

Franco-German tensions shape EU summit

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Thursday's EU summit was marked by sharp tensions between Germany and France, who have set the tone in the European Union for 30 years.

As usual, the 27 leaders gathered in Brussels pledged their support for NATO's war against Russia, applauded Ukrainian President Zelensky, who joined by video, and promised more arms deliveries. In addition, the EU wants to support the Ukrainian state budget with 18 billion euros in the coming year. Kiev can count on 1.5 billion euros from Brussels every month, vowed Commission President Ursula von der Leyen.

The summit participants, however, argued bitterly about who should bear the devastating economic consequences of the war. At the centre of the dispute was the question of how the EU should respond to the energy crisis triggered by the sanctions against Russia. Astronomical gas and electricity prices are driving millions of working families into poverty and ruining small and medium-sized businesses, while major corporations are closing plants or moving them to other countries where energy costs are lower.

Thus far, EU member states have responded to the energy crisis with national measures. They have tried to dampen the price increases sufficiently to prevent open rebellions or uprisings, and to ensure that at least some of their smaller businesses would survive. Essentially, this amounts to government support for prices and thus a subsidy of the large energy companies, which are making record profits.

France, Italy and about two-thirds of the member states lobbied for a European gas price cap. It would mean that the EU and its members would only buy gas up to a certain price ceiling.

Germany vehemently opposes this. Chancellor Olaf Scholz justified his opposition by saying that the energy companies would then sell their gas elsewhere. What is decided must also work, he said.

"It should not mean there will be no gas afterwards," he declared. "That doesn't help anyone either." He was supported by the Netherlands, which produces its own gas and imports large amounts of liquefied natural gas through its ports. He was also backed by Ireland, Hungary and some smaller countries.

Proponents of the gas price cap accuse Germany of using its economic power to gain a competitive advantage. In particular, the €200 billion energy price defence shield, which the German government adopted in September without consulting the EU to finance a gas price brake for Germany, has been met with outrage across Europe. It puts Germany in a position to obtain gas supplies even when prices are high, while poorer countries with high debt levels cannot raise such sums.

The conflict reached such intensity that French President Emmanuel Macron publicly attacked the German chancellor before the summit. "I've been trying to create unity for five years," Macron said, accusing Germany of going it alone. He added, "It's not good for Germany or for Europe if Germany isolates itself."

Berlin and Paris cancelled a long-planned joint government meeting. Instead, President Macron and Chancellor Scholz will meet in Paris next Wednesday.

After an eleven-hour overnight session, the EU summit agreed to a formulaic compromise that accommodates both sides but leaves all concrete issues unresolved. The gas price cap has been replaced by a "temporary dynamic price corridor," with the stipulation that it not jeopardize security of supply.

The aim is "to ensure that arbitrarily set prices do not make it impossible to obtain gas," Scholz said.

The EU Commission is now to draw up a corresponding legislative proposal in cooperation with the specialist ministers of the member states. Joint European gas purchases should also be possible up to a certain amount.

Both Scholz and Macron expressed satisfaction with the outcome of the summit. “We have come together,” commented Scholz. Yet it is obvious that nothing has been resolved. The gas price cap is, moreover, just one of many issues dividing Paris and Berlin.

For example, there is a fierce dispute over the so-called Midcat pipeline. Berlin has long pushed to build the pipeline through the Pyrenees to supply Germany with natural gas via France, and later with green hydrogen from Spain. Paris has long blocked the project, citing possible environmental damage. Now Macron has reached an agreement with Spanish Prime Minister Pedro Sanchez to build a pipeline through the Pyrenees connecting Barcelona to Marseille instead.

Sharp tensions also exist over arms policy. Germany’s efforts to emerge as Europe’s leading military power are increasingly fueling misgivings in Paris. Whereas the French government had previously pushed for Germany to increase its arms spending, it is now outraged that Germany is buying US fighter jets and supplying tanks to Eastern Europe while the joint FCAS arms project falters.

There is a real problem of confidence, *Stern* magazine quotes French defence expert Gaspard Schnitzler as saying. “There is concern that Germany is gaining a foothold in Eastern European countries.”

Scholz’s recent proposal to build a European air defence system involving 15 countries is also seen as an affront in Paris, Schnitzler said. France, which is developing its own system with Italy, is not participating. “There is the impression that Germany is forging ahead alone,” Schnitzler added.

Differences also arose at the summit over relations with China, which summit participants discussed on Friday. The European External Action Service presented a five-page strategy paper on the issue, which advocates a confrontational course with China. It warns against “isolated and uncoordinated initiatives that could weaken our united stance.”

Eastern European EU members that are close to the US on foreign policy are pushing for a tougher stance on China. By contrast, Germany, France and Italy, some of whose companies have close ties to China and generate high profits there, are pursuing a more restrained course. Chancellor Scholz is traveling to Beijing with a large business delegation in early November, and President Macron is preparing a similar

trip.

On this issue, too, the summit ended with a formulaic compromise. The EU wants to pursue a two-track approach in dealing with China, Council President Charles Michel reported. It wants to become more independent of China, but at the same time avoid a confrontational posture. Indirectly, he warned against unreservedly taking the American side in the conflict between the United States and China. The EU must develop its own strategy, he said.

The summit showed once again that the European Union embodies neither the “unity of the European peoples” nor “democracy.” It is a union of imperialist predators, each of which looks after itself. The war offensive against Russia and the associated spending for rearmament go hand in hand with brutal attacks on the working class and the exacerbation of national tensions that have already driven Europe into two world wars.

There is only one way out of this impasse: the unification of the European and international working class on the basis of a socialist program. The resistance to inflation, social cuts and layoffs, which is growing throughout Europe, must be developed into a powerful, independent movement against war and capitalism. The alternative to the European Union of imperialist powers is the United Socialist States of Europe of the working class.



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