

"The Transatlantic Train Wreck – Picking up the Pieces"

Conference Outcome

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Introduction

There are three possible interpretations of the change within transatlantic relations, each offering some interesting points to consider:

- 1) Transatlantic relations are, to a degree, dependent upon the political actors involved in shaping those relations. As long as the “atmospherics” between George Bush and Gerhard Schroeder remain clouded, there will continue to be problems in German-American relations. First interpretation: Political leadership and domestic political circumstances play an important role in shaping international relationships.
- 2) The transatlantic partners have a more intensive network infrastructure of exchange than ever before (in the form of fellowships, sister cities, business contacts, individual travel, etc.) – a circumstance which should put in perspective the current handwringing over the conflict and rifts in transatlantic relations. Second interpretation, therefore: The current problems that exist in European-American affairs have been slightly over-dramatized; upon taking a closer look, the situation seems somewhat more stable than it appears at first glance.
- 3) Europe is largely occupied with its own internal development while the U.S. is focused on external threats. The European weakness is quite obvious: a clear deficit of strategic thinking. Europe suffers from a deficit in power instruments and is currently preoccupied by the creation of EU institutions and relationships. Third interpretation: When the partners’ main concerns are focused on different sets of problems it creates problems for the relationship between the two of them.

Domestic Underpinnings of the Transatlantic Rift

- *What are the underlying domestic causes of recent disagreements between the U.S. and Europe?*

Contributions by group members:

1. There has been a shift in relations within Europe, with concerns arising among new member states regarding their relative position vis-à-vis the old member states. Europe currently lacks a vision of its future role in world affairs as well as a concept for overcoming the transatlantic imbalance in economic and security matters.
2. A reluctance to engage in the use of military force (i.e. the willingness to use force only as a last resort) as well as an increased emphasis on the employment of economic means in order to prevent crisis or conflict can well become the new consensus across all of Europe, in both “New” and “Old” Europe.
3. The most intriguing responses found in polls of American public opinion with regard to transatlantic relations and attitudes toward Europe lie not in those questions answered in either the affirmative or negative but rather in the high percentage answered with “do not know” or “unable to answer”. These results may point to some underlying reasons for current U.S. attitudes toward Europe.
4. Do the Atlantic partners share the same values? Major ones, like freedom and security, are indeed held in common. But one major difference between Europe and the U.S., for example, is the extent to which God and religion play a role in

public discourse. Religion has been a major part of American history and culture throughout the country's national existence. This and other divergences of opinion (over matters such as the death penalty or the treatment of prisoners in Guantanamo Bay) indicate deeper underlying cultural differences, if not a cultural ambivalence in the relationship. One could also argue, however, that it is now commonplace for both partners to make judgements about domestic policies of the other country and that this indicates how intertwined U.S. and the EU societies have become.

5. Another domestic cause for the train wreck in transatlantic relations has to do with the dramatic difference in the sense of personal safety and security: The U.S. today feels less secure than before because of the terrorist attacks of 9/11. By contrast, since the collapse of the Soviet Union, Europe now feels more secure than at any time in its recent past.
6. There is a clear expectation on the part of Americans that there will be a climactic scene in which America and its enemies will stand face to face – along with the expectation that America's friends will be there to help. This expectation has not been met by the EU, only by some of its member states.
7. One of the most important causes of the current conflict with the U.S. has to do with who is running policy. There is no doubt that George W. Bush sees in his presidency a clear-cut mission and that he has a specific view of the U.S. role in the world. If someone else were in charge at this time, it is possible that the attitudes of the partners towards each other might be different.
8. There is a tendency in U.S. society to frame issues in a binary way ("either/or," "us vs.them"). Everything becomes clearer and easier if you can identify an opponent, if you can put a face on the threat one confronts. In the European mindset, causes, actions, and results are complex and interconnected. According to American popular culture, if you stand up alone against a challenge, and if you are right, then you are a brave and worthy hero. In Europe you are a fool, because European experience demonstrates that even the strongest cannot go it alone. From a European perspective, to stand alone is to lose. The European experience is marked by a long history of betrayal, of shifting alliances, of constellations and coalitions through which one must carefully manipulate ones way as one attempts to deal with various risks and challenges.
9. Working together, the U.S. and the EU accomplished a great many things over the last decade or two: They won the Cold War; they stopped the war in the Balkans, they successfully enlarged NATO and EU; they anchored Russia and both Southeastern and Eastern Europe to the western sphere of influence; and they prosecuted a war in Afghanistan. Taken together, this indicates that either these accomplishments took place in spite of deep differences between the partners or perhaps that the differences were not as deep as suspected.

