

IAI8901

HOW EPC CAN CONTRIBUTE TO A MORE BALANCED TRANSATLANTIC DIALOGUE

by Gianni Bonvicini

The growing Europe-Usa confrontation

The EPC was created in 1970, before the period that Dahrendorf has called "the americanization of America", which dates from August 1971 and the so-called Nixon Shock, that is, the sudden unilateral decision to separate the value of the dollar from the price of gold, and the end of Bretton Woods (1). This means that the problem of the EPC-Usa confrontation arises from objective needs, or, more precisely, from the profound changes in the Europe-Usa relationship, beginning with changes in monetary policies and followed by other events which, though perhaps not directly related to the bilateral EEC-Usa confrontation, would have profound influence on it.

We need only to recall the increasing disagreements on the redefinition of responsibilities in the Atlantic Alliance of 1973, a year that Kissinger somewhat ironically baptized "the year of Europe". This was followed by controversy over the stance to take on the conflict in the Middle East and the role to attribute to the newly formed International Energy Agency, which the Americans wanted to see assume a definite anti-Arab orientation. The attempts to find mechanisms for preparatory consultations between the Europeans and Americans seemed to have reached a satisfactory solution with the Gymnich formula in 1974. This, however, was later upset by the crisis in detente during the Carter presidency and the concurrent extension of European interests in the various world theatres, from Central America to South Africa, where sources of friction could only increase.

With respect to the past, we can certainly say that the difficult Euro-american relations have now extended beyond the traditional sphere of trade to include all sectors of cooperation, and no longer only involve France, "l'enfant terrible", but affect all the European partners, collectively, or individually at different times. As opposed to the period of the initial years of the process of integration, the Community no longer enjoys a positive relationship with the Usa, but is now one of the principle targets of American criticism (2).

The difficulties in transatlantic relations can be accounted for, in our opinion, by three inter-related explanations:

The first is the weakening of the international regulatory institutions. These institutions did not adapt to their new roles or to the increased number of actors in the international system in time. In monetary agreements, for example, nothing replaced fixed exchange rates and the dollar as the basis of the system. In trade relations, the geographic area that should be covered by GATT now extends beyond the area over which it has authority. In the field of macroeconomic policies, the common acceptance of the Keynesian paradigm as a basis for cooperation has been lost and even economic doctrines are now in

conflict. Finally, as for strategic issues, Nato has lost a lot of its influence because of the increase in the number and danger of regional conflicts in the out-of-area, international terrorism and the shift of east-west confrontation to outlying areas as opposed to the traditional central front. The obvious consequence of the decreasing effectiveness of the international institutions was the rise of a disorganized multilateralism ad hoc (the Five, Seven, Trilateral Commission, etc.).

The second explanation is that domestic policy considerations today are increasingly taking precedence over any attempts at international coordination: national sovereignty is formally indisputable and undisputed. In fact, it has become even more important as a result of an increase in both official interest in and public opinion of contemporary problems including the management of the economy, politics, and even of strategic issues. The need for internal consensus is becoming increasingly felt as governments have less decision-making power; electoral considerations are crucial. Thus, attempts at international coordination and consensus among partner governments have become secondary.

Finally, countering this emerging nationalism, there is a growing interdependence of political and economic systems. This interdependence is so strong that any domestic policy decision has immediate international consequences and, similarly, any international decision affects national policies. There is also a growing interdependence among sectors trade, monetary, industrial, and a decision taken in any one sector has immediate repercussions in the others. If protectionist measures are taken in such an interdependent system, there will be a chain reaction in other countries and in the various economic and political sectors within a given country. In fact, the reasons for taking protectionist measures and the effects they produce are contradictory: while they are a useful means of gaining internal consensus in defence of interests supposedly endangered by foreign competition, they also create uncertainties abroad, making foreign investment programs and the freedom of movement on an international scale impossible (3).

Regulation of the Euro-American Confrontation through the EPC: The Gymnich Formula and its Effects

To return to the specific question of EPC-USA relations, the only real attempt to regulate the foreign policy positions of the US and Europe has been the Gymnich Formula, proposed to the Americans by the Europeans on June 11, 1974. This formula was advanced as a result of the pressures of events including the Yom Kippur War in the fall of 1973; the declaration of the Nine on the Middle East on November 6, 1973 (which recognized Palestinian rights); the Document on the European Identity of December 14, 1973; the presence of Arab ministers at the summit of the heads of state of the EEC on the following day; the beginning of Euro-Arab dialogue announced to the Americans in March, 1974; the dispute over the creation of the International Energy Agency excluding France.

