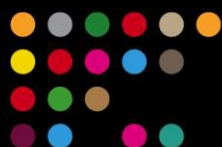


The Transatlantic Relationship

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Introduction

Ever since U.S. President Barak Obama announced that the United States would gradually shift its focus from Europe to Asia, there has been concern in Europe regarding the future of the transatlantic relationship. For many Europeans, the rise of Asia in general and of China in particular as an economic and political world actor has been unsettling. In a world soon to become far more multi polar and less dominated by the traditional “Western” powers, the privileged role of Europe and the future of the transatlantic relationship as the foundation of global governance are far from self-evident.

Nevertheless, and despite the current rhetoric the U.S. will continue to need European support for decades to come. In this brief, I will argue that the transatlantic relationship will continue to be at the core of global affairs and that the U.S. needs Europe more than it is often understood, but that Europe must do more to ensure its continuing relevance and influence in both Washington and the world.

The multipolar world of 2030

One of the most publicized trends in international affairs is the rapid pace of power diffusion among countries in the world. Many studies point to the coming restoration of Asia in the balance of world economics and political power.¹ It is generally held that Asia will have overtaken Europe and North America combined in terms of power (calculated from GDP, population, defense spending and investments in technology) by 2030, if not earlier. Not only Europe and the United States are projected to decline but so are Japan and Russia.

¹ See, for example, The National Intelligence Council’s Global Trends 2030: Alternative Worlds, available at: http://www.dni.gov/files/documents/GlobalTrends_2030.pdf

The global picture painted is a world consisting of no singular hegemon but rather five or six major powers: U.S. China, India, Brazil, Russia and perhaps the EU. In addition, middle tier regional powers such as Turkey, Mexico, Indonesia, Nigeria, and South Africa among others are expected to rise significantly by 2030. While the rise of China, India, and Brazil has been much discussed, the implications of the rise of the several middle tier regional powers have been analyzed far less.

In this emerging multipolar world of major powers and middle tiered regional powers, networks and shifting coalitions are said to be central for global governance. Already today we see a trend towards various forms of ad-hoc groupings and coalitions of the willing assembled to address both security and economic challenges around the world.

U.S. Strength and Weakness

The period since the end of the World War II is often described as one of U.S. hegemony with the United States dominating global economic, political and military affairs. With the end the Cold War and the dissolution of the Soviet Union in 1991, the U.S. became even stronger and the world turned unipolar. Nevertheless, some twenty years later, military overextension and reckless economic policies have weakened the U.S to the point where it is unable to maintain its dominant role in international affairs. The Pentagon's recent announcement of scaling back deployments of combat ships around the world is seen as an ominous sign of a U.S. unable to uphold the safety and freedom of navigation on the world seas, a key component of the global trading system. The recent cancellation of the deployment of the aircraft carrier USS Truman and its accompanying strike group was a direct consequence of the so called sequestration and its automatic cuts of the U.S. budget, including defense. The cancelled deployment meant that for the first time in a decade,

the U.S. Navy would only have one carrier strike group on patrol in the Persian Gulf region.²

However, despite the current economic crisis and political stalemate in Washington, the U.S. maintains the largest and most advanced military force, the best universities, and the most forward looking entrepreneurs in the world. Similar to the ways in which current U.S. weakness is often exaggerated, previous U.S. strength is also often exaggerated. Even at its height of its power and influence following WWII, the United States was unable to stop China from falling to the Communists; could not prevent a North Korean attack on South Korea; failed to dislodge Castro in Cuba; and got itself bogged down for a decade in Vietnam. By the 1970s, costly overseas commitments in combination with rising social discontent and civil unrest at home led to a deep crisis in America that experienced political assassinations, a falling economy, and a president resigning in disgrace.

It is often easy to forget that the United States have a long tradition of relying on friends and allies. Without significant French support, treasure and soldiers, George Washington would never have prevailed at the battle of Yorktown that secured American independence in 1781. In more recent times, most of the closest allies to the U.S. have also been European. The transatlantic Cold War security alliance embodied in NATO was the foundation for post war economic growth in both the U.S. and Western Europe. In the post-Cold War world, European allies such as Britain and France contributed the bulk of non-U.S. forces in the first Gulf War that liberated Kuwait in 1991. When the United States was attacked on September 11, 2001, NATO declared its solidarity and sent AWACS radar planes to the U.S. to allow the U.S. to send its own planes to war. Loyal U.S. allies such as Britain, Poland, and Denmark contributed troops to the invasion of Iraq in 2003 and many more European countries

² <http://www.reuters.com/article/2013/02/07/usa-budget-pentagon-idUSL1N0B6ME520130207>

have deployed troops and resources in support of the NATO led International Stabilization and Assistance Force (ISAF) in Afghanistan.

