# DEUTSCH-BRITISCHE GESELLSCHAFT

### 59th Young Königswinter Conference

Wednesday 17<sup>th</sup> July – Sunday 21<sup>st</sup> July 2019, Berlin

### Conference Report



### The Future of the UK-German Relationship in a World of Danger

- 1. The UK, Germany and Europe after BREXIT: how do we strengthen the global architecture?
- 2. Globalisation, artificial intelligence, climate change social market economy, welfare state, U.S. capitalism, Chinese model
- 3. Social cohesion in danger

### **Programme**

### **Conference Venue**

Europäische Akademie Berlin Bismarckallee 46/48 D-14193 Berlin www.eab-berlin.de

### Organiser

Deutsch-Britische Gesellschaft e.V. Pariser Platz 6 10117 Berlin

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### Date

17<sup>th</sup> - 21<sup>st</sup> July 2019

### **TOPICS**

- 1. The UK, Germany and Europe after BREXIT: how do we strengthen the global architecture?
- Globalisation, artificial intelligence, climate change social market economy, welfare state,
   U.S. capitalism, Chinese model
- 3. Social cohesion in danger

### Wednesday, 17 July 2019

12:00 Arrival and check in

Light Lunch at EAB

13:00 – 14:30 Opening of the conference

by the Chairman

HANS-HENNING HORSTMANN, Ambassador ret. Chairman of the Deutsch-Britische Gesellschaft e.V.

**Keynote Speakers** 

SIR SEBASTIAN WOOD KCMG, Ambassador, British Embassy in Berlin STATE SECRETARY DR. ANDREAS MICHAELIS, Federal Foreign Office

14:30 Coffee break

15:00 – 17:00 **Tour de Table** 

**Introductions** to the study group topics by selected participants

17:00 Coffee break

17:30 – 19:00 Study group sessions begin

Selection of Chair and Rapporteur

19:30 Dinner hosted by SIR SEBASTIAN WOOD KCMG

Ambassador, British Embassy in Berlin

### Thursday, 18 July 2019

08:00 Breakfast

09:00 – 10:30 Lecture with regard to the topic of group II

Speaker: Dr. Ruprecht Brandis, Director External Affairs Germany, BP

Europe SE

10:30 Coffee break

11:00 – 13:00 **Study groups** 

13:00 Lunch at EAB

15:00 - 17:00	Lecture with regard to the topic of group I  Speaker: Doмinik Mutter, Head of Unit 211: Security Policy, Non-
	Proliferation and Arms Control, Bilateral relations with the states of North America, Northern, Western and Southern Europe as well as with Turkey, Bundeskanzleramt
19:00 - 22.00	Würth Haus, Schwanenwerder

Lecture Concert Reception

### Friday, 19 July 2019

08:00	Breakfast
9:00 – 10:00	AMBASSADOR THOMAS OSSOWSKI, Special Representative for the Negotiations on the EU Multiannual Financial Framework and Deputy Director-General for European Affairs Opening Remarks and Q&A
10:00	Coffee break
10:15 - 11:15	Lecture with regard to group III
	Speaker: ALMUT MÖLLER, Head of Berlin Office, European Council on Foreign Relations
11:15 - 13:00	Study groups
13:00	Lunch at EAB
14:00 - 15:30	Study groups
15.30	Coffee Break
16:00 - 18.30	Study groups
19:00 - 21:00	Dinner at the invitation of the Federal Foreign Office Clärchens Ballhaus

### Saturday, 20 July 2019

08:00	Breakfast
09:00 - 10.30	Study groups
10:30	Coffee break
11:00 - 12:30	Preparation of study group reports
12:30	Lunch at EAB
13:30 - 15:30	Presentation of working group results Plenary session
15:30	Coffee break
16:00 - 17:00	Continuation of presentation of working group results
19:00	Boat trip through the historical centre of Berlin with buffet Presentation of the Young Königswinter Alumni e.V.
22:00	End of Conference

### Sunday, 21 July 2019

08:00 Breakfast and check-out

### **Conference Sponsors**

The conference has been made possible by the kind support of:





Königswinter Stiftung

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### Topics for the 59th Young Königswinter Conference 2019

# Group 1: The UK, Germany and Europe after BREXIT: how do we strengthen the global architecture?

How to strengthen the transatlantic bond with the United States (more and more unpredictable?) Russia's power projections and new alliances: what kind of EU+ strategy to prevent conflict by coincidence?

