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Deeper union is risky transaction

Angela Merkel, the German chancellor, has set the cat among Europe's pigeons by suggesting at her party's annual conference that political union could save the European project in its "toughest hour". Germany would even be prepared to cede some national sovereignty in return for closer economic and political ties, she says.

If this was intended as a message to her domestic constituency in an attempt to win more room for manoeuvre in dealing with the eurozone crisis, it would be understandable.

But if Ms Merkel is serious in pushing for far-reaching treaty changes in the near term she risks dividing Europe at a time when it should be focusing on the more immediate issue of the sovereign debt crisis. It is perfectly legitimate for Germany to press for political union as a long-term objective. But many in Europe fear the consequences of reopening the question of institutional change at a time when the European Union is facing the biggest test of its existence. Enda Kenny, the Irish prime minister, has said this would be "very challenging" to accept and implement for some countries

It might be tempting to accuse Ms Merkel of seeking to hold Europe hostage. The suspicion might be that Germany is setting conditions for its support in reinforcing an urgently needed bail-out fund. But, to be fair, the German chancellor has been preaching the message of political union in a lower key way for more than a year. Ms Merkel is also a pragmatic politician who is not prone to making demands she knows cannot be met.

Nonetheless Germany's hesitant response to supporting its European partners during the sovereign debt crisis has raised questions about its commitment to Europe. So it may provide reassurance to doubters that Ms Merkel has unequivocally restored to her own Christian Democratic Union its role as a profoundly pro-European party.

Outsiders should not underestimate the domestic obstacles to winning popular support for assistance to the eurozone periphery. The fact that fewer than one in five Germans believes that the euro is actually in danger shows how much more persuading she will have to do when asking the electorate for more money to bail out profligate neighbours.

But, if her commitment to political union means demands for early treaty change, this could open further divisions at a time when Europe can ill afford any.