

PANELISTS DEBATE

Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

I think of Germany as maybe not seeking greatness but sometimes having greatness thrust upon them; you may not want to lead but there is nobody else. If somebody is going to do it, then you had better do it. I think the notion that Germany just wants to be a big Switzerland and just get under the eiderdown and do trade and not think about the world is becoming hollow. As you have both said, the crises of the rest of the world are coming home and are unavoidable. Maybe you can blame the Middle East on everyone but we have talked about refugees, but we have not talked about terrorism and Islam, one tends to be a function of the other, and post-colonialism. I am curious to know, first from Elisabeth and then Norbert, how you feel Europe is doing with these associated problems, the domestic problems of integration and identity in France, but also domestic problems for integration in Germany, as well as security issues about external borders and screening. Also, in a third sphere, talking about EU foreign policy, it is easy to blame the Syrian civil war and the atrocities on many people but I have not seen the European Union doing much to solve it. It would be great if you would talk about these related issues.

Élisabeth GUIGOU, Member of the French Parliament and President of the Commission of Foreign Affairs at the Assemblée nationale

First I must say, because we have had these discussions with Norbert over the last few years, especially since the Munich conference in, I think 2014 or the year before, German officials expressed their will to assume their international responsibilities, on politics as well as economics. There has been progress on that. At our most recent meeting last Monday of Defence ministers and Foreign ministers, we affirmed the common will to build a real Europe of defence, which complements NATO, there is no question about that. This is the main challenge. What will Mr Trump do towards NATO? The summit that took place in Berlin, between Mr Obama and four or five leaders, reasserted that. This is one main focus. It is also true that Germany still has a long way to go in this objective of a greater contribution to a foreign and defence policy. The only option I can see is for France and Germany to work on more coherent policies because when you add the economic strength and, of course, the political and military influence of France, then you have something that counts in the United Nations, of course, but also, as we see now, as part of a coalition in the Middle East. It seems to me, and I want to stress Germany's help in Mali, because we have not said a word about sub-Saharan Africa, is one main challenge as far as terrorism is concerned.

Since these questions are related to memories of colonialism and our internal societies, it seems to me that, as Europeans, our only choice is to take care of Africa, not in a colonial spirit, but to help investment. It has begun with Qatar and when you go to Morocco, it is obvious. We have to help investment to help create jobs for all these youngsters, some of whom have been to university. This is one main challenge everywhere in Africa, in North Africa and sub-Saharan Africa. We tend to see all the threats and they are enormous; as Norbert said, we have never had such a cluster of crises. However, I am not overly pessimistic. I have been chairing the Anna Lindh Foundation for cultural dialogue, which gathers together 5 000 NGOs, all between Europe and the Southern border of the Mediterranean, including Morocco and Turkey, for more than a year now. We work mainly with youngsters and what they tell us is that there is a unanimous willingness to share the values of humanity. I will not say that we have the same way of looking at democracy but they want a state of law and they want those values of humanity to be respected. We have measured that in the 10 years of the Foundation's existence, and we need to address the youngsters of all countries, to tell youngsters from the southern Mediterranean, Africa, and Turkey, that they have something specific that we do not have; that they have a culture and a family history and that there is a lot they can bring to humanity. Since we are bound to strengthen our border controls for security reasons, we are bound to do that

and must do more about that, and it is under way, one of our main challenges is at the same time to find legal paths for mobility. If Europe becomes a fortress with walls everywhere, facing and our neighbours in the South and the East, of course, then it is not Europe any more.

Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

Part of the problem of being an attractive soft power is people want to come. The power of attraction is very strong so there is this kind of schizophrenia which you have just described. Europe wants to be open to the world but it wants to screen the world, that is the nicest way to put it, and only let in the bits of the world it wants to let in. That is going to be a very fascinating thing to watch because there are a lot of challenges and too many challenges at once tire people out. Norbert, Angela Merkel has just said that she is going to run for a fourth term. People have described her to me as being tired already and more isolated than she has been. She has obviously been wounded by her decision to have this “welcoming culture” without a lot of controls to start, which you criticised parts of in your rather elegant way. Germany has obviously done a pretty good job since then of re-establishing a sense of *ordnung*, but does she have the domestic political space going into an election and the energy, to take this leadership role, particularly on issues of Islam and terrorism?