Can China be engaged? What are our priorities and means? How to improve the relations with our neighbouring continent Africa? International answers to worldwide fundamentalist terrorism

# Group 2: Globalisation, artificial intelligence, climate change - social market economy, welfare state, U.S. capitalism, Chinese model

Who are the actors now, who should be the players? What can individuals, markets, states and international organisations do? And in which system?

How can Britain and Germany best cooperate in all three areas? Whose partnership should we seek? The United Nations are strongly engaged in the areas of climate, environment and development-should they be more involved in other questions of the 21st century?

The future of work in the digital age: generational changes? More or less regulation? Work-life-balance?

### Group 3: Social cohesion in danger

Means to bridge the Brexit divisions within the UK and between the UK and Germany Political class and the estranged citizen: what kind of confidence building measures to moderate a togetherness of state and citizen?

Representation matters: how to include and engage marginalised groups in all levels of society? What special challenges do women face?

### Report

### Background

The 59th Young Königswinter Conference took place at the Europäische Akademie Berlin (Grunewald) in the very best of weather conditions from the 17th to 21st July 2019. There were 45 participants, about half of them were of German and the other half of British nationality. The conference took place during a difficult political time, both in Germany and in Britain, as well as globally. Of course, Brexit played a role in conversations, even though the greatest enthusiast must be tired of talking about it now after 3 years of negotiations and, indeed, whenever a Brexit-related question was asked of a speaker, an apology preceded the question. The looming new PM of the UK was also frequently referred to. President Trump and his unpredictable policies played a major part in conversations about the more and more volatile world, as did other emerging populists.

During the course of the conference, China and Russia were agreed on as major threats to the Western world, economically as well as for Western liberal democracy. In a nutshell, it can be said that participants were in consensus that the world is in crisis and Europe has to find a better approach to work together to combat major threats, such as climate change. Germany and the UK will have to find a way of cooperating after Brexit. The yearly Young Königswinter Conference is one of many important aspects of this relationship.

### Wednesday, 17th July 2019

### Opening of conference

The conference commenced with a few opening remarks by the Chairman of the Deutsch-Britische Gesellschaft, Hans-Henning Horstmann, Ambassador ret. He heartily welcomed the participants and said that although the programme was made up by the Gesellschaft, the conference was up to the participants. It is all about creating and continuing a dialogue.

During their respective opening remarks, the British Ambassador to Germany, Sir Sebastian Wood KCMG and State Secretary Andreas Michaelis, Auswärtiges Amt, highlighted their personal experiences with Germany and the United Kingdom. They both explained their views on Brexit and the importance of strengthened bilateral bonds.

### **Study Group Introductions**

Two members of each of the three study groups were asked to present their initial thoughts on a set of questions posed to each study group.

# Group I - The UK, Germany and Europe after BREXIT: how do we strengthen the global architecture?

The introduction to the first study group's topic started with the presenter's statement that our world is becoming more and more volatile and nothing is as it may have seemed before. The EU wants an ever closer union but has to deal with Brexit. The US is the supposed world leader, but with the President it cannot be accounted for any more. Although Russia and China present the

major threat to the Western world, the US is also perceived as a threat by the public. People have more confidence in Macron and Merkel than in Trump or Putin.

But can we really rely on this world order? For it to remain stable, Europeans must work more closely together and there needs to be a more integrated foreign policy. They share the same interests and therefore should solve conflicts together. Jean-Claude Juncker has been saying that the EU must become "weltpolitikfähig", but that can only happen when there is qualified majority voting in the EU. The EU must find a united policy and give clear positions on things like the Libya conflict. The participant then finished up by saying the UK should remain a crucial part of Europe after Brexit. It is a shared interest between the UK and the EU to keep ties as close as possible. However, it is no simple task as there is no precedent, i.e. the UK is the first member leaving the EU, looking for a new relationship. The Norwegian model cannot be adopted, as it was created in a completely different context.

