



## The Visegrad Four and German hegemony in the euro zone<sup>1</sup>

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The European integration project has always been (among other things) an answer to the prior attempts of Germany to establish hegemony over Europe.<sup>2</sup> Thus, the EU's enlargement was not only the road to the modernization and stabilization of the newly democratic countries of Central Eastern Europe, but also an important confidence building measure in regard to the policy of the newly united and more powerful Germany.

It is a paradox of history that it was precisely European integration (a project designed to tame the post-cold-war economic giant Germany<sup>3</sup>) that pushed Germany into the role of a hegemon. This paper looks into the question of how the German hegemony in the euro zone impacts on its further co-operative relations with the Visegrad countries (hereafter referred to as the V4).

### Germany and CEE – asymmetry and cooperation

According to an elaborate “power calculator,” Germany has become the most powerful state of the EU.<sup>4</sup> The German economic hard power has been viewed as impressive in recent years, and Germany has been increasingly perceived as a geo-economic power.<sup>5</sup> Also, from a geopolitical perspective, Germany has a crucial role to play: her central location within the “European geome” makes her a geo-strategic bridge to a global balance of power between

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<sup>2</sup> This text develops the author's earlier contributions: V. Handl, “Germany and Central Europe 2011: a differentiated dynamic instead of Mitteleuropa,” in Z. Šabič, P. Drulák, eds, *Regional and international relations of Central Europe*. Basingstoke: Palgrave, 2012, pp. 104–24; V. Handl, W.E. Paterson, “The continuing relevance of Germany's engine for Central Europe and the EU,” *Communist and Post-Communist Studies* Vol. 46, No. 3, September 2013, pp. 327–37.

<sup>3</sup> P. J. Katzenstein, *Tamed power Germany in Europe*, Ithaca and London: Cornell University Press, 1997.

<sup>4</sup> J. Janning, “State power within the European integration,” *International Politics*, May 2013. Available online: <https://ip-journal.dgap.org/en/ip-journal/topics/state-power-within-european-integration> (accessed on December 20, 2013).

<sup>5</sup> “Europe's reluctant hegemon,” *Economist*, special report, June 15, 2013. Available online: <http://www.economist.com/news/special-report/21579140-germany-now-dominant-country-europe-needs-rethink-way-it-sees-itself-and> (accessed on September 20, 2015); H. Kundnani, “Germany as a geo-economic power,” *Washington Quarterly* Vol. 34, No. 3, 2011, pp. 31–45.

the US and heartland Russia; no less importantly, Germany also plays a key role in the regional order in Europe.<sup>6</sup>

German military power, though, has remained rather secondary: its military potential still lags behind its economic power, and Germany shows little political will to change this. The German foreign policy culture is based on multilateralism and reticence when it comes to the use of military power, and these factors, together with Germany's strong normative orientation, make it a reliable partner.<sup>7</sup> Undoubtedly, Europe's most central power – deeply integrated into the multilateral structures of NATO and the EU – has remained primarily civilian.

Germany's policy *vis-a-vis* Central Europe represents a special issue. The power balance in the region is highly asymmetrical. Thus Germany as a rule has developed trustful and mutually advantageous relations with its smaller neighbors and supported their integration into a broader multilateral context. Only a multilateralization of relations could smooth the asymmetry between Germany and her partners.

Germany's occasional manifestations of disregard for the interests and sensitivities of its smaller partners have always impacted negatively on the German standing in Europe. For example, Gerhard Schröder's special friendship with Vladimir Putin and their agreement to support the construction of the Nord Stream pipeline provoked fiery criticism, mainly in Poland and the Baltic countries.

