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A CHALLENGED AND CHALLENGING EUROPE
IMPACT ON NATO-EU-US RELATIONS

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After the Cold War and ahead of the events of September 11, 2001, a new Europe, deeper and wider, and a transformed NATO, larger and increasingly global, transformed the Atlantic Alliance into a genuine partnership that global developments since 9/11 have challenged but not ruptured. Such progress should not be an invitation to complacency, however. This is a delicate moment for both the United States and the states of Europe, and failure to seize that moment would be costly. In coming years, past the 50th anniversary of the Rome Treaties in March 2007 and on our way to the 60th anniversary of the North Atlantic Treaty in April 2009, the European Union (EU) and its members, NATO and the Alliance it serves, and the Transatlantic Partnership between the United States, the EU, and NATO will become either much more cohesive and stronger or much more divided and accordingly weaker.

Shaping this moment are several broad transitions that point to an idea of Europe that is being challenged from within the EU, even as its institutions might be poised to challenge the United States within NATO.

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The first of these transitions is about the condition of Europe – and the final outcome of an integrative process that has already transformed much of the Old World from a mosaic of nation-states into a union of member-states. Historians will view this transformation as the most significant geopolitical development of the latter half of the 20th century. It has been truly awesome, and a New Europe today stands as a continent that is more peaceful, more democratic, more affluent, and more stable than at any time in the past.

That, of course, should be cause for satisfaction in the United States. That it would often be cause for some concern and even a source of EU-phobia that goes beyond past bursts of EU-bashing is, therefore, astonishing. If anything is to be learned from US-European relations in the 20th century, it is that the main cause for US concern should be a Europe that fails – a Europe, that is, which proves unable to end what it starts: whether a war, a revolution, a currency, or a union.

Yet, to respond to the challenges it now faces – which are questions of *modalités* rather than questions of *finalité*, as Joshka Fischer called them – the EU will need, in addition to sustained and credible US support:

- Robust, steady, and evenly shared economic growth,
- Stable and confident national leadership able to resist pressures from either extreme of the political spectrum,

- Regional stability, including in the East but also, and now especially, in the South in the Greater Middle East, and
- An effective locomotive previously consisting of at least two major EU members – France and Germany – but now demanding more and broader groupings of capable and relevant EU members.

These features are lacking, and in and beyond 2005 the EU may be more at risk than at any time in 20 to 30 years.

- Economic growth has been below potential for some time, and prospects for recovery in the euro-zone are below the levels expected elsewhere. The EU agenda for specific and credible reforms to complete the single market and respond to the competitive challenges of globalization is stalled. The 2000 Lisbon Agenda was still born, and prospects of a re-launch are limited. Demographic conditions are dire, and the consequences of a Europe whose population is turning smaller, older, and darker are potentially catastrophic. In short, the next round of economic reform is likely to be the responsibility of each nation-state rather than that of the Union's institutions.
- After years of government choices justified by institutional decisions over which local constituencies had little influence, citizens now view "Europe" as an obstacle to their right to be represented by their democratically elected representatives. Frustrated by the alleged neglect of their interests and priorities, voters have been turning against incumbent majorities. Over the past two years, strong governments became weak and weak governments even weaker. Such volatility opens the door to expedient populist appeals: whether aimed at Europe proper, or protective of Europe at the expense of America, or attentive to neither because of a growing sense of feeling abroad at home, these appeals are significant for both Europe's future and the future of its role in the world, with or in spite of the United States.
- Neither Germany nor France shows a capacity for the co-management of Europe, not only because of the internal conditions faced by each country but also because of growing differences in their respective visions of Europe's future. Indeed, there is no precedent of both countries simultaneously faced with such political disarray – one in the aftermath of inconclusive elections and the other while awaiting its next election. Changing Gerhard Schroeder with a coalition government that neither of Germany's two main political parties truly wants is unlikely to help much while Chirac stays in place does not help; in mid-2007, changing Chirac while Angela Merkel's coalition implodes will not help much either, irrespective of Chirac's replacement. In any case, other EU members have grown more hostile to such limiting bilateral control of their institutions. But with the constitutional treaty stillborn, and the 2000 Nice Treaty ineffective, rules of governance that would help re-launch Europe are lacking.
- Europe's new insecurity grows out of its vulnerability to acts of terror, because of its geographic proximity, economic dependence, and political sensitivity to countries south of the Mediterranean where these acts might originate or from which they might be inspired. A wave of terrorism anywhere in Europe will quickly affect the national and institutional agendas everywhere else; so will an unarmed (but not passive) resistance movement – a European version of an urban *intifada* – that would emerge in opposition to the inequities and injustice that shape the lives of 20-odd million Muslim citizens in most EU countries. With many of the mythical "Arab streets" now in the national capitals of Old Europe, the political consequences of disruptions imported

from, or attributed to, or initiated by "foreign" communities reinforce the adverse economic, political, and societal conditions suggested above.