The second presenter took a closer look at China and the EU's policy towards the country. In general it is a good relationship when it comes to trade. But the value-based relationship is not as good - the EU does not want to turn a blind eye on China's human rights violations. Ever since March 2019 China is also officially labelled an economic competitor and rival to the EU, as stated in an EU strategy paper. The UK, on the other hand, seems to be a little softer towards China and is the No. 1 investor in Chinese products at the expense of Human Rights. After Brexit, the UK and the EU will still have the same interests in China. A question that will be coming up in the future is whether a value-based relationship is needed or whether it is a dated concept.

# Group II - Globalisation, artificial intelligence, climate change – social market economy, welfare state, US capitalism, Chinese model

The second group's first spokesperson started off by explaining how globalisation, artificial intelligence and climate change are interconnected. He then introduced the two contrasting economic and government models of China and the US. With an autocracy and its focus on local government, China has an advantage over the US and the rest of all the Western democracies, as there is no official opposition and no separation of powers in China. This way, the Chinese government can act however they want to. For example, there was no barrier for the Chinese government to overcome when it came to their huge investments in car batteries, which lead to the industry now being based in China and even Germans now using Chinese batteries. As the Chinese were much quicker in investing in this technology, the German market could not keep up.

The US model on the other hand has a power sharing system with the President on the one side and Congress on the other. However, the President is not to be underestimated, as he had the power to start trade wars, for example. But there is also Silicon Valley, also not to be taken too lightly. It is clear that the American President cannot act the same way the Chinese government can and the spokesperson therefore applied the metaphor of a lame duck to Western democracies, when compared to the Chinese model. He also singled out Europe for not leading in major investments.

The second presenter again put the focus on American capitalism and the Chinese model. She also suggested that there are different economic models in the two countries of the UK and Germany. Germany has a more consensual approach to policy making and is fast at implementing these policies, whereas the UK is more experimental, but could learn from Germany. The Chinese

model is even more inventive and is very robust. Perhaps liberalism with Chinese characteristics would be a solution.

### **Group III - Social Cohesion in danger**

The last group's presenters put the focus on different perceptions of inequality and its impact in the two countries. The first presenter drew attention to the divergent distinction between perception and reality of inequality in the German public, with the perception being much greater than it is in reality. In studies from 1999, 2009, 2011 and 2015, participants compared the German society to a pyramid, estimating that most people are at the bottom of society with the lowest income and the density of people only slowly decreasing higher up. In reality, most Germans are middle class and earn a comparable income. However, only very few have higher wages and are able to climb the social ladder. The speaker then concluded that a society usually overestimates its inequality, with the US being the only exception. The perception of the state of the economy is usually also worse than it actually is.

The second presenter laid out her research on British society and looked at figures concerning the EU referendum. Her first piece of research examined the interplay between personality, deprivation and English identity and how this affected the Leave vote. She found that the average Leave vote of post-industrial constituencies was nearly 30 percentage points higher than in cosmopolitan centres. And while English identity and Euroscepticism were known predictors of voting Leave, openness to experience was a predictor of voting Remain. Deprivation played a big part in the share of the Leave vote and different kinds of deprivation also had different effects on the vote. The second piece of research presented was about voter turnout at the EU referendum and how it was affected by deprivation, personality traits and area classification. It showed that there was a turnout gap between rich and poor areas, with political alienation and income/employment deprivation being two of the main predictors for low turnout.

### Thursday, 18th July 2019

#### Lecture with regard to the topic of group II

#### **Dr Ruprecht Brandis**

Director for External Affairs at BP Europe SE

Ruprecht Brandis opened his speech with two statements: the energy market is changing in a remarkable way and climate change is creating challenges for everyone. Therefore, the energy market needs to be adapted to combat climate change and a solution needs to be found soon. Oil used to be available in abundance, but now we need to ask ourselves what the future of transportation looks like. There has been a rise in energy demand over the past decades, which is also connected to our idea of the quality of life. The downside to this demand is the fossil fuel challenge. In Europe, demand for gas and renewable energies is increasing, and although nuclear energy is a zero-emission option, it probably will not play a big role in the reduction of emissions in Germany. India and China have an increasing demand for coal which will pose a particular challenge in fighting climate change.