Norbert RÖTTGEN, Chairman of the Foreign Affairs' Committee, Bundestag, former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

To come back to your earlier question, if she could promise the German electorate a big Switzerland, then the CDU would win an absolute majority. Unfortunately, we have had to have the experience that it is a contradiction in itself, to be Switzerland and big at the same time. There is no big Switzerland and therefore Germany does not have the option to transmogrify into Switzerland. Germany turned a blind eye to the neighbourhood and could have seen more, but we have been forced to open our eyes to the new reality we are facing. It did not happen when the refugees entered Italy when nobody, including Germany, identified this refugee problem as a European crisis. We did not wake up when there were terrorist attacks in Europe or the United States. However, the last year, starting in 2015 with 1 million refugees entering Germany and being given shelter and protection, we realised that, although some want to share our way of life and Western values, other people came with them who hate our values, hate our way of life, and want to destroy and kill us. This is the new reality we have to face and it goes to the foundations of our societies.

I am not absolutely sure but I think there is some reason to say that what was once the social question in its implications for society and state building and political landscape building in the 19th century will become the global question for the 21st century. There will have debates and fights. Some will say there is an opportunity to be Switzerland; to be an island; to be cut off; to reject this reality as something for which we have no responsibility. Others will say that the only option is to shape globalisation; we have to face that. Germany, has taken the fundamental decision to face this reality, to take in refugees who are at our borders, to improve our border management, to go to the region, to visit Africa – because the new sort of immigration comes from Africa, not the Middle East – the decision to face this reality as a European, not a specific German or French reality. It is the Chancellor's nature to see that and she is determined to pursue this course and is absolutely convinced it can only be a success if it turns into a European position in a facing a new reality, not a German position alone. She will look for partners in shaping globalisation as it affects Europe and, as open societies, we are affected on a big range of globalisation opportunities, as well as the challenges of trade, migration, climate change, terrorism. We must face it all and give comprehensive, unified answers, and I think she will play a significant co-leadership role in tackling these issues.



Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

I think everyone understands that we do not know what American foreign policy is going to be because the President-elect does not know what it is going to be. He does not have a foreign policy because he has never had a foreign policy and does not really know how to make one. One thing which is persistent throughout his career is a sense that America's allies are not paying their fair share. This is persistent and I suspect is something he believes deeply, not just in Europe but in Asia also. You look at the wealth of the European Union, with 500 million people until Britain leaves, and one wonders if he has a case. I may be wrong, but I think that Germany spends about 1.1% or 1.2 % of GDP on defence.

Norbert RÖTTGEN, Chairman of the Foreign Affairs' Committee, Bundestag, former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

It is 1.2%

Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

1.2% is quite low in terms of NATO's ambitions. Is Germany prepared, partly in response to Trump but also to NATO's urging, to spend more and can it spend more on equipment that could be collectively used, such as air transport planes, refuelling etc.? Or is this too politically difficult right now?

Norbert RÖTTGEN, Chairman of the Foreign Affairs' Committee, Bundestag, former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

I am biased because I consider this to be a fair point that Germany and others have to contribute more to collective security. Throughout the decades of the Cold War we were beneficiaries of American protection. Now we have a different geopolitical situation and it is fair that Germany, as an economically successful nation, bears its fair share and not mention our political obligation to NATO made in 2002, 14 years ago, when we promised to deliver a 2% of GDP contribution to defence. We have to raise our level of responsibility. This is one element.

The second element is that we will only do it effectively if we start to deliver on a second promise, which is to bring together European capacities. It does not make any sense that every European nation state starts to enhance contributions to defence, but does it in a very economically ineffective way by multiplying our capacities, rather than pooling them. We must start both challenges. In a change to her language and rhetoric, the Chancellor has started to identify herself with the obligation to raise our level of engagement, including the financial contribution to defence. It is not reflected in our budget planning, because, while we will have an increase in numbers, we also have an increase in GDP so our percentage share of defence spending will not increase. We will provide some additional billions but it will remain 1.2% of GDP. This is not being honest in delivering what we have promised. Showing that we are ready to pour money into it is a test case for Europeans commitment to security and defence, which is the fundamental essence of state, providing security for our citizens. The Chancellor has been outspoken about this for some time; she does not want to backtrack and is preparing to get serious on this issue.

