions on CFSP will be difficult.

Moreover, the inherent challenges of CFSP strategy formulation already existent in a Union of fifteen create additional problems. These problems relate to the respective roles of member states and European institutions coupled with the interaction among the Union's three pillars, on the one hand, and CFSP decision making, on the other.³⁷

Germany is at once the core ally most dependent on operating in coalitions, and the most reluctant to take military action beyond its borders. It is inconceivable that Germany would use force abroad unilaterally. The country has made progress in overcoming the burden of its history and its political reluctance to use force overseas in union with its allies. However,

³⁵ Stephen Wood, *Germany, Europe and the Persistence of Nations: Transformations, Interests and Identity 1989-1996* (England: Ashgate Publishing Ltd., 1998), p. 238.

³⁶ Philip Gordon, *France, Germany and the Western Alliance* (San Francisco & Oxford: Westview Press, 1995), p. 90.

³⁷ Roy H. Ginsberg, "The European Union's Common Foreign and Security Policy Retrospective on The First Eighteen Months," in Fraser Cameron, Roy Ginsberg, Josef Janning, Stuart Mackintosh (ed.), *The European Union's Common Foreign and Security Policy: Central Issues and Key Players* (Washington, DC: The Strategic Studies Institute, 1995), p. 40.

major constraints remain in terms of strategy, lack of political consensus and limited political resources. Throughout the cold war Germany has had no military doctrine distinct from NATO's and whatever its approach to building a national military identity apart from NATO has been evolutionary, rather than revolutionary. In 1994 the Federal Constitutional Court affirmed that the country's Basic Law permitted the deployment of the "Bundeswehr" abroad as long as parliamentary approval was given, thus removing any doubts about whether overseas missions were compatible with Germany's basic law, and made the use of forces in armed missions overseas a purely political matter.³⁸

In 1993-94 Franco-German attention continued to be focused on three security issues whose importance had increased with the end of cold war: the war in Bosnia, WEU-NATO relationship and the Eurocorps, and the security concerns of the Eastern European countries.³⁹ But the war in Bosnia has revealed some lingering limitations on German foreign policy. The war in Bosnia continued to cause some dissension between France and Germany, but the open hostility that plagued the relationship in 1991-92 was the German decision to recognise Slovenia and Croatia against the French wishes. Germany's experiences in Bosnia and Kosovo made clear the need to increase both the size and capabilities of the Crisis Reaction Forces (KRF) and there was severe shortage of communication specialists, logisticians and

³⁸ James P. Thomas, "The Military Challenges of Transatlantic Coalitions" *Adelphi Papers*, Vol.333, 2000, p.23.

medical personnel.⁴⁰ Germany also faces financial restrictions stemming from the costs associated with unification with the former East Germany and the constraints imposed on it in order to meet the Maastricht criteria for fiscal deficits and government debt. Since the Franco-German relationship is not based on a natural convergence of national strategic positions, it remains vital to broaden the pragmatic basis for cooperation and, as much as possible, to integrate that cooperation in strategic positions. For these reasons, 'Eurocorps, has both a symbolic and concrete political meaning as it symbolises the result of forty years of friendship and cooperation, after hundreds of years of hatred, mistrust and warfare'.⁴¹ Though the operation of the Eurocorps still require some clarification such as standardization of equipment, but its centrality to the Franco-German defence initiatives seem assured.⁴²

'But the main problem seems to be that the Germans want make their presence felt in the region where as the French are interested in taking a more aggressive role in peacekeeping; the French détente oriented mindset versus the German interest in building institutions; the French are interested in achieving the political parity with the US, United Kingdom and the former USSR, while the Germans due to their history, fear achieving that political power'.⁴³

³⁹ Christina Pia Wood, n.19, p.234.

⁴⁰ James P. Thomas, n.38, p.25

⁴¹ Ludger Kuhnhardt, "Germany's Role in European Security",
http://muse.jhu.edu/demo/sais_review/15.3Kuhnhardt.html

⁴² Christina Pia Wood, n.19, p.237.

⁴³ "France and Germany's leadership in European Integration",
<http://www.polisci.tamu.edu/Robertson/322/Europe's%20franco-german%20book%20review.doc>

France and Germany struggle to work together in face of the Balkan tragedy, but their own differences limit their ability to shape a European contribution using CFSP. 'It is mainly because of the inability, on the one hand, of France to reconcile sovereignty in this area with the interdependence in monetary affairs and also because of the shrinking budgets of France and Germany which is not accompanied by an increase in pooling of resources among European countries in the military field'.⁴⁴ The failure of the European Union to intervene meaningfully in the Yugoslavia crisis highlights the need for France and Germany to look outside of Europe for a strategic partner. The unexpected result has been, and may continue to be, a closer relationship with the United States.⁴⁵

Institutional Reforms:

In order to preserve Germany's active engagement in European integration, maintain the balance in Franco-German economic and foreign policy relations, and avoid new instability in the East, Kohl and Mitterrand agreed to strengthen the EC and, over the long term, enlarge its membership. Before and after the Strasbourg Summit in 1990, Kohl slowly convinced Mitterrand to take up EC institutional reforms along with the agenda for EMU.⁴⁶ However the integration project itself has evolved in a contradictory manner. On the one hand the evolution of institutions and the competencies of the EU, on the other hand, the reduction of public support for the integration project and its further deepening. 'The main problem in today's institutional reforms

⁴⁴ Dr. Colette Mazzucelli, n.32.

in the EU is the redistribution of powers between the member states in the decision making bodies'.⁴⁷

The Maastricht provisions on political union, which provided for the European Parliament, European Commission and the Council, the European Court of Justice, closer cooperation in the field of CFSP and Justice and Home Affairs, the French and the German preferences were far apart.

Germany in general favoured that the European Union be made more democratic by enlarging the powers of the European Parliament and also strengthening the powers of the European Court of Justice and thereby the principle of rule of law.⁴⁸ France wants the European Union to operate on the basis of 'intergovernmentality' and France is unlikely to accept any further moves towards supranationality in the European Union, such as empowering the European Parliament.⁴⁹ For the French, state institutions express the will of the community and for this reason the powers cannot be transferred to an institutional level. As a consequence, there is a strong tendency in France to regard the European Parliament rather critically because although it is democratically elected assembly, it does not represent a political community. From the French point of view, the European Council is the proper representative of the European peoples. But here too problems persist with regards to the votes of member countries in the Council. 'While France

⁴⁵ Dr. Peter Schmidt, "Germany, France and NATO",
<http://carlisle.www.army.mil/usassi/ssipubs/pubs94/nato/nato.htm>

⁴⁶ Eric Richard Staal, n.20.

⁴⁷ Christian Deubner, n.33.

⁴⁸ Markus Jachtenfuchs, n.15.

⁴⁹ Philippe Moreau-Defarges, "A French Perspective on the European Union's Intergovernmental Conference", <http://ttc.organisation/archieve/moredefa.htm>

wants to redistribute votes at the expense of the 'small' countries, for Germany, redistribution of votes should apply to all countries, thus rejecting the principal of equality between the two countries in the council as the cornerstone of European integration'.⁵⁰

In the field of foreign policy as well as in areas of justice and home affairs, France is reluctant to loose control over what it considers to be essential parts of its sovereignty and Germany is urging for increased majority voting and more substantial role of both the Commission and the ECJ in these fields. France wants a clear separation between the institutional structure for the CFSP and the Community system of the first pillar, most notably the Commission's monopoly of initiative, ECJ control and parliamentary scrutiny. This was the background for the proposal to appoint 'Mr. or Mrs. CFSP', a prominent personality with high international reputation elected for several years which should give the European Union's foreign policy a face and a voice – Henry Kissinger asking for Europe's telephone number lurks in this background.⁵¹

'France's main demands in institutional reforms include: increased efficiency, a more limited Commission, a change in the qualified majority voting, and France has proposed, along with Germany, a 'flexibility clause' allowing some member states of the European Union to integrate more

⁵⁰ Wolfgang Brauner (ed.), "Virtual Leftovers, German Foreign Policy in Dialogue", <http://www.deutsche-aussenpolitik.de/publications/newsletters/issu4.php#french>

⁵¹ Markus Jachtenfuchs, n.15.

quickly than others on a 'multispeed' basis'.⁵² However for a start, most EU and all prospective members are against the idea of two speed Europe. 'The accession states do not want to fulfil their ambition of joining the EU only to discover that they have been excluded from a new club'.⁵³

Germany strongly supported the enlargement, EU12 to EU15, but for different reasons. The Germans considered the enlargement from twelve to sixteen to be a pre-requisite for the entrance of East European countries into the EU, a high priority on the German agenda. As net contributors to the EU budget, although not as great as was estimated, the three Scandinavian countries and Austria would lighten the load of the German paymaster in the short term and offset the cost of an eastern enlargement in the long term.⁵⁴ The French, who previously had argued that enlargement would danger the deepening of the European Union, decided that opposition to the Germans would be counterproductive. In the final analysis, France was willing to accept the bargain of supporting the enlargement of the EU despite potential negative effects on the deepening process, in exchange for satisfaction over certain specific terms for domestic reasons and Germany's continued full engagement in the EU's integration process. The German advocacy of enlargement was backed up with an impressive array of normative arguments, whereas France had to rely on the much more visible and risky option of institutional reforms. Chirac was aiming for reweighing of the votes in the council and upgrading of the role of the council of ministers and

⁵² Philippe Moreau-Defarges n.49.

⁵³ Charles Grant, "France, Germany and a "Hard-Core" Europe",
http://www.cer.org.uk/articles/Nice_19_grant.html

the European council. It was obvious to all, including the smaller members of the EU, that the eastward enlargement would require some institutional reforms.

Eastward Enlargement of the European Union:

The international system fundamentally changed when the Cold War came to an end in 1989-91. Since 1987 the EU has received many applications for membership and it is continuously facing pressures to expand in both easterly and southerly directions. On January 1 1995 Austria, Finland and Sweden joined the EU enlarging its membership to 15 states. The worlds largest trading bloc the EU will become still larger under the fifth enlargement phase, which is likely to be the first of the several over the next ten-fifteen years. With the spread of democratization through the central and east Europe the demise of the Soviet Union, the form, speed, scope, and desirability of the fifth enlargement has become EU's pressing problem.

