We Need Strong U.K. in EU, Merkel Says

By Nicholas Winning

LONDON--Germany wants Britain to be a strong player in the European Union, Chancellor Angela Merkel told U.K. parliamentarians Thursday, stressing the need for Europe to change with the times but giving no specific details.

Ms. Merkel's six-hour visit to London, during which she had talks and a news conference with Prime Minister David Cameron and afternoon tea with Queen Elizabeth II at Buckingham Palace, attracted little attention in advance in Germany. By contrast, it was the focus of keen media interest in Britain for any sign she would comment on Mr. Cameron's plans to give Britons a vote on whether to remain in the EU. In the end, she gave little away.

Germany and Britain may have different views on the detail of how the EU should look in the future, but the two countries shared the same goal of wanting a strong and competitive bloc, she said in a speech to British lawmakers. United and determined, Germany and Britain could defend their economic and social model, bring their common values and interests to bear in the world, and serve as an example for other regions, she said.

"In order to attain this goal we need a strong United Kingdom with a strong voice inside the European Union. If we have that, we will be able to make the necessary changes for the benefit of all," she said in English after delivering the bulk of her remarks in German.

Mr. Cameron has pledged that if he wins a second term in 2015 he will renegotiate Britain's ties with the bloc and then hold a national referendum on the country's membership by the end of 2017. The strategy has raised concerns in other European countries and the business community about the timeline and the possibility that Britain could eventually exit the EU.

The prime minister has said he wants Britain to remain in a reformed EU, but a vocal and rebellious wing of his traditionally euroskeptic center-right Conservative Party believes the U.K. would be better off leaving the bloc. The prime minister also faces an electoral threat from the small anti-EU United Kingdom Independence Party, which is threatening to split the right-wing vote in the 2015 general election and make it harder for Mr. Cameron to win a second term.

Mr. Cameron has yet to set out in full which areas of Britain's relationship with Europe he wants changed and he offered no further clues Thursday. Nevertheless, both he and Ms. Merkel pointed to an agreement to cut the EU's budget as an example that change was possible.

Ms. Merkel said the two leaders didn't get into specifics in their talks but agreed there was common ground in their overriding goals. However, she acknowledged that change in the EU wouldn't be a "piece of cake" and would need the support of all 28 member states.
“That means that we each stand up for our own interests, I do it, David does it...the task is always weighing the pros and cons of a compromise that by nature we have to enter in to,” she said, adding that “a lot of hot potatoes have been solved in this way.”

Ms. Merkel’s backing is likely to be crucial to Mr. Cameron’s EU reform agenda and referendum bid should he win a second term. The two leaders, who are widely acknowledged to have a warm and solid working relationship, looked at ease at the news conference. During the afternoon, Mr. Cameron tweeted a photo of them sitting on a sofa in what appeared to be the kitchen of his Downing Street flat, with a cooker and bookshelf in the background.

The contrast with last month’s visit by French President François Hollande, who was received by Mr. Cameron at an air base and treated to a pub lunch, was palpable. Messrs. Cameron and Hollande disagreed politely about the future of the EU, with the British prime minister insisting there should be changes to treaties governing the bloc while the French president said it wasn’t a priority and Europe shouldn’t change to suit one country.

Ms. Merkel has called for changes in Europe’s treaties to allow for closer economic coordination and integration among euro-zone countries. Britain, which hasn’t adopted the euro, has argued that changes in the euro zone mustn’t jeopardize the European single market or disadvantage the EU members that don’t use the single currency. Such changes are an opportunity for the U.K. to redraw its ties with the EU, he has said.

Ms. Merkel told the parliamentarians that she was aware of the expectations ahead of her speech, but she was going to disappoint both those who hoped she would say something to support Britain’s alleged or actual wishes for EU reform, and those hoping she would say the rest of Europe wasn’t prepared to pay almost any price to keep the U.K. in the bloc.

The chancellor said Britain didn’t need to prove its commitment to Europe, following its participation in two world wars. The links between the U.S. and Europe were of prime importance, and Britain was one of, if not the most, important anchor of stability in that relationship, she said.

The political shape of Europe needed reform so that it could fulfill its promise of freedom of opinion, faith, and press, Ms. Merkel said, as well as freedom of trade, movement, services, and the exchange of capital and payments. She also said the European Commission should only regulate where member states haven’t passed sufficient regulations themselves, words that are likely to be well received by British euroskeptics that have long moaned of excessive European regulation.

A Europe without borders was one of the greatest achievements of European unification, but it was also true that to maintain that and gain acceptance for it from citizens, courage was needed to point out mistakes and tackle them, she said. Some commentators may see that as a nod to Mr. Cameron’s call that freedom of movement of workers in the EU, one of the bloc’s fundamental principles, should be restricted to prevent large migratory flows and stop people from abusing social security systems in wealthier member states.

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