Several scenarios to decrease energy demand were discussed: less globalisation, rapid transition or evolving transition, followed by an elaboration of the advantages and disadvantages of a CO2 tax and emission trading systems.

It was clear that global energy system is undergoing a major transformation and in order to combat climate change effectively there needs to be a mix of policy measures, new technologies, and new lifestyles.

### Friday, 19th July 2019

### Lecture with regard to the topic of group III

### Almut Möller, Head of Berlin Office

European Council on Foreign Relations (ECFR)

Almut Möller began her speech by stressing the importance of understanding social cohesion, before presenting the ECFR's new social cohesion monitor (https://www.ecfr.eu/eucohesionmonitor#).

The Monitor is an assessment of cohesion in the 28 EU member states. It was created with the assumption that EU member states with good internal cohesion often want to cooperate within the EU. The data is based on 10 years of research between the years of 2007-2017 and it is a continuing project. The EU Cohesion Monitor distinguishes between two different dimensions of cohesion which are individual and structural cohesion. "Individual cohesion describes people's experiences, attitudes, beliefs, and well-being. Structural cohesion is shaped by connections and practices between countries on the macro-level, including the actions of economic, political, and cultural elites."

The interactive document is over 300 pages long and demonstrates very clearly all the collected data. Möller said that Europe is able to be cohesive and to produce cohesion, contrary to what is often suggested – that the Eurozone lacks cohesion. Mostly structural cohesion in countries is solid, whereas individual cohesion is more often under threat. The data also shows that voting patterns are volatile. There is also a definite correlation between the population of a country and its cohesion.

### Saturday, 20th July 2019

### **Study Group Presentation**

# Group I - The UK, Germany and Europe after Brexit: how do we strengthen the global architecture?

In their discussions, the group distinguished between global architecture and global order: global order is the current existing power dynamic within the global arena and global architecture is the blueprint by which the states engage with each other.

The group split into three subgroups during their discussions and while they considered a regional focus, the three groups were eventually formed in the following way: Norms and Values, Economy and Trade, Defence and Security.

#### Norms and Values

Another distinction was made between thin and thick global architecture. Thin global architecture consists of all principles that are so basic that they serve as the lowest common denominator between all states. These are: the principle of no violence, the principle of sovereignty, the principle of non-interference, the principle of governance and the rules of engagement, which is the most basic principle of all.

In contrast, thick global architecture is about the similarities and differences between countries, for example in terms of values. Here, the most fundamental differences between the UK and Germany are the Eurocentric worldview in Germany and British exceptionalism, the different views on military intervention with the UK being much more pro-active, and the UK's generally more pragmatic approach.

However, Germany and the UK share a lot of the same values which may be regarded as thin layers of global architecture. For example, we do share the same opinion on freedom of speech, human rights, and the importance of minority rights.

### **Economy and Trade**

The second sub-group decided to look at three countries with regards to German and British trade and these were the US, China and Russia. When it comes to the US and the UK, the group envisioned a skill trade as a possible solution to work on trade relations with the US. After all, the cultural bonds between the UK and US are somewhat unique and should be made the most of.

China as a trading partner was judged to be not very trustworthy. China's norms and values are quite different from those of Germany and the UK and it is also too big a country to compete with individually.

Russia has different economic and trade relations with the UK and Germany. While Germany relies heavily on Russia for gas and has an overall better relationship with Russia, the UK's view on Russia is somewhat under strain and Russian property investments in the British capital are viewed critically.

A possible solution to work out better trade relations suggested by the spokesperson would be that Germany could act as a kind of mediator between Russia and the UK, whereas the UK could act as one for China and the US.

### **Defence and Security**

The group working on security again looked at sub-topics that are affected by or have an impact on defence and security, i.e. institutions, regional challenges and threats.

