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### Poland, Germany and the Future of Europe

Issues and Opportunities of Polish-German Relations

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Evidently, European integration has reached a crossroads. Challenged by a profound crisis in its center of integration and confronted with a dynamically changing global environment, the European Union is faced with the impossibility of its status quo. Europe's cohesion and Europe's capacity for action are at stake. Either, the Europeans will find ways to strengthen both their cooperation and integration, or they will have to live with the eroding ability to shape their internal process and structure, to stabilize and transform their neighborhood, and to impact on the wider world.

For Poland and Germany, Europe's struggles present both a challenge and an opportunity for closer cooperation. Both nations put great expectations and interests on European integration, both perceive the EU as a principal component of their international role.

The agenda European policy makers are confronting is tall:

1. First is the management of the sovereign debt crisis, mostly but not exclusively an issue for the Eurozone members. The options for a strengthening of governance in this field such as banking union or budget control are divisive and will have repercussions on non-members.

2. The second challenge deals with the nexus of competitiveness and growth. So far, neither the Europe 2020 agenda nor fiscal conditionality within the Eurozone has provided sufficient stimuli for genuine reform of member state governance. Also, the Single Market remains incomplete, notably in the field of the digital economy.
3. A third complex item on the agenda is the EU budget and related reforms of policies. There is need for more dynamic adjustments of policy priorities related to sustainable economic development, in particular regarding energy, infrastructure, research and development.
4. Fourth is Europe's foreign and security policy. The balance sheet of EEAS reveals serious weaknesses due to resource and competence issues; but ambiguities also remain over the mission, scope and priorities of a Common foreign and Security Policy. Defense policy and the organization of defense in Europe are undergoing major adjustments, which should be a case for closer cooperation or even integration among member states. Ten years after its introduction, the European Security Strategy is in need of review.
5. Fifth, the institutional setting as last adapted by the Lisbon Treaty is far from perfect. As the upcoming electoral campaign to the European Parliament indicate, the EU's reputation and legitimacy among the Europeans is critical. Efficiency and accountability fall behind expectations. Likely, the next European Parliament will have more EU-skeptic members than any of its predecessors, which could become both an additional obstacle to reform or a blessing in terms of its connectivity with the electorate. The European Commission is in need of streamlining its structures and to regain respect among governments and the people. Furthermore, the role of national parliaments will have to be reconsidered in light of the far-reaching decisions on Eurozone governance.

Clearly, the heterogeneity of the European Union has grown considerably over enlargement, not exclusively because of the large number of new member states. Rather, the traditional consensus building mechanisms have weakened, and the previous coalitions among the "older" member states have largely disappeared, not because of enlargement but in spite

of the fact that the EU is not shaped decisively by an old/new divide. Instead, the main cleavage lines do not follow the spatial dimension of enlargement.

The effect of more profound divergences has been to transform the balance issues between centripetal forces on the one hand and centrifugal tendencies on the other hand. While in previous stages of the integration process, both forces kept the EU swinging towards a tacit equilibrium, at times strengthening the central institutions, at other times favoring decentralist or intergovernmental approaches, the current scenario sees the strengthening of both forces simultaneously. The supranational *acquis* has come under pressure from member states, be it on specific single market rules or the – originally intergovernmental – Schengen system. At the same time, major steps towards deepening EU governance are advanced through intergovernmental consensus of a dominant grouping with the EU, as in the case of the Fiscal Compact, driving forward alongside a stronger role of the European Commission.

In the face of these challenges, European leaders have to develop their responses without the help of the EU's historic drivers. The current situation lacks both internal and external federators. There is no strong European momentum among the people and the peoples of Europe, as much as many Europeans would dislike the EU to weaken. Also, there is no external challenger strong and imminent enough to force a response upon European publics and EU governments.

It all depends on Europe's policy makers to initiate a new phase of change, of adaptation, and of reform. EU-leaders struggle to define their priorities and preferences, as the political class in many European countries seems less committed to the integration process than ever before. Profound skepticism about the EU and a populist trend visible in many national elections stand in the way of spelling out longer-term objectives and plans, and deepen the participatory dilemma of integration today: Significant steps towards "more Europe" will require the consent of the people if not a new mandate by the people, while it seems ever more difficult to win the support of the people.

For the timing being, a major overhaul of the EU's treaty base is out of the question – public opinion does not favor this approach; neither do political elites or governments. While facing the same constraints in principle, limited treaty change seems feasible, both within the treaty framework (by referring to protocol amendments) and outside of the treaties (by separate contractual arrangement). Other options include the revision of procedural agreements, inter-institutional agreement, intergovernmental consensus, and, not least, enhanced cooperation. Most of the above puts member-states and their governments in the lead role. They need to take the initiative and to structure the process.

Given the crucial nature of the Eurozone crisis and the mode of its resolve for the EU at large, Germany is currently seen as the pivotal actor in this context. Without a willingness of the German government (backed by the German Bundestag) to move ahead, there will hardly be a momentum to act on the European agenda. The consent if not the initiative of Berlin will be the necessary precondition for change.

