

# The Franco-German reaction to the COVID19 pandemic and its consequences, a step forward for Europe?

## Introduction

With the recent reshuffle of the French government and the current Council of the European Union's German Presidency, the Franco-German couple still has a lot to give to the European project. However, the intrinsically collaborative nature of relations between France and Germany over the past few years, particularly on the future of the European Union, has sometimes overshadowed the differences that distinguish both countries. The COVID-19 pandemic, however, has revealed those diverging stances, not only in terms of public policy, but also in terms of culture and society.

The more obvious reflection of those differences can be seen in the use of language of the President of the French Republic and President of the Federal Republic of Germany when addressing respectively the French and German people, encouraging them in the fight against the COVID-19 pandemic. On one hand, Emmanuel Macron repeated several times "Nous sommes en guerre", or "We are at war", a quite blunt and violent referral to war times that some would not have deemed appropriate even in such circumstances. On the other hand, Frank-Walter Steinmeier referred to the pandemic as a "Prüfung unserer Menschlichkeit", or "test for humanity". Those two radically different and diverging approaches to the crisis demonstrate the differences of cultures between France and Germany. Such distinctions have undeniably had an impact on the handling of the crisis by both countries. The question is: will the Franco-German couple be able to go beyond those embedded differences in order to drive the European Union out of the pandemic and its economic and social consequences?

## The Franco-German handling of the crisis at home: a statement of diverging priorities

Comparing the French initial reaction and plan to fight the consequences of the crisis with the one of Germany exemplifies the underlying societal, cultural, and political differences between them. The acknowledgement of different behaviour by both countries to fight the virus and mobilise their respective populations will enable a more realistic analysis of the potential of the Franco-German couple to lead a Europe-wide recovery. In times of crisis, where differences are amplified and re-emerge, can the Franco-German alliance lead the way for a European solution to the pandemic and the crisis it has created?

While France and Germany, alongside with Sweden, count among those European countries with the highest healthcare expenditure relative to GDP<sup>1</sup>, the COVID-19 crisis has demonstrated that even such welfare states can be called into question. There was a clear recognition of the lack of means and effectiveness of previous investment strategies during a crisis. However, it is important to note that one of the major differences in handling the crisis between France and Germany was in their original state of play; the preparedness of their health sector, the manpower to handle COVID-19 infected patients as well as the availability of testing facilities. Indeed, in France there has been a strong outcry from public hospital staff, and from society as a whole, against the continuous and incremental cuts and reforms of the public health system which has led to the overpowering and inflexibility of the system to the COVID-19 pandemic. In fact, over the past 30 years, there has been a progressive shift towards a public health system based on the principle of profitability; having for consequences a reduction of 69.000 hospital beds between 2002

and 2018, as well as an increasing level of indebtedness from 9 to 30 billion euros between 2002 and 2013 due to a lack of public investment and thereof of liquidity.<sup>2</sup> As a result, France plunged into a state of emergency and incapacity which was not expected of such a social welfare system.

This state of emergency was exemplified by the scandal around the epidemiologist Professor Raoult of the Institut Pasteur Arnaud Fontanet. He openly and fiercely criticised the French government's strategy and decided to put in place its own system of testing and potential curing based on his own scientific research around the chloroquine drug. His initiative was given credibility by the visit of Emmanuel Macron in Marseille. Thousands of people were then lined up at the gates of the Institut Pasteur to get tested and vaccinated. A few days later, the scientific veracity and efficiency of Professor Raoult's curing protocol was decried by the scientific community as being inefficient and potentially harmful to patients. The state of emergency of the French health and political system was then undeniable. Both were looking for an immediate answer to compensate for the lack of means as well as to give hope to the French population.

Germany, however, has clearly been widely recognised by European member states as a country that handled the crisis well until now. Indeed, Germany benefited from a better capacity to react to such a crisis, with around 30% more hospital beds in intensive care than in France<sup>3</sup> and around 26% more doctors per 1.000 inhabitants.<sup>4</sup> The question remains: how can this be explained when France is being praised by international organisations as one of the best countries in the world in terms of health insurance and social security, and was even promoted as the best performing health system by the WHO in 2000<sup>5</sup> while Germany was only ranked in 25th

place? In 2017, on a scale from 0 to 100, the German health system had a level of preparedness of 100 against 80 for the French one.<sup>6</sup> What has changed?