In June 1993, the member states of the European Union accepted that any European state could apply for membership provided it met the entrance criteria. Since then, the European Union has been preparing for the next and the most difficult enlargement. 'The existing member-states accepted that enlargement is inevitable and a historical imperative but are concerned about its consequences for the existing system and the benefits they enjoy'.⁵⁵ The 1997 Amsterdam Treaty was an attempt by the Union to begin adapting for the next enlargements. The outcome of the negotiations was disappointing.

⁵⁴ Christina Pia Wood,n.19,p.231.

The member states failed to take difficult decisions on institutional reforms which is necessary to prepare for enlargement.

In July 1997 the Commission published its Agenda 2000 proposals which included an assessment of the applicants and proposals for internal EU change. On the basis of the Commission's proposals, agreement was reached to open negotiations with six countries - Poland, Hungary, the Czech Republic, Estonia, Slovenia and Cyprus. The other applicants will be reviewed each year to see if they should join the first group. The challenges raised by the eastern enlargement are unlike previous rounds because of the number of states wishing to join and the fact that they are much poorer and more agricultural than the poorest West European states.

The EU's eastern enlargement will not only affect the balance of power between France and Germany. It may also lead to more general changes in the European political order. 'Given the scale of the eastern enlargement and the sensitivity of the institutional issue, it may thus pave the way for a more complex political order in Europe with elements of *'directoire'* alongside the German inspired cooperative hegemony'.⁵⁶

The CEECs had a romantic vision of Europe that represents the anti-thesis of everything experienced under totalitarian rule. The EU represents the culmination of everything that eastern Europe had historically unable to achieve: economic prosperity, stable democracy, good relations with one's neighbours and a voice in the affairs of the continent. However security fears

⁵⁵ Prof. Brigid Laffan, "An Overview of the History of the European Union", <http://www.ireland.Commission/eurotimes/history/inpers/htm>

fuelled by political instability in Russia and the disintegration of the WARSAW pact provided the other key factors which pushed CEECs towards membership of western institutions. The participation of CEECs in CFSP is 'enormously attractive and potentially less painful in the short term'.⁵⁷ Moreover, the access to EC markets was regarded as the key to swift transition towards market based economies.

The EU's commitment to Eastward enlargement is based on the conviction that enlargement is a historic opportunity for creating a stronger, wider, more stable Europe. Besides new markets will stimulate economic growth as well as promote economies of scale. It can be also argued that the boost for the economies of the new entrants would help to keep potential labour migrants in their own countries. Thus, enlargement is a way of stabilising the new Member's economies and keeping the working population in place.⁵⁸

Today there is no longer wall protecting Western Europe from the problems in the east. Conflicts in Yugoslavia and the ethnic strife are no longer local in nature. Besides the economic problems of the CEECs has resulted in refugee inflow in west Europe. Therefore it is very essential for the EU to work in cooperation with the Eastern Europe in dealing with

⁵⁶

Thomas Pederson, n.6, p.192

⁵⁷

David Allen, "Wider but Weaker or more the Merrier? Enlargement and Foreign Policy Cooperation in the EC/EU," in John Redmond and Glenda G. Rosenthal (eds.), *The Expanding European Union : Past, Present and Future* (London: Lynne Rienner Publishers, 1997), p.123.

⁵⁸

Alisdair Smith and Helen Wallace, "The European Union : Towards a Policy for Europe", *International Affairs*, Vol.70, No.3, July 1994, p.440.

challenges such as environmental pollution and organised crime and also to develop new markets and new economies scale. It is therefore not only a moral obligation but also in the self interest of western countries to help stabilize the east.

The admission of new members to the EU has always been a high politics issue. Throughout the history of EU linkages have been made between admission of new members and the core's wish to deepen integration. Often these linkages have been defensive aimed at protecting the integration system as such. The key problem was that the eastern enlargements threatened the parity on which the Franco German leadership in Europe was based. The EFTA enlargement may have implied some indirect financial benefits for France but in terms of geopolitics and culture, the EFTA enlargement would benefit Germany, not France or its allies south of Europe. 'The Southern bloc- France , Spain, Portugal and Greece, are in principle opposed to enlargement if it appears to weaken integration between the current member states and particularly if it compromises with the level of support that they have been receiving from Brussels'.⁵⁹ But when it came to the CEECs the geopolitics and culture were largely once again on the side of the Germans. Enlargement towards the east would benefit Germany disproportionately, whatever the intentions of the German government. With a planned effort to penetrate the CEECs the benefits might be even larger.

⁵⁹ David Long, "The Why and How of EU Enlargement" <http://www.iir.ubc.ca/pdf/FILES/webwp16.pdf>

The German government spearheaded the creation of EC assistance programs like PHARE and TACIS. It has also provided much of the impetus for the string of "Europe agreements" negotiated with Poland, Hungary, Czech and Slovak republics, Bulgaria, Romania, the Baltic republics and Slovenia, which were viewed as precursors to formal membership in the EU.

German economic influence in this area is already very high. Heather Grabbe from the Royal Institute of International Affairs has made some revealing calculations on German economic activity relating to the CEECs. 'In 1984, Germany accounted for 36.05% of the exports to these countries. In 1995 the figure had risen to 51.43% and France's share fell from 9.83% in 1989 to 5.84% in 1995. As far as FDI is concerned, Germany again leads among the EU member states, although here the lead is smaller. The share of German FDI into the Czech republic, Hungary and Poland was 21% in 1995, closely behind the US share of 22.6%, France and UK account for 7.1% and 4.5% respectively'.⁶⁰

The German government has taken these steps for strategic reasons. It believes that Eastern Europe will not be stable if it cannot be prosperous, and that trading with the west is essential to that prosperity. Many German officials believe that the EU must become a truly European organisation and not only a west European one.⁶¹

The French strategy towards enlargement was much more careful as a country is less concerned because of the geographical distance. It is more

⁶⁰ Thomas Pederson, n.6, p.189.

concerned with the protection of domestic producers and to prevent the shift of EU redistributive policies. On the whole, 'France is more worried about the dangers of enlargement on the stability and functioning of the present EU than Germany'.⁶²

From the French point of view there were basically two possible responses to this challenge. They could try and stop it or they could reshape the institutional structure to improve France's chances of coping successfully with the northern and eastern enlargements. Since the first option is hardly realistic, as long as France wants to preserve its partnership with Germany, preparations has to be made for the second option. France now has to face the fifth enlargement head on and has to consider serious institutional reinforcement measures for the EU. But both the countries realise that this 'widening' of the EU must be accompanied by 'deepening' of the EU in order to avoid an institutional collapse.

AMSTERDAM TREATY

At Maastricht, the negotiators had agreed to convene a review conference five years later. This conference started in March 1996 and ended with the signing of the Amsterdam Treaty in June 1997. With the achievement of monetary union the focus shifted from economics and welfare to internal and external security.

⁶¹ W.R.Smyser, "Dateline Berlin : Germany's New Vision", *Foreign Policy*, Vol.97, Winter 1994-95, p.147.

⁶² Markus Jachtenfuchs, n.15.

‘As in the case of the Maastricht negotiations, preferences continued to be shaped on an issue-specific basis by ideas about the legitimate European political order and policy styles and by the degree to which the respective state was subject to concrete problems’.⁶³

The main achievements for the two countries at Amsterdam were the chapter on flexibility, the enhanced powers of the parliament and the reforms in the foreign policy and defence area. On the Parliament, the coverage of the co-decision procedure was extended. Foreign policy cooperation was reinforced mainly through the creation of a new post of General Secretary of the Council with special responsibility for foreign policy.

A small step was also taken in the direction of further integration between the WEU and the EU. On defence, the formulation in the Maastricht Treaty on the ‘long-term creation of a common defence policy’ was replaced by the formulation ‘the gradual creation of a common defence policy’.⁶⁴

Although the Amsterdam Treaty was billed as a response to the challenge of Eastern enlargement, little was achieved in this area except for the laying down of general principles and the setting of a future agenda. ‘The Amsterdam Treaty was more a follow-up to Maastricht than a forward-looking response to enlargement’.⁶⁵

France understands that its political future and influence in the enlarged future Europe lies in its strategic partnership with Germany. Yet France’s historical dilemma is that its partnership with Germany in a strong

⁶³

ibid.

⁶⁴

Thomas Pederson,n.6,p.187

federal Europe is only obtainable at the price of an institutional reform of the Union that denies many of the traditions of its own political system.⁶⁶

'The strategic relationship between the two countries consists in taking the other's preferences into account into the formulation on one's own policies'.⁶⁷ The Franco-German alliance will continue to be important because both countries remain the two most engaged member states with regards to the integration process. They will therefore continue to depend on each another in order to move the EU forward.

⁶⁵ Ibid.,p.187

⁶⁶ Dr.Ulrike Guerot, "France ,Germany and the Constitution of Europe",www.book.edu/fp/cusf/analysis/guerot_20020307.htm.

⁶⁷ Markus Jachtenfuchs,n.15.

CHAPTER - IV

NICE SUMMIT AND AFTER

“ The negotiations at Nice were long and hard. The agreement, which was reached, was only half-satisfactory but it cleared the way for enlargement, and I am glad that we can forge ahead with the accession negotiations. At Nice we also saw many countries fiercely defending their own short term interests to the detriment of a long term vision for Europe as a whole and therefore of the long term interests of the Union and even of the nation states. The national veto has been retained in many areas. That means, many important decisions will have to be taken unanimously, even in the enlarged Union. You can imagine how difficult that is going to be! And it increases the risk of inconsistency in our policies since decisions will be shaped more by political bargaining than by cool assessment of the objectives”.¹

Romano Prodi,
President, European Commission

The final shape of the European Union has never been preordained. The reconciliation among former enemies, especially France and Germany, pooling notional sovereignties and exercising them collectively through common institutions and practical steps leading from economic integration to political unification have created lasting dynamism. It

¹ Dr. Guenter Burghardt, Ambassador, Head of the European Commission Delegation to the United States, “The Future of the European Union after the Nice Summit”, Harvard Law School, Massachusetts, 15 March 2001, www.eurunion.org/news/speeches/2001/010315gb.htm

has changed the traditional political landscape of Europe with the basic objectives of political stability, economic prosperity and an active role of Europe in the international scene.