Transatlantic Relations and Iraq, the Israeli-Palestinian Conflict and the Greater Middle East

- *After the war in Iraq: what are the prospects for a broader effort to win the peace?*
- *Now that the "Road Map" has been delivered, what are the possibilities for a transatlantic approach to the Israeli-Palestinian conflict?*

Contributions by group members:

- 1) For Americans, the strategic challenge of this era is the Greater Middle East (referring to the region from North Africa to Afghanistan). It is from there that the greatest threats to the western world are likely to emanate (in the form of terrorism, rogue states and weapons of mass destruction). The question is whether Europe will be a partner of the United States as it faces these new challenges and will this cooperation become the new purpose underpinning the transatlantic relationship.
- 2) There is a paradigm shift taking place in U.S. policy toward the region: the realization that the Greater Middle-East is the crux of the larger problem and that reform there must be part of the overall solution. Previous U.S. policies have failed. Change must involve democratization and transformation in the region.
- 3) The key issues in the U.S. debate on the Greater Middle East are
 - (a) Iraq: The U.S. is committed to a long term effort to try to build a better Iraq and use it as an example of what the Middle East can become;
 - (b) Israel-Palestine: The U.S. must first change the context, to create a new and better context in which Israel and Palestine can make peace;
 - (c) Iran: The U.S. should pursue a strategy of peaceful regime change in Iran. A strategy of peaceful regime change must be a strategy pursued over the longer term;
 - (d) changing Saudi-Arabia and Egypt: The U.S.-Saudi relationship is going to change in the future, and a debate is already underway as to how to pursue reform in both Saudi-Arabia and Egypt;
 - (e) the 'regional security system' for the Middle East: Assuming Iraq can be successfully "democratized" and an Israeli-Palestinian deal can be successfully brought about, how do you lock these developments into a new system of international cooperation? In order to achieve this, the U.S. needs a strategic framework for broad-based political and economic cooperation. In other words: It needs an alliance that is willing to work with it on these matters.
- 4) The U.S. and Europe must repair their relationship, bring people, money, brains and talent together to conduct a systematic dialogue about how to bring about change in the Greater Middle East. Through such a joint effort, a better strategy for the region can be developed.
- 5) The transatlantic rift is trivial compared to the rift that exists between the West and the rest of the world. One direct effect of this rift is the sharp rise in anti-Americanism – which also points to a rise in anti-western attitudes generally (Pew Study, June 2003).
- 6) The war on terror is about to be lost, because:
 - (a) one can hardly find an Islamic country where one does not see a doubling or tripling of anti-American and therefore anti-Western resentments. Those societies will not offer help in the war on terror;
 - (b) for the foreseeable future the Western and the Islamic countries are unlikely to

share a common perception of threat – in large part because, within the Islamic world, U.S. power is perceived as the primary threat.

- 7) Instability is a major problem: Governments that ally themselves with the western world in the fight against terror confront a population with widespread anti-western attitudes. Jordan, where anti-American sentiments are rampant, is the most extreme example. This estrangement between government policy and popular sentiment causes instability.
- 8) The U.S. cannot do it alone: The legitimacy and credibility of international institutions must be re-established. This should involve not only an effort to revivify the UN Security Council but also a demonstrated willingness to engage in discussions on how to refashion both international institutions and international law in a way that allows them to deal more effectively with the challenges described above.
- 9) It is also time to begin a discussion about the establishment of civil society in Iraq, Syria, Saudi-Arabia, and elsewhere. It is time to find out which agents to turn to in order to go about improving the performance of social, economic, and governmental systems in the region.