From this analysis, it can be argued that France has taken the performance and quality of its health system for granted for too long. Indeed, it failed to adapt to the new needs and demands of society when being faced by a triple revolution; demographic, with an increasing population number, epidemiologic, with the spread of new viruses, and technological, with the difficult incorporation of technological devices in the health system.<sup>7</sup> Moreover, as public hospitals were asked to cut off their debts since 2005, it subsequently led to a decrease in available hospital beds and a brain drain to the private sector due to stagnant salaries.<sup>8</sup> Moreover, the highly centralised nature of the French health system, which is mainly based on repair rather than prevention, together with a debt crisis that guided successive governments to reduce expenditure in public sectors, such as health care, has contributed to the situation France faces today: a crisis of the public health system and the incapacity to effectively and immediately respond to an emergency. However, this is not new. Political elites and governments already had knowledge of the French health system's shortcomings. This is notably exemplified by the continuous and repeated strikes of nurses and doctors. This social pressure notably contributed to the creation of Institut Santé IPRS in 2018, which in turn insisted on the need of massive investment as a condition for the redesign of the system.

As for Germany, thanks to the social reform "Agenda 2010" by then Chancellor Schröder, the health sector has been transformed to reinforce the competitiveness of the German health services. Furthermore, it has avoided any reductions in efficiency and planning potential by preventing material and human shortages. With an industrial capacity superior to France by 11%<sup>9</sup> Germany had a potential to industrially step up during COVID-19 while France could only try to minimise the critical situation by releasing public hospitals

of 10 billion euros worth of debt.<sup>10</sup> Such initiatives, however, will not be enough to restore the glory of the French health system. A complete restructuring is needed: public funding and decentralisation are two ways to attempt such a remodel. It would increase the capacity and effectiveness of local, regional, and national public agencies to collaborate as well as tackle indebtedness. But will France be ready in time for the next crisis or a potential new wave of infections?

**France's response at the European level: the resurgence of European strategic autonomy.**

Beyond the crisis of the health systems, which has been revealed and intensified by the COVID-19 pandemic, what has been interesting is the way France and Germany both reacted politically when it was time to go beyond the immediacy of a national answer. Both reacted in a differing while merging manner to establish a more long-term and Europe-wide approach for the after-crisis 'recovery'. France jumped at the opportunity to expand the concept of European strategic autonomy, a concept originally associated with the defence sector. This concept, referring to the autonomous capacity for the European Union to take political decisions and to act on them, has recently been developed and universalised at a speed that no one would have expected. Indeed, the concept of European strategic autonomy, especially in its original sector of application, has previously not been homogeneously and universally understood nor abided by. While France saw the concept as an opportunity for having the capacity to act and take political decisions, others would see it as synonymous to a European army, a step that a majority of member states today are definitely not ready to take.

In April 2020, however, Emmanuel Macron, for the first time, surprisingly mentioned the concept of European strategic autonomy in a televised address to the nation.<sup>11</sup> This remark was in itself a true statement of confidence to the necessity of a European answer in times of crisis, but more importantly, referred to the concept

of strategic autonomy while speaking of the pharmaceutical industry rather than the defence industry. This generalisation of the concept was further confirmed by the conclusions the President of the European Council, Charles Michel, who clearly identified European strategic autonomy as a key priority for the Union, referring to the necessity for the EU to produce "essential goods".<sup>12</sup> What is interesting, however, is that while the concept is widely used by France and the institutions of the European Union, its politically controversial nature prevented Germany to include it in its Programme for the Presidency of the Council of the European Union. Indeed, the Presidency Programme does not directly refer to the concept of European strategic autonomy. However, it is interesting to note that the words "autonomy" and "strategic" are cited separately and are differently accentuated in the text with only one reference to "autonomy" and fifteen to "strategic".<sup>13</sup> This fact exemplifies the crucial role of the concept in the development of the European project and of the European identity, no matter its precise definition.

