



Wilton Park



Report

Germany and the UK: facing the future

Tuesday 26 – Wednesday 27 October 2021 | WP1985

In association with:



Embassy
of the Federal Republic of Germany
London



Report

Germany and the UK: facing the future

Tuesday 26th – Wednesday 27th October 2021|WP1985

In association with the Foreign, Commonwealth & Development Office and the British Embassy in Berlin, and the Embassy of the Federal Republic of Germany in London

Executive Summary

After the turbulence of the Covid pandemic and the UK's departure from the EU this meeting marked the first of a series of Wilton Park dialogues to consider how to (re)build strategic UK-German relationships.

Whilst discussions touched on the difficulties that still need to be overcome within the British-German relationship post-Brexit, particularly over the Northern Ireland Protocol, there was a strong desire to look for potential approaches that could help to strengthen the ties between the two countries. It was suggested the **relationship needed a 'booster jab'** (in recognition of the booster vaccinations being given against Covid).

Both countries share common interests and challenges, meaning there are plenty of opportunities for a strong partnership. The potential to be gained from the British-German relationship was a *roter Faden* or common thread throughout the event, but substantial gaps were noted between where the relationship currently is and the potential.

In the shorter term some pragmatism was called for, whether between the EU and UK in sorting out the issues around the Northern Ireland protocol which was blocking moving forward bilaterally, building economic partnerships - with the recommendation of the creation of a UK-German Business Forum - and working together on shared foreign policy objectives and approaches.

Opportunities to bring peoples together should focus beyond the capital cities; with the recently established Ruhr-Greater Manchester regional partnership a model. Equally, there is potential in building relationships beyond the more traditional political, economic and foreign policy arenas, for example promoting cultural and sporting exchanges as well as student or workers. Thematically, possible areas for productive Anglo-German links, and dialogues, include: energy; skills; health, digital/cyber security for example.

However, building relationships needs investment, ease of interaction (for travel and worker exchange), and replacing schemes such as Erasmus. The recently signed UK-Germany Joint Declaration is a good starting point but there are

multiple opportunities for new or renewed collaboration between two allies after what was termed as ‘the poison of Brexit’.

Introduction

After almost two years of challenges faced by both Germany and the UK, including Brexit and the Coronavirus pandemic, diplomats, business leaders, academia, and civil society were delighted to gather in person at Wiston House. The group engaged in lively debate over 24 hours, keen to establish and continue open dialogues between Germany and the UK.

This report summarises the common themes that emerged from the discussions, highlights bridge-building initiatives taking place between the two countries outside the national political level and suggests potential routes for rebuilding the relationship after some wear and tear in the last few years through the Brexit negotiations.

The Dialogue was organised as part of Wilton Park’s 75th Anniversary. The group joined the 2021 British-German Forum of younger leaders from both countries, who looked in more depth at how to boost the future British-German relationship in policy areas such as climate change and foreign policy. (see their conclusion below, and separate report: <https://www.wiltonpark.org.uk/wp-content/uploads/2021/11/WP1975-Report.pdf>).

A new Germany post-election?

1. The timing of this meeting, one month after the German elections, meant that whilst the results were known, the coalition talks were ongoing about the agenda of the future German government and interpretations of the *Sondierungspapier* (the agreed basis for the coalition negotiations between the SPD, Greens and FDP in Germany).
2. In the lead up to the federal elections in September 2021 Germany’s commitment to the UK was demonstrated by agreeing the Joint Declaration, signed by the then German and British Foreign Ministers (Heiko Mass and Dominic Raab respectively) in June 2021. Notably moving forward, all three of the *Ampel* or ‘traffic light’ coalition parties mentioned Germany’s relationship with the UK in their party election manifestos. However, the UK was not mentioned in the *Sondierungspapier*, with France and Poland being the only countries explicitly named in terms of European and Foreign policy.

The post Brexit bilateral relationships

3. The practical and diplomatic difficulties that have arisen following the end of the Brexit transition period and the implementation of the Trade and Cooperation Agreement (TCA) remain a very current element of the bilateral relationship. The Northern Ireland protocol was seen as a particular difficulty, with attempts from the UK side to discuss the future UK-German relationship slipping back to a conversation about UK-EU issues, which provided a rather gloomy backdrop.
4. There were calls by some British participants for German colleagues to recognise that the end of the transition period created the opportunity for a new beginning to the bilateral relationship. We should stop focusing on what happened, it was argued, and think pragmatically about solving shared problems. That was matched by a recognition that some senior political officials in Germany remained pragmatic towards the UK despite Brexit, and called for less ideological approaches towards EU relations from the British side.

