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REPORT OF THE "TRANSATLANTIC SECURITY SYMPOSIUM 2008"

by Emiliano Alessandri

Report of the "Transatlantic security symposium 2008", organized by IAI in cooperation with
Centro Alti Studi per la Difesa (CASD)
Center for Strategic and International Studies (CSIS), Washington, DC
European Union Institute for Security Studies (EU-ISS), Paris
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1. Introduction

In an effort to promote dialogue, cooperation, and reciprocal understanding between the United States and Europe, the Istituto Affari Internazionali (IAI) of Rome, in cooperation with the Centro Alti Studi per la Difesa (CASD), the Center for Strategic and International Studies (CSIS) of Washington D.C., and the European Union Institute for Security Studies (EU-ISS) of Paris, organized a symposium with a focus on transatlantic security. This was conceived as just the first of a series of similar meetings to be held yearly on the same topic. This year, the Transatlantic Symposium concentrated on four main issues: the future of the Euro-Atlantic security relationship; the evolution of crisis management operations; counter-terrorism strategies; defense industry and transatlantic relations.
The event was sponsored by the German Marshall Fund of the United States (GMF-US), the Friedrich Erbert Stiftung, Rome Office, the Compagnia di San Paolo of Turin, and the Italian Ministry of Defense. The meeting took place in Rome on May 12th and 13th. It was hosted by CASD in Palazzo Salvati, Piazza della Rovere 83, Rome. The list of participants (see, attachment) included well known foreign policy experts, internationally respected scholars, and distinguished practitioners and officials, among whom the Italian Chief of Joint Staff.
This report provides a summary of the discussion which developed around the four main issues dealt with during the Symposium and advances a set of policy recommendations based on the results of the meeting.

2. Program

The Symposium opened with a welcome address by Italian Chief of Joint Staff, General Vincenzo Camporini, introduced by Admiral Luciano Callini, Acting President of CASD. He was followed by the President of the IAI, Stefano Silvestri, who made some introductory remarks.The program of the event was presented by IAI Co-Director of the Transatlantic Program, Giovanni Gasparini

The first session (Monday, May 12, 14:00-16:15) dealt with "The Future of the Transatlantic Security Relationship". It was chaired by Marcin Zaborowski from EU-ISS of Paris. Papers were given by Leon Fuerth from George Washington University (GWU), Washington D.C., and by Bruno Tertrais from the Fondation pour la Recherche Strategique (FRS), Paris. They were entitled, respectively: "Prospects for a Common Transatlantic Strategy to Address Newly Emerged Threats and Challenges: Complexity and Response", and "Threats Perceptions and the Transatlantic Strategic Debate. Deterrence, Non-Proliferation and Missile Defense". Papers were discussed by Daniel Pletka from the American Enterprise Institute (AEI), Washington D.C., Sven Biscop

from the Royal Institute for International Relations (Egmont), Brussels, and Ulrike Guerot, from the European Council on Foreign Relations (ECFR), Berlin.

The second session (Monday, May 12, 16:30-18:15) dealt with "The Evolution of Crisis Management Operations). It was chaired by Luciano Callini from CASD. Papers were given by James Dobbins from Rand Corporation, Arlington, VA and by Thomas Valasek from the Center for European Reform (CER), London. They were entitled, respectively: "European and American Roles in Nation Building" and "EU Crisis Management Operations: Early Lessons, Thoughts on Improvement". Papers were discussed by Julianne Smith from CSIS, Washington, D.C. and by Daniel Keohane from EU-ISS, Paris.

The third session (Tuesday, May 13, 9:15-11.00) dealt with "Counter-terrorism Strategies". It was chaired by Tom Sanderson from CSIS, Washington D.C. Papers were given by Ian Shapiro from Yale University, New Haven and by Paul Wilkinson from the Center for the Study of Terrorism and Political Violence (CSTPV), University of St. Andrews, Scotland. They were entitled, respectively: "A Global Response Terrorism" and "A Brief Assessment of US-European Cooperation on Counterterrorism". Papers were discussed by Fernando Reinares from Elcano Royal Institute, Madrid, and by Natalino Ronzitti from IAI, Rome.

The fourth session (Tuesday, May 13, 11:15-13.15) dealt with "Defense Industry and Transatlantic Relations". It was chaired by Giovannni Gasparini from IAI, Rome. Papers were given by Christine Fisher from the School of Advanced International Studies (SAIS), Johns Hopkins University, Washington D.C. and by Andrew James from the Manchester Business School, University of Manchester. They were entitled, respectively: "Accessing the European Defense Market: a US Perspective" and "Accessing the US Market: A European Perspective". Papers were discussed by Jeffrey Bialos from SAIS, Johns Hopkins University, Washington D.C. and by Thomas Bauer from Center for Applied Policy Research (CAP), Munich.

The Italian Chief of Joint Staff hosted a dinner on May 12th at the Casa dell'Aviatore in Rome. IAI President Stefano Silvestri gave a keynote speech on Italy's European and transatlantic oolicy after the Italian general elections of April 13-14, 2008.

