

BLOG — POST

France and Germany: Don't Get the Crisis Wrong

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For several months, commentators have been voicing their concerns and expressing surprise at the crisis in the Franco-German partnership. The failure of the SCAF (Future Combat Air System) project, the likely abandonment of the 'tank of the future' project, and uncertainty surrounding the governance of Airbus Group are all causes for industrial concern in France and have raised numerous questions in and around Brussels.

Since Russia's invasion of Ukraine and the possibility that the United States might strategically abandon NATO, Europe – once so peaceful, prosperous and secure – has had to reinvent itself. All European countries are affected by these new demands, but Germany is playing a pivotal role in this European reorganisation. It is striking, moreover, that Germany is following a trajectory that is almost the exact opposite of France's. French foreign and European policy has, in fact, been characterised by continuity since de Gaulle, whether in its degree of mistrust of the United States, its ambition for a powerful Europe, or its desire to convey a message with universal appeal. Even today, despite being weakened and divided, France continues to embody a certain vision of a better future.

The desire for change is strong even among radical parties, although the far right frames it in terms of sterile nostalgia, while the far left sees it as a devastating revolution. Germany, by contrast, has been experiencing a major upheaval in its national identity and politics since the start of the 2020s. It had built its prosperity and power on three partners: the United States for its defence, China for trade, and Russia for energy. These partners have become unpredictable (the United States), dangerous (China) and off-limits (Russia). Furthermore, Germany had built its post-war identity on a strong commitment to democracy, consensus-based Atlanticism and pacifism, as well as on its devotion to Europe as both a springboard and a source of strength for national reconstruction. None of this works as it once did: the far right is on the rise in Germany, including beyond the former GDR; German rearmament is proceeding at a remarkable pace amid the war in Ukraine and uncertainty about the United States' commitment to NATO; and the very nature of Europe is now being called into question. In short, Germany is undergoing a period of national reconstruction – rapid and certainly necessary, but as uncertain for Germany itself as it is for its partners.

With remarkable pragmatism, Germany is now seeking to redirect its industrial capacity towards defence. Once flourishing and a European leader, the German automotive sector is experiencing a profound downturn in the face of intense competition from China. Since 2019, between 120,000 and 140,000 jobs have been lost in the German automotive sector, and Mercedes-Benz and Volkswagen have both announced major restructuring plans. In Germany's eastern federal states, this turmoil is benefiting the far-right AfD, which won regional elections in Saxony-Anhalt and Mecklenburg-Western Pomerania. Against the backdrop of the war in Ukraine and the threat from Russia, Germany is therefore undergoing a major industrial shift from automotive manufacturing towards the defence industry. Chancellor Merz's government has announced a '[DETAIL MISSING]' investment plan worth more than €100 billion a year for the defence sector. As a result, by 2030, Germany's defence budget is expected to reach €183 billion – nearly double France's. This transformation of Germany into a leading defence-industry player is naturally a cause for concern in France, as Berlin is set to become a major competitor in areas where France has traditionally believed itself to hold a leading position, including defence, aerospace and space.

How, then, should France respond without fuelling fears of a resurgence of the German threat in Europe? Three complementary approaches emerge:

- First, although industrial competition in the defence sector will be fierce, it could spur France to build on the technological excellence it has already achieved in the armaments sector;
- Second, the European perspective should prevail, turning this new situation into an industrial and political opportunity. The complementarity of the two countries' conventional and nuclear capabilities will be a major asset for Europe's defence. In other words, the best way to avoid fearing competition – or even German nationalism – is to harness both countries' national ambitions in the service of a powerful, sovereign Europe with a strong strategic role.

- Finally, beyond these new forms of industrial competition, there is another danger – less immediate but far more serious – that must be averted now. For the first time in history, France and Germany could soon form a ‘diabolical alliance’: in both countries, pro-Russian, anti-European, authoritarian and protectionist tendencies are steadily gaining ground. If these forces were to win the forthcoming elections – in 2027 in France and 2029 in Germany – this would undoubtedly mark a major upheaval in Europe and the West. Urgent action is needed above all to prevent this potential political explosion.