The dramatic events of 1989-91, the end of communism and the dissolution of the Soviet Union provided the opportunity to make of extending stability and prosperity to the new democracies of Central and East Europe.

The creation of a single market, a single currency, common economic policies, the disappearance of internal frontiers and the emergence of increasingly common foreign and security stands has developed the European Union into the most advanced model for the organisation of interdependence of nation- states confronting together the challenges of globalisation.

The issue of sovereignty is crucial in understanding European integration. Much of the development of the European Union, including the outcome of the Nice Summit and the debates that continue in its aftermath, revolves around the extent to which the European Union member states wish to pool their sovereignty to more effectively address common problems and opportunities.

The issues that were subject to negotiations at Nice go to the heart of national sovereignty, the balance of power between small and large states, and between large states themselves. "The main issues were as follows-

1. Extension of QMV in the decision making to key policy areas.
2. Eastward expansion of the European Union .

3. Limitation of the size of the European Commission .
4. Reweighting of the votes of member states in the Council.
5. Provision for 'enhanced cooperation', that is, making it easier for groups of countries to proceed with specific projects to greater integration.'²

All these items were postponed to a future date when the last treaty-changing summit in June 1997 in Amsterdam ended in a deadlock. The aim of this summit was to increase the European Union's capacity to act by carrying through structural reforms and to prepare it to accommodate new members. 'The 'Amsterdam leftovers', which could not be solved due to unbridgeable differences, the unresolved issues are by no means only technical in nature. They raise fundamental questions of power'.³ Foremost is the transition to majority decision making; this impinges on highly sensitive areas of Union policy. It is already difficult to agree unanimously to decisions in a fifteen member European Union, and chances of unanimity to decide effective policy in a Union of 27 or 30 members is minimal. Individual member states could use their vetoes as a form of blackmail to obtain financial advantage or to pursue their own interests. At the same time, candidate countries will want to join only a properly functioning European Union capable of fulfilling its tasks effectively. 'When tasks either look insoluble or when it require a disproportionate effort at the national level or when it is a question of still having a

² "Nice Summit :Repartition, not Unification, of Europe", www.lalker.demon.co.uk/issues/contents/Jan2001/nice.htm.

³ Peter Schwarz, "European Union summit in Nice increases weight of larger countries", <http://www.wsws.org/articles/2000/dec2000/nice-d13.shtml>

voice at the global level and recouping lost sovereignty by participation in the European Union – then it must be accepted that the surrender of national authority will result in a loss of closeness to citizens and immediate democratic control by European Union voters’.⁴

THE NICE SUMMIT⁵

‘To say that the Nice Summit which took place from 7-10 December, 2000 lacked the grand sweep of its predecessors and may not have been as significantly fundamental as the SEA or the Maastricht Treaty (which laid the basis for the single market, and the launch of the ‘Euro’) is not to diminish its importance’.⁶

The Intergovernmental Council 2000 lasted for 370 hours, involving 30 sessions of the European council. Considerable changes in national positions in the final hours of the Intergovernmental Council had been reported.⁷

The Nice Summit was mainly concerned with the distribution of powers in an enlarged Union, to which each of the fifteen members were determined to preserve, and strengthen if possible, prior to enlargement. Therefore, with the overall perspective of creating a powerful imperialist bloc, the summit was characterised, not surprisingly, by the pursuit and defence of national interests. There

⁴ Ingolf Pernice, “The Nice Summit and the European Constitution”, *Internationale Politik*, Vol.1, Winter, 4/2000, www.dgap.org/english/tip/tip4/pernice.html

⁵ Detailed information on the work of the Intergovernmental Conference can be found on Europa, the server of the European institutions, at the following address: <http://europa.eu.int/comm/igc2000>

⁶ Dr. Guenter Burghardt, n.1.

⁷ Wolfgang Wessels, “Nice Results: The Millennium IGC in the EU’s Evolution”, *Journal of Common Market Studies*, Vol.39, No.2, June 2001, p.198.

were angry exchanges between the small and big countries, as well as ill tempered alterations among the larger states over questions such as majority voting and national vetoes, institutional reforms and voting weights.

The treaty revision at Nice set the shape of the European Union's institutions for the medium term- for better or for worse. 'More energy was expended on the 'pecking order' of member states than for restructuring the European Union's decision making process needed for enlargement'.⁸ 'Big countries wanted to exert their might, small countries countered this with finesse and tenacity, the result was a muddy compromise'.⁹

CHANGES INTRODUCED AT NICE SUMMIT-

Both the outcome at Nice and its methods used to achieve it have left widespread dissatisfaction. Any deal would have been good for enlargement, in allowing the European Union to move ahead. 'But the unseemingly spectacle of fifteen countries scrambling for position was hardly a shining example of intergovernmentalism at work and power grabbing by the larger states had caused wariness among the smaller counterparts, both current and future members'.¹⁰

⁸ Olga Vetrova, "Nice is Not Enough",
[www.worldlink.co.uk/discuss/msgreader\\$516?mode=topic](http://www.worldlink.co.uk/discuss/msgreader$516?mode=topic)

⁹ Mel Huang, "Nice for Central and Eastern Europe".
www.ce-review.org/00/44/huang44.html

¹⁰ "What comes after Nice?",
www.weltpolitik.net/policy-forum/article/7.html

Council of Ministers:

Within the Council, the number of votes allotted to each member state have been reweighted, in anticipation of addition of as many as 12 applicant states to the European Union.

The new Treaty provides for a change in the weighting of votes from 1 January 2005.¹¹ (See Table 1, Page 84)

After Nice, QMV will require support by a majority of member states representing at least 62% of the European Union population. The voting threshold for QMV will also rise from 71.3% for 15 members to eventually become 73.9% for an European Union of 27 members.¹² This will complicate the decision-making procedure even further.

'The ratification of the Treaty of Nice will allow QMV for decisions on 30 articles of the Treaty that previously required unanimity',¹³

Enhanced cooperation:

The procedure for 'enhanced cooperation' among member states has been made more flexible. A minimum of eight member states may choose to cooperate in certain areas, but not in a project with military or defence capabilities, provided that participation is open to all and they do not infringe upon the rights of other member states.¹⁴

European Commission:

Regarding the Commission, the composition of the College of

¹¹ "Who's who in the European Union? What difference will the Treaty of Nice make?" (Luxembourg:Office for Official Publications of the European Communities,2001),p.10.

¹² Dr.Guenter Burghardt, n.1.

¹³ "Who's who in the European Union? What difference will the Treaty of Nice make?" ,n.11,p.10

¹⁴ *ibid.*,p.12

Commissioners will be altered, and the powers of the Commission President strengthened. The five big states will give up their second commissioner in 2005, and new member states will name one commissioner until the European Union reaches 27 members.¹⁵ The nationality of the Commissioners will then be determined by a system of rotation that will be absolutely fair to all countries.¹⁶

Besides steps were also take to strengthen the position of the Commission President. The President will be elected by the European Council according to QMV, rather than by unanimity at present. This removes the possibility for one Member State to veto a candidate President who has the support of other member states. 'The President of the Commission will decide on the allocation of portfolios and may assign responsibilities in the course of the Commissioner's term of office. The President will also be entitled to demand a commissioner's resignation, subject to the Commission's approval.'¹⁷

European Parliament:

Several reforms were agreed to the European Parliament. In the EU27, the number of seats will increase and their distribution modified. The European Parliament will have 732 members instead of the current 626 members (See table 1, Page 84). The European Parliament's power with respect to the co-decision procedure will be extended, which places it at an equal footing with that of the Council. The Treaty of Nice

¹⁵ Dr.Guenter Burghardt, n.1.

¹⁶ "Who's who in the European Union? What difference will the Treaty of Nice make?",n.11,p.10

¹⁷ *ibid.*,p.14

enhances Parliament's role as co-legislator.¹⁸ Also for the first time, Nice provides a 'statute' for political parties at the European level.¹⁹

European Council:

European Council meetings currently move from place to place, following the country holding the Presidency. It was held that following those summits that have been already scheduled, every other summit will be held in Brussels.²⁰

The Court of Justice:

In order to relieve the workload of the Court, the Treaty of Nice seeks to share tasks between the Court of Justice and the Court of First instance more effectively. It also allows the creation of specialised chambers for particular areas. At Nice it was held that the Court of Justice in an enlarged Union would consist of one judge from each Member State, it may sit in a Grand Chamber of 13 judges, instead of always meeting in a plenary session attended by all judges.²¹

The Court of Auditors:

The Treaty of Nice states that the Court of Auditors will consist of a national of each Member State who will be appointed for a six year term by the Council acting by QMV, rather than by unanimity like that of present.²² The Court of Auditors will be able to set up chambers to adopt certain types of reports and opinions.

¹⁸ *ibid.*,p.8

¹⁹ Dr.Guenter Burghardt, n.1.

²⁰ *ibid.*

²¹ "Who's who in the European Union? What difference will the Treaty of Nice make?"n.11,p.15.

²² *ibid.*,p.16.

The Economic and Social Committee:

The Economic and Social Committee, which consists of representatives of the various economic and social groups, issues advisory opinion to the institutions. It currently has 222 members (between 6 and 24 members per Member State, depending on the size of the country).

However the Treaty of Nice states that the Committee is to be composed of representatives of various components of organised civil society and the number of members of the ESC is not to exceed 350 members in the EU27, which will allow member states to retain their present number of seats.²³

Democratic values:

The Treaty of Nice enables the Council, acting by majority of four – fifths of its members, with the assent of the European Parliament and after hearing the member state concerned, to declare that a clear danger exists of a member state committing a serious breach of the fundamental rights or freedoms on which the Union is founded.²⁴ The Council may then issue appropriate recommendations to that member state.