Why the Transatlantic Relationship will Endure

It is true that the U.S. wants to focus more on Asia and plans to shift some of its military assets to the region. It is, however, not a dramatic change but rather a natural consequence of the fact that the Cold War actually has ended. Large American military bases and permanently stationed troops in Europe can no longer be motivated. Moreover, it is not the lines of communications between the Europe and the American East Coast that needs to be protected in the foreseeable future. It is also easy for Europeans to forget that the U.S. has been a Pacific Power for a very long time. The U.S. Navy has had bases along the American West Coast, on Hawaii and in East Asia for more than 100 years.

The U.S. pivot, or rather rebalancing, towards Asia does not mean that the U.S. need for European allies and partners has diminished. In Asia, much of the resources of U.S. allies such as South Korea, Japan, the Philippines, and Thailand are focused on protecting themselves from threats and uncertainties in their immediate neighborhoods. The rise of China and an increasingly unstable North Korea are of course high on the agenda but also domestic terrorism in the Philippines and pirates in the Indonesian archipelago are also of concern. In Europe by contrast there are fewer threats in the immediate neighborhood and the European allies have therefore more of a possibility to support U.S. missions in other parts of the world. Europe may also not be as bad on defense as it is often depicted. Western and Central Europe spends more than 300 billion dollars on defense annually which is considerably lower than the U.S. but more than either Russia or China.³

³ See SIPRI Yearbook 2012, Military Spending and Armaments 2011, table 4.11., pp. 150-151.

In fact, European support in Afghanistan has been of great importance to the United States. During several years, European troops have made up more than half of the NATO-led mission in Afghanistan. It is also European countries such as Denmark and Estonia that have suffered most casualties per capita in Afghanistan, not the United States.

The European allies have also participated in many missions under various flags in the Middle East and Africa. It was, for example, European pilots from France, Britain, Belgium, Denmark and Norway that dropped most of the bombs over Libya during the NATO-led air war against the Khadafy regime during the summer of 2011. European warships are also continuously patrolling the Gulf of Aden and the coast of Somalia in the international anti-piracy operations since several years back.

A third example is other military interventions and military training missions under European leadership in Somalia, Chad and Sudan. Finally, European allies Britain and France are also the only countries besides the United States that have the capability for semi-independent military power projection across oceans. The French intervention in early 2013 in Mali is a case in point where the French initiated an operation and deployed some 4500 troops more than 3500 km from Paris in Western Africa.

As demonstrated above security is an important cornerstone of the transatlantic relationship but the economic relationship between the U.S. and Europe remains the base. Despite a deep economic crisis affecting large parts of Europe and the United States, the strength of the economic bonds between Europe and the United States is often overlooked. The transatlantic economic relationship remains robust and is set to grow stronger.

The Transatlantic economy makes up about half of the world's GDP and five trillion USD in commercial sales. Combined, the EU and the U.S. produce a quarter of all

global exports and receive a third of all global imports. While the Transatlantic share of overall global trade has diminished as a result of fast growing economies in the East and South, absolute transatlantic trade remains impressive.

Recent focus on the rise of the BRICS in general and of China in particular tend to obscure the fact that the EU and the U.S. remain each other's biggest economic partner. Not only is EU-U.S. merchandise trade growing but the EU and the U.S. are also the world's two largest and most sophisticated service economies. In fact, the U.S. exports of goods are three times as large to the EU as to China. The EU, in turn exports twice as much goods to the U.S. as to China.

The strength of the transatlantic economic relationship becomes even clearer when looking at foreign direct investment. The U.S. continues to invest at high levels in Europe with a steady share of 56% of FDI going to Europe since year 2000. Europe in turn sends a staggering 71% of its total FDI to the U.S. Despite the rise of China these numbers have held steady.

With the announcement of President Obama in January 2013 to pursue a U.S.-EU free trade area, the transatlantic economic relationship is set to take a great leap forward that could significantly improve economic growth in both Europe and the United States.

EU, US, and NATO

The demand for crisis management and peace support operations is steadily increasing. With more than 20 ongoing or completed missions on 3 continents the European Union's role as a global security actor is rapidly expanding. Since the publication of the European Security Strategy (ESS) in December 2003, the EU has strengthened its global partnerships in this regard. The key partners for the EU are the United States and NATO as shown on the ground in the Balkans and in Afghanistan.

In the ESS, the transatlantic relationship was described as ‘irreplaceable’ and that acting together the EU and the US ‘can be a formidable force for good in the world’. The importance of the transatlantic partnership was reiterated in the December 2008 Report on the Implementation of the European Security Strategy. According to the report, the transatlantic partnership manifested by NATO remained ‘an irreplaceable foundation, based on shared history and responsibilities’. Nevertheless, the relationship between the EU and NATO as well as between the EU and the US remains unstructured and frustratingly complicated causing the EU as well as NATO and the US to underperform in the field of international crisis management with serious consequences for Europe, the United States and the rest of the world.