The Symposium ended on May 13, 2008. Concluding remarks were given by Giovanni Gasparini, Co-Director of the Transatlantic Program, IAI, Rome.

Session I: The Future of the Transatlantic Security Relationship

Leon Fuerth's paper ("Prospects for a Common Transatlantic Strategy to Address Newly Emerged Threats and Challenges: Complexity and Response") speculates upon the future of the transatlantic partnership by identifying and assessing the impact of the major transformations that occurred after the watershed of 1989. Among the factors having a negative, or potentially negative, effect on transatlantic security, the paper includes: the fading of experiences and memories which bound the generations of Americans and Europeans who cooperated during during World War II and the Cold

War age; demographic trends, in particular: Europe's aging and diminishing populations who are struggling to absorb fast-growing numbers of outsiders (many of whom illegal) and are engaged with managing the growth of Muslim communities; America's changing "melting pot", featuring ever growing Hispanic and Asian minorities which do not look at Europe as America's "old country"; America's declining economic power due to internal mismanagement and expensive and failed policies (the invasion and occupation of Iraq). The paper also emphasises the new global challenges: the rise of other international actors, chief among them China;; dislocations brought about by the globalizing economy; the accumulation of huge financial surpluses at the disposal of state-run sovereign funds; networked international terrorism and crime; religious fanaticism; global climate change.
Recommendations follow, among which, the further consolidation of executive European institutions for the purpose of more coherent US-European responses to common challenges; the return of the US to multilateral practices; the strengthening of transatlantic institutions (e.g., the endowment of NATO with financial authority of its own and the replacement of consensus with majority vote, the creation of a US-European "economic union"). More in general, the point is made that the trans-Atlantic system no longer suffices for managing international threats and challenges and that the destiny of American and European nations now depends on what they can collectively bring to the larger community of nations in terms of both resources and principles (that is , liberal economic and political values).

Bruno Tertrais' paper ("Threats Perceptions and the Transatlantic Strategic Debate. Deterrence, Non-Proliferation and Missile Defense") deals with specific issues affecting transatlantic security, notably deterrence, non-proliferation and missile defense. The paper makes the point that, despite several strategic divergences, the post-Sept 11 environment is still marked by a common transatlantic outlook on threat perceptions, as evidenced, among others, by the Comprehensive Political Guidance issued at the 2006 NATO Riga Summit.
As for non-proliferation, the paper contends that Iran is the central test for transatlantic security cooperation. The paper suggests that the next US president should make it clear that the US seeks a change in "regime behavior" as opposed to regime change. This would assuage European fears of a new war. It is also essential that the US government reassert its commitment to the NPT as the cornerstone of the nuclear non-proliferation regime.
The paper underlines that the majority of Europeans are against missile defense sites in Europe, whereas Americans are split on the issue. The paper also emphasizes that Russia's opposition has had resonance within the West. The paper contends that missile defense serves the interests of both the US and Europe and that Western allies should cooperate with each other as well as engage with Russia.
The paper notes that the US, UK and France have similar approaches concerning nuclear deterrence, although the UK seems more interested in pushing the disarmament agenda than the other two. For their part, the other NATO members complain about the lack of progress in disarmament.
The paper notes, lastly, that an interesting conjuncture of events is appearing on the horizon. The next NPT Review Conference is scheduled for 2010 and non-nuclear NATO members will want stronger commitments on disarmament to ensure the continuation of the treaty's validity and legitimacy. In 2011-13, the construction of

missile defense sites in Europe is due to be finished. The completion of the missile defense program could lead NATO nuclear powers and other NATO nations hosting nuclear weapons on their territories to make concessions in the field of disarmament, including considering the removal of NATO tactical nuclear weapons from Europe's non nuclear states. This could provide the basis of a new consensus within the Alliance on nuclear matters.

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The challenges to transatlantic security are several, real, and need fresh solutions

Participants lively discussed and commented the papers and generally agreed that the challenges to transatlantic security as identified by the authors are very real, although with varying degrees of emphasis. They also agreed that fresh and creative efforts have to be made to cope with the many challenges facing Western nations without being trapped in past concepts, paradigms, and policies. A participant summarized this hope in the formula: "not reconstructing the past, but shaping the future".

But Americans and Europeans often disagree on how to meet them

As to how to meet the challenges to transatlantic security, however, divisions prevailed. Despite various important exceptions, broadly speaking, a divide seemed to separate American participants on the one side and Europeans on the other.

Criticism on the part of Americans generally concentrated on Europe's "free-ridership" in transatlantic security, its unwillingness to invest more in common defense, and its self-delusional expectations about the prospects of EU integration, especially in the foreign policy, security, and defense fields. European participants, on their part, noted that the EU has still to be fully credited by the US government as a key, let alone equal, international actor, even though it has been able to strengthen its role, power, and influence.

