

REBUILDING EUROPE AFTER CORONA

WHAT CAN FRANCE AND GERMANY DO?

26th June 2020

**Final Report of the
#FrancoGermanDialogue**

EXECUTIVE SUMMARY

While European member states initial responses to the Corona crisis demonstrated a lack of exchange and solidarity, the Franco-German proposal for the economic recovery in Europe after the crisis marked a change of course: the Franco-German couple and its European driving force seems to be back on track. The further course of the pandemic and its economic, social and political consequences in Europe are however anything but clear. The exchange between politicians and academics at the conference **“Rebuilding Europe after Corona: What can France and Germany do?”** on the 26th June 2020 illustrated the importance of building bridges between research and decision-makers by showing which lessons and best practices can already be drawn from this crisis.

The programme featured 13 prominent speakers including **Clément Beaune** (Europe Advisor to the French President), **Franziska Brantner** (Spokeswoman for European Politics of the Greens, German Bundestag), **Sylvie Goulard** (Deputy Governor of the Bank of France), **Lucas Guttenberg** (Deputy Director of the Jacques Delors Centre at the Hertie School), **Anke Hassel** (Professor of Public Policy at the Hertie School), **Jean Pisani Ferry** (Senior Fellow at Bruegel and the Tommaso Padoa-Schioppa chair at the EUI), **Wolfgang Schmidt** (State Secretary, German Ministry of Finance), **Daniel Benamouzig** (Research Professor at CNRS, Health Chair of Sciences Po, Member of the National Scientific Committee Covid 19), **Gisela Erler** (State Counsellor for Civil Society and Civic Participation in the State Ministry of Baden-Württemberg), **Brigitte Klinkert** (President of the French Départemental Council Upper Rhine), **Patrizia Nanz** (Director of the Institute for Advanced Sustainable Studies, Potsdam), **Andrea Römmele** (Professor of Communication in Politics and Civil Society at the Hertie School) and **Cornelia Woll** (Professor of Political Science and Researcher at the Centre for European Studies and Comparative Politics at Sciences Po).

The first panel **“Rebuilding Europe’s economy after the crisis“** was introduced by video statements of **Bruno le Maire** (French Minister of Economy and Finance) and **Olaf Scholz** (German Minister of Finance) and revolved around the crisis’ economic effects and instruments for recovery. While the economic effects of the Corona pandemic are already stronger than during the financial crisis, the effects are extremely uneven. Certain countries, sectors and societal groups are more affected than others. In unison the panelists warned not to repeat mistakes from the 2008 crisis including the scapegoating between Northern and Southern Member States or the excessive financial conditionality by the Troika. At the same time, crisis instruments that were successfully applied then, such as short-time work in Germany, were revived. **The Franco-German proposal for the economic recovery in Europe after the crisis direction was unambiguously seen as a milestone and a step into the right direction.** In their

assessment of the proposed recovery instruments, notably the Recovery Fund, the panelists were nevertheless cautious: First, there is still no agreement amongst EU leaders on the recovery instruments. Whether we are truly witnessing a 'Hamiltonian moment' therefore remains to be seen. Secondly, central questions on the objectives and direction of Europe's economic recovery particularly as regards ecological transformations and the issue of economic sovereignty are still to be answered. So far, the current proposal by the Commission does not foresee a binding commitment to climate protection by Member States. Lastly, there exist democratic concerns of the proposed instruments because the European Parliament currently has little say in the governance of the European Recovery Instrument.

The second panel **"Comparing different institutional responses to the pandemic: Centralised and decentralised approaches"** was introduced by video statements of **Jens Spahn** (German Health Minister), **Amélie de Montchalin** (French Minister of Transformation and Public Service) and **Michael Roth** (German Minister of State for Europe). The panel assessed the institutional responses by France and Germany to the crisis. Although the countries' different institutional structures can in part account for their divergent responses, the debate nevertheless made clear how centralized and decentralized approaches are not mutually exclusive but feed each other. In the beginning of the pandemic, France's centralised structure induced responses at the national level but the easing of the lockdown correlated with measures that were more regionally specific. Contrary to France, German federalism was responsible for nonuniform crisis management all along. The resulting patchwork of policies and measures thereby seems like a double-edged sword, as it brought along both a competition of ideas for the best solutions but simultaneously purported arbitrariness of rules. For the assessment of the two countries' different institutional approaches to the crisis, the panel discussed the **striking differences in public opinion in France and Germany**. While German citizens' trust in institutions and support for the Chancellor and her party increased significantly throughout the crisis, the majority of French citizens disapproved of the French government's crisis management.

The **Franco-German border regions** were affected especially strong and became "laboratories of intensive cooperation". Both sides of the Rhine underwent a considerable learning process regarding areas of coordination and cooperation which need to be improved, particularly regarding the health sector and border management. Bottom-up approaches supporting local and regional initiatives and the involvement of citizens via dialogue forums are considered key to the success of these measures.

Despite their focus on different aspects of the crisis, the two panels both point to similar lessons to be learned. While **Europe needs Germany and France to advance solutions for the challenges of today**, the Franco-German cooperation is a necessary but insufficient condition for the European Union to work. The creation of structures

for cooperation - economic and institutional – raises more fundamental questions on the framework of the European Union and the future of European integration as such. To which degree do we need to provide instruments on the European level to make the EU viable for the future?