EVALUATION OF THE TREATY OF NICE:

Nice turned out to be the longest and the most difficult summit in the history of the European Council; the 15 heads of government fought

²³ *ibid.*,p.17.

²⁴ *ibid.*,p.19.

until dawn and beyond. Tempers flared, patience was severely tested, and all the regular schisms were evident, from the big-small balance to the fast or slow track philosophy of European integration.²⁵ The

Commission was sidelined, with intergovernmentalism occupying the centre-stage. There was no extension of QMV in sensitive areas like tax and social security, and no attempt was made to bring inter-governmental areas into the remit of community institutions, therefore the extension of QMV to 30 new areas is more significant quantitatively than qualitatively. It will now actually become more difficult to pass new laws thanks to the extra hurdles introduced in voting. As a result, QMV will be more difficult and a blocking minority accordingly will be easier, when the goal should have been the opposite in an expanding Union. Dr. Guenter Burghardt, Ambassador, Head of the European Commission Delegation to the US remarked, "This is disappointing, not just because of the short term consequences, but because the defence of national interests runs counter to the professed commitment in favour of speedy accession negotiations, particularly in policy areas with substantial budgetary implications."²⁶

At the end of the summit, Romano Prodi, the President of the European Commission, made no attempt to hide his disappointment at his failure to pursue the Commission's integrationist agenda for a much larger extension of QMV and a reduction of the veto in the European

²⁵ Mel Huang, n.9.

²⁶ Dr. Guenter Burghardt, n.1.

Union law making.²⁷ It is obvious now that the European Union should clearly define as to which the Council through QMV can decide policy areas. The complete removal of the right of veto and the transition to the principle of majority voting are closely linked to the question of the role of the European Parliament and of the weighting of votes in the Council; currently large countries have more votes than small ones, but not in full proportion to their population.

The Treaty agreed is doubtless much more modest than either the Commission or the Euro enthusiasts desired. All the same it has given the go ahead for enlargement of the European Union eastwards and made some important changes in its institutions and decision-making mechanisms.

Although agreement on the QMV for trade in services was reached, France managed to retain the veto in cultural areas such as films, music and education. Germany whose population is 40% larger than that of other three big states- France, Britain, Italy- withdrew its demand for more votes in the Council of Ministers, because it did not want to upset its traditional relations with France. Besides the promise of another Intergovernmental Council in 2004 to review the present division of powers between the European Union and member states, kept Germany atleast temporarily satisfied.

To the great annoyance of Germany and other net budget contributors, Spain successfully kept its veto on decisions concerning the level of cohesion funds for a period beyond 2006, a decision likely

²⁷ "Nice Summit :Repartition, not Unification, of Europe", n.2.

to prove very costly to the European Union budget. The 2000 Intergovernmental Council stuck to the leftovers and did not come up with radical recipes for the future.²⁸

Enlargement was the ostensible reason for holding yet another Intergovernmental Council and the Treaty of Nice did not establish any durable framework to sustain the E U of 27 members, let alone 30 or more. Much emphasis was laid on the role of the summit in paving the way for enlargement. And the preamble gives ample proof of it. The preamble notes-

“The high contracting parties
Recalling the historic importance of the
ending of the division of the European
continent;
Desiring to complete the process started by
the Amsterdam Treaty of preparing the
institutions of the Union to function in an
enlargement Union;
Determined on this basis to press ahead with
the accession negotiations in order to bring
them to a successful conclusion in accordance
with the procedure laid down in the Treaty,
Have agreed on the following adaptations of
the Treaty of European Union and the Treaties
on the European Communities as well as the
Protocol on enlargement of the European
Union.”²⁹

But there are difficulties in implementing this commitment. Nice made only limited progress in extending QMV. It is so because fear still persists among the present E U members that enlargement will bring about a paralysis in the decision-making process. Hence, ‘the

²⁸ “What comes after Nice ?” ,n.10.

²⁹ Dr.David Phinnemore, “Nice and the Future of European Union”,
www.qb.ac.uk/lies/liaison/Nice.htm

European Union is in a position where politically it cannot afford to enlarge,³⁰

Besides, seat and vote allocation of new member states to the European Union, is contained in a politically binding but not legally binding declaration. Hence, new member states will not be bound by them. And there are suggestions that the Hungarians and the Czechs will seek changes: despite having larger populations than Portugal and Belgium respectively, they have been allocated fewer European Parliament seats than them. Also agreement is yet to be reached on how the rotating system for the Commission is to work. Nice simply deferred this highly sensitive decision. Adding to the mess are other unresolved issues of the Union and enlargement to which Nice did not contribute, most notably and obtusely being the fate of the Common Agricultural Policy.³¹

For most part, Central and East European Countries cheered the outcome of the monumental summit. However, the overall result of Nice Summit is lukewarm, confusing and discriminatory. But it does give candidate states some cause for optimism. 'Despite all the confusion, bruised egos and knackered minds coming out of the French Riviera, Central and East European Countries came out of it a winner. Or better put, Central and East European Countries did not come out of the summit a loser'.³²

The distribution of votes for the Council of Ministers gives the Central and East European Countries its first look at how much say

³⁰ *ibid.*

³¹ Mel Huang, n.9.

they will have, while small countries welcomed the retention of the national Commission member. Though, Nice fell far too short of expectations, but it did provide the boost necessary for further enlargement. The trouble is that the Treaty of Nice does not go nearly far enough. It is a holding position for the current members, not an adequate solution for enlargement. It remedies some of the problems in the existing framework, which is already weakening under the strain of fifteen countries whose approaches are diverging.³³ In the light of the above, it seems apparent that Nice was born out of a series of poor decisions and failure to make decisions in key domains. Beside, the increase in size and composition of the European Parliament will not help solve the problem of 'democratic deficit' in the European Union.

With many already complaining on how poor or week the treaty is, it could be a long road ahead for the candidate countries, which are all eager to see results. 'Nice is just a start, but that can be seen as a major accomplishment in itself, whether this has just prepared the ground for a more difficult process in 2004 is speculative; for now Central and East European Countries is happy that it has been included in the redesign of the European Union's framework'.³⁴

Impact of Nice Summit on the Franco-German relations:

As a consequence of media coverage that surrounded the event, the Nice Summit is likely to be remembered for the tone of the proceedings rather than the treaty it produced. 'Consequently, with all efforts

³²

ibid.

³³

Olga Vetrova, n.8

³⁴

Mel Huang, n.9.

focussed on producing a treaty that would at least not hinder enlargement, many significant issues were not abandoned but left for another day'.³⁵

Several factors suggested that the heads of states and government would, at long last, simplify decision-making enough to avoid gridlock in an enlarged European Union. In the end, however, the summit demonstrated instead the high barriers to a deepening integration that exists today. At the same time, the bilateral Franco-German tandem no longer functions as before; 'a new generation of politicians on both sides puts less priority than its predecessors did on maintaining this close cooperation and EU leadership'.³⁶

While in principle agreement prevails over the necessity for reform, 'every attempt to carry out upsets the unstable equilibrium within the European Union and unleashes fierce conflicts'.³⁷ The most aggressive arguments in Nice took place over the new weighting of votes in the Council of Ministers since this concerns real power and influence.

'There were not only sharp tensions between Germany (which insisted its larger population should be taken into consideration) and France (which was adamant that the principle of Franco-German parity had to be preserved), but also between the larger and smaller European

³⁵ Dr.David Phinnemore ,n.29.

³⁶ Dietrich von Kyaw, "Nice Summit Sets the Course",
<http://www.dgap.org/english/tip/tip0101/Kyaw.html>

³⁷ Peter Schwarz, "European Union summit in Nice shrouded in controversy",
<http://wsws.org/articles/2000/dec2000/nice-d07.shtml>

Union members'.³⁸ The maintenance of parity on which France had insisted so much, appears quite symbolic since the demographic safety net *defacto* gives Germany a stronger influence than France.³⁹

The French government was severely criticised by the other members of the European Union. The Portuguese government headed by Antonio Guterras publicly accused the French of an 'institutional coup'.⁴⁰ The German delegation used these moods skillfully for their own interests and portrayed themselves as the representatives of the smaller countries. 'Many press reports pointed to the undiplomatic behavior of President Chirac, who for a long time had the nickname 'bulldozer' responsible for the fierce arguments in Nice'.⁴¹ In reality, France was now feeling threatened of its prominent position in Europe. The enlargement to the East will inevitably shift the balance of power within the European Union. Germany is not only the most populous and economically the strongest country, and with the expansion to the East, it has also moved geographically into the centre of the European Union and the direct vicinity of the prospective Eastern members. Germany already has the strongest economic ties with Eastern Europe.

In Germany, the summit which has at least made the accession of Poland and other Central and East European Countries from 2003 possible, was largely celebrated as a success.

³⁸ Peter Schwarz, "European Union summit in Nice increases weight of larger countries", <http://www.wsws.org/articles/2000/dec2000/nice-d13.shtml>

³⁹ Joachim Schild, "The German perspective", <http://www.deutsche-aussenpolitik.de/publications/newsletters/issue4.php#french>

⁴⁰ Peter Schwarz, n.38

⁴¹ *ibid.*

Within the French political elite, many seem to think that Germany has become more powerful through reunification, that 'eastern enlargement of the European Union will make the power differential even more pronounced, and that Germany could once again be tempted to try to dominate the rest of Europe'.⁴²

Approaches to enlargement could help determine when further institutional reforms should occur or vice-versa. 'Germany would like a 'big bang' first enlargement so that Poland can come in with other front-runners. France would also like a bigger first enlargement, perhaps to slow the process down. But some French policy makers would like enlargement to stop after the first round, perhaps never bringing in Romania and Bulgaria, let alone Turkey'.⁴³

A big bang approach to E U enlargement, of more than five countries would affect not just institutions, but also policies such as CAP. On the other hand, the later the date of enlargement, the greater is the pressure for more changes beforehand if the Nice settlement proves to be unsustainable.