In sum, the current EU crisis is fundamentally different from the recurring European crises of the past as it not:

- Personal – that is, attributable to the weakness or miscalculations of any single head of state or government in a leading EU member,
- Bilateral – that is, limited to a clash of ideas or interests between France or Britain, or any other bi- or multi-lateral grouping of significant EU member, or
- Circumstantial, that is defined by the most salient issue of the moment, like the Constitutional treaty or any part of enlargement, including the most recent decision to open negotiations with Turkey.

Now instead, the crisis is a structural crisis of perceived relevance:

- A structural crisis, because under prolonged conditions of sustained economic rigor and increasing political volatility the EU institutions can no longer accommodate their own enlargement, let alone more of it, unless they engage into significant reforms about which the 25 EU members do not seem to agree. But also
- A crisis of relevance, because for the past 15 years the Commission has promised more than it could deliver, while the heads of state and government have delivered, through the Council, more than their respective constituencies were willing to accept. For a European aged 30 years or less, in most but not all EU countries, the idea of Europe has produced a tale of unfulfilled promises over their three main concerns for work and prosperity, security and safety, and even identity and a sense of community.

As a result, a mere change of leadership in one or more of the major national capitals, an improved economic conjecture in one or more of the key EU economies, a tedious top-down compromise over a single issue, or even a sense of urgency nurtured by a crisis abroad will not suffice to overcome the current stalemate. For the past 15 years, there has been too much stress on the institutions, too many crises within and between their members, and too many painful demands on their citizens. Indeed, however indispensable and even urgent a *relance* of the institutions might be, it would not be enough: it is the idea of Europe, too, that needs to be renewed by and within the member states to convince their citizens that whatever their problems may be these problems would be worse without the ever-closer Union which they are questioning. As stated by President Jose Manuel Barroso last June 2 – "Europe needs a big idea, a new consensus. We have to make the case for Europe." Absent such a case, the case against the case against Europe will be difficult to argue not only in Europe but also in the United States.

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Thus challenged, Europe and its members may be tempted to turn inward, economically as well as politically. The paradox, however, is that even as Europe becomes a house without windows, it is increasingly penetrated by a world that the events of 9/11 have

made more dangerous, more intrusive, more unpredictable, and all the more demanding of Europe's attention as America's capacity for leadership is widely questioned. As a result, a challenged Europe may also be a challenging Europe because even as an unfinished Union it is nonetheless a power in the world whose far-reaching influence responds to its global interests and relies on the transformative potential of its non-military capabilities.

In this context, the recent transatlantic debate over Europe's role in the world presented two extreme theses that distorted the respective conditions of both America and Europe on grounds of theory as well as on grounds of history. Robert Kagan's divide between power (meaning American power) and weakness (meaning Europe's weakness) not only misrepresented the nature of power as primarily if not exclusively military, but also overlooked the transformation of Europe as a significant pole of influence in the world. By the same token, Charles Kupchan's vision of Europe's rise as an adversarial counterweight of the United States exaggerated its interest in, and its commitment to, building a counter-hegemonic coalition at the expense of its senior partner across the Atlantic.