There was widespread recognition among both Americans and Europeans that the election of a new US president in November 2008 is likely to have an overall positive impact on transatlantic cooperation. This did not prevent the discussion from addressing several controversial issues. Accusations which have recurred since at least 2001, such as the depiction of American foreign policy as militaristic and often unilateralist and of European foreign policy as either non-existent/irrelevant, or when existent and relevant, informed by transatlantic balancing logics, were heard during this discussion as well as the rest of the Symposium. A participant stressed that, when it comes to security and defense policy, the idea of a US-EU relationship is somewhat misleading. He argued that EU members' full authority on foreign policy matters would make it more appropriate to talk of a system of separate, though certainly connected, bilateral relationships between the US and the European countries, rather than a single partnership between two equal entities. When expressed, however, these opinions were generally laid out constructively. The need for stronger transatlantic ties was reaffirmed by all participants.

Acknowledging the existence of various sources of division, most participants concluded that after the US presidential elections, both European and American views and claims will be more easily tested: Europeans will verify if America's distrust for multilateralism and its militaristic interpretation of foreign policy were episodic and peculiar to the Bush Administration or if, on the contrary, these orientations are shared

also by the rest of the American political establishment; Americans, on their part, underlined that after Bush leaves the White House, Europeans will have no further excuses to refrain from actively cooperating with the US in the campaign against international terrorism and in the management of major international crises.

Iran and Russia are the two great tests for future transatlantic cooperation

Although the situation in Afghanistan was commented upon by several participants, consensus gathered around the observation that both Iran and Russia raise critical, although different, challenges to transatlantic security and are going to be the two main tests for transatlantic cooperation. Agreement stopped with the recognition that transatlantic cooperation would be preferable to transatlantic disagreement or lack of coordination when dealing with these two countries. In fact, divisions emerged as to both the interpretation of the challenge, and the means to meet it.

An American participant pointed out that no diplomats in Europe have clearly explained how Iran can be deterred, if the military option is ruled out. Another American participant disagreed with the opinion expressed by a European scholar that what Iran wants to obtain is just security and international recognition of its regional role. Some Americans voiced the concern that Europe might be "free-riding" on Iran, knowing that the US will do whatever is needed to deter it, with or without the help of Europe. A European participant acknowledged that Iran has more ambitious objectives than international recognition and security but pointed out that this does not mean that it is bound to build a nuclear arsenal: a common transatlantic strategy aimed at preventing Iran from acquiring nuclear weapons without frustrating its national ambitions is pursuable.

Participants generally agreed that Russia's new rise as energy power is seen with more preoccupation in the United States, where the democratic record of Russian politics is looked at with growing worries, than in Europe. A European participant mentioned data showing that Germans seem to be more favorably inclined to Russia than to America. It was remarked that the US adopted very confrontational tones towards Russia during the NATO Bucharest Summit. A participant noted in this regard that Europe needs to have Russia as a partner and hence cannot afford being confrontational. Another participant contended that, in fact, neither Europe nor the US have a strategy to cope with Russia and that both are dangerously "free-riding" on the issue.

Some participants commented on China being a challenge to transatlantic security. A participant noted that growing numbers of Europeans look at China as a potential threat, whereas this was true mostly for Americans until recently. Another participant voiced concern about China's penetration of African economies.

Iran also highlights divisions over anti-proliferation strategies

Discussion of the Iranian issue led many participants to deal extensively with the issue of nuclear proliferation and anti-proliferation strategies. Even here, disagreement was substantial. An American participant cut it short: the NPT is close to being dead letter and when it works, it allows proliferation rather than preventing it. North Korea has already pulled out whereas India is operating outside it. Several Europeans insisted instead on reforming the NPT and on its validity. A European participant rebuked the argument that the NPT is dead letter by stressing that it has in fact worked: without it, we would live in a nuclear world. On the other hand, a participant noted that even a

reviewed – more effective – NPT regime is unlikely to prevent Iran from acquiring nuclear weapons..

NATO's future is very uncertain

There was a general recognition that NATO's future remains uncertain, as a result of both systemic changes after the Cold War and the problems it has encountered in some areas of intervention, notably in Afghanistan. Nobody suggested that NATO be dismantled, but several participants underlined that its appeal among Western nations has substantially decreased. The invocation of article 5 after Sept 11 was not followed by a real renaissance of the organization. Some European participants proposed that NATO become a subsection of US-EU cooperation, with the EU assuming greater capabilities and security responsibilities. An American participant noted that if NATO is in Afghanistan, it is because Europe wanted it. Another American participant welcomed EU claims for a greater role in defense and security but stressed that this should not lead to the downgrading of NATO as a transatlantic security organization. Others suggested that both NATO and the EU need reform and that perhaps brand new institutions should be created. There were invitations to go beyond the old dichotomy of EU and NATO and think creatively about the subject. Another participant suggested looking at NATO as a "club": it will have a future only so long as it provides net benefits for its members.

Session II: The Evolution of Crisis Management Operations

James Dobbins' paper ("European and American Roles in Nation Building") compares UN, NATO, and EU experiences with nation building with the purpose of both assessing the crisis management record of each of these international actors and drawing useful lessons for transatlantic cooperation. Its starting point is that nation building has become the dominant paradigm for post-Cold War military interventions. Despite this centrality, however, limited efforts have been made to date to transform lessons from past missions into new policies and instruments for future ones.

