



The paradox of French power

by Charles Grant, 10 December 2025

France has a very weak government with an uncertain future, yet it remains a dominant force in EU policy-making. How does one explain this paradox?

Ever since the days of Robert Schuman, Jean Monnet and Charles de Gaulle, French politicians and officials have played a huge role in shaping the European project. More recently the likes of Valéry Giscard d'Estaing and Jacques Delors have made their mark. Even when France lacked such eminent leaders, as for example during the presidencies of Nicolas Sarkozy and François Hollande, the French government still wielded great clout in Brussels. Emmanuel Macron, who became president in 2017, enhanced that influence, through taking a great interest in the EU, and having ideas on how to change it. But given the political disarray to which France has succumbed in the past 18 months, with a succession of weak governments unable to forge a majority in the National Assembly, one might have expected French influence to diminish.

This has not been the case. France remains a force to be reckoned with in EU policy-making, in areas such as industrial and trade policy; defence policy; and relations with the UK.

Nowhere has French power been more evident than in the story of Britain's failed attempt to join Security Action for Europe (SAFE), the new EU scheme designed to encourage the integration of EU defence industries through EU lending and joint procurement. The UK was not seeking grants or even loans from SAFE, but wanted its companies to be eligible to benefit from joint procurements.

Most EU member-states wanted to see the UK involved. The French said much the same. But the view of some senior Brussels officials, working for both permanent representations and EU institutions, is that France did not want to see the UK in SAFE. Whatever the truth, what is undeniable is that France persuaded Coreper (the powerful committee of permanent representatives to the EU) to set conditions for membership that would be hard for the UK to meet. And Coreper instructed the European Commission to pursue those conditions.

There were two bones of contention. First, the percentage of components of an armament that need to be EU-sourced to qualify for SAFE. France wanted 65 per cent, the Commission 50 per cent and the UK a lower figure. Second, and more controversially, France and the Commission wanted the UK to pay an entry fee of €4-6.5 billion – with the higher figure kicking in if the percentage of EU-sourced components fell below 50 per cent. The EU was asking for a sum equivalent to about 10 per cent of the UK defence budget. The British were willing to offer millions, not billions, and though the EU lowered its demand to a few billion, the gap could not be bridged.

What is strange about this episode is that the overwhelming majority of the member-states want the UK defence industry to integrate with that of the EU. So how did France persuade Coreper and the Commission to propose such demanding entry criteria? On a recent trip to Brussels, I put that question to officials in the permanent representations and EU institutions.

Some Commission officials were rather embarrassed. They spoke of the immense pressure that France had brought to bear. One said that the Commission was uncomfortable with the demands it had made, but that Coreper had given it clear instructions. Another said: “We were in a rush, and that is when you are liable to make mistakes.” One French official – working for an EU institution rather than for France – thought France had “bullied” the Commission. A Commission official said that EU governments had not watched this dossier closely enough: a lot of countries already had bilateral defence industrial ties to the UK and were not particularly bothered as to whether SAFE led to extra connections. One national official said that on Coreper there was a tacit understanding that one had to let France get part of what it wanted on defence issues, because the French really cared about defence. Several officials admitted that the EU had handled the matter poorly; the episode had generated unnecessary ill-will across the Channel.

There is an ambivalence in French attitudes to the British, when it comes to defence. On the one hand, they value close bilateral ties, such as those enshrined in the Lancaster House treaties (as recently as July, in the Northwood Declaration, Macron and Keir Starmer committed to working together on their nuclear deterrents). And the French like the UK being a leader, alongside themselves, in informal groupings such as the coalition of the willing that has dealt with the war in Ukraine, or the E3 (Britain, France and Germany). But on the other hand, they are not keen to see close ties between the EU and the UK on defence issues. This is because France, pre-eminent in EU defence, does not want its leading role to be challenged.