Relations between the EU and NATO and between the EU and the US are underdeveloped. These strategic partnerships need to be considerably strengthened if better operational co-operation is to be achieved in the field as well as in the global arena. The ESS and the Implementation Report clearly recognize the importance of both the EU-NATO and EU-US relationships. Accordingly, the 2008 Implementation Report argued that ‘The EU and NATO must deepen their strategic partnership for better co-operation in crisis management’.

It is increasingly clear that the Berlin Plus arrangement is not an adequate way to regulate EU-NATO relations. Its limitation is also supported by the fact that the EU is carrying out most of its crisis management operations independently of NATO. In fact, the EU has only used the Berlin Plus option twice. The 2008 Implementation Report emphasized that the EU and NATO must deepen their strategic partnership for better cooperation in crisis management. NATO in turn endorsed the importance of the transatlantic relationship in its Declaration on Alliance Security at the Strasbourg-Kehl Summit of 2009. In the declaration, NATO Heads of State and Government acknowledged the importance of a stronger and more capable European defense and welcomed the EU’s efforts to consolidate its capacities and its potential to confront common challenges for security. The NATO Heads of State and Government also

asserted their determination to make the NATO-EU relationship a true strategic association, stating that the efforts of the two organizations must reinforce and complement each other (North Atlantic Council 2009).

There is clearly now a joint determination to improve the EU-NATO strategic partnership to achieve closer cooperation and greater efficiency from both sides, and to avoid unnecessary duplication. Further strengthening the move towards closer EU-NATO relations is the fact that closer cooperation between the EU and NATO is also a key element in the development of an international 'Comprehensive Approach' to crisis management and operations, which requires the effective application of both military and civilian means. Since the EU and its member states are the world's largest contributors of foreign aid and development assistance, any 'comprehensive approach' must include the EU. For NATO, the EU-NATO relationship is thus one of the key building blocks, if not the central component, in its current Strategic Concept.

However, in order to realign the EU-NATO relationship, we need to rethink the wider transatlantic relationship between Europe and the United States. On key issues such as Iran, the Middle East peace process and aid to Africa, the U.S. position is converging with that of most of Europe. While President Obama's international agenda is wide and broad, his priorities are, by and large, quite similar to Europe's. In fact, the current US agenda is in many ways not that different from the EU's security policy agenda set out in the 2003 European Security Strategy. Moreover, the US vision for more effective multilateralism supported by a strong United Nations is what many Europeans has been wishing for many years (de Vasconcelos 2009: 16). There is thus a solid policy basis for the enthusiasm demonstrated in Europe for President Obama since his election.

While President Obama has made it clear that he considers a revitalized transatlantic partnership essential to tackle the world's most pressing challenges, the US approach to these global challenges is less Eurocentric than many in Europe had hoped. For the

US, the transatlantic partnership may still be indispensable but certainly not enough in an increasingly multilateral world. It is therefore an open question and arguably up to Europe to decide whether the ‘Obama moment’ will translate into more effective transatlantic cooperation.

The EU and the U.S. have many similar interests but often pursue uncoordinated agendas. It is clear that the Obama administration sees the transatlantic partnership in a pragmatic way and judges the value of the partnership in relation to Europe’s willingness and ability to work with the U.S. on a host of challenges around the world, not least Afghanistan and the Middle East. Given the Obama administration’s willingness to cooperate with ad-hoc groupings of countries on specific issue areas such as climate change, nuclear disarmament as well as the increasing weight given to the countries of the G20, the EU must be a much more coherent and effective global actor for the transatlantic partnership to remain at the center of a new multilateral world order (Jones 2009). For the EU to be the global power it aspires to be, the EU needs make some hard choices regarding how it acts in the world and how it interacts with the United States.

The question of whether Europe will be the main U.S. partner in the emerging great power multilateralism will depend in large part on the ability of the EU to respond in a coherent and forceful way to major global threats and geostrategic challenges. The EU’s common security and defense policy (CSDP) encompass enormous resources. In addition to the member states’ own military and civilian capabilities and assets, a number of other instruments exist at the EU level. EU diplomatic initiatives, trade promotion, foreign aid, disarmament and non-proliferation efforts, environmental policies and the European Development Fund are all instruments that can be employed to meet threats and challenges. Moreover, the EU’s external relationships are also affected by internal policies on the environment, energy, competition, agriculture and fisheries, transport, anti-terrorism and illegal migration to name a few. Since many of these external and internal capabilities, resources, instruments and

policies each have their own structure and rationale they do not support each other as well as they could. In order to make Europe a more compelling and effective actor and partner, the EU must become more coherent (Andersson 2008).