The paper argues that the UN scores best in all principal yardsticks for gauging success, such as enhanced security, economic growth, return of refugees, and installation of representative governments in the countries where intervention has taken place. This is because, it is explained, such operations are among UN's lead products: UN missions can draw on long institutional experience; civilian and military chains of command are integrated and so are civilian and military capabilities; finally, authority is firmly in the hands of the UN Secretary-General, at least until the following Security Council review (held every six months).

The paper argues that the Atlantic Alliance has the most powerful military forces to offer to such expeditions, but completely lacks capacity to implement civilian operations: it currently depends on the UN and the EU to perform such tasks. NATO's consensus-based decision making, moreover, exposes missions to the ever present risk of veto by national governments, which have an important voice in operational matters. The EU, on its part, seems to have the most developed array of crisis management-related civilian capabilities and skills, but its decisions are based on consensus, like NATO, and its military forces are much leaner than NATO's, on which it often relies.

The paper concludes that transatlantic cooperation would greatly benefit from both US and EU re-engagement with UN missions (most of them are carried out today by mostly non-Western contingents), as well as from a reform of both NATO and EU nation-building institutional and political set-ups. Afghanistan is a case in point: NATO lacks the civilian assets it would need, the EU could step in but it would not be enough, and the UN could probably provide the best alternative source of civilian leadership but currently is not doing so.

Tom Valasek's paper ("European and American Roles in Nation Building" and "EU Crisis Management Operations: Early Lessons, Thoughts on Improvement") concentrates on the evolution of EU missions, noting that they have significantly grown in number and become more efficient and successful. At the same time, however, the paper shows that the EU's self-styled "comprehensive approach" to crisis management is still not a reality in many important respects: military power and the hardest diplomatic tasks remain firmly in the hands of national capitals; the EU Council and the EU Commission often cooperate poorly and sometimes even start separate missions in crisis areas; the EU Commission often works in separation from the EU's top diplomats in the country where the mission takes place; EU civilian and military agencies are not fully integrated. The paper shows that in all these issues, some progress has been made since the EU first embarked on crisis management, although frustration remains, in particular as to the level of available military capabilities. Among the most notable changes, the Macedonia case shows that duplication can be avoided: there, the EU's Special Representative, who reports to the EU Council, also serves as the Head of the Delegation of the EU Commission. This approach, it was explained, seems to look at the US model which relies on strong local envoys, like presidential envoy Paul Bremmer in post-intervention Iraq. The paper argues that, however important, this and other reforms of EU crisis management will remain limited because national capitals want to retain some form of direct control over these operations and are therefore reluctant to delegate decision-making power to EU's crisis management bodies. This is not a bad thing in itself, it was argued, because, in fact, important improvements of EU crisis management capacity can take place at the national level too. In the specific case of coordination between civilian and military components of crisis management, for instance, the paper suggests that EU operations would greatly benefit from stronger efforts on the part of national governments to institute common approaches to crisis management between the ministries of defense, foreign affairs, interior and development, as is already the case in the UK, for instance. Beside improving its own instruments, the EU could support this process by setting up a small EU advisory team with the task of travelling to EU capitals and imparting to national governments the lessons learned in civil-military cooperation from ESDP missions.

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There is no single and established model of nation building

Participants commented on the various suggestions and proposals contained in the papers. The idea of an "EU advisory group", in particular, was widely debated. Some found it useful, others insisted that the UN remains the most valuable source of advice in the field of crisis management. Most participants agreed, moreover, that the problem is broader and deeper and has to do with the lack of a true model for nation-building

against which to decide on what kind of reform is needed both at the EU and transatlantic levels. This was not seen, by some at least, as a completely solvable problem. It was noted, in fact, that national and international crises often differ substantially and, therefore, require different missions. The other side of the coin is that countries, even at the transatlantic level, often prioritize crises differently and this problem too is never going to be completely solved. In this regard, a participant pointed out that "free-riding" on certain missions at the transatlantic level is not only legitimate and understandable, but also wise if the intervention not only lies outside the perimeter of a country's national interests but is also carried out according to what is seen as a fallacious strategy. It was noted, moreover, that unlike traditional defense, crisis management operations are seldom vital to the participating countries' national interests: a certain degree of uncertainty as to whether enough political will can be found to start the operation and as to whether the contributing countries will confirm their commitment even in the face of escalation dynamics seems, therefore, unavoidable.