The evidence does not warrant either of these theses. As a power in the world, the EU has moved its Common Foreign Policy beyond enlargement with an innovative European Neighborhood Policy designed to provide for a stability zone beyond its current Eastern borders and across the Mediterranean without taxing further the absorbing capacity of its institutions. In Iran and other parts of the Greater Middle East, the EU exerts its influence to avoid new conflicts and instabilities to which it is sensitive politically and economically as well as geographically. In an emerging multipolar world, the EU suffers from fewer "alliance handicaps" than any other likely pole, and as a result can engage ascending powers like China, or residual powers like Russia, that might otherwise achieve or protect their great power status under conditions of isolation or even alienation. Faced with the new security normalcy inaugurated by the acts of terror of September 11 in New York, and closer to Europe those of 3/11 in Madrid or 7/7 in London, the EU outlines a Common European Security Strategy and discusses ways to build up relevant organizational, material, and intelligence capabilities to assess, combat, prevent, or event preempt a threat that is acknowledged to be indivisible

There is nothing for the United States to fear in any of these areas, except the fear that changes might be sought in such absence of Euro-Atlantic cooperation as to create duplication rather than complementarity. The idea of complementarity describes a structure of power and weaknesses that now condition the global role that can be played by both America and Europe in an increasingly integrated Euro-Atlantic area – a role that speaks of cooperative counterparts rather than adversarial counterweights. It also conveys the sense of a transatlantic partnership that can remain "vital" even when it proves to be "partial" – meaning, several gradations of cohesion and follower-ship ranging from piqued silence to separate actions to willing cooperation in the pursuit of goals that are common to all the partners even when they are not evenly shared. Thus, the alliance need not impose on its members to pursue every mission together, but it does expect that all together its members will complete all missions. Denied permissible differences among its members, an alliance is permanently at the mercy of the next

crisis when some of its members will be "troubled" by their partners' unwillingness to join a decision that remained short of a consensus because no amount of consultation could suffice to modify that decision to everyone's satisfaction.

The US renewed need for a united and strong Europe was acknowledged by President Bush upon his re-election in November 2004 after the limits of US military power had been shown in Iraq while the fallacies of Europe's alleged weakness were revealed with an impressive display of EU influence in Ukraine and elsewhere. It is ironic, therefore, that the EU might now seem to be less prepared than the United States to respond to America's calls for institutional complementarity, not for lack of EU capabilities but for lack of coherence within the EU. During the Atlantic crisis over Iraq, US bilateral relations with some EU countries within NATO were closer than bilateral relations among EU countries, not only because the Bush administration wished for such a condition but because EU heads of state and government themselves sought it. So long as the EU and its members cannot speak with one reliable voice they will find it difficult to offer a credible alternative to the United States and NATO. The Constitutional treaty was designed to permit that single voice, and that is not the least of the items that should be salvaged from the treaty to re-launch the institutions and renew the idea of Europe.

Thus challenged by America to contribute to the transformation of the Alliance with a stronger and ever closer Union, Europe faces questions over which its members remain divided and which, therefore, they usually avoid: questions over Europe's relations with the United States and the "finality" of Euro-Atlantic relations; questions over Europe's role in the world, and the most effective ways to play that role; and even questions over the impact of the world on Europe, including that part of the world it used to rule, and the extent to which Europe should accommodate or deny that impact. These questions are "deeper" than the question of ESDP, and they are "broader" than the question of EU relations with NATO. They raise at least four sets of overlapping issues that help clarify a multiple use of the collective "we" and are themselves complementary:

- Clearer transparency within both the EU and NATO. For the Union, reforms mean, for example, the agonizing reappraisal of its rules of governance, including voting rules and budget rules, as well as a reappraisal of its core structures and related priorities. This is not the place to assess the failed constitutional debate or discuss the modalities of an intra-European deal over the next seven-year EU budget. Suffice it to say, however, that lacking institutional reforms and denied the resources required to satisfy its commitments and obligations an enlarged EU will be unlikely to do as much as needed but is likely to do far less than is wanted. In any case, assuming the best about the EU debate, a comparable debate is also needed within NATO. In the midst of NATO's unending enlargement, now centered on two upcoming summits in late 2006 and 2008, the traditional consensus needed before sending NATO into battle has become too large to be effective, but the ritual foursome known as the Quad, around which that consensus used to build, may well have become too small to be legitimate. Enlarging the quad to an additional two to three large members (Italy, Spain, and Poland) under the chairmanship of the NATO Secretary General may be politically difficult but it is institutionally desirable. At a later date, the EU could also be invited to attend.

