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(D.H.E.E.I)

Reinforcing Europe as a global player

Establishing a European “leadership”

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My dedications go to:

- Old Nick Machiavelli, for he deserves some "hommage",
posthumously at least
- All emperors and deposed tyrants, who thought their empire will
be history's last (We are with you, guys...)
- The cleaning lady of the Institute, John Irving knows why

Motto:

*"More than any other time in history, mankind faces a crossroads:
one path leads to despair and utter hopelessness: the other, to total
extinction. Let us pray we have the wisdom to choose correctly."*

(Woody Allen: My speech to the Graduates)

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Preface: The Old World at the coming of a new era

Precisely 500 years after Europeans discovered America, they seem to have rediscovered Europe. The Treaty establishing the European Union signed in 1992 constitutes, to a certain extent, a point of no return. The integration process of the Old World came to a phase where - at least in a strategic sense - the light at the end of the tunnel became visible. The European idea emanating from certain groups of idealists became a tangible reality as it succeeded in uniting political leaders, and now it makes its way further into society, which still can take a longer while.

The above conditions given, the discovery of Europe on the opposite shores of the Atlantic needs more time, maybe even more than time. The ocean dividing us is a factor we cannot overlook even in the information age, for it is there as a symbol, too. And though atlanticists on both sides keep referring to the maxim: "There are more values we share, than those which stand between us", it always appears in the end of long speeches complaining about the other's attitude.

For the first time in history, a non-European power secured a long-term influence in Europe, which keeps hovering on the edge of domination. Believed to be the "heart" of the world, and the cradle of western civilization, possessing Europe is a power with a symbolic meaning. In addition, it has clear advantages even for the practical mind: whoever controls Europe, doubtlessly has a dominant position in Africa, and certain parts of Asia. In the last years, we could see a

process unfolding through which Europeans prepared the way for the introduction of their own "Monroe-doctrine".

Given both the concerted will and the necessary power, Europe will certainly play a key role in tomorrow's world. To raise the level of its global influence, Europe first has to identify its main competitors, analysing them according to their respective levels of power, zones of interest, strengths and weaknesses: all these aiming at finding the best solution to develop its own influence in the global arena.

The future is designed not to be known, and though many different models exist for depicting the New Millennium Order, it is clearly impossible to find the right one. The present essay has its vision characterized by the following two convictions of major importance:

- ◆ Though currently there are unipolar tendencies in world leadership due to the apparently unequalled US position, its fundamentals do not enable it to live its full lifespan as a new imperial period in global history. Either it will dissolve under the attacks of the barbarians, forced to share its power by concurrent entities, or collapse due to internal causes: the most likely outcome is a combination of the three reasons above. For this occasion, doing an analysis on Europe and for Europe, we will have our concentration mainly focused on the biggest competitor, the United States, touching on the others only when absolutely necessary. Our current perception views others as tools or forced allies in Europe's struggle upwards. A well-done analysis of all other actors might seem to be necessary, but would fill vast folios: and therefore, we have to restrain ourselves. The US has been chosen for both its present global role and

its special importance in 20th century European history, and if we are friends of honesty, it is by far the most important factor in relation to which Europe has to identify itself externally.

◆ Secondly, if there is a must to join a school of International Relations, our perception tends to be realist, as far as it means that it views foreign policy as being interest-based. (In addition, it is always nicer being called a realist, than an irrealist.) There is a lot of nitpicking from other schools pointing out that the realist vision based on states as the only actors on the international scene is inaccurate, and there is nothing to argue with that. But realism, through having the honour of the word "real" engraved on its shield, prefers the truth to theoretical models- meaning that if bigger conglomerates than the states become actors of full right; it would be foolish to cling on to an outdated concept: Our "realism" is based on the following principles:

⇒ Treating actors on the same level of collectivity as they want themselves to be recognized. This principle means that, for example, if the EU defined itself as an entity, and has a more or less unified external attitude, our analysis will primarily acknowledge this fact, and include the interests of states only when necessary. Disregarding the tendency that conglomerates bigger in size will probably populate the history scene of the future would certainly question our realism, or at least the clarity of our vision.

⇒ Realism is also a sort of doubt, or healthy cynicism: at least our version rejects all sound rhetorics, completely ignores sentimental subterfuge, and always seeks the motivation behind political acts which might bring tears into the eyes

of many. We are convinced that *believing* in politics is the key obstacle separating us from understanding it.

⇒ Lastly, we find that the actors of the international scene would like to maximize their gains, and tend to resort to consensus only when necessary. So, in our eyes, European integration is closer to an inevitable solution determined by external conditions than an ideal to pursue, however the complementarities of these is not to be ignored.

On the following pages a necessary attempt is made to analyse Europe's past to clarify its current global position. The examination of present European and American foreign policy tendencies will hopefully make the picture more colourful and comprehensible. And, as if transatlantic conflict is nothing new, we try to demonstrate both bilateral and multilateral relations as being battlefields, on which these huge entities wage war against each other with whatever weapons the present global situation allows them to use.

Europe is an old maiden, whose wrinkles have been stitched together by able surgeons of integration, the operation financed by successful EU business. Just entering her second *quattrocento*, she is ready to step onto the international stage armed with the experiences of an extremely long life, but with full comprehension of this Age - her chances will be measured here.

I. EUROPE'S CURRENT GLOBAL POSITIONS

Relations with the US: "The iron fist in a velvet glove"

Transatlantic relations in a historical perspective: from the Mayflower to the End of the Cold War

As the first human couples disembarked the Mayflower, they knew nearly nothing about the new land in which they came to spend the rest of their lives. What they knew for sure was that back in their homelands, life was full of menace - religious confrontations being just one of them. Their intellectual leaders, the forefathers of the Founding Fathers, were full of disgust and hatred towards the old way of power and how the European monarchies politically organized the lives of the Old Continent nations, and they felt the historical opportunity to create a new nation, which is in total ideological opposition with the establishment they felt so happy to leave behind. The occupation of the new land turned out to be a slow and hard task, but it united them politically and strengthened their religious dedication; thus, at the time of the Philadelphia Convention, the "Promised Land" of European Protestant refugees became real, and all of them felt the newborn United States of America to be their own.