Recently, the crisis of the euro zone has increased the asymmetry considerably. William E Paterson stated in 2011 that Germany has emerged from the euro zone crisis as a "reluctant hegemon" (thus coining the phrase). Berlin has to live with a weaker French backing, but it can profit from becoming generally more accepted by EU-member states in Northern and Central East Europe than before.<sup>8</sup> Critics view the German leadership as a domination of other states and also as a massive export of *Modell Deutschland* into incompatible environments, as well as a breach of the sovereignty of states in need.<sup>9</sup>

However, in the V4 countries (as well as in most other new EU-member states in Central and Eastern Europe), the euro zone crisis seems to have put the residual fear of Germany aside. These have been much more attracted by German soft power than they have in Europe's south. In a number of areas, *Modell Deutschland* represents an important reference point if not a role model for them, ever since the transition process began in the early 1990s. Some important elements of the German political, economic, legal and administrative system – such as the independent Central Bank or the authoritative Constitutional Court – influenced the political economy of V4 countries during their post-communist transition.

The financial crisis proved that the German industry-based and export-oriented economy – which not long ago was criticized in the Anglo-Saxon world as too conservative – was much more sustainable than the service and information-based economies profiting from

<sup>6</sup> A. Dhaka, "The geopolitics of energy security and the response to its challenges by India and Germany," *Geopolitics* Vol 14, No. 2, 2009, pp. 281–2.

<sup>7</sup> H. W. Maull, "Außenpolitische Kultur," in K.-R. Korte, W. Weidenfeld, eds, *Deutschland-TrendBuch: Fakten und Orientierungen*, Bonn: Bundeszentrale für Politische Bildung, pp. 645–72.

<sup>8</sup> W. E. Paterson, "The reluctant hegemon? Germany moves central stage in the European Union," *Journal of Common Market Studies* Vol. 49, Annual Review, 2011, pp. 57–75.

<sup>9</sup> G. Tzogopoulos, "It's Germany, stupid! The Greek–German misunderstanding," in A. Möller, R. Parkes, eds, "Germany as viewed by other member states," *EPIN Paper*, No. 33, June 2012, pp. 6–9.

deregulated financial markets. Similarly, the V4 countries have never abandoned their productive economies and have always sought to increase their export potential. Recently, even the world's leading economy – the USA – started to look for ways to achieve a partial re-industrialization, a process which has been helped by the shale gas revolution.

Unsurprisingly, there has been an increasing motivation on the German side to cultivate relations with individual Central European countries.

Since the euro zone crisis began, the notion that the V4 countries belong to a loosely shaped "Nordic group" has become quite important. Like Germany, they favor "sound money," balanced budgets and low inflation. Also, they develop export-oriented economies and focus on achieving a surplus in their foreign trade. The austerity policy has been a good case in point: since 2008, all the V4 countries have prioritized fiscal consolidation and gradually restored their economic growth. Along with the Baltic countries Lithuania and Estonia, Slovakia has even been perceived as an example for the southern states of the EU.<sup>10</sup> In Hungary, the controversial national conservative government of Viktor Orbán has also focused on budget discipline and financial stability in order to cut the national deficits, reduce debt and encourage growth, and the European Commission has recommended Hungary's exit from the EU's Excessive Deficit Procedure.<sup>11</sup>

Support, however, for *Modell Deutschland* or the German European policy has never been unanimous. The neo-liberal stream of thought within CEE countries has kept its distance from the German "*soziale Marktwirtschaft*."

There is also criticism from the left. The left-leaning parties and governments in V4 countries mostly tend to be more open to Keynesian economics than was the case with the German conservative-liberal coalition of CDU-CSU and FDP.

Unsurprisingly, Berlin has developed a differentiated bilateralism in its relations with individual partner countries in Central Europe. Naturally, Poland – the "hub and hinge" of the whole region – has become Germany's prioritized partner; the German–Polish program of cooperation of 2011 is seen as a counterpart to the German–French "Agenda 2020."<sup>12</sup> Radosław Sikorski (Polish Minister of Foreign Affairs 2007–2014), himself a determined Polish Atlanticist who in 2009 portrayed the Nord Stream Russian-German pipeline as a new Molotov–Ribbentrop pact,<sup>13</sup> recognized tight relations with Germany as the only truly strategic option for Poland's future; in 2011, therefore, he called for more, not less German leadership in Europe.<sup>14</sup>

<sup>10</sup> D. Henning, "Lettland," in W. Weidenfeld, W. Wessels, eds. *Jahrbuch der Europäischen Integration 2012*. Baden-Baden: NOMOS, pp. 445–6.