Foreign and EU policy challenges

5. More widely, the UK's foreign policy approach was seen to be moving away from the EU looking to the USA and other powers through an Indo-Pacific tilt. This was perceived to be a threat to the bilateral British-German relationship.
6. Germany is committed to conducting its foreign policy embedded in the EU so any attempts by the UK to work bilaterally could undermine this position, especially if it was felt that the UK was in some way seeking to "divide and rule". It was argued that there will always be complexity in the UK-EU relationship, but efforts should be made to ensure recognition of the fact that UK-German bilateral relationships will only succeed if they don't undermine German-EU relations. The UK-Germany Joint Declaration provides a valuable space for ongoing bilateral foreign policy conversations through an annual strategic dialogue between German and British foreign ministers.
7. The common areas of conversation between the two countries include joint perspectives on global issues, their shared participation in NATO, UN, G7 and G20, and opportunities to increase collaboration on the challenges of digital and cyber security, which 'keep businesses awake at night', critical technologies, disinformation, and hostile state activity. Such bilateral collaboration and dialogue can provide space for the UK-German relationship outside multi-national structures, and is based on mutual trust, noted as a crucial element in building a stronger and closer bilateral relationship.

Shared economic interests in a globalised economy

8. Trade and economic cooperation is a key pillar of the UK-German relationship. In terms of improving business links between the two countries, there were suggestions that British and German businesses should work together with negotiators to improve elements of the TCA, which had been negotiated at pace. It was noted that trade agreements are generally improved post-implementation to iron out issues. This is particularly important as the issue of trust around the Northern Ireland protocol is damaging business, which looks for certainty in the trading environment. Politics should not get in the way of finding practical solutions it was argued.
9. Economic collaboration between UK and Germany could be strengthened by creating a **British-German business forum**. This could be an effective mechanism to support government interaction. Whether this should exclusively be with CEOs or with people from different levels and positions in business was debated.
10. Building trade between the two countries is key, but there was also a warning that the relationship needs to be more than just a balance sheet. Shared political interests will be key, and it was noted that the German coalition parties currently negotiating to be the next Government have strong election manifestos in their desire for ecological, economic and working standards, and no unfair competition. Also recognising a potential divergence of both economies in 10 years time, for example Germany in advanced manufacturing and UK as a middleman, trading nation living off global commerce. Finding different ways to engage with one another will therefore be important.
11. Further opportunities for partnerships could include:
 - Working to keep **global supply chains** moving, after the systemic shock exacerbated by the Covid pandemic, but also the sharp increase in e-commerce. What happened to supply chains over the past two years has demonstrated the weaknesses and lack of understanding of the nature of our supply chains, for example where the UK relies heavily on foreign manufacturing. The UK could learn from Germany on maximising trade facilitation (the UK has 600 trusted trade facilitators compared to Germany's 6000) through skills sharing and exchanges between companies.

- Identifying how **trade can mitigate its impacts on climate change**, for example the fair pricing of transport within global trading arrangements, which will be a particular issue for Germany if its export rates continue to be as high as they have been, or looking at the energy market and the possibility of the UK exporting stored offshore wind energy to Germany
- **Digitalisation** - Germany could learn from the UK, particularly in relation to the digitalisation of public administration.
- **Skills** agenda – how can the countries complement rather than copy each other, for example the UK aiming for hi-tech, German mid-tech expertise.
- Enhancing existing and creating new collaborations for example through **international development** efforts of both countries.

New opportunities for exchange?

12. Most agreed that since the UK's exit from the EU, well-resourced opportunities to meet and exchange, particularly for younger generations, have dwindled. Whilst the Turing Scheme is up and running, remorse at the loss of Erasmus remained strong on both sides, and the administrative difficulties of school exchanges were highlighted. The greater centralisation for these kinds of programmes within the EU, and for other fora for business, cultural and political exchange, mean that bilateral exchanges have not received as much, or any, attention or resource which has left them at a reduced level from which to build.
13. The transactional costs of exchanges of workers are also significantly higher post Brexit (for example £20,000 was quoted for skilled Germans to work in the UK including in the very organisations trying to build UK-German collaboration), which precluded sharing interns for example as they couldn't earn enough to apply for the right to work in the UK. Similar approaches, for Germany with non-European countries such as its programmes with the US, or for UK arrangements with Australia for example are more streamlined and could be models for future bilateral approaches. However, this requires the political and financial means to arrange and organise these. However, it was unclear whether such exchanges could be coordinated bilaterally as they now operated outside of any EU arrangements. The expectations of what is possible at bilateral level therefore need to be managed.
14. The everyday level of the British-German relationship, which previously came out of exchanges like Erasmus, cultural exchanges or through sport-based trips, is worth preserving because of its contribution in terms of soft power on both sides. There is a warm perception of both countries at the level of the everyday, whether that be German's love for British TV, film and music or the UK's passion for German football and Christmas markets. At this level, the finer details of the Northern Ireland protocol are not being discussed by the majority of British and German citizens. That does not mean that the countries do not care, or that the political, diplomatic, and other specialised circles are not discussing it. It means recognising that the ties between our two countries and our two societies are far more 'everyday' than is perceived at the political level.