For a long time after the death of Washington, Madison and Jefferson, the self-identification of the States towards the exterior was still dominated by two principles inherited from them: to clearly represent the country's messianistic dedications, and to refrain from being involved in the complex, weblike affairs of overseas politics, so horrendous for the simple and peace-loving population of America. Hamilton wrote in the Federalist :

"The superiority she (Europe) has long maintained, has tempted her to plume herself as the Mistress of the World, and to consider the rest of mankind as created for her benefit.....It belongs to us to vindicate the honour of the human race, and to teach that assuming brother moderation. Union will enable us to do it."¹

The early years of the newly formed state have been spent with securing independence against the greed of the colonial empires. The outbreak of the French Revolution ending in the Napoleonic Wars provided an awaited help. Europe of the Vienna Congress was clearly preoccupied with the project of a European power balance system effective against both militarily aggressive neighbours, their own underlings conspiring for independence, and all their revolutionaries, rebels, and proletarians. This beneficial factor combined with America's geopolitical advantages enabled the nation to expand slowly, marking the way to become the regional superpower of the Americas rather quickly.

We have to mention, however, that according to the US definition, the aforementioned expansion has not been considered as invasion, not even as

¹ Cited by Włodzimierz Cimoszewicz, 1997, at the CSIS conference entitled "America and Europe: A Time for Unity, A Time for Vision". Isn't this picture reminding us to the Whore of Babylon of Revelations, used so eagerly by all believers on their respective enemies since the coming of Christianity?

foreign policy in itself: a new continent with undefined borders is a fruit ripe to be plucked. And none of the great ideologists of the Early Americas have ever had doubts on the rightfulness of these diplomatic-military actions, though they watched the spiderweb of European diplomacy the same way as Stalin viewed imperialist diplomacy in his own age: doing business with them as long as it serves your own profit, and weakens your enemies. President Monroe defined it as:

"It has to be obvious for everyone that the further we expand the territory of our country (...)the more our safety will be secured(...)The territory of a country, be it big or small, defines the character of a nation to a great extent(...)Shortly put, it signals the difference between a big or smaller power."²

In the case of a nation so heavily influenced by Protestant dedication from the beginning up until this very day all the luck falling on America during its early days has been considered as a blessing of God, and the nature of their religion find its mission quite soon not only on the defensive, but on the offensive too. The concept of religion, strangely though, does not appear too often as a cornerstone of analysis on US policy. Probably so, because if the researchers themselves do not follow any religion, they tend focus more on the "liberty concept" as an offspring of the Age of Light, which equalled the dominance of Reason in Europe. In our eyes, American Protestantism and American liberalism are indivisible - at least for the reason that the most influential American thinkers and leaders of that age made

² In KISSINGER, 1994, p.23.

no distinction between them. The pilgrimage starting in 1620 began with some Old Testament-like fervour, under the sign of the piousness characterising the so-called American religion in direct relation to the doctrine of moral and political "integrity", strangely stemming from the Calvinist theory of predestination.³

They were the children of the Enlightenment, if they had to distance themselves from the symbols of the Middle Ages still radiated by the decadent mass of European monarchies, they were Protestants against their most reliable servant, counter-reformation, and they were the Children of God, if they needed the mission and the will necessary to conquer nature and the native tribes of the New Continent in his holy name.

John Quincy Adams, Secretary of State wrote in 1821:

"Any place where we can see the banner of liberty unfolding, or will do soon, will have the spiritual support of America: we send all our blessings and prayers there. But we will not tread on foreign ground to battle monsters. America is the patron of liberty and independence for all. But it is only the champion and defender of its own liberty and independence."⁴

The doctrine of the recently quoted President Monroe, introduced in 1823 made it even more clear: the States will not intervene in any European affair, but vice versa, they strongly refused any European intent to endanger the integrity of the Western continent. Europe - the only real menace - backed out, gritting its teeth, realizing the impossibility to wage war there because of simple logistical reasons. Adding to that the fact that the delicate Metternich-style balance of power

³ SPENGLER, 1923, II. p.341.

⁴ KISSINGER, 1994, p.27.

would terribly weaken the state going to concentrate its military power so far from the actual centre of events, and thus leading to its possible extinction. America was simply not worth "the blood expenditure", as today's Europe tends to be the same for Americans. All the diplomatic tricks what the British experimented with were doomed to failure: the ancient warning "*Timeo danaos et dona ferentes*" has been echoing in the minds of American leaders.

The second half of the 19th century was spent with the preparation for appearing as an equal player in the club of colonial empires. (It needs to be remarked, that before the US entered the First World War, nearly nobody considered it as a major international political factor.)

The Civil War ended, bringing the final touch to American identity as the industry barons of the North defeated the outdated European-style aristocracy of plantations.⁵ A new generation of politicians were born, who dreamed of a much bigger empire: including Canada, a major part of Mexico, and cutting deeply into the Pacific. Political fights between an inward-thinking Senate and the administration erupted due to the military incapability maintained deliberately by the former against the expansionist *Realpolitik* of the latter. (In 1890, US military power was just behind Bulgaria as far as army size is considered, with a ridiculous 25.000.⁶)

Importantly, the Monroe-doctrine applied by those shrewd politicians to *all the Americas* enabled Washington to expand its territories without labelling it "Foreign Policy", and could deal with the Native-Americans and Mexicans

⁵ SPENGLER, 1923, II. p.506.

⁶ KISSINGER, 1994, p.29.

without regret.⁷ It is clearly visible that the pattern they seemed to follow up until the time of the War, imitates exactly the step by step expansion of early Rome *ab urbe condita* in the Italian peninsula - classical imperialism, nothing better, nothing worse.

As Edward Said writes:

"The U.S. was founded as an empire, a dominion state of sovereignty that would expand in population and territory and increase in power. There were claims for North American territory to be made and fought over with astonishing success. There were native peoples to be dominated, variously exterminated, variously dislodged. Then, as the American republic increased in age and hemispheric power during the nineteenth century, there were distant lands to be designated <vital to American interests>, to be intervened in and fought over."⁸

The 1898 Spanish-American War is the prelude to the new wave of expansionism, expanding American power to the Philippines. From 1902 to 1906 in a "Blitz", Haiti, Panama, Dominica, and Cuba fell under a varying level of American domination. In the meantime, American naval strategists started to plan the dominance of the US Navy on both oceans, locking out the British from their formerly unparalleled position. All these actions have been supported by the US economy eventually producing 33% of world GDP, thus becoming the leading power of world economy. However, due to the geographical isolation and different mindset of the Americans, this process occurred more or less unrealised by both

⁷ Ibid. p.27.