However modest, at first sight, the results, 'the treaty agreed at Nice doubtless marks a significant shift in Europe's geopolitical map, with the Franco-German alliance until recently the driving force of the European Union, but now adjusting to an assertive unified Germany with a population of 80 million and a powerful economy) at the centre of this shift'.⁴⁴ The shift in the centre of gravity of the European Union

⁴² Wolfgang Brauner, "Virtual Leftovers",
<http://www.deutsche-aussenpolitik.de/publications/newsletter/issue03.html>

⁴³ Olga Vetrova, n.8.

⁴⁴ "Nice Summit :Repartition, not Unification, of Europe", n.2.

has caused some barely disguised ill feeling between France and Germany.

'The French find it extremely difficult to accept that, although they have nuclear weapons and a seat on the UN Security Council, Germany's population and economic weight will give it more powers within the European Union'.⁴⁵ 'Perhaps, after the EU's expansion, the German will be at the geographic centre of the union, rather than its eastern edge'.⁴⁶ But the main leftover from Nice for Germany is her seriously troubled relationship with France, comprises at least three elements: 'reliability, respect for the other's interests, and empathy for the partner's positions'.⁴⁷

If the disharmony in Nice is anything to go by, the European Union needs to think seriously about how it can succeed in future in bringing about agreement on reforms. There is no guarantee that the EU's member states will be able to reach unanimous agreement on issues that touch national sentiments. The current fifteen member states have shown little real desire to solicit the views of those still outside the club about the future EU rules.

France and Germany have definitely not cooperated closely enough before and during the IGC. This is because the relation between the two countries for over a decade now has not been complementary as was the case prior to 1989. France has perceived unification as a

⁴⁵ "So, that's all agreed, then",
<http://sominfro.syr.edu/facstaff/pciho/SOM254/Euenlargement.html>

⁴⁶ "After Nice", <http://www.mvef.com/news/cache/00219/>

⁴⁷ Sebastian Harnisch and Bernhard Stahl, "The German Perspective",
<http://www.deutsche-aussenpolitik.de/publications/newsletters/issue03.html>

change in the political leadership of the EU from France to Germany, and this is putting a heavy strain on the Franco-German relationship.⁴⁸

‘According to Germany, the political integration of European Union should be strengthened and the relationship with France should become more pragmatic, based on common approach to today’s and tomorrow’s problems. However, according to France, European integration is above all intergovernmental and reconciliation remains the basis of its relationship with Germany’.⁴⁹

After the Nice Summit, the European Union is starting a much wider debate about its future, its finality (both political and geographic), its functions and competence and its governance in the widest sense. These are fundamental issues that affect the applicant countries’ future in Europe. This is not a question of diplomatic deference to the right to consultation, but of hard politics involved in setting the rules of the game. Failure at the 2004 Intergovernmental Council could seriously hamper the process of enlargement and the progress of the European Union.

⁴⁸ Christian Lequesne and Wolfgang Brauner, “The French Perspective”,
<http://www.deutsche-aussenpolitik.de/publications/newsletters/issue03.html>

⁴⁹ Joachim Schild, n.39.

Table 1. THE MILLENIUM IGC IN THE EU'S EVOLUTION

Allocation of Votes in the Council of the EU and of the Seats in the European Parliament (EU-15 at Present and EU-27 after Enlargement).

Member State	1 Population (millions)	2 Population in % of EU-27	3 Council Votes	4 Council in %	5 EP Seats	6 EP in % EU-27	7 %Difference Population-Council	8 %Difference Population - EP
Germany	82.2	17.06	29	8.41	99	13.52	8.65	3.54
UK	59.6	12.37	29	8.41	72	9.84	3.96	2.53
France	58.7	12.19	29	8.41	72	9.84	3.78	2.53
Italy	57.7	11.98	29	8.41	72	9.84	3.57	2.14
Spain	39.4	8.18	27	7.83	50	6.83	0.35	1.35
Netherlands	15.9	3.30	13	3.77	25	3.42	-0.47	-0.12
Greece	10.5	2.18	12	3.48	22	3.01	-1.30	-0.83
Belgium	10.2	2.12	12	3.48	22	3.01	-1.36	-0.89
Portugal	10.0	2.08	12	3.48	22	3.01	-1.40	-0.93
Sweden	8.9	1.85	10	2.90	18	2.46	-1.05	-0.61
Austria	8.1	1.68	10	2.90	17	2.32	-1.22	-0.64
Denmark	5.3	1.10	7	2.03	13	1.78	-0.93	-0.68
Finland	5.2	1.08	7	2.03	13	1.78	-0.95	-0.70
Ireland	3.8	0.79	7	2.03	12	1.64	-1.24	-0.85
Luxembourg	0.4	0.08	4	1.16	6	0.82	-1.08	-0.80
Total EU-15	375.9		237		535			
Poland	38.7	8.03	27	7.83	50	6.83	0.20	1.20
Romania	22.5	4.67	14	4.06	33	4.51	0.61	0.16
Czech Rep.	10.3	2.14	12	3.48	20	2.73	-1.34	-0.59
Hungary	10.0	2.08	12	3.48	20	2.73	-1.40	-0.65
Bulgaria	8.2	1.70	10	2.90	17	2.32	-1.20	-0.62
Slovak Rep.	5.4	1.12	7	2.03	13	1.78	-0.91	-0.66
Lithuania	3.7	0.77	7	2.03	12	1.64	-1.26	-0.88
Latvia	2.4	0.50	4	1.16	8	1.09	-0.66	-0.59
Slovenia	2.0	0.42	4	1.16	7	0.96	-0.74	-0.54
Estonia	1.4	0.29	4	1.16	6	0.82	-0.87	-0.53
Cyprus	0.8	0.17	4	1.16	6	0.82	-0.99	-0.65
Malta	0.4	0.08	3	0.87	5	0.68	-0.79	-0.60
Total EU-27	481.7		345		732			

Source: Wolfgang Wessels, "Nice Results: The Millennium IGC in the EU's Evolution", *Journal of Common Market Studies*, Vol.39, No.2, June 2001, p.207

CHAPTER -V

CONCLUSION: FRANCE, GERMANY AND THE FUTURE OF EUROPE

In Paris, the thinking on the future of European Union tends to focus on two French worries. One is the decline of the Franco-German relationship, and the consequent threat to the French influence and the other is the prospect that European Union enlargement will lead to a looser Europe with weaker institutions, 'that is more likely to succumb to the Anglo-Saxon economic, social and cultural norms'.¹

The decisions at Nice, which are seemingly so modest, have put their seal of approval on a new geography of Europe. Not only does Germany emerge as the most powerful nation, but it has also freed itself of French domination, which has characterised the relationship of these two countries since the founding of EU.²

There is little dispute that the bitter wrangling between the two countries' leader at the Nice Summit in December 2000 brought to a head a deterioration that both had been trying to hide for at least a year and a half. The Strasbourg Summit did little to heal the rift in the Franco-German relations, since 'it will take more than words to persuade the rest of Europe that the Franco-German alliance is back in action as the 'motor' of European integration'.³

¹ Charles Grant, "France, Germany and a "hard-core" Europe",
http://www.cer.org.uk/articles/n_19_grant.html

² "Nice Summit: Repartition, not unification, of Europe",
www.lalker.demon.co.uk/issues/contents/Jan2001/nice.htm

³ <http://www.guardian.co.uk/elsewhere/journalist/story/0,7992,430914,00.html>

'But now thanks to the so called "Blaesheim Process"-Franco-German talks every six weeks at the highest level, instituted after the difficult Nice Summit – the bilateral relationship is now certainly in much better shape than last year'.⁴

One of the traditional objectives of the Franco-German cooperation is to be the driving force of European integration. As at other times in the history of European integration, France and Germany are determined, at the start of a debate on the future of the Union and looking ahead to the intergovernmental conference of 2004, 'to give new impetus in order to preserve and strengthen the dynamics of the European project'.⁵

Europe is now faced with new challenges in the area of foreign and security policy. Faced with the threats of world terrorism, the union must improve its instruments and structures in order to be able to assume its role in the world to the full. France and Germany believe that the European Union should give itself to the wherewithal to play its role in the world even more effectively. France and Germany are determined to join forces in order to ensure that the planned decisions are taken on schedule.

The intergovernmental conference of 2004, and the process of democratic debate that are to precede it, are designed to bring about

4. Dr. Ulrike Guerot, "France ,Germany and the Constitution of Europe", www.brook.edu/fp/cusf/analysis/guerot_20020307.htm

5. "Joint Declaration on the Main Priorities of Europe", http://europa.eu.int/futurum/documents/offtext/doc231101_enlargement.htm

greater integration, the effective operation of a more transparent and more legitimate European democracy and the establishment of a federation of nation states:

LAEKEN SUMMIT-

The debate and by implication the 2004 IGC, will look at least four issues, three of which were either too sensitive or too substantial for the IGC which led to the Treaty of Nice. 'They are-

- A competences catalogue reflecting subsidiarity, i.e. setting out the respective competences of the European Union and its member states;
- The legal status of the Charter of Fundamental Rights – essentially providing it with a treaty base;
- The simplification of treaties, i.e. reorganising the existing treaties into a more coherent document, or constitution, which would be easier to read and understand;
- The role of national parliaments—possibly involving their representatives in an upper chamber to the European Parliament.'⁶

The Ghent European Council on 19 October 2001 endorsed the agenda that consisted of enlarging the themes and objectives listed in the Nice Declaration, in the form of questions, with the dual aim of making the Union meet the citizens' expectations more successfully, while functioning more effectively.