The EU has launched a host of initiatives on defence policy in recent years, such as the European Defence Fund (EDF), the European Defence Industry Reinforcement through common Procurement Act (EDIRPA), and the European Defence Industry Programme (EDIP). The Commission thought them up, but France has done a lot to shape their rules, to ensure that non-EU companies cannot benefit significantly from them. The Nordic and Baltic countries, Poland and Germany have argued for more open rules, so that non-EU firms can participate. But the French have emphasised the need for the European defence industry to develop independently of third countries such as the US and have usually won the argument.

The British must pay to play

France is influential on the entirety of UK-EU relations, and not just on the defence angle. Ever since the Brexit referendum in 2016, France has been at the hard end of the EU spectrum on the kind of relationship that the British should be offered. There have been more people in France than in other member-states seeing potential benefits from Brexit. For example, the French have sought to profit from Brexit by enticing financial services firms to relocate from London to Paris.

This pattern has been repeated this autumn. The UK-EU 'common understanding', a document signed in May, said that Britain should negotiate to rejoin two sectors of the single market – sanitary and phytosanitary standards (SPS, that is plant and animal health), and electricity trading. The UK would accept EU rules in these areas, including any future changes, and also a role for the European Court of Justice in policing disputes. Coreper has just given the Commission a mandate to negotiate on SPS and will soon do the same for electricity trading.

But now the EU is saying that the UK must make a financial contribution to the EU's cohesion funds, in return for single market access. After all, says the EU, that is what Norway and Switzerland do. To which the obvious riposte is that those two countries are in large parts of the single market, not just two narrow sectors. And the EU never mentioned such payments when the common understanding was negotiated.

The Commission did not think up this idea, which originated in Paris. However, the French have found a lot of support from other member-states, notably those that benefit from cohesion funds. There was some resistance in Coreper from countries that are keen to trade electricity with the UK, such as Germany, the Netherlands, Belgium and Ireland. But they lost the argument. The British will have to pay up. The sums involved, however, are unlikely to be large, and may be measured in the tens of millions of euros a year.

Electricity trading is likely to entail other difficulties, in addition to money. The EU is set on making extensive demands for 'level playing field' provisions. The British would have to follow not only EU rules for electricity trading but also rules in areas that could affect the power market, such as environmental standards and state aid. The EU's logic is that if the UK produced electricity while following less rigorous standards, it could undercut continental power companies. The argument will be over how wide the EU extends its level playing field. Some British officials fear the EU will insist on harmonising rules across large swathes of the single market. France, of course, is in the forefront of the push for level playing field provisions.

A very French industrial policy

Another important area where the French are influential is industrial policy. They have always wanted the Commission to be more interventionist and protectionist, and in recent years have seen it move in that direction – helped by the absence of the free-trading British. To take a few examples of legislation passed since 2019, when Ursula von der Leyen began her first term as Commission president:

- ★ The Net Zero Industry Act set targets for producing green technologies within the EU, and simplified regulatory procedures.
- ★ The Critical Raw Materials Act set targets for the production and processing of critical raw materials such as lithium and rare earths within the EU, and streamlined permitting.
- ★ The European Chips Act seeks to strengthen Europe's semiconductor ecosystem, to reduce dependence on non-EU suppliers.
- ★ The Foreign Subsidies Regulation allows the Commission to investigate state aid outside the EU that distorts competition in the single market, for example by facilitating the takeover of an EU company.

France's influence over this agenda has been significant. For example, Thierry Breton, the French commissioner in charge of industry in von der Leyen's first term, played a big role in the four measures

just mentioned. Stéphane Séjourné, Breton's successor, is closely involved in initiatives currently going through the EU system, such as the Economic Security Doctrine (which will give the EU a menu of options for responding to unfair trade practices) and the Industrial Accelerator Act (which will introduce 'made in Europe' targets of up to 70 per cent for certain products such as cars).

France has long wanted to see the emergence of 'European champions' in several industries. It has argued that EU competition policy has been too purist and prevented the emergence of such champions. The current merger regulation is not going to be changed, but the Commission is reviewing the guidelines on how it should be interpreted. And plenty of recent Commission decisions – such as the imposition of tariffs on Chinese EV imports, and the plan for swingeing tariffs on all imported steel – are in line with French thinking.