⁸ SAID, Edward, 1993, p.2.

the American population and European powers. The first visionary to realize the powerhouse he was sitting on, is the same person behind the aforementioned actions: President Teddy Roosevelt.

The inherent schizophrenia of how the US treated the rest of the World reached its peak in US foreign policymaking through two characters antagonistically opposing each other: Theodore Roosevelt and Woodrow Wilson, both Presidents in the early 20th century. Wilson's approach to international diplomacy (his failure in creating a European collective security system) was deeply responsible for the outbreak of World War II, Roosevelt's ideology seemed to have a big impact on American leaders even during the Cold War.

The debate going on since Washington's Political Testament on whether the US has to play a passive "example-showing" role in the world, or does it have a right to interfere directly in upholding or contributing to a morally positive world order has already been decided upon - favorising the latter. The only question remaining was where to put the emphasis: should American liberal-protestant ideology or its sheer power prevail?

Roosevelt shared the belief of the political elite that the US plays a benevolent role in the world. On the other hand, he did not see his country as the embodiment of virtue, but as a power player, having its own *national interests* just like its competitors. He was the first President showing clear signs of America aspiring to have a say in world affairs, entering the arena of world politics-as demonstrated by his military actions previously mentioned. T. Roosevelt's style of thinking was completely understandable for Europeans: he clearly realized that to defeat his one true European competition, he does not necessarily need to employ

the same slogans (of which the Europeans had not so much remaining), but thorough knowledge of their tactics, and way of thinking is essential.

Closer to European political thinking than any one of his predecessors or followers, he refused the "pious way of thinking" dominating US foreign policy for such a long time. Roosevelt insisted, too, that the meek shall inherit the earth only if they are strong enough.⁹

Wilson, being a scholar originally, represented the theory that the US has a moral, maybe even religious mission on Earth: to liberate the rest of the world by applying the *American set of values* as universal principles. He believed in his nation's dedication of spreading the American values in the form of a crusade, fighting for the acceptance of the above. The crusade was not selfish in the President's eyes: in his religious ecstasy he believed to fight for all the nations of the world. The Germans torpedoed the *Lusitania*, so what? National interest is an unknown expression over there... The aim of the American troops in Europe is to fight the evil selfishness incarnated in the German Emperor, William II, who in the wilsonian interpretation led his nation into an unwanted war.¹⁰ These kinds of rhetoric were needed to wake up the US (i.e. men who will fight for it, and people spending their tax money on military equipment) from its slumber. Strangely, there was no other nation before in history aspiring for world leadership on an altruistic basis.¹¹

What we call the First World War is pragmatically still a European War with American intervention, but its ending clearly marks the beginning of a new

⁹ KISSINGER, Henry, 1994, p.31.

¹⁰ Ibid. p.40. It is hard to resist mentioning the apparent similarities between these speeches, and the ones of FDR against Hitler, Reagan's against the "Empire of Evil", and Bush's highly actual "Axis of Evil".

period in history, with Europe becoming first dependant on outside help to define the post-war order, and culminating later -after WWII- in "heartland" Europe falling prey to the two existing superpowers.

Wilson, however, has always been treated suspiciously in Europe with his prophetic visions on peace as a natural state of international existence: European history clearly demonstrated the opposite. Anyway, Clémenceau and Lloyd George were forced to have his support to build the after-WWI world order, which turned out to be an utter failure. Its main weakness was its inconsistency: nobody managed to reach a reasonable compromise between wilsonian idealism and the need of the "entente" for vengeance. His creation, the League of Nations¹² was laughed on by Germany, the Soviet Union, and many others: a nation state basing its diplomacy on moral principles, this idea surely came from someone outside Europe. To create a world order out of nothingness where all the nations share the same beliefs, fear the same danger or enemy, and agree on the method of defending themselves against it - that needs more than a prophet, that requires a god.

The acknowledgement that the Versailles world order is far from functioning properly, that the idea of collective security is doomed to failure in a Europe torn by peacefully irresolvable conflicts caused a re-strengthening of an isolationist group of American politicians, who became the most influential in the pre-WWII period. As early as a few years after the end of the War, Congress refused to ratify the Versailles peace treaty, denying membership in the League of Nations: their

¹¹ Ibid.p.37.

¹² Strangely enough, the original concept came from the British in 1915.

own creation. That was followed in a growing distance between world order ideology and methodology, the first clear signs of American unilateralism.¹³

The demolition or disappearance of four traditional big Empires in Europe created a new system of nations fresh and strong in identity, but whose long-term viability was questionable.¹⁴ However, while ideologically this was good news for Americans, and politically for the entente alike, nobody realized that the US will not be involved directly on the Continent after the War, and the remaining powers are not strong enough to counterbalance any one of the newborn titans - The Third Reich or the Soviet Union.

The twenties in Europe can be characterized by growing utopian liberalism - even to the extent of ignorance - in Great Britain, while the same period meant frustration and paranoia for weakened France, exhausted beyond repair. The year 1925 brought both the Locarno Treaty (a moment of illusory stability between Germany and France) and the Paneuropean Union's first congress in Vienna, initiated by the Count Coudenhove-Calergi, and supported by intellectuals all over the Continent.¹⁵ But as history demonstrated so many times, political reality always needs a lot of time to catch up with the dreams of individuals outside the political arena, regardless of their merits or reasonability.

Isolationism reborn, spiced up with some idealism, determined US foreign policy in the thirties and early forties - America chose the observer's position in World politics. As WWII raged all over Europe, President Franklin D. Roosevelt,

¹³ The Washington Navy Conference (1921-22), and the Briand-Kellogg Pact (1928) are worth mentioning, especially their interpretations in American legislation.

¹⁴ GALLET, Bertrand, 1999, p.9.