⁶ Dr.David Phinnemore, "Nice and the Future of European Union", www.qb.ac.uk/ies/liaison/nice.htm

Heads of State and Government of the fifteen European Union member states met at Laeken (Belgium) on 14-15 December 2001, to address a number of key issues. The Laeken Declaration⁷ established the convention, a rough timetable and outline membership. Although the convention will tackle the four issues identified at Nice. 'The declaration identified additional challenges that it should examine:

- a better division of competences: more from Europe in some areas and less in areas better dealt with by Member States;
- resolving the European Union's democratic deficit: how to achieve more democracy, transparency and efficiency;
- institutional changes : evolution of the Council of Ministers and the European parliament into a bicarmel Parliament; evolution of the European Commission;
- bringing the EU closer to its citizens;
- defining the EU's role in an increasingly global environment;
- simplification of the EU's political instruments;
- integration of the treaties into a constitution for the EU.'⁸

The Laeken Declaration contains three parts: an analysis of the political situation in Europe called "Europe at a crossroads"; challenges and reforms in a renewed Europe; and a third part of the declaration concerns the convening of the Convention on the future of Europe.⁹ Both France and Germany welcomed the creation, at the

⁷ The full text of the Laeken Declaration, 14-15 December 2001, can be located on the European council website at : <http://ue.eu.int/Info/eurocouncil/index.htm>.

⁸ Vaughne Miller, " The Laeken Declaration and the future of Europe", [www.parliament.uk /common/lib/research/rp2002/rp02-014.pdf](http://www.parliament.uk/common/lib/research/rp2002/rp02-014.pdf).

⁹ http://www.euobserver.com /front_print.phtml?article_id=4379

Laeken European Council, the Convention made up of representatives of the member states, the national parliaments, the European Parliament and the European Commission, in whose work the applicant countries would be closely involved and which would widely consult with the civil society.¹⁰

Overview of the main results of the Laeken Summit¹¹ :

- The leaders of the is Member States named a list of ten candidate countries eligible to join the European Union in 2004: Cyprus, Estonia, Hungary, Latvia, Malta, Poland, the Slovak Republic, the Czech Republic and Slovenia could join the European Union if the present rate of progress of the negotiations and reforms in the candidate countries was maintained.
- The European security and defence policy (ESDP) was declared 'operational' and launched the EU's Rapid Reaction Force.
- The Council endorsed the report of the ECOFIN Council on the taxation of savings. The Council also welcomed to reduce substantially the cost of cross-border payments in euro.
- The European Council also endorsed the agreement reached in the Council concerning the 2002 employment guidelines, the individual recommendations to the Member States and the joint report on the employment situation.

¹⁰ "Joint Declaration on the Main Priorities of Europe", n.5.

¹¹ Laeken related sites and articles can be found at :
<http://www.euractiv.com/cgi-bin/egint.ex/435124-864?tag=1&204&OIDN=2000494>

- In response to September 11, steps were taken with regard to the defining terrorism, extradition and border controls.

‘The Laeken Summit may come to be remembered for starting a process leading to fundamental reform of the European Union’.¹² The Laeken meeting confirmed Union’s willingness to bring the accession negotiations to the end with the candidate countries. ‘The candidate countries continued to be assessed on their own merits, in accordance with the principle of differentiation’.¹³

Romano Prodi remarked, “.... at Laeken we made a leap towards the kind of Europe we want: a more democratic Europe, amore open Europe, and a Europe with which our citizens can identify more easily”.¹⁴ However the Laeken meeting, with its undignified bargaining about the placement of agencies and the chairmanship of the Convention, did not give a very encouraging picture of the state of the Union. ‘The Laeken agenda was dominated by the traditional remedies

¹² http://news.bbc.co.uk/1/hi/english/world/europe/newsid_1702000/102673.stm

¹³ “After Laeken: The Debate on the Future of Europe”

<http://www.one-europe.ac.uk/pdf/lakenreport.pdf>.

¹⁴ Romano Prodi, President of the European Commission, “Laeken: signpost to the future”, Speech to the European Parliament, Brussels, 17 December 2001, http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=SPEECH/01/636/0/RAPID&l1g=EN

for long-standing problems, rather than the new challenges that enlargement will bring'.¹⁵ The European Union needs to look beyond the problems in its current system, and think imaginatively about how the political dynamics of the Union will change when another dozen members join.

Though the Belgians managed to strike a balance between modesty and firmness, the decline of the Commission's role continued. Besides, because of the strong position of regional ministers in the Belgian Presidency the institution of the presidency also somewhat declined.¹⁶

The Intergovernmental Conference of 2004, and the democratic debate that are to precede it, are designed to bring about greater integration, the effective operation of a more transparent and more legitimate European democracy and the establishment of a federation of nation states. 'The European Constitutional Convention that started its work on February 28, 2002 is a critical step in the evolution of the European Union'.¹⁷

Future of Franco-German relationship:

German unification and the Soviet bloc's collapse changed the balance of power and ended what Raymond Aron called the Europe of 'dual

¹⁵ http://www.cer.org.uk/nr_04/

¹⁶ "After Laeken: The Debate on the Future of Europe",
<http://www.one-europe.ac.uk/pdf/lakenreport.pdf>

¹⁷ Dr. Ulrike Guerot, n.4.

hegemonies'¹⁸ for it strengthened Germany, thus making France even more concerned to contain it through a close alliance. Nearly a decade later, France and Germany have begun debating the future of their relationship.

Gunter Verheugen, EU Commissioner for Enlargement, says, "Over the next five years the European Union must overcome its biggest challenge since it was founded. In fact there are four challenges: 1.enlargement, 2.institutional reforms, 3.safeguarding and improving our competitiveness, and 4.the European Union's global role as a power alongside USA and Asia. All four are interconnected."¹⁹The ability of the European Union to overcome these challenges will very much depend on the evolving nature of the 'Franco-German' partnership.

Progress towards a federal Europe, as it has in the past depends on the Franco-German collaboration. Joska Fischer remarked that the next stage of enlargement and political integration will "depend decisively on France and Germany."²⁰

One could have said that the very nature of the relations between France and Germany was really shaping the European Union. But the Nice Summit revealed the sharp tensions between the two

¹⁸ William Anthony Hay, "Quite Quake in Europe: The French and the Germans Divide"
<http://www.nyu.edu/globalbeat/emu/FPR11000.html>

¹⁹ Gunter Verheugen, Member of the European Commission, "Unity in Diversity- What political shape should Europe take?", speech at the 7th European Forum, Hotel Adlon ,Berlin, 16/11/2001, <http://europa.eu.int/futurum/documents/offtext/doc161101enlargement.htm>

²⁰ Anthony Giddens, "A third Way for the European Union?", in Mark Leonard (ed.),*The Future Shape of Europe*, <http://www.globaldimensions.net/articles/Giddens/Giddens.htm>

neighbours. Today, and especially with the operation of the Euro, 'the truth is that it is the European integration process which is going to determine the very nature of Franco-German relations'.²¹

France needs to wake up to the fact that the world has changed in the half century since the European Union was founded. Just because France and Germany ran the European Union from 1950 until the mid-1990s, it does not mean that they should or can do so forever. 'If the European Union were to have 25 members by 2004-05, it will be impossible for both or any of them to dominate as they did in the past'.²² Therefore the 'couple approach' is not only outdated but it also creates negative side effects which prevent common solutions to emerge.²³

'Germany would like to see itself as a 'middle power'. For Germany's European policy this means an approach in which integration has a much greater potential to be used to enhance German international power'.²⁴ On the other hand, 'France's European policy and even its general international policy will continue to be increasingly Europeanised, which is not to say they will be necessarily either successful or morally good'.²⁵

²¹ Par Franck Biancheri, "Franco-German Partnership", www.europe2020.org/fr/euroopinions

²² Charles Grant, n.l.

²³ Par Franck Biancheri, n.21.

²⁴ S.Bulmer and W.E.Patterson, "Germany in the European Union : Gentle Giant or emergent Leader?" *International Affairs*, Vol.72, No.1, p.9.

²⁵ Ronald Tiersky, "France 2007:Preliminary Thoughts", <http://www.csis.org/organisation/europe/pubs/France2007.pdf>

France and Germany will matter more than others in the effort to achieve the reform of community policies in order to make a success of enlargement. 'Germany needs enlargement more than France does and France does not want to pay for it more than Germany'.²⁶

Thus agreement between France and Germany is thus a necessary, if not sufficient, condition for the progress towards European integration. Conscious of the deteriorating Franco-German relations and its destabilising effects on the European integration process, leaders of both the countries are making a effort to preserve the ties that has developed since 1950s and want to prevent strains which pull the two countries further apart.

'Friendship is not about ruling the world or Europe together. It is about sharing common feelings, visions of life and will to share the good and bad parts of common adventure'.²⁷ 'In the age of globalisation, cosmopolitan cooperation has to be the prime force in the world order'.²⁸

²⁶ Dr. Ulrike Guerot, n.4.

²⁷ Par Franck Biancheri, n.21.

²⁸ Anthony Giddens, n.20.

This is why the two countries are willing to 'redefine' their relationship, which is far from being easy.²⁹

France and Germany will have to generate mutual imagination and trust to arrive together at compatible national policies for Europe. Neither France nor Germany can give up responsibility for formulating its own national interest and policy. To achieve success for themselves and for Europe, the two countries will have to accommodate and harmonise, through a process of continuous consultation that creates useful institutions and brings in their neighbours. 'And much of this success will depend on the quality of French and German leadership and on the good sense of French and German public opinion'.³⁰

²⁹ Hans Stark, "The French Perspective", in Wolfgang Brauner and Dr. Hanns W. Maull, *Towards a Common European Project*

<http://www.deutsche-aussenpolitik.de/publications/newsletters/issue4.php#french>
³⁰ David P. Calleo, "Introduction", http://muse.jhu.edu/demo/sais_review/15.3Calleo02.html

SELECT BIBLIOGRAPHY

Primary Sources

Commission for the European Communities, *Agenda 2000*, Vol.1, Doc/97/6 (Strasbourg, July 1997).

European Commission, "Agenda 2000: For a Stronger and Wider Union", *Bulletin of the European Union*, supplement 5/97 (Luxembourg, 1997)

European Commission, *General Report on the activities of the European Union 1996-2000* (Luxembourg, 1997-2001).

European Communities, Office For Official Publication, *Treaty on European Union, Treaty establishing the European Community* (Luxembourg, 1993).

