The consolidation of the 'Franco-German duo' (1982–1989)

Source: CVCE. Pierre Gerbet.

Copyright: (c) CVCE.EU by UNI.LU

All rights of reproduction, of public communication, of adaptation, of distribution or of dissemination via Internet, internal network or any other means are strictly reserved in all countries.

Consult the legal notice and the terms and conditions of use regarding this site.

URL:

 $http://www.cvce.eu/obj/the_consolidation_of_the_franco_german_duo_1982_1989-en-o9fff1b7-b502-4a9c-90a6-86f831ca2d55.html$

Last updated: 06/07/2016





The consolidation of the 'Franco-German duo' (1982–1989)

Two major changes occurred in France and the Federal Republic of Germany (FRG) in the early 1980s. The election of the socialist <u>François Mitterrand</u> on 10 May 1981 marked a new chapter in the history of the Fifth Republic, putting an end to the uninterrupted domination of the right since General de Gaulle's return to power in June 1958. Mitterrand briefly worked alongside Helmut Schmidt, then Schmidt's successor as Chancellor, <u>Helmut Kohl</u>, from 1 October 1982. This new Franco-German team would play a decisive role in the pursuit of European integration.

However, during his first two years in office, President Mitterrand tried to counterbalance France's close links with the FRG, which he found too exclusive, through more cordial relations with the United Kingdom, much as Pompidou had done. Far from marking the start of a new trilateral relationship, this venture proved impossible due to the high demands placed by the British Prime Minister, Margaret Thatcher, in her drive to reduce the British contribution to the European budget and cut agricultural prices. Paris and Bonn, however, moved closer on these topics and chose to ignore a British veto in May 1982. This gave new impetus to Franco-German cooperation, but more on the basis of short-term interests than any long-term project for Europe, particularly as the two parties disagreed on certain key issues.

The socialist government's policy on Europe was radically different from that of President Giscard. François Mitterrand wanted to keep control of domestic economic policy in order to implement 'socialism in France', as part of a European Community he considered too keen on deregulation. Mitterrand called for the creation of a 'European social area', state investment to combat unemployment and stronger trade barriers to guard against the United States and Japan. Such proposals were coolly received by France's partners, who were hostile to central control. On the institutional front France rejected any increase in supranational powers, even invoking the 1966 Luxembourg Compromise on the right of veto. It was consequently the German and Italian governments that launched an initiative to strengthen the institutions, especially the European Council, to limit the right of veto and to develop a common foreign policy and coordination of security issues. For a time it looked as though a German–Italian 'motor' might replace its French–German counterpart. But in practice the project prompted widespread misgivings, including in France, which was opposed to greater powers for the institutions. As a result the European Council meeting in Stuttgart (18–19 June 1983) had to restrict itself to issuing a Solemn Declaration on European Union without any new commitments.

The Franco-German duo soon took on a new lease of life, however, when French economic policy changed course. The socialist government's attempt to kick-start the economy in defiance of its European partners led to a growing budget and balance of payments deficit. France had to promise more rigorous policies to obtain the monetary support of the FRG. François Mitterrand was quick to give his political support to the new German Chancellor, Helmut Kohl; on 20 January 1983, in a speech to the Bundestag, the French President advised the Germans to agree to the stationing of midrange American cruise missiles on their territory, as a riposte to the new Soviet SS-20 missiles deployed in the Warsaw Pact countries. Furthermore, Mitterrand decided to drop socialist plans for leaving the EMS and returning to protectionist policies. Instead he opted to stay in the EMS and the Common Market, with the benefit of Community subsidies, and agreed to budget restrictions. German help proved essential in this process and the Franco-German duo reformed. It would subsequently play a decisive role in establishing the European Union, after convincing the Fontainebleau European Council (25–26 June 1984) to adopt measures on the budget and reform of the common agricultural policy which were needed to end deadlock in the Communities.