¹⁵ The Paneuropean Movement can be considered as the only pro-European militant ideology of considerable international recognition before WWII, if we refrain from adding Hitler's concept on unified Europe to this category.

up until the day of the Pearl Harbour attack - followed by Hitler's puzzling declaration of war a few days later - was forced to sit with hands in his lap, but helping his European allies from the shadows. The Atlantic Charter of 1941 between Churchill and the US is a clear example for this behaviour.¹⁶ There is also a noticeable switch in traditional American suspicion against the British leading to a more-or-less humiliating "paternalism". Churchill could not care less: without the American intervention, the situation was clearly leading to absolute defeat. According to the most valuable presidential traditions, FDR was also a moralist. He firmly believed that Hitler was evil, and the US had to stop this evil at any cost, but he had a lot of people to convince. He succeeded with the wilsonian rhetoric, helped by the cry for vengeance of the Nation for Pearl Harbour.

Winning the war, the US found itself in nearly the same position as 30 years before - with the enormous task of defining a new Europe in a new World. The biggest difference was the USSR - on the other side of the negotiating table and around the corner in Berlin. Europe had definitely lost its right for global leadership, and from this time on, it became the object of competition, not a fellow player.

Nearing the end, and after the War, the summits of Tehran, Yalta, and Potsdam showed an even higher necessity of permanent US military presence in Europe. Although, even after FDR's death, there was disagreement concerning whom it should be directed against. The President preached the containment of

¹⁶ Being also a renewal of the "special relationship" which was born probably at the time of the secret British proposal for the League of Nations in 1915, as appearing in KISSINGER, 1994, p.218.

Germany with Stalin's help; Kennan favoured a stable Germany as a counterweight against the Russian Bear.¹⁷

European integration was clearly supported by the US from the beginning; it removed a lot of burden from Uncle Sam's shoulders. The US military in itself was clearly not enough to oppose the Communist Block created impressively quickly. A whole Block had to be created in unison to face the other not just militarily, but ideologically. It is worth mentioning that in the early years after the war, it was not unimaginable that some Western countries might see Communist Parties coming to power in their own land.¹⁸ The '47 creation of the "Kominform" regrouping the Communist parties of East and West alike caused a rapid reaction. The Brussels Treaty creating the Western European Union was signed in 1948, a hysterically rapid chess move the day after the Communist "coup d'état" in Czechoslovakia. Originally a stubborn French proposal of a military alliance against Germany; the treaty has successfully been transformed by the Benelux countries, and the US to be the future basis of Western military cooperation. Realizing that the French could exploit it to ensure a new dominance over Europe, the Americans assisted by the British galloped to the creation of NATO in 1949. The Americans were not in the position to allow Europe to carry the burden alone, and at that time both sides of the Atlantic fully agreed. (However, the French would have been satisfied with a declaration of total US military commitment to Europe's defence.) SHAPE, NATO's European arm, had its headquarters installed in France, but it was dominated ruthlessly by US leadership.

¹⁷ HÖNICKE, 2001, p.1.

¹⁸ Post-war France had even Communist Ministers in the government until they have been fired in 1947. GALLET, 1999, p.15.

Post-war American leaders were determined to avoid retreating into isolation as their predecessors had after the First World War, standing guard on the eastern borders of Europe. The countries of Western Europe, weakened terribly by the war had an immense and dangerous Soviet Union on their doorstep, and Germany - at least psychologically - was still considered to be a potential threat. Stalin - not as Germany - was a real menace, although a long time passed between the European and the America realization of that. Cooling down from 1947 onwards, by 1955 the former war alliance with the Russians deteriorated into what we now call the Cold War.

Marked from the beginning by the Schuman declaration, successive U.S. Administrations supported the integration of Western Europe as a vital bulwark in the Atlantic Alliance. A union of free-trading democracies would, they believed, serve to bolster NATO and balance the Alliance by strengthening its European pillar. And so, while the US took care of the world's problems in their own sophisticated manners, Europe was developing itself backstage: that was the traditional burden-sharing of that age.

Throughout the Cold War era, the United States took the lead in marshalling the forces of the free world, beginning that by the establishment of the new economical order, negotiated mainly on American soil.¹⁹ Western European democracies welcomed the protection and financial aid of the US -they had no real choice, although quite a few of them somehow felt that there will be a price to pay. The British however, maintained the illusion that using clever manoeuvres as Churchill did during the War, they would be able to uphold the Colonies,

¹⁹ GALLET, 1999, p.15. Creating UN, the IMF, the predecessor of World Bank, the Havana Charter becoming GATT later, and OECE for the Marshall Funds's administration tasks.

maintaining a strictly economical cooperation with mainland Europe, and at the same time benefiting from American protection against the Soviet threat. Her Majesty's government unfortunately forgot about the simple fact that their economic interests concerning Canada and their Third World colonies was in direct opposition with American economical interests - and the US never for a single moment hesitated to oppose even their closest allies for sheer economic interests.

The final humiliation - marking the demise of colonialism occurred in '56, during the Suez Crisis when the Americans brutally let the British and French know what would happen if they would go on with their operations in the Canal area. This final blow to extraterritorial European interests was -as always- explained morally, but only weeks later the US offered military protection to the Baghdad Pact countries, and in January '57 Eisenhower asked for Congressional support of a detailed plan "aiding" the whole region: militarily, economically, and last but not least protecting it against Communist aggression.²⁰

All colonialist countries, and actors of major power had to realize finally that their Empires had come to an End, and the price of survival and prosperity for their own nations lay in allowing a power shift towards the US, who is eager to defend them, and fight all the necessary wars with the Communist World - provided they accept *sans réserves* what and how America provides. Reacting to the Suez events, Adenauer told the French:

"France and England will never be powers equal to the US or the USSR.

Neither will Germany be that. For us, there is only one possibility to reach

²⁰ KISSINGER, 1994, p.538.

a decisive role in world politics: to unite our forces in forming Europe. England is not mature enough for the task, but the Suez case will enhance the British attunement also. We have no time to lose: Europe will be the vengeance."²¹

The Suez crisis made them think at least, though not always in a way favourising the Bundeskanzler's ideas. Britain switched from exercising its waning power in foreign policy to a heavy influence in American decision-making, playing the role of the old counsellor to the young king. As the events of the following years demonstrate, that turned out to be a political mistake.²² Aiming at benefiting fully from their geopolitical position, and exploiting the general caution still dominating European intergovernmental relations, in December 1956, Britain proposed to create a free trade zone between the US and Europe, facilitated by creating a Parliament from the Council of Europe, the WEU, ECSC, NATO, Euratom and EEC, the latter two treaties still under negotiation. Both the US, and the European powers ignored this wild card obviously directed against the early European integration process, in which the British did not take any part.²³

American post-war pressure and domination had the opposite effect on France: self-esteem was what they needed most, the "gloire" at least psychologically resurrected. Admitting their military failures in Indochina and

²¹ Ibid. p.537.