Closer intimacy in US-EU relations, reflective of America's special status as a non-member member state of the EU, but also of the EU's special role as a vital pole of power and influence in the world. For example, a new deal in US-EU relations might take the form of a broad Compact or Charter, first called by Chirac in February 1996, or it might aim at the completion of a transatlantic marketplace by a date certain – say, 2014. With most world economic powers less sensitive to US unilateral pressures for policy changes than in the past, a global monetary order will be best achieved with a closer cooperation between the United States and the EU over monetary policy, fiscal policy and exchange rates. US-EU relations with third countries also need to be coordinated further, with additional groups designed for consultation before decisions are made. Such groups would be especially helpful for developing complementary policies toward institutional orphans in Europe – meaning, European countries like Ukraine and Georgia that do not belong yet to either NATO or the EU. More broadly, and to instill energy from the top down, the EU and EU-US summits are venues that require transformation as well: U.S. participation to the opening dinner of one yearly EU summit would confirm the EU perception of a privileged relationship with the United States; it would also complement usefully the annual US-EU summits between the US president, the President of the European Council, and the President of the European Commission.

Better coordination between NATO and the EU, as two institutions whose parallel contributions to the war on global terror are indispensable if those wars are going to be both won and ended. However, because of known limits in NATO resources and culture – to deploy police forces pending the training of local forces, to promote the development of civil society, to stimulate economic development, and much more – NATO cannot suffice for stability-building missions. That being the case, the EU is a partner of choice for such missions, in a United Nations context whenever possible and outside that context whenever necessary. The principle ought to be convincing: Ask not what the EU can do for NATO, or NATO for the EU – but ask what NATO can do with the EU, and the EU with NATO: Whether this degree of postwar cooperation can be achieved with some efficacy in the future has already been tested in Kosovo and Afghanistan with some measure of success, but even as it is reinforced in those places it needs to be extended further and elsewhere, beginning, arguably, with Iraq.
More integrated EU-US-NATO relations – meaning, the development of institutional venues that regroup the 32 EU and NATO members into a Euro-Atlantic community of like-minded states that are privileged partners even when they do not belong to both of the institutions that define that community. The need for complementarity of action between the United States and the states of Europe in both the EU and NATO is based on a new multipolarity that has been emerging faster than its proponents had predicted, and which is already affecting America's and Europe's respective roles in the world. In such a multipolar environment, Europe is a pole with few alliance handicaps, but lacking political unity and military capabilities, Europe will still need a like-minded partner of choice that compensates for its weaknesses – meaning the United States.

A CHALLENGED AND CHALLENGING ALLIANCE

The transatlantic partnership remains a complex imbalance of states and institutions – an alliance that endures even as it is troubled, unhinged, and even fading. No more than before can this be the long-announced end of the alliance, but it is surely the end of an era. At issue is the legitimacy of the two ideas that have defined this remarkable relationship for half-a-century: the legitimacy of U.S. leadership, exercised with, and on behalf of, an ever-larger Atlantic community represented most visibly by a powerful Atlantic Alliance and its Organization, as well as the legitimacy of the allies' integration into an ever-closer Union, represented most convincingly by the EU institutions.

That both America and Europe have the will to re-launch their partnership was shown convincingly in early 2005. But for the launch to reach the high point of renewal will need convincing demonstrations of efficacy over a range of issues that the United States and its allies can neither neglect for long nor pursue alone with meaningful success. First things first, second things first, third things first, and small things first – there is some urgency for a wide range of issues that threaten to unveil a new global anarchy with inescapable consequence on both sides of the Atlantic. How well those urgencies are not only acknowledged but also, and more significantly addressed – and assuming they are, how well and by whom is no less dependent on Europe's decisions over its own future and the role its members wish to assume collectively than on America's own decisions as a preponderant power that gives its like-minded partners of choice a right of first refusal even if it is not always prepared to abstain in their absence.

For the transatlantic partnership to be renewed Europe needs to re-launched; for the transatlantic partnership to be re-launched Europe needs to be renewed. To achieve their shared interests in order, America needs to soften its hard power, and Europe needs to harden its soft power. That America's military preponderance is beyond the immediate reach of any friend, rival or adversary, is not in question. But as shown in the unipolar context of the war in Iraq, and as confirmed within the multipolar environment that is now being tested in Iran, even a power without peers cannot remain for long without allies. Whether the countries of Europe will respond to the US call as a Union rather than one capital at a time will depend on how they respond to their current institutional crisis: if not in the EU, where; if not with NATO, how; if not with America, with whom?