The EU has had a growing role in crisis management

It was agreed that the lack of an established model of nation building has not prevented the EU from improving both its capacity and record in crisis management. Growing demands for crisis management have been met by growing commitments on the part of the EU. It was recognized, moreover, that the lack of adequate NATO civilian capabilities puts the EU's greater and continuously evolving ones at the center of any future transatlantic security cooperation. It was also noted that, although currently in need of clear standards to follow, the EU is developing a model of its own by learning from experience. A participant argued that this bottom-up process could potentially be more successful that imposing reform from above; the missions in Congo and Chad seem to be particularly telling in this respect for the many lessons that they offer. Many acknowledged, furthermore, that the Lisbon Treaty envisaged important elements of reform, at least to solve some of the existing bureaucratic problems: the new EU High Representative will also serve as the EU Commission's Vice President – a step towards greater integration; the establishment of a EU diplomatic service, moreover, should discourage duplication. It was noted, finally, that the France's imminent presidency of the EU could give a boost to further reform in crisis management, given French president Sarkozy's commitment to promoting progress on ESDP, and his more general commitment to investing greater resources in defense and security, at both the EU and NATO levels.

But much remains to be done

All American participants, but also most European participants, recognized that the EU's legitimate crisis management and nation-building aspirations are far from being fulfilled, despite encouraging signs of progress. Deployability is a major problem. When and how to deploy troops, and how many, are issues that often cause divisions between European countries. Consensus gathered around the observation that EU Battle Groups are currently too small for the missions they might be called upon to perform. A participant, however, noted that establishing the size of such contingents in advance is questionable, the risk being of creating instruments and then waiting for crises to suit them: the right approach would actually go the other way around. It was pointed out, moreover, that the costs of missions have been deliberately

underestimated. Some noted that the reluctance on the part of EU governments to increase their defense budgets means that greater investment in crisis management often translates into cuts in other chapters of expenditure, such as traditional defense and personnel. In this connection, several European participants noted that resources for crisis management would be enough even at the current level of defense budgets, the problem being rather the pooling of national resources and redistribution of budgets according to both considerations of efficiency and changing priorities. In this regard, crisis management should become one of the central items of a country's security basket. The point was made that a more open European defense market would translate into a better allocation of resources and in arguably faster and greater technological progress. A participant noted that the US has a clear, although often neglected interest, in a further pooling and rationalization of European resources for security and defense because this would allow Washington to rely more on its European partners, even if the budgets are not increased. To be true, most participants agreed that, however pressed by the US, EU governments are unlikely to increase their defense budgets to the levels that would satisfy current US demands, the best alternative probably lying both in deeper integration of European budgets and in a more efficient allocation of existing resources at both the national and EU levels.

NATO's crisis management capacity has its problems too, as evidenced by Afghanistan

Most participants agreed with the argument made in the papers that NATO has the largest military capabilities for crisis management at the transatlantic level. It was noted, however, that capabilities do not, in themselves, constitute a guarantee of success. Some participants pointed out that the NATO Response Force (NRF), which was deliberately established for operations requiring fast deployment of NATO troops also beyond the borders of Europe, has seldom been employed. A participant reminded that, due to French opposition, NRF was not employed on the Pakistani-Afghan border. It was also noted that NRF presents perhaps the opposite problem of EU Battle Groups: it is oversized for most tasks it was conceived for. Capabilities, moreover, seem unable in themselves to assure victory in Afghanistan where not only NATO's crisis management capacity, but its relevance too, are being tested. Most Americans pointed at the disproportion between American and European contributions to the stabilization of Afghanistan while Europeans argued that the problem is more about the political strategy than about the lack of adequate military capabilities. An American participant contended that NATO would not be in Afghanistan today if Europeans had not insisted on this as a way of giving greater legitimacy to the mission and preventing the US from having total control over its management and developments. The Europeans, it was argued, should feel obliged to give tangible proof of their commitment to a NATO mission that they themselves advocated, even if this requires more troops, money, and casualties. An American participant admitted that NATO's mission in Afghanistan is currently a "counter-insurgency" rather than a crisis management mission, the situation on the ground having worsened substantially in the past year. A German participant noted that in an election year, German political leaders will never commit to higher budgets for a mission that is already looked upon with skepticism all across Europe. Several participants stressed that what is needed at the transatlantic level is not an agreement on technical issues only, but a political understanding on nation building at large, that is a common view of what political objectives ultimately guide such a

complex task. According to a participant this would mean deciding what the ultimate goal in Afghanistan is to be: what kind of stabilization, what kind of Afghanistan Europeans and Americans have in mind. In this connection, it was noted that NATO's 60 anniversary in 2009 could open a window of opportunity for reaching, or at least starting to build, consensus at the transatlantic level on a new and long overdue "Strategic Concept". The latter could more clearly define the Alliance's role in crisis management, while also addressing other major problems such as the size and exact functions of NRF, the civilian capabilities of NATO, etc.

Session III: Counter-terrorism Strategies

Ian Shapiro's paper ("A Global Response to Terrorism") argues that much can be learned from transatlantic cooperation during the Cold War, starting with "containment". The central claim of the paper is precisely that containment can be a successful strategy to counter international terrorism and stabilize the international system after the many crises of the past few years.