²² Moscow ignored British efforts for mediation, De Gaulle's France became furious. It could have been hard to face harsh reality, that Old-World British trickster diplomacy has no effect on the new superpowers.

²³ The British representative's words at the 1955 Messina Conference: "There is no chance for an agreement to be born concerning the future contract negotiated by yourselves now. If there would be an agreement, there would be no chance for its application. Should it be applied, it would be totally unacceptable for Great-Britain(...)au revoir et bonne chance. Cited in: BRZEZINSKI, 1997, p.60.

Algeria were probably easier to accept than this unsophisticated challenge to their identity based on a proud past and cultural superiority. De Gaulle reacted by seeking escape routes for French independence, and his dedication surprised the Americans not once.

France's biggest doubt concerning the effectiveness of the new international order was that it did not take into consideration national interests: it smothered them, actually, aiming at a unison in the interests and goals of the West as a block. The approach expanding from hesitation to enmity towards the first steps of European non-economic integration - amongst which the refusal of the European Defence Community in 1954 can be mentioned - can always be connected to the French fear of a European utopia realized by the American tendency of oversimplifying historical complexity. Armed with this hostility towards American plans and methods (but not Americans in general), the General watched the birth of the London-Washington "axis" with contempt, and secret envy. For a few years he tried to negotiate independently with Moscow, but only for demonstration purposes. Exhausted from the lack of a breakthrough in France's international role, he finally turned to the archenemy: the German neighbours.²⁴

A week before signing the French-German Treaty, De Gaulle refused both JFK's "declaration of interdependence", guarding its nuclear independence cautiously, widening the already huge gap between US and Europe. His refusal extended to the first British application to the EEC, eliminating the only significant competitor in European leadership. Feeling his biggest problem solved in Europe with the German giant behind his back, he tried to raise the stakes again

²⁴ The Élysée Pact (1963)

through dangerous manoeuvres. After being convinced Soviet interests were seeking a status quo in Europe, he sided totally with the US during the Cuban missile crisis in 1962, only to leave NATO command in 1966 with France threatening to become the first "independent" nuclear power. All these steps were desperately seeking a cure for the degradation of France to the level of a second-level player. However, reality underlined the latter: from time to time, De Gaulle could thwart some minor plans directed against French national interests, but building efficient tools or alliances were far beyond his capacity.

Exhausted with all his internal political wars in addition to the battles he fought against the newborn European Commission, concurrent European states, and the Yankees - feared and respected at the same time, he finally resigns in 1969.

The same year the participants of the Hague Conference decided on deepening towards political integration and enlargement towards Great Britain. The so-called European Political Cooperation (EPC) was launched in 1970, though the report of Viscount Davignon in 1973 confirmed that intergovernmental foreign policy-making was a step back from the Community-minded mechanisms they were all meant to support. It has remained a consultative mechanism not unlike the congress system of the 19th century. At least an agreement was obtained that none of the Member States would develop permanent positions without prior consultations.²⁵

The year 1974 marks changes in Western European governments almost in unison. This accurate sense of timing leads to acting in concert strengthening the

²⁵ Davignon's second report, cited in GALLET, 1999, p.47.

supranational aspect of Europe. The formal establishment of the European Council increases the dynamism and political weight of foreign policy cooperation, but still as the renewal of European diplomacy by metternichian standards.

At the Helsinki Conference (Conference for Security and Cooperation in Europe, CSCE, 1972-75), Europe of Nine is recognized for the first time by the USSR as an independent partner in negotiations²⁶. While it was initiated by the Soviets for the obvious intent of normalising its relations with Europe, the CSCE's long-lasting effects²⁷ slowly started weakening their Empire.

Jimmy Carter's presidency was both the cause and the result of a momentary waning in American control. On the occasion of his visit to Brussels, invited by the Commission in 1978 and as the first US leader ever doing so, he declares his full support to European achievements, and orders his administration to ignore the concerns on the Common Agricultural Policy as "fait accompli".²⁸ His diplomacy based on American grief and self-loathing was unique in US history, and cause for much trouble, exploited fully on the other side - the rest of the world used this one-time opportunity to strengthen itself against the US. In Europe, this procedure can be summarized in tightening its influence in and around Europe, a growing number of "communications", and culminating in both the birth of a different mindset towards the Middle East (relevant declarations between 1979-82), and the appearance of slight tensions, or the proto-phase of an independent opinion on US policy concerning the Afghani conflict.²⁹

²⁶ Treaty signed by both Member States and Commission President for the first time ever.

²⁷ The so-called Third Basket, forcing the Eastern Block to recognise and respect human rights, an offer they ideologically could not refuse. (e.g. Charter'77)

²⁸ GALLET, 1999, p.57.

²⁹ Ibid. P.58-59. The EC position on Cyprus is also a good example of the era.

External representation of the EC is decided upon in 1982, in the form of the "troika", which is far from being perfect, but it was an emergency case,³⁰ and there were worse alternatives. One permanent Commission member enhances the effectivity and adds to the continuity of the troika. The "diplomacy of declarations" of that period, lacking any power behind made it clear, that the one (or three, or four, or ten) voice of Europe in the world is still struggling hard to make itself heard. Its effectiveness was paralysed because of the ever-present pressure of the lowest common denominator as a final result. The external and internal influence of the Member States was unmatched, but as a slowly developing experiment on the creation of a new, europeanised diplomatic culture - and that could be the only reasonable goal - the EPC fared quite well.

The Single European Act (SEA) institutionalises finally the EPC, providing the troika with a permanent Secretariat - with a ridiculous staff number of seven functionaries.

The same year the Reykjavik summit between Reagan and Gorbachev ends with a missiles disarmament agreement potentially endangering European defence: the EC's answer the next year is to strengthen links with the WEU at least on the level of political commitments, which declares the necessity of "a more coherent European defence identity".³¹

Gorbachev's perestroika and concept baptized as "House Europe" arrives too late to save the USSR, but at the right time to facilitate the preparation for transition in Eastern Europe, an old-new interest zone of extreme importance to Western Europe: some communist countries showed willingness to cooperate with the EC,

³⁰ The decision was made on the eve of the Greek accession to avoid Greece representing Europe against Turkey.

opposing the "block to block" negotiations preferred by Moscow. By bilateral agreements signed, the EC hammered a few more nails into the USSR's coffin.