European Council, Conclusions of the Presidency (Brussels, 1997-2000).

" *Who's who in the European Union? What difference will the Treaty of Nice make?*" (Luxembourg: Office for Official Publications of the European Communities, 2001)

Gunter, Verheugen, Member of the European Commission, "Unity in Diversity- What political shape should Europe take?", speech at the 7th European Forum, Hotel Adlon, Berlin, 16/11/2001, <http://europa.eu.int/futurum/documents/offtext/doc161101enlargement.htm>

Prodi, Romano, President of the European Commission , "Laeken: signpost to the future", Speech to the European Parliament, Brussels, 17 December 2001,

http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action=gettxt=gt&doc=SPEECH/01/636/0/RAPID&lg=EN

Burghardt, Guenter, Ambassador, Head of the European Commission Delegation to the United States, "The Future of the European Union after the Nice Summit", Harvard Law School, Massachusetts, 15 March 2001,

www.eurunion.org/news/speeches/2001/010315gb.htm.

Secondary Sources

Books:

- Anderson, Jeffrey, *German Unification and the Union of Europe: Domestic Politics and the Integration Policy*(Cambridge: Cambridge University Press,1995).
- Barbour, Phillippe (ed.), *The European Union Handbook* (Chicago: Fitzroy Pearborn, 1996).
- Baring, Arnulf(ed.), *Germany's New Position in Europe* (Oxford: Berg, 1994).
- Benchoff, Thomas, *The German Problem Transformed: Institutions, Politics and Foreign Policy,1945-1995* (Michigan: University of Michigan Press, 1999).
- Brechtefeld, Jorg, *Mitteleuropa and German Politics 1848 to Present* (London: MacMillan Press Ltd.,1996).
- Bulmer, Simon and Paterson, William, *The Federal Republic of Germany and the European Community*(London: Allen and Ulwin,1987).
- Burgess, Michael, *Federalism and European Union*(London: Routledge,1989).
- Butler, Michael, *Europe: More than a Continent*(London: Heinemann, 1986).
- Cameron,Fraser, Ginsberg,Roy, Janning,Josef, Mackintosh,Stuart (eds.),*The European Union's Common foreign and Security Policy: Central Issues and Key Players* (Washington, DC: The Strategic Studies Institute,1995).
- Chopra,H.S., *De Gaulle and European Unity* (New Delhi: Abhinav Publishers,1974).
- Crouch,Colin and Marquand David(eds.), *Towards Greater Europe* (Oxford: Blackwell ,1992).
- Webber, D.(ed.), *New Europe, New Germany , Old Foreign Policy? German Foreign Policy Since Unification* (London:Frank Cass,2001).
- Dedman, Martin J., *The Origins and Development of the European Union 1945-1995: A History of European Integration* (London: Routledge, 1996).

- Flynn, Gregory (ed.), *Remaking The Hexagon: The New France in New Europe* (Boulder: Westview, 1995).
- Friend, Julius W., *The Linchpin: French-German Relations, 1950-1990* (New York: Praeger, 1991).
- Fritsch-Bournazel, Renata, *Europe and German Unification* (New York: Berg, 1992).
- Gayomarch, A, Machin, H. and Ritchie, E. (ed.), *France in the European Union* (Basingstroke: Macmillan, 1998).
- Geipel, Gary L., *Germany in the new era* (Indianapolis: Hudson Institute, 1993).
- Gordon, Phillip H., *A Certain Idea of France: French Security Policy and the Gaullist Legacy* (Princeton: Princeton University Press, 1993).
- Grabbe, Heather and Hughes, Kirsty, *Enlarging the EU Eastwards* (London: Pinter/Royal Institute of International Affairs, 1998).
- Grant, Charles, *Delors. Inside the House that Jacques Built* (London: Nicholas Brealey Publishing, 1994).
- Grosser, Alfred, *French Foreign Policy under De Gaulle* (Boston: Little Brown Publishers, 1967).
- Hansen, Birthe (ed.), *European Security-2000* (Copenhagen: Copenhagen Political studies press, 1995).
- Heisenberg, Wolfgang (ed.), *German Unification in European Perspective* (Brassey, UK: The Centre for European Policy Studies, Brussels, 1991).
- Heneghan, Tom, *Unchained Eagle-Germany after the Wall* (Great Britain: Pearson Education Limited, 2000).
- Holand, Martin, *European Community Integration* (London: Pinter, 1993).
- Kazenstein, Peter (ed.), *Mitteleuropa* (USA: Bergahn Books, 1997).
- Kazenstein, Peter (ed.), *Tamed Power : Germany in Europe* (New York: Connel University Press, 1997).
- Koehane, Robert O., Nye, Joseph S., Hoffman, Stanley (eds.), *After the Cold War: International institutions and state strategies in Europe 1989-1991* (Cambridge, Mass.: Harvard University Press, 1993).

- Kurz, Heinz D. (ed.), *United Germany and the New Europe* (Aldershot: Edward Elgar, 1993).
- Lankowski, Carl F., *Germany and the European Community* (New York: St. Martin's Press, 1993).
- Lewis, David W.P., *The Road to Europe : History, Institutions and Prospects of European Integration 1945-1993* (New York: Peter Lang Publishing Inc., 1993).
- Markouts, Andrei S. and Reich, Simon, *The German Predicament: Memory and Power in New Europe* (New York: Connel University Press, 1997).
- Marsh, David, *Germany and Europe: The Crisis of Unity* (London: Mandarin, 1995).
- Mazzucelli, Collette, *France, Germany at Maastricht. Politics and Negotiations to Create the European Union* (New York: Garland Publishing, 1996).
- McCarthy, Patrick (ed.), *France-Germany 1983-1993. The Struggle to Cooperate* (London: Macmillan, 1993).
- Pederson, Thomas, *European Union and the EFTA Countries, Enlargement and Integration* (London: Pinter, 1994).
- Pederson, Thomas, *Germany, France and Integration Of Europe: A Realist Interpretation* (London: Pinter, 1998).
- Pryce, Roy (ed.), *The dynamics of European Union* (London: Croom Helm, 1987).
- Redmond, John and Rosenthal, Glenda G. (ed.), *The Expanding European Union: Past, Present and Future* (London: Lynne Rienner Publishers, 1997).
- Rhodes, Carolyn and Mazey, Sonia (ed.), *The State of European Union Vol.3 Building a European Polity?* (Colorado: Lynne Rienner Publishers Inc., 1995).
- Ross, George, *Jacques Delors and European Integration* (Cambridge: Polity Press, 1995).
- Schoen Baum, David and Pond, Elizabeth, *The German Question and Other German Questions* (Houndmills: Macmillan, 1996).
- Siedentop, L., *Democracy in Europe* (London; Allen Lane, 2000).

- Simonian, Haig, *The Privileged Partnership : Franco-German Relations in the European Community 1969-1984* (Oxford: Clarendon Press, 1985).
- Sowden, J.K., *The German Question 1945-1973 Continuity in Change* (Great Britain: William Cloves and Sons Ltd., 1975).
- Taylor, Paul, *The Limits of European Integration* (London: Croom Helm, 1983).
- Verheyen, Dirk and Soe, Christian (eds.), *Germans and their Neighbours* (USA: Westview Press Inc., 1993).
- Wallace, William and Wallace, Helen, *Policy-Making in the European Union* (Oxford: Oxford University Press, 1996).
- Wallace, William (ed.), *The Dynamics of European Integration* (London: Pinter, 1990).
- Wood, Stephen, *Germany , Europe and the Persistence of Nations: Transformations Interests and Identity 1989-1996* (England: Ashgate Publishing Ltd., 1998).

Articles:

- Arnold, Hans, "Maastricht-The Beginning or the end of development?" *Aussenpolitik*, vol.44, no.3, 1993, pp.271-280.
- Brzezinski, Zbigniew, "A plan for Europe", *Foreign Affairs*, vol.74, no.1, 1995, pp.22-46.
- Bulmer, Simon and Paterson, William, "Germany in the European Union :Gentle Giant or Emergent Leader", *International Affairs*, vol.92 ,no.1 January 1996, pp.4-32.
- Cole, Alistair, "Looking On: France and the new Germany", *German Politics*, vol.2, no.3, 1993, pp.359-376.
- Dornbusch, Rudi, "Euro Fantasies", *Foreign Affairs*, Vol.75 no.5 ,1996, pp.116-124.
- Drake, Helen, "Political Leadership and European Integration: The case of Jaques Delors", *West European Politics*, vol.18, no.1, Jan 1995, pp.140-160.
- Eisel, Stephan, "The Politics of a United Germany", *Daedalus*, vol.123, no.1, 1994, pp.149-171

- Featherstone, Kevin, "Jean Monnet and the 'Democratic Deficit' in the EU", *Journal of Common Market Studies*, vol.32, no.2, 1994, pp.149-171.
- Garrett, Geoffrey, "The Politics of Legal integration in the European Union", *International Organisation*, vol.49, no.1, Winter 1995, pp.171-181.
- Garton, Timothy Ash, "Germany's Choice", *Foreign Affairs*, vol.73, no.4, 1994, pp.65-81.
- Goldstein, Walter, "Europe After Maastricht", *Foreign Affairs*, vol.71, no.5, Winter 1992, pp.117-132.
- Gordon, Phillip H., "The normalisation of German Foreign Policy", *Orbis*, vol.38, no.2, 1994, pp.225-242.
- Gruber, Wilfred, "Germany and European Integration: Strengthening and Enlargement of the European Union", *Review of International Affairs*, vol.48, no.1056, May 1995, pp.5-9.
- Hankiss, Elemer, "European Paradigms: East and West, 1945-1994", *Daedalus*, vol.123, no.2, 1994, pp.115-126.
- Hellmann, Gunther, "Goodbye Bismark? Foreign Policy of Contemporary Germany", *Mershon International Studies Review*, vol.40, no.1, April 1996, pp.1-40.
- Hoffmann, Stanley, "Europe's Identity Crisis Revisited", *Daedalus*, vol.123, no.2, 1993, pp.1-23
- Hurd, Douglas, "Developing the Common Foreign and Security Policy", *International Affairs*, vol.70, no.3, 1994, pp.22-49.
- Janning, Josef, "A German Europe-A European Germany? On the debate over Germany's Foreign Policy", *International Affairs*, vol.72, no.1, 1996, pp.9-32.
- Janning, Josef, "German Europe or European Germany ? On the Debate over German Foreign Policy", *International Affairs*, vol.72, no.1, January 1996, pp.33-42.
- Kazenstein, Peter, "United Germany in an Integrating Europe", *Current History*, vol.96, no.608, March 1997, pp.116-123.
- Keilinger, Thomas, "Waking up in the Europe-with a headache", *International Affairs*, vol.66, no.2, 1990, pp.249-263.
- Livingstone, Robert Gerald, "United Germany: Bigger and Better", *Foreign Policy*, no.87, Summer 1992, pp.157-174.