<sup>11</sup> "EDP out, FDI up, consumer skepticism down," May 29, 2013. Available online: <http://ferenckumin.tumblr.com/post/51671929782/edp-out-fdi-up-consumer-skepticism-down> (accessed on September 6, 2013).

<sup>12</sup> K.-O. Lang, "Germany and the Visegrad-Baltic countries," in A. Sprüds, ed., *Friendship in the making. Transforming relations between Germany and the Baltic-Visegrad countries*, Riga: Latvian Institute of International Affairs, Friedrich Ebert Stiftung, 2012, p. 14.

<sup>13</sup> A. Kramer, "Continental divide: Russia gas pipeline heightens East Europe's fears," *New York Times*, October 13, 2009. Available online: [http://www.nytimes.com/2009/10/13/world/europe/13pipes.html?\\_r=0](http://www.nytimes.com/2009/10/13/world/europe/13pipes.html?_r=0) (accessed on September 2, 2013).

<sup>14</sup> R. Sikorski, "Poland and the future of the European Union," *msz.gov.pl*, November 28, 2011. Available online: [http://www.msz.gov.pl/files/docs/komunikaty/20111128BERLIN/radoslaw\\_sikorski\\_poland\\_and\\_the\\_future\\_of\\_the\\_eu.pdf](http://www.msz.gov.pl/files/docs/komunikaty/20111128BERLIN/radoslaw_sikorski_poland_and_the_future_of_the_eu.pdf) (accessed on December 1, 2011).

Germany's relations with the other V4 countries have been diverse. They represent regional partners, which are too close and tightly interlocked with Germany to be ignored by it. In fact, the past represents both a challenge and a motivation for their cooperation. On the one hand, there is the apprehension that the "musealization of memory"<sup>15</sup> that is carried out through Berlin's Centre Against Expulsions could result in a reinterpretation of history. On the other hand, the past currently unites the region rather than dividing it – unless it becomes an instrument of an internal political struggle, such as the struggles that occurred during the first direct Czech presidential elections in January 2013, or in the 2011 Polish general election.

In economic terms, the mutual advantage of the growing interaction between Germany and the V4 countries has mostly been acknowledged (the views of radical critics on the left and right margins of V4 societies notwithstanding). Germany's share of the exports of Visegrad Group countries has put Germany at the top of the lists of their trading partners (it is the recipient of over 30 per cent of Czech, 25 per cent of Hungarian, 35 per cent of Polish, and 20.4 per cent of Slovak exports). Also, foreign direct investment from companies registered in Germany plays a crucial role in Visegrad countries (in 2010, the FDI from German companies amounted to over 20 per cent of the investments in Poland, 16 per cent of those in the Czech Republic, and 25 per cent of those in Hungary).<sup>16</sup>

As a result, the V4 economies are closely linked to the German economic cycle. The key interests of V4 countries have thus been strong economic growth in Germany and stabilization of the euro zone. German businesses have outsourced large parts of their production to Central Europe, thus improving its position in the global economy, and a recovery could boost the rest of CEE as well.<sup>17</sup>

The multilateral dimension of the regional cooperation has been less impressive, however. Germany has traditionally been cautious when it comes to links with the Visegrad group (the 2013 German coalition agreement mentions only the Weimar Triangle cooperation).<sup>18</sup> In general, German diplomacy has never been too keen to support group-building in the EU, as this could further complicate the decision making process and the building of issue-based coalitions.<sup>19</sup> Only gradually, with a more substantial performance on the part of the Visegrad group itself, did Germany begin to pay more attention to it. One important area has been the implementation of the Eastern Partnership.