The sources of French power

Nobody can doubt French influence in the EU. But, given the political weakness of France's government, what explains it?

The first set of answers lies in Paris. The French constitution gives the president huge powers over foreign and defence policy, even when the government is weak. Macron uses these powers to the full – he takes a strong interest in what the EU does, is hugely experienced, brims with ideas and launches many initiatives. Other EU leaders lack Macron's powers and skillset and do not produce the kind of ideas that he does. The way the EU works, countries that take initiatives tend to be influential.

The second set of answers lies in Brussels. Macron has continued a long French tradition of ensuring that many key jobs in Brussels are held either by French people or those sympathetic to France. The French regard Ursula von der Leyen as their protégé; Macron was instrumental in her appointment as Commission president in 2019 (she is German but many German politicians also see her as a French protégé). She does not always do what the French tell her – she has campaigned for the free trade agreement with Mercosur, against Paris's wishes – but she often tries to accommodate French preferences. Recently, for example, she has rowed back on much of the green agenda that she prioritised in her first term of office, and she is trying to pass legislation that will simplify reporting requirements on businesses. Von der Leyen's deputy head of cabinet is French. So is the director-general in charge of the EU budget, as was until recently the director-general for competition policy. During both von der Leyen's terms, the commissioner in charge of industry has been French.

Particularly influential is Philippe L glise Costa, France's permanent representative to the EU. In the job for more than eight years, he knows the dossiers extremely well and his forceful personality can dominate discussions in Coreper. A fellow permanent representative describes him as "strategically brilliant". A different permanent representative said that the weakness of the government in Paris had in practice increased L glise Costa's leeway in Brussels.

Germany's voice tends to be an influential counterweight to France in the EU, often favouring less EU spending and sometimes opposing protectionism. But German clout diminished during Olaf Scholz's government, which took office in December 2021 and lasted just over three years. His coalition was beset with internal arguments and Scholz did not take a great interest in the EU. To some degree Michael Clauss, Germany's permanent representative, maintained German influence, thanks to his authority and experience. Clauss often balanced L glise Costa within Coreper. But in May Clauss left for Berlin, to become Chancellor Friedrich Merz's European adviser.

The third and most important set of answers is that the world has changed in ways that make French thinking seem in tune with the times. The French have always believed in tempering free trade with industrial policy, the protection of industry and the principle of *préférence européenne*. But in recent years the experiences of the Covid pandemic, the war in Ukraine, Chinese mercantilism and Donald Trump's return to office have made their mark on the rest of the EU. Many Europeans worry about the security of supply chains, the risks of excessive dependency on particular countries and the need for Europe to become more self-reliant. This thinking applies to areas like critical raw materials, energy, key technologies and defence equipment.

Economic liberals have been losing the argument. According to an official in a Commission directorate-general that is usually regarded as economically liberal: "In the 1980s and 1990s people believed markets could solve any problem." But the reality had changed, they said, with things like Covid and the Ukraine war making people worry about the security of supply chains. "So the theory had to change too. The French are sometimes right. Globalisation is not always good."

Consider the convergence of thinking between France and Poland. Since the latter joined the EU in 2004 these two have not been particularly close, partly because of Poland's Atlanticist leanings. But now, according to a Polish diplomat, "we often align with France. We want to protect our industry – for example we support the recent EU restrictions on imports of Norwegian ferro-alloys," they said. The diplomat noted that both the July 'Turnberry' US-EU trade deal – which was strongly tilted in the US's favour – and the recent Chinese restrictions on rare earths were wake-up calls for the EU. "So we have become more like the French in our thinking – the EU needs to adopt new tools like the anti-coercion instrument that will give it more muscle." They said they were relaxed about French influence on trade policy, and that Poland was also close to France on defence issues.

Macron has long preached the importance of 'European strategic autonomy', but now many others agree with him. "Strategic autonomy is no longer a dirty word in this town," according to one permanent representative. The irony is that in France very few people are aware of how powerful their country is within the EU. Macron is so unpopular that he gets little credit for winning arguments in Brussels. But he often does win them.

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