

Policy Paper



No. 34 September 2012

ELŻBIETA KACA^{*}, KRZYSZTOF SOLOCH^{**}

Any Chance for Inclusive Intergovernmentalism? The Prospects for a Franco-Polish Partnership in the European Union

In this time of crisis, the responsibility for the future of the EU has fallen to the Member States. The European Commission is reticent to propose an ambitious agenda and it is often up to Member States to launch new initiatives. The intergovernmental approach, which still persists formally in areas such as defence or agreement of the multi-annual financial framework, has become—informally—more prominent at the EU level during recent years. It seems that until the debt crisis is resolved the situation will not change.

In this context of prevailing intergovernmentalism new Member States may feel lost. With a relatively short track record in Brussels diplomacy and instinctively reliant upon the European Commission for proposals, they now have to adjust their strategies. In various policy areas they have found themselves searching for like-minded allies rather than advocating at the level of a weakened European Commission. But above all, they have had to position themselves more actively vis-à-vis a dominant Franco–German tandem.

Until recently, the exclusivity of the Franco–German tandem was the major obstacle preventing new Member States from influencing the future of EU policy areas. Things now seem to be changing. Germany is seeking allies who whistle its tune on financial discipline and who are ready to share the burden of future EU integration costs. France is trying instead to share the burden of the costs of the southern Member States in economic crisis and to build relevant coalitions. Even though the Franco–German tandem will continue to play a crucial role in defining the course of integration, each country is today more open to the prospect of cooperation with other players so as to strengthen its position within the tandem or indeed the tandem as a whole. This is a chance for more inclusive intergovernmentalism in the EU involving new Member States, understood as broadening

^{*} Analyst at the Polish Institute of International Affairs (PISM).

^{**} Associate research fellow at Fondation pour la Recherche Stratégique (FRS).

the Franco–German tandem to other players. In this respect Franco–Polish relations at the EU level can serve as a litmus test.

Until now those relations have been marked rather by cold distance than cooperation. France's sceptical approach towards deepening the EU integration process in the full group of 27 Member States and promoting the idea of a Europe of several speeds has clashed with Poland, which feels threatened by such proposals. Moreover, the presidency of Nicolas Sarkozy, a politician little interested in cooperating with Central and Eastern Europe countries, has soured the field. France has not been very enthusiastic about developing cooperation through the Weimar Triangle, and the two countries have struggled to identify a concrete agenda for their strategic partnership¹ signed in 2008. Differences in geographic location, economic potential and visions of socioeconomic development have not helped in arriving at common positions.

The current intergovernmental climate in the EU and notably the changes in the Franco–German tandem mean that in order to achieve their policy goals both countries will have to intensify their relations. Warsaw and Paris seem to have recognised this. French President François Hollande has declared a greater openness towards Central-Eastern European countries, announcing an end to the exclusivity of the Franco-German tandem and expressing an interest in dialogue with Poland in the scope of the Weimar Triangle. During the presidential election campaign, Hollande visited Warsaw and met with President Bronisław Komorowski. A visit to Poland by French Minister of Foreign Affairs Laurent Fabius and Minister of Defence Jean-Yves Le Drian took place in July. Moreover, both countries managed at this early stage to plan an intense agenda for future political contacts. A bilateral 3rd Polish-French summit is planned for the autumn and will probably be accompanied by intergovernmental consultations. Moreover, a Weimar Triangle meeting of heads of state will take place in 2013, preceded by a joint meeting of ministers of foreign affairs and defence. The Weimar Triangle can play the role of a useful tool in order to unlock the tandem for Poles. This format has already had a long track record of existence. It notably played the role in approximating Poland to the EU in the 90s, though after Poland's EU accession in 2004 it suffered a slowdown. Polish-Franco relations were the weakest side of the triangle, so the current warm declarations from France can be an opportunity to reinforce it.

Mutual Benefits in Tangible Areas

What might be the new basis for Franco–Polish relations within the EU and how might those prove that inclusive intergovernmentalism is more than just theoretical? From the French perspective the answer can be threefold. First, the French government could fruitfully seek relations with Poles in policy areas where Germany is not much interested in

¹ The Franco–Polish strategic partnership encompassed the following areas: political dimension, EU level, defence, energy and environment, economy, infrastructure, transport and telecommunication, agriculture, justice and home affairs, culture and education.

playing a leadership role such as in defence. Second, whenever there are splits in the tandem, France can try to involve Poland to support its position in some concrete issues (i.e., the Financial Transactions Tax in the Multiannual Financial Framework 2014-2020 negotiations) and Poland may function as a bridge within the tandem. Third, as long as Poland is fulfilling the role of informal leader of the new Member States and with its relatively good economic performance in comparison with other EU countries, it can be approached as a partner to help ensure Franco–German proposals find EU-wide acceptance.