<sup>15</sup> M. Kunštát, "Transformace německé historické paměti a její místo v zahraničněpolitické kultuře SRN," [Transformation of German historical memory and its place in the international political culture of Germany] in V. Handl, ed., *Německo v čele Evropy? SRN jako civilní mocnost a hegemon eurozóny*, [Germany headed for Europe? Germany as a civilian power and the hegemony of the euro area], Prague: Institute of International Relations, 2011, pp. 92–118.

<sup>16</sup> Compiled from *V4 Trade and FDI Observer*, May 2012.

<sup>17</sup> J. Cienski, "Central Europe's economies sputter as the Euro-zone crisis hits the region," in *Central European Digest*, May 1, 2013, p. 4.

<sup>18</sup> "Deutschlands Zukunft gestalten. Koalitionsvertrag zwischen CDU, CSU und SPD," 18. Legislativperiode, 2013, pp. 162–3, p. 165.

<sup>19</sup> J. Wallat, "Alte Lasten, neue Chancen: Deutschland's Blick auf Visegrád," *Osteuropa* Vol. 56, No. 10, 2006, p. 86.

## Germany–V4 relations within the EU

As noted above, Germany was instrumental for the admission of the V4 countries into the EU. Since EU accession, the individual V4 countries and Germany have been closely linked on a number of issues. Most prominently, trade liberalization and completion of the EU's single market have been high on the agenda of all the export-oriented economies of the region. The priorities of the V4 countries and of Germany in the EU are thus mostly compatible. There is both an opportunity and a need to strengthen Central Europe's relations with Germany while at the same time remaining mindful of the asymmetries of the relationship.<sup>20</sup>

There are, however, also differences between the V4 countries and Germany. They concern political priorities – including, understandably, the cohesion policy and structural funds. The V4 countries and Germany also differ to some extent in their attitudes to the constitutive policy of the EU: the V4 countries opposed the strengthening of the role of the large EU member states – including Germany – during the negotiation of the European Constitution Treaty/Lisbon Treaty.

Also, the V4 countries oppose the harmonization of direct taxes within the EU.

Since EU accession, the German–V4 relations have thus been active but differentiated. Firstly, the attention paid to the region by Germany visibly subsided after 2004: the EU enlargement was perceived as a "mission accomplished," and German policy turned to other issues of European and international politics. Berlin focused rather on the promotion of German business, hoping to benefit from the comparative advantage of Germany's economic potential, and its geographic as well as political centrality.

In this situation, the EU presidencies of the individual V4 countries (the Czech presidency was in 2009, while the Hungarian and Polish presidencies were in 2011) offered Germany a rare chance to prove her reputation of being a forthcoming European partner. And indeed, Germany became the most engaged actor in regard to the preparation and implementation of these Central European EU presidencies. Their mutual relations experienced an unprecedented intensification and "horizontalization" in all sectors of EU policy.

There were, however, factors, which limited the scope and depth of the co-operation. Firstly, the domestic constellations in individual V4 countries have always played a crucial role when it came to relations with Germany: much depended on who was in government at any particular moment. Also, less impressive was cooperation in the area of security and defense. Germany and the V4 countries approached their relations with the USA and Russia in slightly different ways. The Visegrad countries have been described as intuitive Atlanticists<sup>21</sup> and they, unlike Germany, in principle backed the neo-conservative agenda of President G. W. Bush.<sup>22</sup>

<sup>20</sup> D. Armitage, M. Zaborowski, W. Mitschell, R. Kron, "Central Europe after the fiscal compact: navigating Europe's new framework," GLOBESEC 2012. *Policy Briefs*. Available online: <http://www.globsec.org/globsec2012/uploads/documents/GPB/GPB%20Armitage%20Zaborowski%20Mitchell%20Kron.pdf> (accessed on September 10, 2013).