The Future of International Organizations

- *How is the role of the UN viewed on either side of the Atlantic?*
- *What does the future hold for NATO and the EU?*

Contributions by group members:

- 1) The future of International Organisations will be determined to a large degree by the overwhelming preponderance of U.S. power. Disparity in power is the reason that Americans tend to prefer the use of force while Europeans emphasize instead the role of international institutions, rules, norms etc. Put simply, international institutions are the weapons of the weak.
- 2) The “structural optimists” take the position that the preponderance of power in U.S. hands will not necessarily lead to the demise of international institutions. To them, it simply means that the U.S. will deal with international institutions and will pursue multilateralism in an à la carte fashion – an approach which, in and of itself, should not pose significant problems.
- 3) “Structural pessimists,” on the other hand, view this as the end of the transatlantic alliance. Moreover, international institutions will not be very effective at mediating disputes because Europe’s efforts to balance the U.S. will create strong barriers to cooperation in those institutions.
- 4) The U.S. should return to the view that international institutions are a weapon of the strong, not of the weak, that international organisations can be a more effective mechanism for projecting power, spreading shared values and bringing about a new international order possessing greater legitimacy.

The United Nations:

- 1) Europeans are in favour of the UN and prefer to work through the UN. This is due mainly to the European preference for approaching problems through multilateral action; the EU itself is a prime example of the success of multilateralism and of the rule of international law.

- 2) The key issue facing the UN is the matter of the use of force. Some EU governments cannot legally deploy forces abroad without first obtaining a mandate from the UN Security Council.
- 3) Even in those countries where no such prerequisite exists, UN legitimization is nevertheless vital for public approval of major international operations. Ironically, in the perception of most Europeans, the UN came out of the recent Iraq crisis quite well. Its failure to back the U.S. (a position in tune with general European public opinion at the time), meant UN credibility has been enhanced within Europe.

NATO:

- 1) The biggest issue facing NATO is how it is going to reinvent itself. In military terms NATO is useful but not essential. In order to become more useful NATO must be better able to deal with today's security environment – in particular the challenges posed by weapons of mass destruction and terrorism.
- 2) On counter-terrorism: The EU in some ways is more useful to the U.S. than NATO because it has more experience in tracking terrorist finances (through internal police cooperation, etc.). NATO lacks this type of experience.
- 3) It is becoming a fashionable idea in Europe (due in part to flat defence budgets) to think that NATO is dying. Paradoxically, however, NATO has never been busier. NATO is running peacekeeping operations in both Afghanistan and the Balkans. It is involved behind the scenes in Iraq through the Polish-led mission. And it is trying to engage in a dialogue with Russia while seeking to manage its relationship with the EU.
- 4) NATO's political role is of crucial importance. The role of a reformed NATO should be more political in nature, perhaps a two- or a two-and-a-half-pillar organisation that brings together the EU, the U.S. and Russia on some issues.

The European Union:

- 1) The EU is quite self-absorbed at the moment. The emerging European constitution will simplify EU functions: It will make the EU more efficient and it will make it easier to place blame when things go wrong. On the other hand, the constitution in its current form will not go far enough. Another revision of the EU treaties can be expected, probably in 2008. As a result, however, the EU has a tendency to focus too exclusively on process and not enough on product or outcome.
- 2) In truth, the inclusion of 10 new states is a far more important development for the future of the EU than the creation of a European constitution. Enlargement may result in the EU becoming more atlanticist in orientation or it may mean that the EU focuses more on its borders, or on its relations with Russia. It may even result in greater division within the EU.
- 3) EU Common Foreign and Security Policy: Europeans must be prepared to do more than what is enumerated in the Petersburg tasks. As it is, the EU can barely fulfill the full range of Petersburg Tasks, let alone contribute to a higher level NATO response force. And it will not be able to do this without spending more money and spending it more effectively. Aside from Africa, the EU will not do much with the U.S. beyond its own periphery until Britain and France reach a compromise on how to deal with the U.S. The question as to whether the focus will be on multilateralism or on multipolarity has yet to be determined.
- 4) NATO and the EU do not necessarily have to compete with each other. If the Europeans do increase their military capabilities, both the EU and NATO will gain

and the Pentagon may even be more likely to listen to the Europeans on military matters. But if the Europeans fail to seek a greater military role for themselves, both the EU and NATO will suffer as a result.