This would be congruent with Poland's priorities. Warsaw needs proper relations with France, at least in order not to see its initiatives blocked at the EU level. More generally, intensifying relations with France would mean accessing the club of the biggest Member States and, as a result, increasing its political weight in the EU. It is important, however, that talks between Warsaw and Paris do not always centre on those issues where agreement seems easiest. The most powerful intergovernmental positions can come about when two large Member States agree despite a difference in their positions. This can forge a greater consensus among the 27 governments rather than simply encouraging the EU to "Balkanise" into groups of states that agree most closely. In this respect, Poland and France should seek out one another for talks on the further economic and monetary integration of the EU and on MFF negotiations. One should note, however, that France's apparent readiness to seek partners "against" Germany is hardly attractive to Poland. Poland's EU policy is based on close relations with Germany, and in case of a conflict between Merkel and Hollande, Poland will privilege its relations with Germany over those with France.

With all this in mind, three areas of equal importance can be identified as prime options for Franco–Polish intergovernmental cooperation: Common Security and Defence Policy, in which the cohesion of interests is the most visible, as well as the Multiannual Financial Framework 2014-2020 and the vision of future European integration, particularly in the area of economic and monetary policy. Coincidentally, this is exactly where compromise amongst Member States must be found rather urgently.

Common Security and Defence Policy

The Franco–Polish strategic partnership signed in 2008 in Warsaw and underlined during an official visit by Prime Minister Donald Tusk to Paris a year later aimed not only to give new impetus for Common Security and Defence Policy through joint initiatives but also to boost bilateral cooperation in areas key to both France and Poland. In July 2009, when Radosław Sikorski, the Polish foreign minister, made concrete proposals to strengthen CSDP during an informal meeting with his French counterpart, Bernard Kouchner, hopes of enhancing Franco–Polish relations seemed realistic. Unfortunately, the strategic partnership between Paris and Warsaw did not take shape, and indeed the Franco–German relationship forced a wedge between the two. It should be noted, however, that the later, sceptical attitude of Paris towards Polish initiatives at the EU level was not necessarily a sign of a lack of interest in cooperating with Warsaw per se, but rather due to France's broader priorities in foreign and security policy. France's return to NATO military structures and the reconstruction of France as an important player on the international scene pushed CSDP to the back burner.

In this context, Hollande's win and the appointment of Jean-Yves le Drian to the post of minister of defence is a chance to open a new stage in the relationship and to undertake initiatives in order to develop the military and civilian capabilities of the EU. Although one should not expect a Copernican revolution in French security and defence policy, the first declarations of the new defence minister allow for a more optimistic look at future cooperation. CSDP is a clear priority for the new minister of defence, who has declared that France will rely on cooperation between Member States and is open to the idea of enhanced cooperation amongst those of the 27 most interested in CSDP development. During the presidential campaign, Hollande called for more dynamic cooperation with the United Kingdom, Germany, Belgium, Italy and, notably, Poland. The defence minister's readiness to open the Franco–British Lancaster House agreement² to other countries, including Poland, is compatible with Polish demands (contained, for instance, in the document on Polish foreign policy priorities for the years 2012-2016³). However, the UK position in this respect might be problematic as, for the British, the opening of this agreement to others is conditioned on the funding levels, similar ambitions and capabilities, and being able to add value.⁴

Like France, Poland is concerned about the demilitarisation of Europe despite a tense international situation. Warsaw and Paris have drawn similar lessons from the operation in Libya: the United States is no longer to take the lead in addressing European security issues, shifting its focus instead to Asia. In his Paris speech of March 2012, Sikorski conceded that "[t]he United States cannot indefinitely play the role of guarantor of a European life insurance policy." From the Atlanticist-oriented country of earlier times, Poland has become an active actor in promoting the development of EU military and civilian capabilities. Poland is one of the few Member States that has not cut its defence budget, currently at 1.95% GDP. Further, in the coming years the Polish defence budget will likely increase thanks to growth in its economy.