<sup>21</sup> R. Asmus, A. Vondra, "The origins of Atlanticism in Central and Eastern Europe," *Cambridge Review of International Affairs* Vol. 18, No. 2, 2005, pp. 203–16.

<sup>22</sup> R. Fawn, "Alliance behaviour, the absentee liberator and the influence of soft power: Post-communist state positions over the Iraq war in 2003," *Cambridge Review of International Affairs* Vol. 19, No. 3, September 2006.

As to Russia, before annexation of Crimea and the war in Ukraine, Germany feared only a Russian implosion, not her political or economic pressure or even a Russian military aggression. After all, relations between the two countries had been mostly symbiotic throughout their history.<sup>23</sup> Poland, on the other hand, had strong apprehensions concerning Russia. Meanwhile, that part of Central Europe lying south of the Carpathians (Slovakia and Hungary) had been much less exposed to Russian pressures and were therefore more relaxed in regard to Russia; the Czech Republic represented a mixture of these two positions.<sup>24</sup>

The US missile defense project best exemplified the V4 countries' differing approaches both to the USA and Russia. Poland and the Czech Republic supported the project, while Germany viewed it as an unrealistic and unnecessary obstacle in its relations with Russia.<sup>25</sup> Under President Obama, however, the project was reconfigured and no longer represents a stumbling block to Germany's relations with its eastern neighbor.

There were also, however, some signs of cooperation in the area of foreign policy, security and defense. A fruitful political cooperation has developed in the area of the Eastern Partnership (EaP): here Germany and the V4 are co-ordinating their steps, including in their relations with Russia. Angela Merkel was the only leader of a big EU country who participated in the EaP Summits in Prague (2009) and Warsaw (2011).

In the area of European defense, Germany fully backed the Polish initiative to create a permanent EU headquarters (hereafter HQ) in Brussels (2011). The Bundeswehr led a multilateral battle group which included Czech participation in 2012. More generally, a meeting of six Ministers of Defense (the V4 + France and Germany) expressed the political will to co-operate more intensively and – importantly – to strengthen the capabilities not only of NATO but also the EU, in order to meet the current and future challenges of European and international security.<sup>26</sup>

There remained, however, the big question of whether such cooperation could reach beyond the limited scope of the battle group project.

## Germany and V4 cooperation on the euro zone crisis

The euro zone crisis and the subsequent changes in the EU made regional cooperation more relevant.<sup>27</sup> It came as a surprise that the V4 came up with a joint policy position on the EU's financial framework in 2012.<sup>28</sup> At the same time, the euro zone crisis had further differentiated the V4. Each of the four countries followed a distinct strategy in regard to it until recently

<sup>23</sup> A. Stent, "Russland," in S. Schmidt, G. Hellmann and R. Wolf, eds, *Handbuch zur deutschen Außenpolitik*, Wiesbaden: VS Verlag für Sozialwissenschaften, 2008, pp. 436–54.

<sup>24</sup> I. Samson, ed., *Visegrad Countries, the EU and Russia: Challenges and opportunities for a common security identity*, Bratislava: Research Center of the Slovak Foreign Policy Association, 2010, pp. 27–8.

<sup>25</sup> N. Hynek, V. Střítecký, V. Handl and M. Kořan, "The US-Russian security 'reset': implications for Central-Eastern Europe and Germany," *European Security* Vol. XVIII, No. 3, pp. 263–85.

<sup>26</sup> *Ibid.*, pp. 8–9; "Cooperation in developing capabilities, solidarity in sharing responsibilities. Joint statement of the Ministers of Defense of the Czech Republic, the Federal Republic of Germany, the French Republic, Hungary, the Republic of Poland and the Slovak Republic after their meeting in Warsaw," March 6, 2013,

<sup>27</sup> R. Kavický, "Is V4 cooperation a safe haven in turbulent times?," in A. Gostynska, R. Parkes, eds, *Towards a V4 position on the future of Europe*, Warsaw: PISM, 2012, p.15.