In order to prevent national reflexes in the event of a future crisis or a second wave of the pandemic, better and **deeper structures of cooperation need to be established**. On the institutional level, the need for improved coordination and standardisation of procedures (such as applying the same criteria for track and trace of Covid-19 patients) as well as the need for bottom-up approaches and citizens' involvement to create effective and widely-supported measures (for example by creating citizens' dialogue forum) requires the establishment of long-term arrangements. The new Franco-German Future Forum based on the Aachen Treaty will also address these questions. As regards to the economy, it remains to be seen whether the instruments for Europe's economic recovery will segue into the European Union's financial toolbox or remain ad-hoc solutions.

PROGRAMME

Welcome remarks (9:30 am)



Henrik Enderlein
President of the Hertie School



Frédéric Mion
President of Sciences Po

The welcoming speeches by the Presidents of the Hertie School and Sciences Po were followed by a **short movie** about the Franco-German friendship and introductory statements of **Bruno Le Maire** (French Minister of Economy and Finance) and **Olaf Scholz** (German Minister of Finance).

Panel 1: Rebuilding Europe's economy after the crisis (9:30 –11:15)

The coronavirus pandemic represents a symmetric shock, which will have an asymmetric impact on Europe's economies. How does the pandemic affect the French and German economies and how do national responses compare? Is the Franco-German proposal for the European Union's economic recovery sufficient and will other European member states follow? What compromises can be found at the European level?

Panel discussion with six high-level academics and policymakers (90 min):

- Clément Beaune (Europe Advisor to the French President)
- Franziska Brantner (Spokeswoman for European Politics of the Greens, German Bundestag)
- Sylvie Goulard (Deputy Governor of the Bank of France)
- Lucas Guttenberg (Deputy Director of the Jacques Delors Centre at the Hertie School)
- Anke Hassel (Professor of Public Policy at the Hertie School)
- Jean Pisani Ferry (Senior Fellow at Bruegel and the Tommaso Padoa-Schioppa chair at the EUI)
- Wolfgang Schmidt (State Secretary, German Ministry of Finance)

Chair: Anne-Sylvaine Chassany (Financial Times)



Panel 2: Comparing different institutional responses to the pandemic: Centralised and decentralised approaches (11:45 –13:30)

How do the French and German political systems cope with the societal challenges posed by the pandemic, for example, the adaptation of health infrastructure, social distancing measures, and the re-opening of day-care centres, schools and universities? What are the advantages and difficulties in both systems? And what lessons can be transposed to the European level?

This panel was introduced by video statements of **Jens Spahn** (German Minister of Health), **Amélie de Montchalin** (French Minister of Transformation and Public Service) and **Michael Roth** (German Minister of State for Europe).

Panel discussion with six high level academics and policymakers (90 min):

- Daniel Benamouzig (Research Professor at CNRS, Health Chair of Sciences Po, Member of the National Scientific Committee Covid 19)
- Gisela Eler (State Counsellor for Civil Society and Civic Participation in the State Ministry of Baden-Württemberg)
- Brigitte Klinkert (President of the French Départemental Council Upper Rhine)
- Patrizia Nanz (Director of the Institute for Advanced Sustainable Studies, Potsdam)
- Andrea Römmele (Professor of Communication in Politics and Civil Society at the Hertie School)
- Cornelia Woll (Professor of Political Science and Researcher at the Centre for European Studies and Comparative Politics at Sciences Po)

Chair: **Michaela Wiegel** (Frankfurter Allgemeine Zeitung)



SOCIAL MEDIA

The conference's social media promotion was 'officially' launched on 20 June 2020 on Twitter, Facebook and LinkedIn with daily posts featuring statements of panel speakers in order to highlight important messages for the event. The main hashtag used throughout this period was **#FrancoGermanDialogue**. Twitter was used as the main channel to promote the event. The event was live tweeted by the accounts of the **Jacques Delors Centre** and **Sciences Po**.

TOP Tweets

BMF @BMF_Bund · 26. Juni
„Die Freundschaft und unser gemeinsames Einstehen für die #EU sind ein Motor für #Zusammenhalt, für #Fortschritt & #Integration.“
@OlafScholz hat zusammen mit @BrunoLeMaire den virtuellen #FrancoGermanDialogue von @thehertieschool @DelorsBerlin & @sciencespo eröffnet.



Jacques Delors Centre @DelorsBerlin · 26. Juni
wieder stark machen wäre ohne und nicht machbar. Gemeinsam müssen wir wirtschaftliche Herausforderungen und soziale Ungleichheiten angehen, sagen @OlafScholz, @BrunoLeMaire, @jensspahn, @AdeMontchalin & @MiRo_SPD in ihren virtuellen Statements im #FrancoGermanDialogue.



Sciences Po @sciencespo
Mot d'introduction par @henrikenderlein, président de la @thehertieschool et Frédéric Mion, directeur de Sciences Po ➔ bit.ly/2YAkSn9 cc. @DelorsBerlin #FrancoGermanDialogue



Florian Staudt @FlorianStaudt · 26. Juni
Fruitful insights and meaningful debate on the plan for #recovery. Quintessence: this truly common impulse was an important signal and has triggered a European debate that will hopefully lead to a further leap in European integration.
#FrancoGermanDialogue #EU



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