Economic and Financial Interdependence and Bridging the Rift

- *What impact does the primacy of the transatlantic economy have on foreign policy disputes?*
- *Should the G8 play a stronger role in the coordination of economic policy?*

Contributions by group members:

- 1) U.S.-EU economic and financial interconnectedness is extensive and deep: In 2001 total U.S. foreign direct investment to the EU was 725 billion, or 52,5 percent of its total foreign direct investment abroad. The corresponding total from the EU to the U.S. was 946 billion. Six of the top ten countries where the U.S. invests are in Europe. Eight of the top ten investors in the U.S. are European. In total the transatlantic economy is 2.5 trillion and employs twelve million workers on both sides. Three quarters of all investment in the U.S. during the 1990s came from Europe.
- 2) With this level of interconnectedness, the U.S. and Europe are clearly dependent on each other. The same circumstance also presents them with an amazing opportunity: The U.S. and the EU together could be a force for good like no other alliance in the world. And the greatest way to make a difference in the world is through the economic development and economic relations.
- 3) WTO: It is critical that the U.S. and the EU work together on moving Doha forward. Agricultural subsidies are, obviously, the biggest issue currently at issue. Agricultural subsidies cost the developing world \$350 billion a year, according to the World Bank – compared to the \$50 billion given in aid. It is imperative that the partners deal with overly generous and counterproductive subsidies and allow the Doha agenda to go forth.
- 4) Much of the WTO is comprised of developing countries. The Doha development round must be made relevant for developing countries.
- 5) Confidence in capitalism must be restored and the G8 could be the right forum to achieve this goal. Creating a responsible market economy means promoting transparency and combating corruption. Structural reforms are also necessary: reforming labor laws; implementing pension and health care; raising productivity through better basic education and life-long learning; promoting investor confidence by improving corporate governance, enhancing market discipline and increasing transparency.
- 6) Despite the high interconnectedness between the EU and the U.S. in terms of trade and economics, a clash on Iraq could not be prevented. What is the connection between economy and business on one side and politics on the other? Economics and politics have yet to be coupled together.

Relaunching Transatlantic Relations?

- *What could be the new strategic rationale from which an updated transatlantic partnership can grow?*
- *How should European foreign policy be defined against the backdrop of an increasingly powerful United States?*

Contributions by group members:

- 1) One basic question is whether free trade and the fight against terrorism are issues on which broader strategic (transatlantic) cooperation can be based. The U.S. and Europe are in agreement on at least the principles and basic ideas underlying these issues.
- 2) The main issue influencing the future of EU-U.S. relations is whether reciprocity can be expected in all aspects of the relationship, not only where there is parity of power, as is the case in the trade sector.
- 3) The regime change strategy is an interesting one, but it is extremely challenging to the post-war system and will be extremely difficult to sell to European public opinion. It will be interesting to see if the EU and U.S. can work together in pursuit of this strategy.
- 4) The problem in transatlantic relations consists of (a) structural and personal elements; (b) a major capabilities gap; (c) a conceptual gap. While the United States ponders ambitious long-term goals for world security, the creative thinking and conceptual energy of Europe is absorbed by the European project. This influences the way that Europe and the United States see international institutions and transatlantic relations.

How can the rift in the transatlantic relationship be addressed?

- 1) by recognizing shared interests;
- 2) by recognizing existing power realities;
- 3) by basing discussions on goals rather than on process;
- 4) by encouraging Europe to integrate further and thus become a stronger partner of the U.S.;
- 5) by developing an ambiguous, positive agenda matched by action and reciprocal inspiration, thus forming a strategic community;
- 6) by exploiting the flexibility of existing structures, such as NATO and the UN Security Council;
- 7) through globalization, in which the U.S. and Europe are central partners in various ways and at all levels;
- 8) through terrorism itself, which can show how much the partners' interests are bound together;
- 9) through an issue-oriented, strategy-oriented dialogue of people from the think tank world, the policy world, and the opinion-making world, focusing less on transatlantic relations as such, and instead on emerging problems and questions such as: What is most important, what is most dangerous, and where should we act?