Differing visions on the New World Order

*"But then I sigh, and with a piece of Scripture,
Tell them, that God bids us do good for evil:
And thus I clothe my naked villainy
With old odd ends stol'n forth of holy writ,
and seem a saint, when most I play the devil."³²*

The Soviet collapse

For nearly half a century, Western diplomacy was focused on the containment of Soviet military power. Differences among the democracies were buried in the face of an urgent threat to their way of life. The Cold War created a zone of stability in foreign policy, which was secured by the nuclear threat as the sword of Damocles hanging over the beds of both Western and Eastern leaders.

³¹ Ibid. p.66.

³² SHAKESPEARE,; King Richard III, Act I, Scene III. 334-338.

Apart from some preachy speeches of hellfire on the other party, policy experts grew more and more secure in the consolidated environment they spent all their lives in. And though both parties have dedicated most of their efforts on fatally weakening the enemy, not by military methods, however, the sudden collapse of the Communist Block as a whole managed to surprise everyone. Tocqueville's words on the difficulties of self-reformation proved to be true again: the introduction of the perestroika was one of the most disastrous elements leading to the sudden demise of the Soviet Empire.

The space occupied by the Warsaw pact countries soon became the target of a new process of colonization, and that of an early competition between Europe and the US. Western Europe had the advantage of geographical and cultural proximity added to clear crossborder business interests and traditions. The Americans tried to counterbalance it with by choosing the new political elite according to their wishes and priorities, in addition to the financial sector's invasion in the footsteps of a heavy IMF presence, in the shadow of huge debt accumulated.

After a short period of singing halleluiah, and preaching the End of History with the coming of the mannas of liberalism and free market economy, the West, and especially the US had to realize that without the Archenemy, life is not so easy as it seemed to be. Or, even more sarcastically, there is one thing worse than losing the Cold War: winning it.

The undying vigilance of all weary foot soldiers of the Cold War started to fade: perfect unison in Western Block rhetoric have changed to become different voices of political ideologies, states, and sometimes world regions. The world

have not become safer at all with the disappearance of communism, and therefore paranoia started to surface because of the lack of expertise in treating the problem of a World becoming entirely different so rapidly.

Pax America

"Quiconque refusera d'obéir la volonté générale y sera contraint par tout le corps: ce qui ne signifie autre chose qu'on forcera à être libre."

(Rousseau: Le Contrat Social)

George H. Bush's New World Order clearly demonstrates the American belief in the "free world" of the Cold War inevitably becoming a system of partnership and interdependence for the entire world. The wilsonian rhetoric appear for the third time in the 20th century: a new occasion for the US to lay down the foundations of a global system according to their standards. The "global community" is without doubts about integrating non-western civilizations to a global economy system dominated by the US. Some minorities of non-western civilizations may occasionally welcome democracy and liberalism as an additional weapon against their oppressors, but dominant non-western thinking tends to be either sceptical or even wary against them.³³

During Cold War times, there was unanimous agreement inside the Western Block that all dirty moves directed against the Soviet Empire were allowed and justified by the promise of final victory. In the New World Order,

³³ HUNTINGTON, 1998, p .300.

these discrepancies in foreign relations have shown even to the ignorant that there is a clear and perceptible dominance of US national interest in the differentiated treatment of certain countries and problems.

"Democracy is truly to be supported, but not in the case if it helps moslem fundamentalists to power. Iraq and Iran should refrain from arming themselves, but Israel is free to do so. Free trade is the elixir of economic growth, but not in the case of agriculture. Human rights cause problem in China, but everything is all right in Saudi Arabia. Agression against Kuwait rich in oil is unbearable, but the one directed against Bosnia without oil is not."³⁴

The above are just some examples of hundreds. They are the consequences of the special kind of global rulership system the US developed, and which needs some detailing here.

Though similarities of previous empires can be found at certain stages of the American way to global domination, the post-Cold war system can be characterized as a global spiderweb of ranging from alliances, through coalitions to economical dependence, and if nothing else works, bribery of a certain elite to oppress the rebellion (Or Tomahawk missiles for the unlucky, if even the latter method refuses to work.)

The New World Order needs its effective machinery to be able to function. In the early 90's, the principal methods of exerting control could be summarized as working through:

³⁴ Ibid. p.301.

- ◆ A collective security system (NATO, US-Japanese Security Agreement)
- ◆ Regional economical cooperation (APEC, NAFTA), and specialized institutions of global cooperation (World Bank, IMF, WTO)
- ◆ Consensual decision procedures even in the case of a clear US leading role in them
- ◆ Preference of democratic membership in alliances of key importance
- ◆ The global constitutional and legal structure in its preparatory phase (International Criminal Court, Bosnian War Crimes Tribunal)³⁵

We have to stress that the above listing reflects the situation of the New World Order period, basically covering the dominant attitudes and tools of the senior Bush and Clinton administrations, the attitude changes becoming obvious recently will be detailed later.

After WWII, the production of US economy represented nearly 50% of world total - the current number is about 30%, reduced mainly by the growing share of the EU and Japan. The leading role of the US is unquestionable in globalisation: for example, 60% of transnational companies representing two-third of world trade receives orders directly from their American central headquarters. Through the disappearing borders, marching right behind the banner of liberty, we could see the American political system, cultural values, civilizational opinion norms, and defence approach encompassing an enormous geographical space covering western Europe first, spreading over to Central Eastern Europe, Japan and an impressive number of developing countries. ³⁶Globalisation "à la américaine" is

³⁵ BRZEZINSKI, 1997, p.42.

³⁶ KÁDÁR, 2002, p.4.

not a matter of choice - actually, it never was -, but in fact it is a reality, The Reality of our age.