For example, NATO may be weakened by further European integration, but Germany and the UK need to jointly promote European interests in NATO, regardless of the outcome of Brexit. And although the E3 may not be as institutionalised as NATO, they need to be reminded of how important and powerful they can be. Regarding the regions, the group looked at China, Russia and Africa. They concluded that in regard to Africa, one should be more far-sighted and not only concentrate on immediate challenges like migration. However, whether migration is only an immediate challenge remains to be seen. Russia and the US were considered important regions in terms of future security matters.

Major security threats, according to the group, include illicit flows (drugs), terrorism, (cyber) war fare, climate change (which amplifies existing challenges) and arms control. Moreover, there is a great competition for power and Germany and the EU need to act in order not to lose their significance in world affairs. Continued close cooperation needs structure.

In conclusion, there is an increasing fracturing happening in the world order and the global architecture needs to be strengthened by the pursuit of increased cooperation.

# Group II - Globalisation, artificial intelligence, climate change – social market economy, welfare state, US capitalism, Chinese model

#### Globalisation

In the current discussion of globalisation and what should be done in order to level the playing field, there are two options. One is protectionism and the other is an offensive investment in foreign products. Over the past years, we have been experiencing protectionism and low tariffs from the US and the group suggested we need to think about whether we want to become like them or whether we should become more progressive. We should also look at the competition policy in the EU and think about investments.

### Artificial Intelligence

The spokesperson from the artificial intelligence group began her statement by asking the audience if they were afraid of artificial intelligence. The audience was split 50/50, which is in compliance with a British survey. She said that artificial intelligence was often perceived as the biggest threat facing humanity and stressed that it was one of the most important areas for government policy. For many people it is the most pressing issue of society and on a domestic

level we are already facing challenges, like potential job replacements because of automation. On an international level, artificial intelligence could increase international instability. Countries such as the US, the UK and China are already competing to become the leading investor in artificial intelligence and approaches differ largely, e.g. when it comes to data protection. To end all competition, the group has come up with a vision: Artificial intelligence should become a global public good, so that everyone can benefit from it. We need to move away from national interests and come up with more international solutions, such as institutions, cooperation, governance and accountability. The group proposed further points of action, e.g. an open discussion between experts rather than just politicians, retraining workers and rethinking the working week, as well as introducing internationally recognized AI principles and establishing domestic institutions monitoring AI activities. Moreover, in the interplay between the private and the public sector, an EU fund should be established to avoid foreign acquisitions of strategic AI assets and the cross-border research & innovation labs should be enhanced.

### Climate change

The spokesperson for climate change stressed that in their opinion, it is climate change, and not artificial intelligence that is posing the biggest threat to humanity. She then offered prepositions how climate change could be tackled. According to her, two fundamental changes are needed. One change needs to be made in government structure and the other in economic growth. During their discussions, the group also debated whether democracy is really the best governing model to tackle climate change. Climate change should be considered as a threat to national security. Therefore, governments should form a national climate committee, like the already existing national security committee. Indeed, climate change should be front and centre of every government policy. The EU could leverage its position by incorporating climate targets unto future trading negotiations. Further, Official Development Aid (ODA) could be dependent on meeting climate targets or signing up to environmental agreements.

Regarding economic growth, we should start internalising costs of climate change, as for too long we have been sacrificing long-term prosperity for short-term gains. We need to be honest that this will mean an increased cost for government, for business and for individuals, but ultimately this will be the benefit of future generations. No small policy interventions are going to be sufficient and no small life-style changes are enough, what we need is a bold approach to tackle the biggest threat to our existence.

Nonetheless, the central focus in the climate change discussion should be understanding the impact of individual behaviour on our planet. Thanks to Fridays for Future and people like Greta Thunberg, the impact of climate change has reached the public eye. Consumers have a large impact through the daily choices they make about what and whose products they buy. Communities should be considered as an important factor and honesty is at the centre of it all. Governments need to be honest with their people and companies have to be more transparent so that customers can make informed choices. People need to rethink their behavior and learn that lifestyles that are currently taken for granted are not sustainable.