The Gymnich Formula, with its procedure for preparatory consultations between the Europeans and the Americans to avoid further controversy over their respective positions in foreign policy, was a last-minute solution for a

situation that was visibly deteriorating daily. Of course, because of the fears, primarily (but not exclusively) on the part of the French, that the Formula would be too restrictive, it became a famous masterpiece of ambiguity and compromise (4). The text is worth quoting:

The ministers were agreed that in elaborating common positions on foreign policy there arises the question of consultations with allied or friendly countries. Such consultations are a matter of course in any modern foreign policy. We decided on a pragmatic approach in each individual case, which means that the country holding the Presidency will be authorized by the other eight partners to hold consultations on behalf of the Nine.

In practice, therefore, if any member of the EC raises within the framework of EPC the question of informing and consulting an ally or a friendly State, the Nine will discuss the matter and, upon reaching agreement, authorize the Presidency to proceed on that basis.

The ministers trust that this gentleman's agreement will also lead to smooth and pragmatic consultations with the United States which will take into account the interests of both sides.

Though vague, the Formula clearly addressed the question of consultation with Third Countries. The importance of not isolating European foreign policy from the system of alliances and favoured relationships that were created in the postwar period is recognized. The subsequent London Report in October, 1981 and the Stuttgart Declaration of 1983 reiterated the importance of a network of consultation with Third Countries. The objective was threefold: to reassure the usual partners; to form large coalitions on major international issues; to increase the number and quality of friendships in the world (5).

But it is evident that, apart from these general objectives (which had already been formulated in the Document on the European Identity in December, 1973), the Gymnich Formula was primarily directed at the United States. The importance of this relationship was such that it was not considered appropriate, as in the case of all other countries and geographic areas, to delegate it to the so-called "working groups", that is small groups of diplomats responsible for examining single issues regarding EPC and relations with Third Countries. The far-reaching nature of the Europe-USA question did, in fact, call for special treatment at the highest level and for more frequent attention than those issues normally delegated to working groups.

This is not to suggest that the Gymnich Formula was intended to "institutionalize" EPC-USA relations, but rather that it was a political signal of the European willingness to engage in transatlantic dialogue and establish a "gentleman's agreement" on preparatory (and follow-up) consultations.

EPC-Usa Consultation: experience and practice

To date, the Gymnich Formula has, in fact, worked relatively well as a result of a totally pragmatic approach and gradual improvement of the consultative procedures adopted according to the needs of each case.

The central role in these procedures is played, as would be expected, by the Presidency-in-Office of the EPC and, on the American side, by the embassy in the country holding the Presidency. These contacts are made frequently and at various levels between the director of political affairs and the American ambassador or vice-ambassador; between the correspondent and the American political advisor, and so on. There is, however, no set rule for the number and frequency of these meetings: everything depends on the importance and urgency of the problem at hand; the personal relationships between the European and American officials; and the size of the country holding the Presidency. The American delegation at the EEC in Brussels often plays the role of coordinator for the various embassies and the State Department (6).

With the institution of the Troika System in the EPC, the embassies have a greater and more diverse role, given that the other four countries interested in the management of the Presidency of the EPC (the countries that held the two preceding Presidencies, and the countries to host the two subsequent Presidencies) now also come into play.

The contacts between the Europeans and Americans are not limited to the European continent; there is significant information exchange in Washington (State Department) and in New York (United Nations). As for the EPC, the role of spokesman still lies with the Presidency (or the Troika); furthermore, as of 1982, the level of meetings has been raised to include a visit by the President-in-Office of the EPC to the American Secretary of State at the beginning of the semester.

These widespread activities have two principle objectives: first, to have the US agree to European initiatives; and, subsequently, to clarify the content of the agreement reached by the Europeans and avoid misunderstandings with the Americans. These activities, however, do not operate in only one direction, that is from the EPC toward the Usa; often they work in the other direction, that is, when the Usa wants to ensure that the Europeans follow a clearly delineated "policy" as was the case on the eve of the famous 1980 Venice declaration on the Middle East, an occasion which saw an unusual flow of American information on the contents of the Camp David Accord aimed at convincing the Europeans not to deviate from it.

On rare occasions, contacts between the Americans and Europeans may also be held in Third Countries if it is in their mutual interest or if on-site coordination is required.

There are preparatory and follow-up consultations on all subjects addressed by the EPC that are clearly important for transatlantic relations: these now include information on the fight against international terrorism, exchanged through ad hoc groups since it was decided to discuss this issue in foreign ministries (and the State Department).