Threats and challenges to this unparalleled hegemony in history may reasonably come from three different sources:

- ◆ A "Clash of civilizations" predicted by Huntington embodied by people economically devastated, culturally disgusted, and militarily or by any other means uncontrollable to the US.
- ◆ The rise of a competitor inside the boundaries of the same system, establishing a new global power core, to which the European Union or China could be ideal candidates depending on factors like the strength of cultural identity, economic relevance, technological competitiveness and vulnerability to American power or influence.
- ◆ The internal weakening or eventual collapse of the hegemony, if the different actors forming US policy would realize that the costs they have to pay for the maintenance of this hegemony is much higher than the benefits of it.

Our aim in the following chapter is to analyse the possibility of Europe becoming a real challenger of the US "hyperpower". Touching only briefly on the other two alternatives envisioned above, the main focus of our concentration will be Europe from now on - the strengths and weaknesses, the achievements and the failures of Europe, and above all, its competence to play a much bigger role in world affairs vis-à-vis the United States.

The rise of the EU and its perspectives

***"Wer in europäischen Angelegenheiten nicht an Wunder glaubt,
ist kein Realist." (Walter Hallstein)***

US vs. Us?

When the Soviet Union collapsed in 1991, a senior foreign policy adviser to the German Chancellor called for the European Union to step into its place as a counterweight to the United States. The idea was reasonable, of course, and clearly defined a change in the EC's vision, because these were not the words of a wimpy, cautious Western Germany still tormented and manipulated by historical guilt: they came from a unified Germany with the biggest share of European economy, and being the most powerful supporter of the European project. This can also be considered a landmark, as Germany had nothing else on its mind than uniting its newfound geopolitical power with that of the other Member States, not seeking separate ways of its own. And if Germany decides that, the others had not so much of a choice considering their relative weakness compared to this giant, whose positions are *faits accomplis*. (France has already sided with Germany through the 1990 Kohl-Mitterrand common declaration.)

As we aimed at presenting it in the first chapter, the US had an unparalleled influence in Western Europe after WWII extending to all important areas, be it

military, economical, or cultural. Consent to that - grudging to honest - was the only method of survival and growth for Europe. The only means of gathering power was the policy of nodding to security issues, building up economy with the help of the Marshall Plan, chiselling it by the Single Market, and waiting to see what happens.

EU Geopolitical interests, and early experiments in defending it

The first occasion for real action and a reformed strategy was the Communist collapse, which was interpreted differently in Europe than in the US. Geopolitically it meant a possibility of reintegrating the whole of Central and Eastern Europe into the ages-old European community, and Russia weakened so horribly that in the case it can be influenced not to transform into anarchy, thus becoming the most powerful "rogue state", will be at the financial mercy of the West. The Russian hesitation between committing itself to Europe in the traditions of Peter the Great, or trying to play a simultaneous chess game with all of its former parts mainly situated in Asia is still undecided, and for the moment it is a perfectly satisfying situation for Europe.

Adding to that the already existing institutionalised, and functioning Mediterranean (5+5) and ACP cooperation as the instruments of not letting all colonial experiences and links fading away, Europe finds itself with its direct zone of geopolitical influence enormously widened. In 1993, faced with many demands for membership, the Union had to concede that any European state that met with the criteria for membership could join the Union. This meant that in addition to the process of transition in the East, the Union itself is faced with internalising the

needs of these states, which in turn will alter the Union's institutions, practices and policy acquis. The Union has ceased to represent a West European order: questions of order became continental in scale and reach.

The success of the Maastricht Treaty shows a total consensus on the realization of the above factors, defining a rational strategy of a future Europe: the Common Foreign and Security Policy, the European Monetary Union, the reanimation of the Western European Union are all clear messages not only to the Member States, but at least on the same level they were addressed to non-European powers, primarily the US. On the other hand, due to the inherent division of some Member States' interests, Europe could not be truly satisfied with the result, but it was the strategy agreed upon which matters the most.

Preceding the ratification of the Treaty establishing the European Union, Europe gets face-to-face with a crisis showing ruthlessly its weaknesses, and some signs on the future of the US attitude, too. First of all, the enormous gap between the military prowesses of different Member States³⁷. All military strategies planned for an eventual showdown in Europe during the Cold War turned out to be useless at the necessity of quick deployment of troops in a random corner of the World.

Realizing the sad facts above, and faced with the delicacy of its Mediterranean diplomacy, Europe's first reactions to the Kuwait invasion were quite moderate. But after a certain amount of time gained, entering the conflict became inevitable, the question was, how and by what means? The idea that saved Europe from international shame came from the French: using the nearly forgotten

³⁷ Because of constitutional provisions, as the ruling of the Karlsruhe "Constitutional Court" of Germany decided, cannot militarily intervene outside NATO zone. GALLET, 1999, p.97.

framework of the WEU. That enabled Europeans to act as a whole, getting a separate military identity from the US, and not restricting or obliging any of the participants to do more or less they are capable or willing to do, due to the WEU's intergovernmental structure.

The revitalization of that organization, and the Gulf war in general pointed out some additional issues of key interest. Considerable parts of US military residing in Germany were transferred to Saudi Arabia, never to return: a signal of re-evaluation in American geopolitical interests. The fruitful cooperation during the Gulf incident facilitated the later institutionalisation of the idea of permanent European military force for outside-NATO purposes.³⁸ However, American demonstration of power loomed over the whole operation, and Europeans finally had a first-hand experience on the gap in military technology between the two shores of the Atlantic.

The conflict erupting in the Balkans was another reminder for Europeans that there is still a lot to be done to remedy the mistakes of history. The general failure of European intervention to that crisis stems mainly from the fact that it took place on European soil, dividing European states a lot more than any other non-European conflict could do, and this division basically followed the pre-WWII Franco-German crackline of conflicting interests. In the beginning of the conflict, France as the main force behind the Versailles Order supported the survival of Federal Yugoslavian State, their own artificial creation. When it turned out to be unmanageable after the first declarations of independence by Croatia and Slovenia provoking a Serbian attack, the French find themselves at odds with

³⁸ Ibid.p.99. The identity-forming achievements of that cooperation were so effective that the actual proposal came surprisingly from the British in October 1991.

Germany fully supporting these Catholic states. Embittered, France (silently backed by the UK) stands behind its historical allies, the Serbs, and the situation started to painstakingly resemble to that preceding the outbreak of World War I.

Old reflexes put behind, the next confrontation came on which organization to use to intervene: France refuses NATO, the UK answering by denying a new WEU cooperation, leaving the scene to the slow and ineffective United Nations.