Containment is interpreted as a strategy that differentiates between threats and establishes limits to military commitments abroad. There are several references in the paper to Kennan's own considerations, in particular as to the imperative for the US to avoid embarking on military interventions abroad when vital interests are not at stake: enemies, on their part, will have vital stakes once targeted, and will fight until the end, and perhaps more successfully. Kennan's teachings are considered useful also in connection with the need to keep potential and actual enemies divided: the opposite of what the Bush Administration did when lumping America's rivals together under the label of "Axis of Evil".

The paper argues, moreover, that in a globalizing world, containment has to rely on more than during the Cold War on international action and regional participation. The latter means, when it comes to the Middle East, engaging with Syria and Iran. An analogy is drawn between today's Iran and yesterday's China: containment is needed, but strategic opening should complement it. Regional participation, it is pointed out, should also lead to reinforcing, or building afresh, regional alliances, the goal being to have NATO-like organizations in all the hot regions of the world. As to the need for international action, the paper argues that international authorization is crucial in two main respects: normative reasons make it important to provide legitimacy for international action, especially when war is waged, so as to prevent the formation of balancing coalitions uniting against what would be seen as an "imperial America" and an imperialistic West; the involvement of international organizations, such as the UN, moreover, proves a great addition to missions in weak or failed states because of the precious information that these institutions can rely on and offer other organizations on the ground.

Paul Wilkinson's paper ("A Brief Assessment of US-European Cooperation on Counter-terrorism") argues that what distinguishes Americans from Europeans is not threat assessment (both agree, for instance, that Al Qaeda is the most dangerous terrorist movement facing the international community), but the preferred approach to deal with the terrorist menace. The Bush Administration, it was recalled, decided to declare a

"war on terror" after Sept 11. This choice, the paper argues, was understandable given the tragic figures (death toll, casualties toll) of the 2001 terrorist attacks, but it was nevertheless a choice based on a grossly simplified picture of the nature of terrorism which led many to assume that the US military would be able to solve the terrorist problem by defeating Al Qaeda on battle fields through its military superiority. Europeans, on the contrary, eschewed a militaristic interpretation of the campaign against terrorism by stressing a holistic approach to the struggle and giving a central role to police and judicial means (pursuing, bringing to trial, and convicting the terrorists). The paper contends that the latter approach is superior in consideration of the lessons that can already be drawn from the case of Iraq as well as from the experiences of the Israelis in their struggles with Hezbollah and Hamas: 1. there is no purely military solution to a serious terrorist campaign; 2. over-dependence on the military provides terrorists with powerful propaganda and recruitment weapons besides visible and fresh targets, and is therefore counterproductive. The paper concludes that the experience with Iraq in particular testifies to the limitations of unilateralism and calls for a return to a multilateral strategy. New counter-terrorism policies, it is stressed, shall in the future be firmly anchored to respect for the rule of law and human rights: the West cannot ignore its own proclaimed human rights and rule-of-law principles if it wants to win the battle of ideas that is part and parcel of the fight against international terrorism.

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"Containment" of terrorism and respect for human rights and the rule of law both acknowledged as important arguments

Discussants debated the central claims of the two papers and most concluded that the idea of "containing" terrorism is an interesting and promising concept, especially in the light of the failure of the all-out war against Al Qaeda of the past eight years. A participant noted, however, that Cold War containment turned out to be a fairly expensive policy and that efforts should be made to reduce the costs of a containment strategy if applied to counter-terrorism. Many agreed, moreover, that Al Qaeda is different from previous terrorist groups in that it seems to lack any clear political agenda: it is, therefore, very difficult if not impossible to "discourage" it from resorting to violence by identifying a political pathway along which some of its claims could be given recognition. Discussion also covered topics such as the use of torture during interrogations, the question of renditions, and the transformation of national security, both as a concept and as a set of institutions, in response to international terrorism. Consensus gathered around the concept that Western democracies have to live up to their principles, the rule of law and human rights in particular, both when fighting terrorism and when creating new domestic instruments to protect their own citizens from external danger. In this connection, some participants criticized "renditions" as often involving patent violations of human rights and as instruments undermining instead of strengthening transatlantic cooperation.

But views diverged as to how to interpret both "containment"…

It was noted that, while both papers stressed the need for international authorization and collective action to counter terrorism, containment of the terrorist threat was conceived differently. The American view of containment, drawing on the experience with Cold War containment, seemed to be inspired by a largely militaristic interpretation of the

terrorist threat, whereby wars are waged against it, although strict criteria are set as to when and against whom to use international force. The European view of containment seemed to focus instead on policing and judicial means to stem the spread of terrorism, the underlying assumption being that terrorist groups are often integrated within societies and cannot be completely defeated on battlegrounds. Some European participants noted that, containment, as outlined in Ian Shapiro's paper, did not envisage any clear role for the EU. An American participant suggested that a division of labor could contemplate NATO undertaking most of the defense as well as fighting duties, and the EU offering its civilian, intelligence, and crisis management skills. On the specific issue of containing Iran, a participant noted that strategic opening requires the goodwill of both sides, and Iran is unwilling at the moment to open any such dialogue. It was also pointed out that the strategic equation of the region is very complex and that a regional alliance against terrorism could have many different shapes: it is not always easy to translate the principle of regional cooperation into actual policies. A participant insisted, however, that substantial reasons exist to engage Iran because both the US and Teheran share common interests: they both oppose the return of the Taleban in Afghanistan, and would be damaged by a collapse of Iraq and by the unmanageable refugee problem that this would probably create.