None of this will amount to anything, however, without the identification of common interests and goals. Given that the last meeting of the Polish and French defence ministers was held in Wieliczka in 2006, the lack of common language in the area of security and defence was unsurprising. In this context, the meeting between the Polish and French ministers of defence on July 23 in Warsaw is very important. The ministers underlined the need to continue the political dialogue while strengthening cooperation within the Weimar

² Treaty between the United Kingdom of Great Britain and Northern Ireland and the French Republic for Defence and Security Co-operation, London, 2 November 2010, www.official-documents.gov.uk.

³ Polish Foreign Policy Priorities 2012-2016, Warsaw March 2012, www.msz.gov.pl.

⁴ *EU Common Security and Defence Policy: The UK Perspective,* a speech by the Rt Hon David Lidington MP, Paris, 27 June 2012.

Triangle. The importance of Franco–Polish defence cooperation was also emphasised by President Komorowski, who received Minister Le Drian. During the meeting, the French minister declared more than 1,000 French soldiers will participate in NATO exercise Steadfast Jazz, which will take place in the Baltic States and Poland in 2013.

Three concrete areas for cooperation come to mind. The first involves the Weimar Battle Group (BG). It will be on standby at the beginning of 2013. Poland and France, together with Germany, should consider bringing the BG concept to life (until now, none of EU BGs have been in use). In this context, the crucial decision would therefore be to make use of the Weimar Battle Group should a suitable situation arise, for instance in the Balkans or Sahel.

The second possible area of cooperation is connected with the modernisation of the Polish air defences, which have lost their combat abilities. The joint project envisaged by the Bumar Group⁵ and the French MBDA⁶ offers a comprehensive program to reconstruct these defences, and is based on close cooperation between the two partners. The Polish side would be responsible for radiolocators and systems of command, and the French for the Aster 30 and VL MICA missiles. Therefore, the SAMP/T systems would replace the Soviet Neva and S-200 systems. This project is being discussed as well in cooperation with Radwar, the section of the Bumar Group producing N22-N (3D)/N-26 radar, and the with the Polish Telecommunication Institute, PIT, developing the Fly–SAMOC command system.

Finally, modernisation of the Polish Navy. The first step was taken in March 2011 with the signing of a memorandum of understanding between French naval company DCNS and its Polish Naval Shipyard in Gdynia. The rapprochement between the two marine industries gives the opportunity to develop long-term projects, with the construction of new classes of submarine or surface ships to strengthen capacities for littoral operations. Furthermore, Paris and Warsaw could launch closer cooperation in the development of maritime special operations forces for future EU operations.

Multiannual Financial Framework 2014-2020

The French negotiating priorities on the Multiannual Financial Framework differ significantly from the Polish ones. So far, France has sought to cut the EU budget notably at the expense of cohesion policy. Despite support for maintaining high financing of the Common Agricultural Policy, the two countries have different positions on the process of equalizing direct payments between new and old Member States. Frictions between Poland and France are also characteristic when it comes to the share of the European Neighbourhood Policy budget—France advocates an increase of financial resources for its

⁵ The Polish national defence corporation, which consists of 40 companies—20 manufacturing defence sector companies specialising in munitions, radar, command-and-control systems, rockets and armour, vehicles, two trade companies, six foreign entities and others.

⁶ A multinational group producing missiles and missiles systems. MBDA was created in December 2001 after the merger of the main missile producers in France, Italy and Great Britain, www.mbda-systems.com.

Southern dimension while Poland prefers boosting them for the Eastern dimension. Common points are usually only technical. The exception is the introduction of the financial transactions tax (FTT) as part of the EU budget, through which each hopes to reduce its national contribution to the budget. Significantly, though, France led the group of nine countries (Germany, France, Italy, Spain, Belgium, Austria, Portugal, Finland, Greece) supporting the work on this tax in the EU Council. As this tax looks set to be introduced only on the basis of enhanced cooperation with a majority of eurozone countries, the Poles can withdraw their support for the measure.