Limits of the EPC as a coordinating body for the Europeans and Americans

Though the experience of the last few years has shown that the Gymnich Formula has been implemented more successfully than expected (that is, the rigid dogmatism originally feared was not manifested), the problem of the relationship between the EPC and the USA in the field of foreign policy is far from being solved for several reasons:

First, the distinction between the respective activities and responsibilities of the EPC and the EEC is not clear to Third Countries. Though this may seem trivial, it is, nevertheless, a real problem. In fact, even the USA, which has become quite familiar with the EPC, has difficulty deciding which institution is responsible for a given procedure. With their preference for dealing with concrete issues, the Americans tend to give more weight to the EEC, where specific matters can be handled (agriculture, trade, etc.), than to the elusive nature of the activities of EPC, where it is difficult to move from the declaratory phase to the operational phase.

The Americans are also uncomfortable with the slow maturation of decisions of common interest and by the fact that they usually reflect the "lowest common denominator". This brings us back to the well-known problem of the credibility and effectiveness of the declaration of the Twelve in EPC. So as to avoid the trap of overrating the importance of the activities of the EPC, the US, often prefers the more effective and familiar tool of bilateral diplomacy with individual member states of the EEC. This occurs when, for example, the Presidency in Office is held by a small country. The Europeans also prefer to deal directly with the US when particular national requirements so warrant or when there is disagreement among the European partners.

The second element that is weakening the importance of EPC in Euro-american relations is the institution of the Summits of the Seven and, in particular, the gradual transformation of these economic summits into meetings on foreign policy. In fact, the task of coordinating west-west relations on the major issues of international politics is increasingly being attributed to this forum in which the Community is represented by the President of the Council and that of the Commission (7). From this point of view, the reduction of the number of European councils from three to two by the recent Single Act of Luxemburg has decreased the Community's capacity for advance preparation of a common position towards the Americans, as was normally the case in the European Spring Council.

The third consideration involves the difficulty of keeping certain aspects of the Euro-american confrontation within the EPC when changes result in their being placed under the jurisdiction of other institutions. This occurs in cases related to security, as is often the case in east-west matters. For example, in the case of sanctions against Poland, the matter went from the EPC to Nato when the crisis became acute and the American pressure to adopt common sanctions became more intense.

These considerations lead to the more general problem of the relationships among different institutions in cases which fall under the jurisdiction of several institutions. In these cases, the EPC plays a secondary role since it is without American representation, while other institutions with American representation, like the Summit of the Seven, or Nato have greater influence

and the possibility for prompt intervention. The lack of "institutionalization" in the Gynnich procedures is a weakness from this point of view since it allows the Americans to opt for the short-cut of direct bilateral relations with individual governments or for the transfer of a problem to another forum. Furthermore, the pragmatic and flexible nature of the EPC, unlike the "rigid" one of the EEC, in which responsibilities and roles are more clearly defined, does not help the Europeans establish a bilateral forum with the US administration since the structures are not comparable with respect to powers or roles.

Therefore, the idea of redefining international relations according to united poles is regaining credibility. The Us already consitutes one such pole; the European Community, on the other hand, still has to improve its mechanisms for decision-making, especially in the field of foreign policy. Among other things, this now inevitable trend could constitute one of the most convincing pressures on the Europeans to unite and act as a single Entity. The international institutions can be rebuilt through this renewed European effort to establish its international identity and negotiating power. In the long run, this will also benefit the Us.

NOTES

1. R. Dahrendorf and T. Sorensen, "A Widening Atlantic? Domestic Change and Foreign Policy", Council on Foreign Relations, New York, 1986, p.6.
2. Kaiser, Lord, de Montbrial and Watt, "Western Security: What has Changed? What Should be Done", RIIA, London, 1981.
3. G. Bonvicini, J. Sasson (eds), "Governare l'economia europea. Divergenze e processi integrativi", Fondazione Agnelli, Torino, 1978, pp. 299-329.
4. B. Kohler, "Euro-American Relations and European Political Cooperation", in Allen, Rummel, Wessels, "European Political Cooperation", Butterworth, London, 1982, pp. 83-93.
5. R. Rummel, "Speaking with one voice and beyond", in "European Political Cooperation in the 1980's: A Common Foreign Policy for Western Europe?", Martinus Nijhoff Publishers, Dordrecht, The Netherlands, 1988, pp. 118-142.
6. E. Regelsberger, "European Political Cooperation. Contacts With Third Countries: Past and Present", Eui, Working Papers n. 85/172, Badia Fiesolana, 1985, p. 15.
7. G. Bonvicini, W. Wessels, "The European Community and the Seven", in C. Merlini (ed.), "Economic Summits and Western Decision Making", Croom Helm, London, 1984, pp. 167-191.

4

131 AFFARI
UFFIZI CENTRALI - ROMA

II DIV. 9491
30 GEN. 1993

BIBLIOTECA