Élisabeth GUIGOU, Member of the French Parliament and President of the Commission of Foreign Affairs at the Assemblée nationale

As you know, France is getting close to the 2% on the defence budget. The French President and Prime Minister have committed themselves to reaching the 2% next year or by 2018. We have been increasing our budget for obvious reasons; because are facing more threats. We will see what happens after the election but, as far as we are



concerned, we are committed to that and have taken decisions. The American are right in saying we have not taken our share of the burden and, whomever the President, they have been saying that for years and years. It is absolutely essential to pool our capacities because there is a lot of waste.

There are two other main challenges for Europe. The first is to develop strategic autonomy on future technologies, which requires investment. A clear decision must be taken on whether or not we allow the European institution to invest in those future technologies, what we call dual technologies, both civil and military. The European Parliament should vote on this immediate and for the next financial multi-annual budget. The second challenge is the strategic autonomy of our defence industry. If we do not have a European defence industry, we will not have European defence; we will always be dependent on other states and especially the United States. We cannot take our share of the burden, with so much money going to our defence, and be dependent on what is decided elsewhere and especially in the United States. We might very well have different choices, especially from Mr Trump.

Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

One thing that threads through a lot of conversations now is the new Russia. I think we can overestimate the power of Russia and the long-term strategy of Vladimir Putin. We might even overestimate the term in office of Vladimir Putin. The country has issues with the oligarchy, corruption and the economy is sinking. One cannot hide these things forever. I was very struck, Elisabeth, by Fillon's victory in the first round of the centre-right primaries. One does not want to assume, since a lot can happen between now and then, but it feels as if a centre-right candidate is going to get into the second round, and it is probably going to be Fillon.

Also, people talk about Fillon and Putin having some kind of sympathy on conservative values and in Germany, of course, we have had a long discussion of Putin *Versteher* and the strains among the German industrial sector, but also in politics, of how to approach this newly aggressive Russia. In the Cold War days, I remember talking to a Consul General of the American Government at the East German Embassy, and he said that the problem is, 'Germans keep telling me, "We understand the Russians and you Americans don't"', and I always said to them, "Yes, you understand them so well. That's why they're on the God-damned Elbe".

Those days are past but maybe they are coming back again, at least in terms of this anxiety people have in the face of a Russia that is not happy with what you considered a post-Cold War order, which it clearly is not. I wanted to ask you both; the future of Europe to some degree is in how it relates at least to Russia. Some people want new relationships and some people want a reset. Some people say, 'He can have Crimea; it doesn't matter'; others say, 'We need their energy anyway'. Some people say the American are too far away to understand. There are lots of views but it actually matters again. This is what I wanted to ask both of you, in whatever order you feel like speaking.

Norbert RÖTTGEN, Chairman of the Foreign Affairs' Committee, Bundestag, former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

I consider Russia to be the number one issue for European foreign policy; it is absolutely number one. What we see to our surprise is that the concept of Europe whole and free is challenged and violated by President Putin. I think we have to be clear, particularly on that dimension, of the challenge coming from Putin. I do not consider that he pursues a policy out of strategy or strength – quite the opposite.

In my view, it is a policy that comes from weakness and he has now tapped into a new source of strength, which is popularity. This popularity comes from his new aggressive outside policy and he has managed to turn the public mood of decline and humiliation stemming from the collapse of the Soviet Union, for which Gorbachev is blamed in Russia and then being toppled by Yeltsin. Putin has managed to turn this mood into the re-emergence of a new collective



feeling of Russian greatness. 'We are back again; we are there. We have forced the Americans to acknowledge that we are back on the international stage and we show that there is no single international crisis that can be solved without Russian involvement'. This is the core reason for his military intervention in Syria; to create this crisis to prove that even this crisis in that region cannot be resolved by American strength alone; it is dependent on Russia's contribution.

This concept, if we accept it, entails an agreement that there is a Russian influence zone in Europe and the countries within this zone do not have the sovereign right to make decisions about their countries. If the Ukraine decides to join the West, not to join the EU or NATO, but to choose democracy, rule of law, and a market-driven economy and Russia sees that this would encroach into Russia and challenge Putin's power.