15. There is therefore both a desire and urgency to build more points of exchange and fora, particularly to energise young people and make the relationship sustainable in the long-term, was made both at this Dialogue and during the subsequent British-German Forum (BGF) 2021. The BGF is one way that exchanges can continue, but more broader fora are needed that connect peoples, beyond the capital cities, and including those outside the usual political and economic bubbles that many of these relationships often function within. This also has a strategic long-term side. It was recognised that the present exchange was only possible because many German participants had spent formative years in the UK while many British participants had gained familiarity with Germany through exchanges. Absent these preconditions, such a meeting would not be possible in 20 years' time and there would likely be little interest in it – a development both sides agreed needed to be avoided.
16. Some areas that could be fruitful for new or enhanced UK-German relations include:
- University exchanges that go beyond university twinning and study abroad to working on online joint seminars for students;
 - Football exchanges, particularly amongst young people;
 - Collaborations and exchanges between heritage organisations and museums, particularly what can Germany learn from dealing with colonialism from UK work on this issue;
 - Diaspora and expats can also play an important role
17. **Town Twinning** seems to be having a revival in terms of exchanges between the two countries, something welcomed by all participants. There are over 250 British towns with German 'twins', that in their different ways keep British-German relations alive at local and municipal level. The British German Association (BGA) had done an exercise, funded by the FCDO, to map links between Northern England and Germany, and had found a great number of such ties. But because of the financial pressures of local councils in the UK, these relationships are supported by goodwill and volunteers which has led to the decline of these relationships. One thing we were warned to bear in mind was that the social context of town twinning does not perhaps reflect the society of UK and Germany as it currently stands. It is therefore key to increase diversity within these structures and attract a new demographic to make these relationships relevant to our diverse societies.

A flagship regional partnership: beyond twinned towns and capitals

The exciting larger regional partnership recently signed between **Greater Manchester and the Ruhr region of North Rhine Westphalia**, and supported by the BGA, could be a model for future engagement. Both regions have the political leadership, executive order and financial means with which to embark on a new partnership. Both regions share common interests in areas such as responding to cyber security, environment, and research and development.

The Manchester-Ruhr partnership should be a flagship for future UK and German ties. However, such relationships are dependent on the initiatives of individuals and volunteers, financial resources, and political will by both local and national governments involved (and devolved powers in the UK). There were questions about the sustainability of building partnerships and relations in such a way, and a call for additional resource. Even a little funding (such as seedcorn FCDO funding in this instance) can provide a rich return on investment in terms of what is gained through partnership and building those regional relations.

Perspectives and (mis)perceptions

18. At the heart of future relationships perceptions will clearly matter. If both countries wish the public to take the relationship seriously, they need to articulate and communicate why it is special when both countries have other competing special relationships.
19. There was some disagreement on whether the history of post-war Germany and the UK's involvement in that process is a positive reason for why the relationship should be perceived as special, or whether this is now an outdated perspective, particularly for the public in both countries.

The media's role in helping UK and Germany understand each other

The media play a vital role in helping both politicians and citizens understand the other country. Various suggestions were made about how this could be improved from what is currently perceived as a poor standard. Enabling London-based foreign journalists to access press briefings or interview government ministers to help them cover UK politics in foreign media publications. Lack of access adds to some uses of lazy journalism in foreign reporting of the UK that does not necessarily reflect the reality of the situation in Britain or improve understanding. There is also a lack of engagement in some British media with foreign journalism coverage to try and understand how German politics develops. The media coverage on our countries therefore needs to be realistic to the situation on the ground.

20. During discussions on the state of politics, democracy and the differing ways both countries approach devolution, it was noted just how much the two countries have in common and can support and learn from one another. For example, both are democracies who strongly believe in freedom, free elections, and the rule of law. These values underpin the Joint Declaration. This could be how the public base should perceive the joint Anglo German partnership in a changing world.

Conclusion

Whilst there was much discussion about how, where and why the British-German relationship might work in future, there was unanimous agreement that it holds value and should be nurtured to make it sustainable and fit for the 21st century. There was a shared commitment to future work in this series of Dialogues, and a note that many other people also care deeply about the relationship.

Reinvigorating and building on the existing structures and fora for exchanges was an important next step, whilst strengthening the relationship in various sectors and beyond politics: ***'we do not necessarily need to reinvent the wheel, but instead could upgrade it'***.

The 2021 British German Forum concluded in a similar vein:

In an increasingly turbulent world, this British German Forum reaffirmed that despite different approaches, the UK and Germany wish to cooperate closely in the face of common challenges, from the climate transition, to China, to making our societies more inclusive and resilient. In discussions full of optimism but tempered with realism, it was clear that post-Brexit both nations continue to value fostering a strong British German relationship into the future.

Chantal Sullivan-Thomsett and Robin Hart
Wilton Park | October 2021

Wilton Park reports are intended to be brief summaries of the main points and conclusions of an event. Reports reflect rapporteurs' accounts of the proceedings and do not necessarily reflect the views of the rapporteur. Wilton Park reports and any recommendations contained therein are for participants and are not a statement of policy for Wilton Park, the Foreign, Commonwealth and Development Office (FCDO) or Her Majesty's Government.

Should you wish to read other Wilton Park reports, or participate in upcoming Wilton Park events, please consult our website www.wiltonpark.org.uk. To receive our monthly bulletin and latest updates, please subscribe to <https://www.wiltonpark.org.uk/newsletter/>