…and international legitimacy

As for international legitimacy, it was noted that the very notion of self defense has significantly expanded after the end of the Cold War and particularly in connection with the threat posed by terrorism, so that it is now difficult to establish what its limits are. A participant stressed that pre-emption is not in keeping with international law, at the moment, no matter how self-defense is defined. Discussion then moved on to how to build international legitimacy. Many participants stressed the need for UN Security Council authorization, but some expressed doubts that the UN, as it is, is suited for the task, starting with the composition of the Security Council. It was pointed out that, while to some extent marginalized in the fight against terrorism, the UN has offered an important forum in which the US and Europe can cooperate on anti-terrorism. The UN Security Council, for instance, has passed several resolutions against terrorism, beside promulgating protocols and conventions. Resolutions 1540 and 1573 in particular have addressed the issue, the former setting up a committee which may also provide intelligence to countries lacking capabilities. A participant noted that the UN can be bypassed, if needed, as long as transatlantic security cooperation against terrorism respects international law.

Sharing intelligence is crucial and so is reciprocity

Consensus gathered around the observation that intelligence is key to the defeat of terrorism. It was noted that both the EU and the US have made significant progress towards updating and reforming their intelligence assets. The US, on its part, is coping with the downscaling of intelligence following the end of the Cold War. It was stressed that during the Cold War, anti-terrorism was a prerogative of the CIA, whereas after 2001 a new multi-agency institution was created which has the potential to be more effective, although different approaches among the various agencies can sometimes lead to confusion. As to the EU, progress has been made through the "European Action Plan" against terrorism, but the problem of inadequate coordination persists.. It was also pointed out that majority voting in the EU's "third pillar" should lead to further progress

in Europol/Eurojust instruments. Some participants noted that European countries still have different counter-terrorism cultures and for these reasons are sometimes reluctant to proceed with integration of services. It was noted, lastly, that transatlantic cooperation has been fairly effective against terrorism financing, although often carried out bilaterally or through small or ad hoc groups of American and European countries. One participant argued, and others concurred, that full reciprocity is lacking in transatlantic counter-terrorism, with the US accessing European intelligence, but jealously guarding its own.

Session IV: Defense Industry and Transatlantic Relations

Christine Fisher's paper ("Accessing the European Defense Market: A European Perspective") starts with the observation that defense is not a normal market: there will always be "complexities" due to the fact that defense is inextricably connected with sovereignty and national security. The paper argues that the US does have an interest in a real transatlantic defense industrial base, even though sensitivity about technology export and attention to foreign acquisitions made in the US have notably increased after 2001. The paper then passes on to discuss the current situation and contends that the fact that the US defense industry sells more to Europe than the US buys in return does not necessarily mean that the European market is more open and accessible. Among the obstacles impeding American firms from penetrating the European market, the paper distinguishes between barriers that are erected by EU member states and those erected within the US ("self-imposed barriers"). The former include non-competitive contracts, national preferences and national favorites; ownership and limits on foreign investment; barriers to protect national technology, industrial jobs and intellectual property. The paper concludes that many of the barriers that European nations have set up against US firms are similar to those that European firms face in accessing the US market. It also stresses that those barriers vary, however, by degree and intensity not only between the US and Europe, but also within Europe.

As to self-imposed barriers, the paper focuses on ITAR (International Traffic in Arms Regulations). It notes that ITAR reviews and enforcements are becoming so unpredictable and time consuming that products from the US with an ITAR string are less desirable in Europe ("ITAR-tainted"). Another self-imposed barrier has to do with culture: the successful history of US defense products has sometimes led to disregard for national needs in foreign markets.

The paper analyses, lastly, the possible impact of prospective new pieces of EU legislation such as the EC Defense Directives Package, which calls for a more competitive European Defense Industry, a Procurement Directive to govern buying, and a Transfers Directive for export coordination within the EU Community. This new legislative package poses, according to Fisher, new concerns for US market access in the EU. The risk is two-fold: first, that an Euro-centric vision will prevail; and second that the new directives will inadvertently create new barriers. It is not clear to date whether this new framework will translate into higher barriers or not; what the US government and industry in any case strongly recommend, is to pay increasing attention to the implications of the new rules regulating the EU market.