The adoption of the European Security Strategy in 2003 was an important step towards a more coherent EU in international affairs and a strong signal to the US that Europe was a partner for real. While the ESS provided a joint view of the threats to Europe and what Europe's main interests and objectives are, and how the EU should achieve them, little was achieved in promoting coherence in practical terms.

The adoption of the Lisbon Treaty in December 2009 finally provided the EU with a platform for a more coherent global presence. In an effort to ensure greater coordination and consistency in EU foreign policy, the Treaty of Lisbon created a High Representative of the Union for Foreign Affairs and Security Policy, merging the post of High Representative for the Common Foreign and Security Policy and the European Commissioner for External Relations. The new High Representative is also a Vice-President of the Commission and the head of the European Defense Agency (EDA). In addition, the Treaty of Lisbon also created an External Action Service that will form a common Diplomatic Corps for the Union. The Lisbon Treaty has given the EU the necessary means to take a decisive leap forward towards a more coherent Europe in foreign affairs and security policy. The real question is now whether the EU member states and EU institutions are really ready to give up their own role in this field to the new High Representative and the External Action Service.

However, in order to fully exploit the renewed interest in transatlantic relations in the US and a more coherent EU in Europe, the transatlantic institutions must be reformed. For some time, the debate on transatlantic relations focused on the forum for strategic and political debate. Some analysts argued that NATO should remain the key forum for transatlantic debate, while others held that the appropriate platform should be an

EU-U.S. direct dialogue. It is, however, increasingly clear that both relationships are needed and that both need to be reformed.

The biggest obstacle to a renewed EU-U.S. partnership is perhaps not the format for discussion but rather the difficulty of overcoming internal divisions on foreign and security policy inside Europe. While the EU member states successfully pool their economic interests and collectively let the European Commission negotiate with the US on trade, regulation, and competition policy, the same EU member states insist on maintaining national sovereignty on foreign and security policy. For example, each EU member state is engaging in NATO as an individual ally and each member state wants to have a bilateral ‘special relationship’ with Washington. In a recent report by the European Council of Foreign Relations on EU-US relations, the authors argue that the result of this European insistence on national sovereignty and the hope for an individual ‘special relationship’ is a weak, divided and incoherent Europe. The U.S. can choose when and on what issues it wants to use or ignore it at its own liking (Shapiro and Whitney 2009).

To overcome these internal divisions and to become a more unified and effective European partner, which ultimately would also be in the U.S. interest, requires strong political determination in Europe. The Lisbon treaty gives the EU institutional tools to craft joint positions and to represent those positions more effectively. Institutional tools, however, require politics. What is needed now is a serious debate in Europe on what foreign and security policy issues really are important for Europe in transatlantic terms and what agenda can be collectively presented by the EU to the U.S. as a basis for a renewed transatlantic relationship that may be more fruitful two both sides but also perhaps more confrontational.

Conclusion

In the European Security Strategy of 2003, the transatlantic relationship was described as ‘irreplaceable’, and it is stated that acting together the EU and the US ‘can be a formidable force for good in the world.’ The ESS also stated that the EU-NATO arrangements enhance the operational capability of the EU and provide the framework for the strategic partnership between the two organizations in crisis management to reflect their common determination to tackle the challenges of the new century. Moreover, the ESS stated that the transatlantic partnership should be an effective and balanced partnership, which was an important reason for the EU to further build up its capabilities and increase its coherence.

The ESS was a crucial step in starting a Europe-wide debate on what is important to the EU in the field of foreign and security policy and its relationship to both NATO and the US. For the first time, the EU established principles and set clear objectives for advancing joint security interests based on common core values. While the ESS had elements of a ‘grand strategy’, embracing all instruments and resources of the EU and its member states, the strategy remained vague on what the concrete objects and priorities of the EU are a global actor. Given that NATO is in the midst of a major strategic debate on what its focus will be after 2014 and the U.S. decision to pivot to Asia, it is crucial for the EU to renew its own debate on its role in the world. The series of seminars in 2008 on the ESS and the resulting final *Report on the Implementation of the European Security Strategy* was to many a disappointment and offered few recommendations for the future. In a 2009 report published by the Egmont Institute in Brussels, the authors argued that the EU urgently needed a full scale strategic review of its values and interests and of what kind of global power the EU should be in the world (Biscop 2009). It is also high time within the EU to review the transatlantic relationship from the perspective of what issues really matter and on what issues the EU can stand collectively together.

Reviews and strategies need to be matched by action. The Lisbon Treaty provided the EU with the institutional tools for a more coherent foreign and security policy in the form of a High Representative of the Union for Foreign Affairs and Security/Vice President of the Commission and supported by an External Action Service. These tools must now be matched by political will if the transatlantic partnership, both in NATO and in the relationship between the EU and the U.S., is to remain central in an increasingly multilateral world.

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