### **Group III - Social Cohesion in danger**

The third group like the other two groups split up into three sub-groups during their discussions and worked closely with the questions given to them. One of the questions suggested to look at representation and marginalised groups and so the group decided on five marginalised groups which they took a closer look at in the UK and Germany. These five groups were in regard to regional background, gender, socio-economic background, age, and ethnicity. The first chart shown by the presenter was on parliamentary representation and showed that women are still underrepresented, both in Germany and the UK. 70 per cent of MPs are men and only 30 per cent women. Another remarkable misrepresentation is the number of privately educated MPs in both parliaments, in comparison to their small percentage in both countries' population numbers. While barely 20 per cent of the German population are academics, it is over 80 per cent of the MdBs who have a university degree. The spokesperson then took a closer look at corporate and media representation in regard to gender and ethnicity. Interestingly, she found that for example the Brexit campaign from 2016 was very male dominated. Apparently, 75 per cent of the voices heard on TV and the radio during the campaign were male and in print media 85 per cent were men that participated in the debate.

Looking at the estrangement of citizens in both countries, the next presenter suggested that it was an estrangement with the political process but also with each other. There has been a shift away from "Bürgerparteien" like the CDU & SPD in Germany and the Conservatives and the Labour Party in the UK towards more specialised parties that focus on one topic like the Greens and AFD in Germany and the Lib Dems and UKIP / Brexit Party in the UK. This estrangement is a feeling of disconnection. People often feel like parties do not listen to their voices anymore and therefore feel disempowered. There is a huge divide between urban and rural areas. While in cities, people may feel empowered and make their voices heard in movements such as Fridays for Future, people in rural areas feel this disenfranchisement and disempowerment. The challenges of our societies include the more and more popular idea of the career politician who is not a good representative of a normal lifestyle and the loss of local communities. The idea of tying yourself to your local community is getting lost and there seems to be a loss of belonging and feeling at home (Heimatverlust). The German "Vereinskultur" is slowly disappearing and thus structures that may offer identification decline. At least, this is a common fear of Germans and the question that is often asked is why the politicians do not act in my community. The estranged citizen is very much founded on an emotional response to current issues.

The shift towards such new media like Facebook and Twitter allows for a more direct interaction which is also much quicker, but it can easily lead to aggressive communication. Additionally, traditional media covers less local news than it used to and it getting more centralised also contributes to the disconnection and the feeling of misrepresentation amongst many citizens.

The group then did an interactive experiment with the audience to underline how privileged formats like Young Königswinter are. The two questions asked were how many of us come from Eastern Germany or outside London and how many of us did not go to university. Not many raised their hands at the first question and nobody had their hand up for the second.

The next spokesperson looked at the Brexit division within the UK, first by quoting a study from King's College: The EU referendum campaign was the UK's "most divisive, hostile, negative and fear-provoking of the 21st century". Other findings from the study included: The media

exacerbated existing underlying divisions in the UK and Post-industrial areas had a 30 per cent higher share of the leave vote than cosmopolitan areas. This highlights cleavages between the winners and losers of Britain's experience of globalisation and austerity policies by the government did not help there either. There also seems to be a strong positive correlation between education, skills & training deprivation and the leave vote share in a local authority. Another survey found that about half of the respondent leave voters gave the issue of sovereignty as their main reason to vote for Brexit and a third of those interviewed leave voters gave immigration as their reason.

The spokesperson then looked at the different views the citizens of Germany and the UK have of the EU. She showed a chart by the European Commission that illustrated a survey from November 2018 taken on how people personally viewed the EU. While 50 per cent of respondent Germans said they associated the EU with peace, it was barely 30 per cent of the British respondents. The biggest difference was in the association with the Euro as a currency. 20 per cent of the British respondents associated "Loss of our cultural identity" with the EU, while it was only 10 per cent of the German respondents.

The main take away from the group discussions was that narratives matter and that it is narratives that shape identities. There should be reasonable data collection showing how discrimination affects division in society. There should be political reforms, may it be lowering the voting age and /or quotas. But the important thing for political parties is to recognise their value as a political forum. People have different views and we need to listen more to each other.

### Lastly

It is sufficient to say that the 59th Young Königswinter Conference was a great success.

The last day was celebrated with a boat trip through the city centre of Berlin.

Eva-Maria Kilian

Berlin, August 2019