Andrew D. James' paper ("Accessing the US Market: A European Perspective"), offers a similar analytical exercise, but applied to the US market. The paper addresses the question of whether the transatlantic arms market is a "one-way street", that is, if it is characterized by a European market that is comparatively much more open and accessible to US companies and technologies than the US market is for European firms. It shows that recent developments testify to a greater presence of European companies in the US market and to a growing number of them winning high profile contracts from the US Department of Defense and other government agencies. A notable example is the decision of the US Air Force to purchase tanker aircraft from an Airbus-Northrop Grumman consortium (a contract worth US $40 million). After examining other developments of this kind, the paper concludes that these encouraging signs are still not enough to claim the end of the one-way street. The contract with Airbus-Northrop Grumman, for example, has engendered a storm of political protest in the US Congress and prompted Boeing to refer the procurement to the US Government Accountability Office. Senators Clinton and Obama, now in the race for the White House, argued that the Boeing loss was just the latest example of policies resulting in US jobs being shipped offshore. The paper also notes that a substantial imbalance in transatlantic arms trade remains, although this reflects to some extent an imbalance in transatlantic investment and procurement as well as R&D. Moreover, the paper notes that European companies tend to "follow the market", meaning that the direction of flows within the transatlantic arms market reflects the fact that the US market is still much larger than the European one. The paper concludes that the scenario to be avoided is the rise of a "fortress Europe" protecting its own defense industry instead of demanding greater openness from the US.

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Defense markets are not "normal" markets and will hardly become so in the future
Discussants lively debated the papers and recognized that, although rather technical, this session of the Symposium was nonetheless central to the understanding of transatlantic security and could provide the basis for interesting political considerations. Most participants agreed that defense markets are not "normal" markets and are, in fact, the last bastion of protectionism: defense is national security at its core. Most discussants confirmed, moreover, that Sept 11 has added new complexities to an already complex market. It was noted that the Clinton Administration actively tried to speed up the process towards a more integrated transatlantic defense market, whereas the Bush Administration has been agnostic on the issue, to say the least. Everybody recognized that progress has been made, but nobody dared to draw any final conclusion: it is too early, and at the moment uncertain, whether the transatlantic market will head towards greater integration, especially if political action is absent.

Consolidation of the US defense market as a potential drive for greater openness
Participants commented on the Airbus-Northrop Grumman consortium deal and most read it as a positive sign. Some interpreted it as an attempt to reach out to foreign firms in consideration of declining domestic competitiveness in the US. A participant noted that the US market is perhaps the most consolidated, but also the larger and more transparent, while the European one is not consolidated yet, mainly because it is currently more fragmented. Others noted that US culture of national security, which

became even more pervasive after Sept 11, is an obstacle in itself to openness and integration. An American participant noted that, although the risk of protectionism in this field is very real, instruments such as ITAR often embody legitimate concerns having to do with national security: the US does not want its technology and arms to be shipped to third countries through the European market, especially if these are rivals, or outright enemies, of the US. Here, the arms embargo on China is a case in point.

The US market is and will remain ahead. Transatlantic imbalance is not bad in itself

Most participants then noted that the US market is not only larger but more advanced than Europe's and will probably remain so for the foreseeable future, if only because the Pentagon doctrine relies on this advantage as an instrument of national security and power. Most participants also agreed that EU countries are unlikely to increase their defense budgets and will keep importing technology from the US, while also developing their own. After considering these disparities, a participant suggested , and many agreed, that there is no reason to be obsessed with the current transatlantic imbalance because: 1. even if it remains the same, there will be room for important improvements in the direction of greater integration 2. the imbalance may just reflect a comparative advantage which it would be uneconomical to erase by political decision. What many participants, be they American or European, deemed as more important, is greater access rather than balance. Integration would flow from greater access, largely regardless of balance, and could be further favored by joint training and greater interoperability between European and American forces. This may give a boost to the creation of a market for transatlantic defense products. In this connection, a participant stressed the difference between the arms and defense markets: although obviously linked, the two cannot follow the same dynamic, arms being among the most sensitive defense products over which states often want direct control.

The European market is still fragmented. Integration will not become synonymous with protection

Participants recognized that efforts have been made to integrate the European defense market but also acknowledged that fragmentation still prevails over integration. Many pointed at the several duplications that still exist among EU members. It was pointed out that the time for "going national" at the European level seems to be over but that talking of a unified market is premature. It was suggested that greater powers be given to EU institutions, such as the European Defense Agency, but some replied that there currently are 27 different interpretations of the exact prerogatives that this institution should have. Other argued that it is precisely the existence of such institutions that can assure greater openness, because the alternative is defense markets being dependent on the interest of national defense firms and governments which would likely oppose integration on the grounds of the loss of national jobs. It was also argued that higher investments in research and technology in Europe may lead to greater integration in Europe and greater transatlantic integration through products that would be highly competitive with their American counterparts. This could happen defense through a more efficient redistribution of resources even if European defense budgets do not increase.

While some participants suggested that the top priority for Europe is to set its own house in order, others worried that such a process might ultimately lead to a protectionist Europe, or "fortress Europe". Nobody welcomed the latter outcome but

many participants, especially Americans, considered this risk as very real. In this connection, a participant argued that the best guarantee against such an outcome, would be to give more prerogatives to EU institutions and agencies, since national capitals are often more prone to protection. defense Encouraging signs are not only the growing number of US products containing European components, but also products such as the JSF fighter (a technologically advanced aircraft) which are the result of transatlantic technological and industrial cooperation.