<sup>28</sup> Similarly, the group was able to agree on a joint statement before the Chicago Summit of NATO in 2012.

(the Czech Republic will most probably experience a policy adjustment in which it will move closer to the mainstream position following the election in October 2013).

The group has been split over the euro itself. Slovakia worked hard to become eligible for the euro zone, and has engaged in a co-operative *Miteinander* with Germany since then. The original laggard has transformed into a vanguard of the V4 in terms of European policy. As Vladimír Bilčík points out, the "absence of community" between Slovakia and Germany (a concept coined by Pavol Lukáč) has been transformed into a more intensive relationship: Germany has become a key political and economic partner of Slovakia in the European Union.<sup>29</sup>

Under Prime Minister Nečas, the Czech Republic remained reserved as far as the adoption of the euro was concerned; the government led by the Social Democrats, however, committed itself to preparations for the adoption of the euro.<sup>30</sup> In contrast to Nečas, the German-Polish Program of Cooperation included the commitment of both sides not only to support all measures of economic governance designed to correct macroeconomic imbalances in the euro zone, but also to co-operate on Poland's journey toward the adoption of the euro.<sup>31</sup> Hungary postponed any serious consideration of the idea, perceiving it at the time as not being relevant.

Most of the differences within the group occurred as regards the institutional and governance aspects of the euro rescue strategy. The Eurosceptic parties in CEE countries<sup>32</sup> tended to project their objections concerning the EU's institutional development onto their attitude towards the German policy and the euro. So, while both Poland and Slovakia joined the Euro Plus Pact and the Fiscal Pact, the Orbán government rejected the Euro Plus Pact, and the Nečas government abstained from both Pacts. There was some commonality of approach between the European policies of Orbán and Klaus/Nečas: both emphasized nation-state sovereignty, both were wary of the European Commission and the communitarian mode of integration, and both rejected the German euro zone hegemony while at the same time seeking a matter-of-fact cooperation with Germany.

In general, the development of European governance in 2005–2012 along with the internal dynamics in individual countries reflected the internal cleavage of the V4 along the pro-European–Eurosceptic axis. The group's attitudes to the banking union was a good example both of the complex situation within the group and the group's relations *vis-à-vis* Germany.

On the one hand, the Orbán government rejected any fast progress in this regard as it sought to avoid direct controls from Brussels. A similar position was held by the Nečas government in Prague. Both approaches were in some respects compatible with the German interest in limiting the scope of control at the EU level, thus keeping the German regional banks (*Landesbanken* and *Sparkassen*) banks out of sight of the European Commission and the ECB.

<sup>29</sup> V. Bilčík, "Slovak-German relations: from absence of community to discovery through multilateral integration," in A. Sprüds, ed., op. cit., pp. 164 and 174.

<sup>30</sup> "Dokument: Text koaliční smlouvy," [Document: The text of the coalition agreement] *MF Dnes*, December 13, 2013. Available online: [http://zpravy.idnes.cz/text-koalicioni-smlouvy-06h-/domaci.aspx?c=A131213\\_100441\\_domaci\\_hv](http://zpravy.idnes.cz/text-koalicioni-smlouvy-06h-/domaci.aspx?c=A131213_100441_domaci_hv) (accessed on December 20, 2013).

<sup>31</sup> "Programm der Zusammenarbeit anlässlich des 20. Jahrestags der Unterzeichnung des Vertrags zwischen der Bundesrepublik Deutschland und der Republik Polen," June 21, 2011. Available online: <http://www.deutschland-polen.diplo.de> (homepage) (accessed on October 10, 2011).

<sup>32</sup> P. Taggart, A. Szczerbiak, "Coming in from the Cold? Euroscepticism, Government Participation and Party Positions on Europe," *Journal of Common Market Studies* Vol. 51, No. 1, pp. 17–37.