- McCarthy, Patrick, "France in the Mid-1990s :Gloom but not Doomed", *Current Hisory*, November 1994,pp.364-368.
- Menon, Anand, "From Independence to Cooperation: France NATO and European Security", *International Affairs*,vol.71,no.1,1995,pp.19-34.
- Moisi,Dominique, "Chirac of France : a New Leader of the West?", *Foreign Affairs*, vol.74,no.6,November-December, 1995,pp.8-13.
- Moisi, Dominique, "Trouble with France", *Foreign Affairs*, vol.77,no.3,June 1998,pp.94- 104.
- Morgon, Roger, "European Integration and National Interests", *Government and Opposition*, vol.29,no.1,1994,pp.128-134.
- Nair, Sami, "France: A Crisis of Integration" ,*Dissent*, Summer 1996,pp.75-78.
- Oliver, Peter, "The French Constitution and the Treaty of Maastricht", *International and Comparative Law Quaterly*,vol.43,no.1,1994,pp.1-25.
- Pond, Elizabeth, "Germany in the New Europe", *Foreign Affairs*, vol.71, no.2,1992,pp.114-130.
- Ross, George, "Chirac and France: Prisoners of the Past", *Current History* , vol.96, no.610,May 1997,pp.206-211.
- Schmidt, Vivian A., "Discourse and (dis)integration of Europe: The case of France, Germany and G.Britain", *Daedalus*, vol.126, no.3,Summer 1997, pp.167-197.
- Schmitt, Burkand, "France's Alliance Policy in a Changing World" , *Aussenpolitik*, vol.47, no.4, 1996,pp.348-358.
- Schwarz, Hans-Peter, "Germany's National and European Interests", *Daedalus*, vol.123, no.2,1994,pp. 81-105.
- Simonian, Haig, "France, Germany and Europe", *Journal of Common Market Studies*, vol.19,no.3,1981,pp.203-219.
- Stuth, Reinhard, "Germany's New Role in a Changing Europe", *Aussenpolitik*, vol.43, no.1,1992,pp.22-32.
- Tiersky, Ronald, "Mitterrand's Legacy", *Foreign Affairs*, vol.4, no.1 , 1995,pp.112-121.
- Vernet, Daniel, "The Dilemma of French Foreign Policy" *International Affair*, vol.68, no.4,1992,pp.655-664.

Voigt, Karsten, "German Interest in Multilateralism", *Aussenpolitik*, vol.47 , no.2 , 1996, pp. 107-116.

Wessels, Wolfgang, "Rationalising Maastricht: The Search for an optimal strategy of New Europe", *International affairs*, vol.70, no.3, 1994, pp.445-457

Internet Sources

Schmidt, Peter, "Germany ,France and NATO"
<http://carlisle.www.army.mil/usassi/ssipubs/pubs94/nato/nato.htm>

Calleo, David P., "Introduction", SAIS Review 15 Special Issue(1995)
http://muse.jhu.edu/demo/sais_review/15.3Calleo02.html

Kuhnhardt, Ludger, "Germany's Role in European Security"
http://muse.jhu.edu/demo/sais_review/15.3Kuhnhardt.html

"So that's all agreed, then" , December 16, 2000
<http://sominfro.syr.edu/facstaff/pcihon/SOM254/Euenlargement.html>

" France and Germany's Leadership in European Integration"
<http://www.polisci.tamu.edu/Robertson/322/Europe's%20franco-german%20book%20review.doc>

"Continental Drift", *Worldlink*, September/October 1998
<http://www.backissues.worldlink.co.uk/articles/03111998104644/04111998140529.htm>

Mazzucelli, Colette, "Franco-German Contribution to the Common Foreign and Security Policy: The area of Conflict Prevention/resolution with a Perspective on Enlargement"
<http://www.boschalumni.organisation/alumni/mazzucelli/vienna.pdf>

Grant, Charles, "France , Germany and a 'Hard-Core' Europe"
http://www.cer.org.uk/articles/Nice_19_grant.html

Deckers, Wolfgang, "Two Souls, Twin Realities German Foreign Policy from Slovenia to Kosovo"
<http://www.ce-review.org/oo/26/deckers26.html>

Tiersky, Ronald, "France 2007: Preliminary Thoughts"
<http://www.csis.org/europe/pubs/France2007.pdf>

Stark, Hans , “The French Perspective” in Wolfgang Brauner and Hanns W. Maull (ed.), “*Towards a Common European Project*”
<http://www.deutsche-aussenpolitik.de/publications/newsletters/issue4.php#french>

Wolfgang Brauner (ed.), “Virtual Leftovers, German Foreign Policy in Dialogue”, December 2001
<http://www.deutsche-aussenpolitik.de/publications/newsletter/issue03.html>

Kyaw, Dietrich von, “Nice Summit Sets the Course”
<http://www.dgap.org/english/tip/tip0101/Kyaw.html>

Ohlendorf, Edmund, “Germany and Europe in the Second Half of the 20th Century”
<http://www.eduvinet.de/eduvinet/uk009htm>

Yeo, In-Kon, “Is the German 2+4 Process Applicable to the Korean Peninsula?”
<http://www.fes.or.kr/kUnification/Upaper9.html>

Giddens, Anthony, “A Third Way for the European Union” in Mark Leonard (ed.) *The Future Shape of Europe*
<http://www.globaldimensions.net/articles/Giddens/Giddens.htm>

“ Perspective on Post-Maastricht Political Progress within the European Community”
<http://www.homepage.mac.com/brownsteve/tummins/poli/008.html>

Long, David, “The Why and How of EU Enlargement”, Institute of International relations, The University of British Columbia, July 1997
<http://www.iir.ubc.ca/pdf/files/webwp16.pdf>

Blacksell, Mark, “State and Nation : Germany since Reunification”
<http://www.intellectbooks.com/europa/number3/blacksell.htm>

Laffan, Brigid, “An Overview of the history of the European Union”
<http://www.ireland.com/eurotimes/history/inpers/htm>

Jachtenfuchs, Markus, “Germany and the ‘New Relance Europeenne’ ”
<http://www.iu-bremen.de/imperia/md/content/test/6.pdf>

Webber, Douglas, “The Hard Core: The Franco-German Relationship and the Agricultural Crisis Politics in the European Union”
http://www.iue.it/RSC/WP-Texts/98_46t.html

“After Nice”, December 15,2000

<http://www.mvef.com/news/cache/00219/>

Hay,William Anthony, “Quite Quake in Europe: The French and the Germans Divide”

<http://www.nyu.edu/globalbeat/emu/FPR11000.html>

“After Laeken: The Debate On The Future Of Europe”

<http://www.one-europe.ac.uk/pdf/lakenreport.pdf>

Schweiger,Christian, “ Between Good European and Leading Partner: Germany’s new European Policy”

<http://www.psa.ac.uk/2002/papers/pdf/Schweiger.pdf>

“France and the Building of Europe”

<http://www.weltpolitik.net/regionen/europa/frankreich/941.html>

Schwarz,Peter, “European Union Summit in Nice increases weight of larger countries”

<http://www.wsws.org/articles/2000/dec2000/nice-d13.shtml>

Schwarz,Peter, “European Union summit in Nice shrouded in controversy”

<http://www.wsws.organisation/articles/2000/dec2000/nice-d13.shtml>

Staal,Eric Richard, “European Monetary Union: The Germany Political-Economic Trilemma”

http://www.zei.de/download/zei_dp/dp_c45_stall.pdf

Deubner,Christian, “The new Germany in the New Europe”

www.aicgs.org/publications/PDF/franco-german.pdf

Guerot,Ulrike, “France, Germany and the Constitution of Europe”

www.brook.edu/fp/cusf/analysis/guerot_20020307.htm

Huang, Mel, “Nice for Central and Eastern Europe”

www.ce.review.org/00/44/huang44.html

Pernice, Ingolf, “ The Nice Summit and a European Constitution”

www.dgap.org/english/tip/tip4/pernice.html

Biancheri,Par Franck , “Franco-German Partnership”

www.europe2020.org/fr/euroopinions

“The German Unification Treaty”

www.europe-today.com/gerunif.html

“Nice Summit: Repartition, not unification, of Europe”
www.lalker.demon.co.uk/issues/contents/Jan2001/nice.htm

Miller, Vaughne, “The Laeken Declaration and the Future of Europe”
[www.parliament.uk /common/lib/research/rp2002/rp02-014.pdf](http://www.parliament.uk/common/lib/research/rp2002/rp02-014.pdf)

Phinnemore, David, “ Nice and the Future of European Union”
www.qb.ac.uk /ies/liaison/Nice.htm

Guerot, Ulrike, “ French waterloo, German Nightmare?”
www.theglobalist.com/nor/richter/2000/12-20-00.shtml

Moreau-Defarges, Philippe, “A French Perspective on the European Union’s Intergovernmental Conference”
www.ttc.organisation/archieve/moredefa.htm

“What comes after Nice?”
www.weltpolitik.net/policy-forum/article/7.html

Vetrova, Olga, “Nice is not Enough”
[www.worldlink.co.uk/discuss/msgreader\\$516?mode=topic](http://www.worldlink.co.uk/discuss/msgreader$516?mode=topic)