It won't be a sufficient condition, however. In consequence of the diffuse constellations around the EU-28, the alignment of member-states on key issues seems unclear and unstable. New and renewed efforts in coalition building have to be undertaken, particularly but not exclusively by Berlin. This puts the chances of any German initiative into the hands of other actors.

Three actors resp. groups of actors appear to be of special significance to coalition building:

1. France, obviously key to any major initiative, which seeks to shape up the EU. Franco-German relations have always been critical to the success of EU reform, not because of a wide agreement over content and direction, but because of the determination of both sides to come to an agreement;
2. The group of affluent neighbors of Germany in the EU, most of which are Eurozone members, and which share many of the German preferences over the course and direction of European integration;
3. Poland, the largest among the East Central European EU-members, and certainly among the most ambitious about political integration in these years.

Poland has emerged as the most important and influential of the ten new member states of the 2004 European Union enlargement. It has the largest population, and its economy

is doing well despite the financial crisis. The Polish economy grew by around 20% over the past decade, strengthening the country's significance to the European market as well as its future potential for growth.

For years now, Poland pursues a policy to firmly anchor the country in the political center of the EU, requesting no opt-out from EU policies, and keeping the option for joining the Euro at some point. Poland stood against the British skepticism on a deepening of the Eurozone. The Polish government wants the Euro to remain and to succeed. Its interests speak for a strong link between current and future Eurozone members, for maintaining an single institutional framework of the EU, and for policy coherence both with regard to EU-internal affairs as well as with regard to foreign policy and security.

In this, the Polish ambition within the EU exceeds the current possibilities of the Weimar Triangle as an extension of the Franco-German relationship.

Berlin's EU policy is in need of partners, particularly at a moment when the perception of German power and dominance has become a burden in Eurozone crisis management. The Franco-German relationship currently generates weak momentum. Francois Hollande has not yet mastered France's domestic policy reforms nor led crisis management in the Eurozone with Germany. The Polish-German relationship cannot yet compensate for this (and, incidentally, the Weimar Triangle of France, Germany, and Poland has not benefited much from the shift in significance eastward), but the message from Berlin is clear: Germany has valued partners within and outside the Eurozone, among old and new member states.

Poland is a driver of a more active and coherent EU foreign and security policy; the Polish government was among those pushing a comprehensive review of the EEAS and the EU's security strategy. Warsaw would also like to see movement on the European Security and Defense Policy. Poles have called for a strategic EU approach toward its Eastern neighbors; the Polish government has focused on the growing neglect of Russia in EU foreign policy, trying to develop its own communication with Moscow despite Warsaw's rather critical reading of events there.

Given these developments, Poland's relevance to Germany has increased beyond its position as Berlin's most important political and economic neighbor to the east. For any Polish government, relations with their big Western neighbor are sensitive. While it may not apply

to key figures of the current leadership, many Poles are still insecure about Germany, reacting with sensitivity on issues of their relationship and shared history. Thus seen from Warsaw, bilateral and EU relations must provide evidence to the contrary. Polish politics needs visible demonstration that Poland is not only a first-rate partner to Germany, but also is being treated as one.

From the German perspective, Polish attention-seeking feels somewhat arduous. Berlin desires a reliable, low-maintenance partner; further, it tends to view Warsaw as a junior partner, which is clearly not the Polish reading of the relationship. Bilateral cabinet meetings, held only since 2011, are a fairly new element in Polish-German cooperation. Within society, many layers of Franco-German bilateralism have also been applied successfully to German-Polish relations. Finally, economic partnership is dense. German enterprises are by far the most important partners of Polish business. The two countries have exhausted the usual repertoire for underlining a partner's relevance.

Joint projects of political ambition between Poland and Germany have yet to launch. In this respect, Berlin has been hesitant in recent years. But the time may finally be ripe. Such symbolism, however, requires a translation into projects, which seems to be the missing link on both sides of this relationship.

They do exist, however, if there were the will to step forward.

The much needed debate over political perspectives of fiscal governance in the EU and the spill-over effects on economic and social policy could be framed jointly by Poland and Germany. In fact, all of the five challenges named at the outset of this paper are too important to their European interests and preferences not to be viewed as areas of closer bilateral political cooperation.

An even stronger signal would be to put defense policy reforms into a European context – Poland and Germany could take a decisive step towards integrating their territorial defense as a blueprint for a respective European project under the scheme of “permanent structured cooperation” within ESDP.

Russia's role and Russian policies on the continent are of particular interest to both Germany and Poland beyond the fields of neighborhood policy and energy relations.

A joint conceptualization of a common *Ostpolitik*, focusing on Russia and the Eurasian region at-large could be inspired and lead by Warsaw and Berlin.

Polish actors have given many signals indicating their readiness to positively respond to related initiatives from Berlin, but they cannot be expected to take the first step. It is for Berlin to decide when and how to engage Poland more deeply. Germany's partnership record has been one of its major tools of influence in Europe – a record which has suffered somewhat in recent years. In this way, a successful Polish-German tandem could be an avenue to win back credibility and leverage on the continental stage.