On the other hand, Slovakia and Poland were supportive of the banking union project and preferred – unlike Germany or the Czech Republic – a strengthening of the communitarian principle. Slovakia in particular, as a small state, tended to support the supranational mechanism of the EU rather than the intergovernmental one under which the relative weight of the large member states is more prominent.<sup>33</sup>

In general, we saw four alternative strategies developed by individual V4 countries in response to German leadership during the euro zone crisis:

- Slovakia implemented the strategy of followership and supports the German efforts to save the euro. Bratislava seeks to be relevant as a smaller partner, expressing at the same time a preference for a further deepening of the German European policy of Angela Merkel.
- Poland sought a strategic European partnership with Germany. Warsaw has urged Germany at least since 2011 to take up the leading role in rescuing the euro, the precondition of this support being the inclusion of Poland in the decision-making mechanism.<sup>34</sup>
- The Czech government under Prime Minister Nečas followed a strategy of cooperation on economic policies, institutional opt-outs and a Europe "à la carte".<sup>35</sup> The government of Prime Minister Sobotka changed this direction and sought the Czech Republic's integration into the European mainstream.
- In Hungary, a declining interest in the EU, a self-centered focus in policymaking, and an orientation toward China posed questions about the coherence of Hungary's commitment to the European project.<sup>36</sup>

Obviously, the differences within the V4 group made its cooperation and coordination on the euro issue a difficult task. The potential role of the group as a platform of European cooperation with Germany thus also remained unexplored. Supporters of the further strengthening of the communitarian principle sought to strengthen the institutions of the EU alongside the search for a solution to the euro zone crisis. They perceived Germany as crucial to the stabilization of the euro zone. However, by 2013 there was an impression that Germany had stopped short of a permanent solution to the problem. Some V4 officials viewed German policymakers as being afraid to take up the challenge of the disillusioned and increasingly skeptical German electorate and to argue for "more of Europe."<sup>37</sup> The predominantly piecemeal tactics of Chancellor Merkel were received with understanding but also apprehension: a break-up of the euro zone and of the EU as a whole was viewed as an option which could no longer be dismissed. Germany's reluctance to go further – from the rescue operation to a substantial reform of the EU – was viewed rather critically

<sup>33</sup> Interview with a high-ranking official at the Ministry of Foreign Affairs of the Slovak Republic, Bratislava, July 17, 2013.

<sup>34</sup> R. Sikorski, "Poland and the Future of the European Union," November 28, 2011. Available online: [http://www.ms.gov.pl/files/docs/komunikaty/20111128BERLIN/radoslaw\\_sikorski\\_poland\\_and\\_the\\_future\\_of\\_the\\_eu.pdf](http://www.ms.gov.pl/files/docs/komunikaty/20111128BERLIN/radoslaw_sikorski_poland_and_the_future_of_the_eu.pdf) (accessed on December 1, 2011).

<sup>35</sup> P. Nečas, "Máme 'luxus' svobodné volby," [We have the 'luxury' of freedom of choice] *Lidové noviny*, February 2, 2012. Available online: <http://www.euroskop.cz/9002/20276/clanek/necas-mame-luxus-svobodne-volby/> (accessed on July 12, 2013).

<sup>36</sup> R. Hsiao, M. Czekaj, "Is Hungary becoming China's hub in Central Europe?," *European Dialogue*, August 5, 2011. Available online: <http://www.eurodialogue.eu/eu-central-asia/Is-Hungary-Becoming-China-Hub-in-Central-Europe> (September 20, 2015).