Going further than the analysis of words, it is interesting to note that while France prefers a general and encompassing nature of the concept of European strategic autonomy, Germany, in its Council Presidency Programme is much more inclined to the definition, categorisation and qualification of the concept, referring to 'our' European strategic interests in the "industrial production of Europe", "European value chains" and "investments".<sup>14</sup> Therefore, distancing itself from the political side of the concept, Germany rather attempts to operationalise European strategic autonomy around a consensus-led approach. This approach however requires political action to be efficient. In addition, Berlin attempts to do what many have failed to do in the past; defining more precisely the concept. Indeed, European strategic interests have never been defined as such and have made regulations, such as the EU framework for the screening of foreign direct investments, superficial. This is mainly due to the discrepancies around the definitions of strategic interests by member states.

Will Germany manage to bridge the gap of understanding between member states? It is hopeful to think so but such a drastic change in strategy and vision of the European project might need more time than the 6 months allowed to Germany by the rotating Presidency.

One last element to pay attention to in the ongoing developments of European strategic autonomy is that an overgeneralisation could lead to a dangerously exaggerated reaction over the need of more European strategic independence. In turn, this overreaction could go against our European principles of fair and free trade as well as fair competition on which our single market is built on, as well as our economic partnerships with non-EU countries. An overreaction in shape of a too generally formulated call for re-localisation of non-strategic sectors, such as the call of Bruno LeMaire to re-localise the manufacturing of the French automobile industry in France, could lead to a destabilisation of the international trade system, which is based on a complex series of economic interdependencies. If interdependencies are debilitated, and we forget about the economies of scale and specialisation principles, then this trend could not only weaken our economy but also cripple our diplomatic ties. Therefore, there is a dire importance to start defining our European strategic interests so that member states would be able to put the concept of European strategic autonomy into practice in a meaningful, productive, and cohesive way.

### Conclusion

To conclude, through the analysis of the current situation, in which France and Germany find themselves to fight the COVID-19 pandemic, there is no doubt that the difference in the management of their health systems was one of the major takeaways from the crisis. The centralised and indebted French public health system, which is praised worldwide for its universality but decried at home by the health workers, could not hold against such an intense wave of patients. In Germany, however, we have seen that the industrialised and decentralised health system was able

to anticipate and cope better with the crisis. The back-up of the German industry was notably instrumental to the effort of the German health sector, as it enabled to avoid any material shortages. In turn, this security at home enabled Germany to act faster towards its neighbours in need, embodying European solidarity by welcoming European citizens to be treated in Germany, while France, due to its critical situation, was unable to move its strategic thinking to the European level in the short term. One could be tempted to recommend the decentralisation, and therefore better coordination of local, regional, and national health agencies in France and an increase in investment. However, it must be kept in mind that the centralisation of power in France is deeply embedded in the public system. Therefore, a decentralisation effort would be truly difficult to manoeuvre. Additionally, the indebtedness of the country, accentuated by the COVID-19 crisis, will not help to put the health system back as a priority on the list of French public investment.

Moreover, the COVID-19 crisis has pushed forward the thinking on the future of the Union by universalising and generalising the concept of European strategic autonomy. However, it is interesting to note that France, which has been a firm believer in the concept for years, has taken the step forward to express this concept as one of the pillars of the French and European strategy for the future, notably by mentioning it on live TV during a formal address to the nation. Germany has been much more distant and has not followed the line of communication and the importance given to the concept by France and the institutions of the European Union. Indeed, the concept of European strategic autonomy is not mentioned in the German Presidency Programme, being the red line to follow during the German Presidency of the Council of the European Union, a Presidency that is going to have a great importance regarding the building of the European response to the COVID-19 crisis and to the shaping of the European Union. This, however, can be explained by the politically controversial nature of the concept, and therefore its weakening, due to political

backlashes over the years. Germany here has taken up another strategy than France, focussing less on communication but rather on operationalisation. And when we think about it, this is actually what Europe needs and what European citizens are expecting: action. Therefore, if the political sensitivity of a concept has the potential to affect that action negatively, maybe putting it aside and focussing on building a consensus over an action programme rather than a vague political concept might not be such a bad idea. What is certain is that the European Union and its member states need to step up. This relaunch opportunity of European economies, but also of the European project as a whole, is a real test for member states.

Therefore, beyond the agreement on the Multiannual-Financial Framework and the recovery package for Europe, Germany will have a lot on their hands during its Presidency to shape the recovery but also to shape the concept of European strategic autonomy that will build the future of the EU. Let's see if the German Presidency will help in the establishment of such a political decision, and if France will be able to defend its European vision until its own Presidency of the Council of the European Union in the first semester of 2022.

## Endnotes

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