Then he decides this cannot be allowed and if we accept that Russia has the final say about the political course of the countries in the political influence zone, then we would have a new division of the continent in the 21st century. This would spread across Europe into other regions. It would be an example that the ruling principle in the 21st century would be the power of might, not the power of right. This is a very fundamental question about European and international order and Russia and the reign of Vladimir Putin is the main challenge to this. He does not have a sustainable strategy for that. The military sector is the only area where Russia is internationally competitive, not attractiveness or the economy. It is rather the opposite because Putin has concluded that modernisation in Russia is incompatible with his aim to stay in power. Where the Chinese have modernised while staying in power, Putin has chosen another way. We have to see this dimension and show Western and European unity in not accepting that is our strongest and most important asset.

Élisabeth GUIGOU, Member of the French Parliament and President of the Commission of Foreign Affairs at the Assemblée nationale

With your permission, I will switch to French.

First, I do believe that Mr. Putin's immense popularity in Russia stems from the fact that his goal has been to make Russia a world player again, to restore its pride in itself and overcome the terrible humiliation of the collapse of the Soviet Union, a terrible humiliation that Europeans and Americans completely underestimated.

We Europeans bear much of the responsibility for that, because when Ukraine had its revolution, when the war broke out in Georgia, there was the NATO summit in 2008, when we said, "Ukraine and Georgia, former republics of the Soviet Union", not to be confused, of course, with the countries of central and eastern Europe and the Balkan states, where Russia still — I was in Albania a few days ago — wants influence. They have nothing to do with each other. When we said, "Ukraine and Georgia belong in NATO", which is very different from joining the European Union, we handed Mr. Putin a golden opportunity to bare his teeth. Obviously, we can say that Ukraine and Georgia have the right to join NATO if they want to. Of course they can. But the Alliance members have the right and even the duty to say careful, this is an absolutely crucial geopolitical issue. Now, we no longer say that, fortunately. But look: it was April 2008 and Putin invaded Georgia in August 2008.

What should be done about Russia?

First, Mr. Putin is there, and perhaps he will be for years to come, and Russia is our big neighbour. Obviously, we must absolutely have a dialogue, a deep, intense dialogue, and it seems to me that we do. For example, what we did in what is called the Normandy format, in other words President Hollande, the Chancellor, with Mr. Putin and Mr. Poroshenko, on Ukraine, the Minsk accords, remains the only hope for peace in Ukraine today. Obviously, it's very fragile.

Obviously, it's not respected. But, despite everything, it exists. And neither Mr. Putin nor Mr. Poroshenko formally contests the idea, which is the only hope for peace.

So dialogue is necessary but it must be extremely firm. You mentioned Mr. Fillon. I don't want to put words in his mouth. I know him quite well because he's on the foreign affairs committee in Paris, which I chair. I am familiar with his ideas. Of course we must speak to Russia. But at the same time, on Ukraine, I cannot imagine Europeans lifting the sanctions imposed after the invasion of Crimea. If we do, we will have a major global problem on our hands. It would open the door to any State wanting to change its borders at the expense of any of its neighbours. I would add that this is also a challenge and a problem throughout the Middle East, because here and there temptations to split up Syria can be seen. So we have an absolutely fundamental problem of principle. This does not mean that lifting the other sanctions, those that were imposed after the serious problems in the Donbass, is not a goal. As soon as some headway is made towards peace, we would be right to tell Mr. Putin that there is room to lift those sanctions.

Having said that, I think that we Europeans, members of the European Union, have a major responsibility to have a Russia policy at last. We do not. That obviously touches on energy, the economy and, naturally, questions... It won't be built in a day. Everything remains to be done.

The second and last thing I would like to say is that Mr. Putin's intervention in Syria has put him back in the international game. I agree with Norbert's analysis. This is a partner we must work with, naturally. But I also want to say that Mr. Putin, who has an acute sense of the balance of power, rushed into Syria when he realised Mr. Obama did not want to intervene against the use of chemical weapons, which the regime obviously uses against its own people. At that point, a void opened up. That is an issue for the United States. But Trump doesn't seem willing to intervene either, on the contrary. So there you have it. I do not think Europeans have the ability to do it alone. That's a problem. Do we let Russia do it? With the huge risk — immense — of seeing States in this part of the Near and Middle East, which, despite everything, maintain a form of unity, which, despite everything, protect minorities, utterly implode? One of Mr. Putin's main justifications for intervening is that he feels very threatened, in Russia itself, by Islamist radical terrorism. We must cooperate on that point as well.