Despite Hollande's declaration during the election campaign about the need for an ambitious EU budget, no major changes are expected since the French position is formulated on the basis of its long-term interests. As already announced during the General Affairs Council in May, the main priority for France will be twofold: to "balance" the country's contribution to the EU budget and to secure the existing CAP. From the Polish perspective, however, possible changes to the French position on cohesion policy are of crucial importance. The president's Socialist Party dominates the French regions, thus increasing their weight on a future French position. The previous government was sceptical about the introduction of mechanisms for financing regions that had achieved their convergence goals (the financial resources from cohesion policy for the poorest regions), both of the so-called safety net backed by some Member States and the European Commission proposal to create a category of transitional regions with GDP per capita of 75% to 90%. The introduction of any of these mechanisms would mean that more EU financial support would be given to wealthier regions, making the retention of cohesion policy spending more acceptable for some net payers. Yet, there are 10 such regions in France, and if the new government strongly supports the introduction of transitional regions, as advocated by Poland, this would strengthen the calls to preserve the cohesion policy budget as proposed by the European Commission.

The Future of European Integration

Poland and France may seem at odds when it comes to their respective visions of the European project. Paris advocates the intergovernmental method—with a leading role for the Franco–German tandem—and promotes a vision of Europe of several speeds. Warsaw, by contrast, has opted for the Community method and the deepening of EU integration amongst all 27 Member States. The two clashed during the negotiations on the so-called "Fiscal Compact" (Treaty on the Stability, Coordination and Governance in the Economic and Monetary Union). France supported efforts at integration amongst the Euro 17 alone, sans the other 10. It even blocked the Polish claim to have the right to participate in Eurozone summits.

Unlike previous French President Nicolas Sarkozy, Hollande has declared a deep respect for the Community method and EU institutions. How deep this respect really goes, however, is unclear. For one thing, Hollande may be merely trying to distance himself from

the policy pursued by Sarkozy and to score points by referring to the tradition of Jacques Delors and François Mitterrand. Also, the political divisions in the Socialist Party on the vision for deepening EU integration, the widespread support in his party for the idea of enhanced cooperation in the eurozone, defence policy and energy policy, and the seductive strengthening of governmental influence in EU affairs all mean Hollande will probably not promote a political union based on stronger EU institutions. On the eve of the June 2012 European Council, indeed, Hollande refused to discuss the idea of a political union proposed by Angela Merkel, referring to it as a long-term goal that had no place at a meeting on short-term crisis management.

Hollande has emerged as a proponent of further eurozone integration, notably through the creation of a banking union as well as the introduction of Eurobonds and the mutualisation of debts. Poland, as a country bound by treaties to eventually join the eurozone, is interested in being consulted at a very early stage on eurozone integration and in finding formats of further integration that remain open to non-euro members. The litmus test regarding France's readiness to agree to deepened EU integration on a more inclusive basis will be the follow-up debate after the June European Council. In the coming months, the representatives of the EU institutions and Member States will prepare a plan for closer economic and monetary integration that will be discussed at the upcoming October European Council and finalised by the end of the year. In this context, a positive sign was the visit by the French minister of foreign affairs in July to Poland, during which declarations that Poland could count on more inclusivity in the EU decision-making process were repeated.

The common issue for Poland and France is the question of future EU institutional reform aimed at solving the democracy deficit in EU decision-making. During his election campaign, Hollande presented several ideas in this sphere, including combining the functions of the presidents of the European Commission and the European Council, the direct election of the president of the European Commission by MEPs (including the right of nomination) and an increased role for national parliaments. Warsaw is in favour of the merger of the presidents and the idea of the European Parliament choosing this post or by popular vote as well as the introduction of a European list in MEP elections. Poland took part in the Working Group on the future of European integration initiated by German Foreign Minister Guido Westerwelle early in 2012, and attention focused on the democracy deficit. However one should note that proposals made recently by President of the European Council Herman Van Rompuy in relation to the democracy deficit were rather modest as they concerned only the strengthened role of national parliaments and the European Parliament.⁷ It would take a strong push from a weighty coalition of Member States to start a serious discussion.

⁷ Towards a genuine economic and monetary union, Report by the President of the European Council, Herman Van Rompuy, Brussels, 26 June 2012, www.ec.europa.eu.

Conclusions and Recommendations

The tense and fragmented intergovernmental climate in the EU at the moment has encouraged Poland and France to eye one another with more interest. Against this background, the initial declarations of Hollande in favour of greater openness for Central and Eastern European countries seem to promise a better political atmosphere for discussion on EU policies and for finding win–win solutions. Of course, the change of government in France will not automatically entail a fundamental breakthrough in Polish– French relations as the national interests and differences of positions in EU policy will persist. Nevertheless, the model of inclusive intergovernmentalism in which agreement is sought precisely in those areas where there are sizable disagreements between Warsaw and Paris or where the pair can provide constructive impulses to other states is quite compatible with the existence of these differences between them.

