Executive Summary
From «Paymaster of Europe» to «Shaper of Europe’s future»:
A new self-perception of Germany in the EU

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Published by Heinrich Böll Foundation, May 2019
In cooperation with Das Progressive Zentrum
From «Paymaster of Europe» to «Shaper of Europe's future»: A new self-perception of Germany in the EU

Although the European Union is facing enormous political challenges, both internally and externally, Germany has shown little initiative in European politics in recent years. Proposed reforms of other member states, such as France, have been mostly opposed on the grounds that «the German taxpayers» must not be even further burdened. Behind this is the narrative that Germany, as the «paymaster of Europe», is disproportionately contributing to the common EU budget.

This study investigates the factual and popular basis of this narrative. Although Germany is the largest net contributor to the EU budget, it gains a considerable economic benefit from its EU membership as an export nation, particularly from the single market. Additionally, the «paymaster theory» disregards any political benefits of the European Community, such as stability, free movement and peace. Yet, this thesis seems to be partly responsible for the current attitude of restraint in Germany's EU policy.

The study examines how German citizens see their country's role within the EU. The key results of the representative survey and a number of focus groups show that:

- A clear majority of the German population would like more German engagement within the EU: more than 75% of respondents want Germany to be more active within the EU and act more cooperatively towards its European partners, while 22.6% would prefer Germany to behave dominantly towards other EU countries, and 19.8% favour a less active role.

Figure 1: Has Germany behaved rather dominantly or cooperatively towards other EU member states, and should it do so in the future?

- In the last ten years:
  - Clearly dominantly: 15.9%
  - Rather dominantly: 33.8%
  - Rather cooperatively: 31.8%
  - Clearly cooperatively: 16.3%
  - Not sure: 7.4%

- In the future:
  - Clearly dominantly: 2.3%
  - Rather dominantly: 43.6%
  - Rather cooperatively: 15.2%
  - Clearly cooperatively: 7.4%

- Not sure: 2.2%
– **Germans consider that EU membership benefits them politically first and economically second:** 76.6% find that Germany is more likely to achieve its political objectives with the EU than without it. 66% believe that overall, Germany gains more economic advantages than disadvantages from the EU.

- **Most Germans do not feel that Germany’s financial contribution to the EU budget is too high:** 51.1% consider the contribution to be adequate and 9.6% think it is too low. However, 36.4% believe that Germany’s contribution is too high.

- **An overwhelming majority of Germans would like Germany and its EU partners to spend more on certain policy areas:** more than 90% of respondents want more joint investments, particularly for climate and environmental protection, research and education, defence and security as well as employment and social affairs.

The survey findings show that the myth of the paymaster stands in stark contrast to the views of the German people. Most Germans consider EU membership from the vantage point of offering far more than just economic benefits – rather, they do not feel that Germany’s financial contribution to the EU is too high and would even prefer more financial engagement from Germany and its EU partners in certain policy areas. It seems that the time has come for a new, future-oriented self-perception of Germany in Europe that goes beyond purely economic parameters.

In particular, this new approach for German discourse on Europe should be seen as a response to those who have leveraged the paymaster narrative both to the detriment of the spirit of the European community as well as a financial argument against disagreeable political measures. Instead of portraying the EU as a cost factor and a one-dimensional plus-minus financial statement, political competition should debate meaningful measures for the future and see Europe as a factor in shaping them.
– **Taking responsibility for solidarity:** A differentiated analysis of the results also shows, however, that people with less formal education and those who live in rural areas are less convinced of the benefits of the EU than segments of the population with higher levels of education and those who reside in an urban environment. As a beneficiary of the European Community, **Germany bears responsibility for Europe's solidarity.** Partly as a consequence of the euro crisis, the gap between rich and poor has widened between the member states and within individual countries in recent years. This has created rifts and fed into the EU’s legitimacy crisis. Germany bears responsibility to overcome the current multiple divides in Europe, and it is furthermore in its own interest to do so. This involves **reducing economic imbalances** in the EU and **eradicating the urban/rural divide** in order to diminish uncertainty and mitigate mistrust with regard to politics among the general population.

– **Collaboratively shaping policy:** Germany should see its strong position within the EU as an opportunity to work with its EU partners to shape policy. German passivity is in stark contrast with its interests in a stable economic and monetary union. The German role in this process should be one of **action and cooperation** in equal measure, as Europe can only make a success of the future by working together. **Europe emerges as an important political factor for Germany.**

– **Investing in future viability:** Germany's collaborative approach should first and foremost concern the future viability of Europe. Investments in climate protection, digitalisation, social security or infrastructure are **investments in the future viability** of the EU and therefore also of Germany. However, safeguarding the future of the EU does not simply entail new expenditures, but rather a new prioritization of present budgetary resources as well. On important future themes such as **climate protection, digitalisation,** but also the challenges to Europe's solidarity (e.g. social security, education, infrastructure, internal security), Germany must become a cooperative **driving force** again.

– **Preserving capacity for action:** Preserving the EU’s capacity for action is a challenge that could be accompanied by reforms in the decisionmaking processes, amongst other things. An incapacitated Europe is a weak Europe. It is therefore in Germany's interests to avoid situations of stalemate. In particular, the principle of unanimity should also be replaced by the **qualified majority procedure** for decisions on foreign policy and tax issues. Germany can also, where appropriate, move forward with France and other EU partners using the «enhanced cooperation» procedure.

Europe is the peace and democracy project of the 20th century, but its achievements must also be secured the 21st century. Securing the future will take more than just new expenditures, but, more importantly, structural reforms and a redistribution of the EU budget – towards a sustainable policy that will anchor peace, democracy, wellbeing and the economic foundations of our lives. As the largest and economically strongest member state, Germany must make its contribution and the overwhelming majority of German citizens are willing for it to do so.