So dialogue is the only way. It must be an extremely firm dialogue, but a dialogue nevertheless.

Steven ERLANGER, London Bureau Chief, *New York Times*, Former Paris Bureau Chief, *New York Times*

I think it is always going to be difficult satisfying Russia's need to have its dignity restored without giving away too much influence and territory. That is going to be the dilemma: to take it seriously, but not take it so seriously that you surrender. That is always the problem. The last topic before we go to some questions; the Euro crisis is not over. If you look at Portugal, their credit rating is really iffy and there is talk of a new bailout. Growth is weak in the Eurozone. Greece is not finished. It is not a very good time in Germany to start talking about Eurobonds again, while in France, there is a challenge from the Front National, which is very anti-European, partly on the basis of money and partly about migrants. Are you worried that there could be a new Eurozone crisis in the middle of all this? It worries me and I am curious very briefly, if it concerns you? Do you expect one or will it be suppressed as usual?

Élisabeth GUIGOU, Member of the French Parliament and President of the Commission of Foreign Affairs at the Assemblée nationale

Obviously, another crisis can still erupt, of course, especially because, as you said, global growth is sluggish. For a long time, the Chinese were asked to slow down their growth. Now that they have, we tend to blame them for it. But that's true everywhere. The European Union and, even more so, the euro zone have low growth. So we have major internal challenges, first of all to strengthen monetary union. There's still a way to go, because we haven't finished the



banking union. A lot of progress has been made, but there's still a long road ahead. There's still no deposit guarantee and we know very well that the much talked about mutual fund won't be up and running for several years. The groundwork has been laid, which is very good. We've started to pool certain risks, but not completely. Above all, we need to build a real economic union. All of us must take our share of responsibility.

France must obviously keep controlling its deficits, which it is doing because, if all goes according to plan, it should come in under the 3% mark next year, perhaps a wee bit more, but the decrease has been significant. The balance of welfare accounts is being restored. The debt hasn't fallen, but it's stable compared to the trend in recent years. Structural reforms are under way, for example labour market reform, with the highly controversial El Khomri Act, on which the government is standing its ground. That bodes well for the future. I hope it won't be called into question if the majority changes. I've heard some alarming comments in that regard, including from people like Mr. Juppé, from whom I'm not accustomed to hearing such things. We'll see. If the cycle of the French right increasing deficits when it wins and the left decreasing them when it wins starts up again... Look, that's how it's been for 20 years. That's an issue for the future electoral campaign.

In addition, there's a need for more buoyant growth, including in Germany. When we have a €350-billion savings surplus in the European Union, and a lasting trade surplus, Germany's trade balance... great, well done, so much the better.

But in theory we're an economic union. That cannot be neglected. It's not a matter of giving endless amount of money. That's out of the question. All the euro zone's Member States must exercise restraint, but there must also be more investment, more investment in Germany, more investment in Europe, in areas of common interest. Otherwise, we'll remain extremely vulnerable. I must also say we'll be financially, economically and socially vulnerable. Europe's enemies, the euro's enemies, are saying, what is this Europe that's given us nothing but endless austerity? So it must be shown that we can manage to move forward in this cooperation, with a good balance, as we say, between the responsibility of some and the solidarity of others. There's a long road ahead and we often talk about it with Norbert.

Norbert RÖTTGEN, Chairman of the Foreign Affairs' Committee, Bundestag, former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

The Euro crisis has remained and is fundamentally unresolved. We have not achieved a sufficient degree of economic convergence and we are not even going in that direction. The Eurozone has not achieved a sufficient degree of crisis resilience; the next crisis will come but we do not know when. If it is in the foreseeable future, the coincidence of crisis and the lack of crisis resilience will not only cause a Euro crisis, but also a European crisis. At the centre of this will be Germany, which will have to take a tough decision. If you want imminent crisis possibilities, we have the referendum in Italy on 4 December. The polls expect a 'No' and this will inject political and economic insecurity, and it may partly reveal the bad state of some Italian banks. Then the *Cinque Stelle* movement will be third disruptive element in 2016. I do not know anything about the future but the present is very clear to analyse and you have to be worried about a 'No' and the ensuing political and economic consequences.