A few months later, on 22 September 1984, at the ossuary in Douaumont (near Verdun), on the site



where their two nations had once been in battle, François Mitterrand and Helmut Kohl pay tribute to the soldiers from the two countries who died in combat during the First World War. After the German national anthem is played, the two leaders listen to the Marseillaise, <u>hand in hand</u>. This image, a strong symbol of <u>reconciliation between France and Germany</u>, is beamed across the world.

On the issue of the institutions, Mitterrand now became staunchly pro-European. He approved in principle the Spinelli draft of a Constitution for the European Union, adopted by the European Parliament on 14 February 1984. National governments did not treat it as a subject for negotiation, but took it into account when they finally decided to revise the Community treaties and establish the European Union, a step which had been adopted in principle in 1972. At the intergovernmental conference that met for this purpose, French and German interests did not coincide on technical problems, but the political impetus delivered by the two countries proved vital in securing the signing of the Single European Act (SEA) on 17 and 28 February 1986. The SEA mainly provided for opening of the single market by 1992, with institutional advances restricted to an extension of majority voting in the Council, combined with a procedure for cooperation with Parliament, but only for decisions on implementing the single market. The setting up of a Secretariat-General for the European Union, which both France and Germany wanted, was not accepted by their partners, particularly the British, but the treaty did confirm the role of the European Council.

The effectiveness of the Franco-German duo as a driving force really came into its own in progress towards the single market. The President of the European Commission, <u>Jacques Delors</u>, of France, enjoyed the support of Mitterrand and Kohl, enabling him to propose daring measures to reform the <u>CAP</u> and settle <u>budgetary problems</u>, thereby securing sufficient resources to tide the Community over for the next five years. It was thus able to help recent, and less recent, Member States — Spain and Portugal, Ireland and Greece — by means of structural policies. To make way for the single market it was necessary to achieve stable exchange rates between Member States. The EMS already limited fluctuations, but it had required numerous readjustments. Above all the whole system was thrown off balance by the strength of the Deutschmark, with which countries with weaker currencies were supposed to seek alignment by increasing their interest rates. France was consequently keen to gain a share in the running of monetary policy through the adoption of a jointly controlled European currency. For its part the FRG had no intention of agreeing to give up its national currency unless the European currency was under the equally strict control of a central bank, independent of political authorities and with a mandate to secure price stability. At France's instigation a committee chaired by Jacques Delors framed a three-stage plan for Economic and Monetary Union (EMU). It was approved by the European Council in Madrid (26–27 June 1989), which decided that the first stage would start on 1 July 1990 with a complete end to controls on the movement of capital, until such time as a suitable treaty could be adopted by an intergovernmental conference.

Foreign policy was another field in which Franco-German rapprochement became increasingly apparent. The Federal Republic had learnt to stand on its own two feet diplomatically thanks to its participation, since the time of Giscard, in the economic summit meetings of industrialised countries and to gaining membership of the United Nations in 1973. But it needed European cooperation, particularly with France, to distance itself from the United States and develop a more flexible attitude towards the Soviet Union than Washington's. The two countries consulted each other on <u>East-West relations</u>. Paris and Bonn withstood pressure from US President Ronald Reagan during the <u>Polish crisis</u> in 1981, limiting the sanctions on Moscow demanded by Washington. Even greater progress was achieved in defence, with the two countries implementing the Élysée Treaty of 1963 for <u>security questions in Europe</u>. Serious differences nevertheless persisted. The Germans did not want to leave NATO and the French refused to involve Bonn in France's nuclear strategy. The Germans wanted the competence of the projected European Union to extend to security issues, but Paris refused — as did London — preferring to <u>relaunch Western European Union</u> in 1984, with an agreement to abolish the rules restricting German use of certain conventional weapons. However, a Franco-German Defence



Council was convened on 22 January 1988 and, at the instigation of Chancellor Kohl, a <u>Franco-German brigade</u> was set up. The FRG and France thus took the first steps towards Europe's political and military autonomy, though it was still severely limited by the Cold War and would only be able to assert itself after the collapse of the Soviet Union and reunification of Germany.