<sup>37</sup> Interview at the Department of Policy Planning, Ministry of Foreign Affairs of the Slovak Republic, Bratislava, July 10, 2013.

both in Poland and Slovakia.<sup>38</sup> Also, the CDU-CSU and SPD coalition demonstrated that the course of intergovernmentalism in the European policy of Chancellor Merkel would remain largely unchallenged.<sup>39</sup>

One of the most important issues, and one which unites the V4 group, has been the coherence of the EU: apart from the eurosceptics (Czech Prime Minister Nečas propagated a "variable-geometry" Europe<sup>40</sup>), all the countries involved have sought to prevent a rift between the euro zone as a European core on the one hand, and the rest of the EU as a periphery on the other. Such a political outcome would negate the achieved level of homogeneity of the EU as well as of the Visegrad group – a deep split would result that would come with a substantial price, and not only for the left-out member states.<sup>41</sup> German firms have traditionally expressed their interest in expanding the euro zone into Central East Europe, thus reducing the transaction costs of their operations there.

In order to prevent further division within the EU, Slovakia sought the role of a bridge between the euro zone and her EU forerunners in the V4. Strengthening ties with Germany has now become the way to react to the euro zone crisis. Germany represented "a conduit to euro zone affairs" for those new member states which were not part of it. Poland also focused on co-ordination with Germany as regards the institutional restructuring of the EU.<sup>42</sup>

## Towards a more coherent center of Europe?

Summing up, as of 2013 we saw an obvious increase of commonality in the approaches to, and opportunities for, a closer cooperation with Germany. On the other hand, the German handling of the euro zone crisis fell short of the expectations of pro-European activists within the V4. No less importantly, the V4 itself – in order to become more effective – had to be decoupled from its "domestic political cycles," the Franco-German partnership being viewed as an example of such a move.<sup>43</sup> The mixed nature of the German hegemony, and the lack of a national consensus in some of the V4 countries, represent the factor of uncertainty.

Importantly, the crisis did not result in estrangement between Germany and the V4. On the contrary, Germany and the Visegrad (as well as the Baltic) countries "appear to be discovering common interests and shared values." For most of the newcomers to the EU, "more Europe" was a desirable solution, and "more Germany" as a part of "more Europe" seen not a problem, but rather as a contribution to the stability of the EU.<sup>44</sup>

<sup>38</sup> Interview at the Department of Policy Planning, Ministry of Foreign Affairs of the Slovak Republic, Bratislava, July 10, 2013.

<sup>39</sup> Koalitionsvertrag, op. cit., here mainly pp. 156–67.

<sup>40</sup> "Projev předsedy vlády Petra Nečase na poradě vedoucích zastupitelských úřadů České republiky," [Speech by Prime Minister Petr Nečas at a meeting of heads of the embassies of the Czech Republic], August 28, 2012. Available online: <http://www.vlada.cz/scripts/detail.php?id=98470&tmplid=50> (accessed on July 12, 2013).

<sup>41</sup> Interview at the European Department of the Ministry of Foreign Affairs of the Slovak Republic, Bratislava, July 23, 2013.

<sup>42</sup> D. Armitage, M. Zaborowski, W. Mitchell, R. Kron, *Translating opportunity into impact: Central Europe in the European Union, 2010-2020*, Washington: Centre for European Political Analysis, 2011, p. 7.

<sup>43</sup> Ibid, p. 40.

<sup>44</sup> Lang, op. cit., p. 6.

From the German point of view, the members of the so-called "Nordic group" (to which the V4 belong) seemed to have an essential role to play, as they might help to balance the so far overwhelming weight of the EU's southern countries. Also, Germany was the obvious ally of the V4 countries in their attempts to prevent a permanent internal division of the EU into a euro zone core and a non-euro periphery. The nature and level of the V4's involvement in finding a solution to the euro crisis, however, depended primarily on the ability of its individual countries and of the Visegrad group as a whole to rise above politics and produce a meaningful European policy.

The emerging European governance, the economic revival, the Eastern Partnership, and the development of security and defense cooperation all hold the promise of becoming projects on which the V4 countries and Germany can co-operate even more actively than on their previous defining project – the V4 accession to the EU.