The area of common interest for both countries is Common Security and Defence Policy. The French government's focus on strengthening active defence cooperation between interested Member States is compatible with the Polish approach, as is Paris' interpretation of the EU's security dilemmas. Even though, because of the debt crisis, there is not so much Member State support for EU-wide initiatives in CSDP, cooperation in groups of countries can be a stopgap strategy for the time being. One should remember that this policy area is slowly developing and quick results are hard to obtain. Therefore, there should be a constant "minimum programme" for CSDP until the recovery of the EU economy and a potential increase in military expenditures. In order for CSDP to progress, both countries can work together to develop the idea of the EU battlegroups (using the example of the Weimar Battle Group), help the process of updating the EU security strategy, and develop plans for a common project in the areas of air defence or the modernisation of the Polish Navy.

As for those EU issues where compromise between Member States must be found rather urgently, there are various scenarios for Franco–Polish relations. In the negotiations on the MFF 2014–2020, France will probably not change its general position on decreasing its national contribution to the EU budget and on maintaining high direct payments from the CAP. The changing factor might lie in France's attitude to cohesion policy. One scenario is that France would continue to be the proponent of cuts in this policy area, pitting Poland and France against one another. The second scenario is that the French government would adopt a milder position on cohesion policy, with Hollande taking greater notice of the interests of the French regions. He could thus achieve agreement with Poland on the question of transitional regions. In this scenario, both countries would have to discuss the issue before the official French position is announced. Poland may also support more visibly the current position of France to introduce the financial transactions tax as a contribution to the EU budget. The introduction of a new source of own resources (even if introduced by several Member States on the basis of enhanced cooperation) increases the chances of maintaining the size of the budget as proposed by the European Commission and may reduce the Polish and French contributions. Should the FTT not be considered an EU own resource, the Poles would have no reason to support it.

As for further eurozone integration, the most probable option is that France would try to strengthen EU integration on an intergovernmental level. From the Polish perspective, this would entail the risk that its influence over eurozone negotiations would further diminish. However, any such French position would be mitigated by German moves to strengthen the EU institutions, something which is more compatible with the Polish position. In any case, it is paramount that plans to further integrate the eurozone be consulted at an early stage with Poland and other non-eurozone countries. This would prevent unnecessary conflicts in the process of intergovernmental negotiations. The other scenario, however, would be that France supports moves to strengthen the competencies of the EU institutions in economic policy. This less-likely scenario would require Hollande to secure the support of his highly divided Socialist Party as well as public opinion. Even if he achieved this double feat, Hollande would remain highly unlikely to launch a risky debate on "EU federalism". The best means for Hollande to address the question of further EU integration, whilst steering clear of federalist issues, would instead be to tackle the problem of the EU's democracy deficit. In that case, since Poland and France show a common interest in solving this problem, they could animate the debate on the subject in collaboration with the Germans.

In many of these areas, the format of the Weimar Triangle could be used. Supposing Germany and France are ready to involve Poland in the eurozone game, the Triangle would provide useful consultation space on further eurozone integration. Besides discussing EU integration plans to be presented by the EU institutions, the three countries could promote deepening the internal market as well as arriving at a common vision to address the problem of the democracy deficit. The second half of 2012 will be dominated by MFF negotiations, and Poland, France and Germany can reach a consensus around the introduction of the financial transactions tax. Naturally, CSDP should stay the core of trilateral cooperation, with the focus on developing battlegroups. The already planned, enhanced ministerial meetings of the Weimar Triangle should help achieve those objectives.

Amongst all these grand plans, the simple imperative of improving understanding of one another's motives and interests should not be forgotten. Poland and France should enhance their institutional cooperation bilaterally in order to better understand one another's positions at the EU level. In crucial policy areas, liaison officers can be exchanged often, and meetings at the working level can be arranged on an ad-hoc basis as well as through regular video conferences. Political contacts should be accompanied by support for cooperation between experts from Polish and French think tanks.

Cooperation in three policy areas—Common Security and Defence Policy, Multiannual Financial Framework 2014-2020 and the vision for future European integration—should be explored by Poland and France during planned bilateral and Weimar Triangle meetings that will take place in the near future. It would mean, in fact, that the Franco–German tandem is losing its exclusivity and the countries are ready to open up to other Member States. That would be a positive sign for the rest of the EU countries as well.