NATO appears as the right-doer on the scene in 1994, when the situation is bypassing the tolerance level of the US. Europe, admitting failure leaves the command to the Americans, providing all the help it is capable to offer. The "Contact Group" created with US, European, and Russian participation made the different zones of interest better manageable through interfering only with "friendly" communities.

Although in a practical sense, Europe contributed less to the final solution of the crisis, unity of influential Member States was born after a lot of time spent with reluctance. And considering the extent of divergence in opinions, that is a considerable progress.³⁹ Smaller Member states complained against this newly-emerged phenomenon of big members monopolizing foreign policy, and keep the CFSP game restricted to this core group.

So the final balance of the first launch of the CFSP rocket finally was not a Challenger-type catastrophe, but it could not be named a success, either. The common voice of Europe was born, but Europe failed at maintaining order on its proper territory, relying on Big Brother once again.

³⁹ EU finally backed Germany in acknowledging the newly-formed states, and followed Greece in its attitude towards Macedonia (or maybe just paying proper respect to Alexander the Great), thus forcing it to possess the most artificial-sounded name ever created in history (FYROM-Former Yugoslav Republic of Macedonia)Ibid.p.112

Europe as a regional organization

One important characteristic of contemporary alliances and power-building is the increasing prominence of regional organizations: in North America the NAFTA (North American Free Trade Association), APEC (Asia Pacific Economic Co-operation), and a host of sub regional entities, such as ASEAN (Association of South East Asian Nations), the Closer Economic Relations Treaty (ANCERT) signed by Australia and New Zealand, and Southern Common Market (Mercado Comun del Sur, Mercosur) in Latin America. The European Union, which remains the world's most extensive and intensive form of regionalism, has undergone a profound change since the launch of the 1992 programme in the mid-1980s. The relaunch of formal integration, which began as a response to competitive pressures from the world economy, led in turn to an intensification of internationalisation, of both politics and economics, in Europe.

In the contemporary international system, the EU is the most advanced model of the regulation of economic internationalisation that goes beyond trade. Even the economic part of it is by expert definition the "combination of market opening with the necessary regulation in the economic, social and environmental field, accompanied by some (limited) redistribution of the gains of openness"⁴⁰. Furthermore, it is the only regionalism that is characterised by an attempt to democratise political space beyond nation states.

Now let us have a brief look on examples of competition: other organizations of similar genre. The NAFTA that grew out of the Canada-US Free Trade Agreement (1988) went beyond a classical free trade agreement. In addition to provisions on

free trade, it included provisions on services, international investment and binding arbitration concerning trade remedy laws. It remains less ambitious and less far-reaching than economic integration in Europe. (And will stay like that, unless a catastrophe would occur.)

The Asia Pacific Economic Co-operation forum (APEC) aims to enhance regional economic co-operation through dialogue about trade and investment. Asian co-operation is market driven and consultative in nature. APEC's aspirations towards total regional liberalisation by 2020 are unlikely to be met. Like EFTA, these organizations are designed to enable the participating states to benefit from some liberalisation without sacrificing national sovereignty. (And APEC includes all NAFTA countries, so the interest zone is quite clear, in addition to the suspicion that the US will not let it institutionalise any further.)

The success of this syncretical combination of various areas of integration can easily be shown by statistical data⁴¹ comparing the effectiveness of regional groupings and free-trade areas.

Territorially being the smallest of them all, the EU exports only slightly less (223,6 bn.USD) into the NAFTA area than the US itself (251,0 bn.USD), being the core of that organization. Europe is leading the Mercosur exports and imports market, arriving to a narrow second place behind the US in the APEC and ASEAN area . Being winner of the global trade competition in the "total exports" and "total imports" categories, and the EU's Internal Market bested only by the APEC (composed of 21 countries, and a market of 2,5 billion people) in intra-region

⁴⁰ Pascal Lamy: "Europe's Role in Global Governance: The Way Ahead" (Humboldt University, Berlin, 6 May 2002)

trade, the EU seems to be an organization of extreme economic success. (And the introduction of the euro will surely improve current statistics, as its consequences become measurable.)

EU integration is driven by the need of increasing the global competitiveness through a delicate balance between necessary market regulations and further liberalisation of economic exchange in Europe, on the one hand, and the needs of continental order, on the other.

Viewed from the perspective of domestic political order the Union appears still to be strengthened in terms of political authority, capacity, resources and legitimacy, whereas viewed from the perspective of global governance the EU is both vigorous and robust. From the perspective of representative democratic government, the Union is remote and undemocratic. Yet from the perspective of traditional diplomacy and "balance of power" systems, the Union is based on law, regularised procedures, and consensus-seeking methods. Last but not least, its historical construction is highly technocratic, pragmatist: the fundament might seem to be rooted in ideas and a "higher goal", nevertheless the process itself moved ahead mainly by reacting to economic necessities. The renewed salience of the EU for European and global order is synchronized by its own recent past and the methods to overcome difficulties on the way to integration.

From the outset, proponents of the European project, despite its economic underpinnings, cast their political endeavour in terms of a peace project necessary to tame the dark side of European nationalism. The rhetoric of European integration is the rhetoric of remoulding interstate relations, of going beyond

⁴¹ Data Source: "The European Union and World Trade" Basic statistics on European Union Trade for the year 1999 Comparison with the United States, Japan, and Regional Trading Areas.

traditional approaches to statecraft, of promoting closer relations between the peoples of Europe and not just their governments. Commitment to European integration goes beyond instrumental benefits, although these exercise a powerful role in the system. Neither in NAFTA nor APEC is there a collective objective comparable to the "European Ideal" to which member states can subscribe to ensure a "deepening" of cooperation.

Since the mid-1980s, integration has been characterised by significant changes, notably constitution building, politicisation, mobilisation, enlargement, and a changing continental order. The European Union has become a more significant economic, political and social space for its member states, Europe's publics, economic actors and the wider international system. The costs of exit are very high and the member states have invested a considerable amount of their state capacity and for some their state identity in European regionalism. The existence of the Union has acted as a magnet for European non-member states (even those only remotely connected with Europe as Morocco or Israel.) .

The contribution of the EU to European order was multifaceted despite that fact that it did not have the attribute of "hard power". The development of the EU, nurtured by the security framework provided by NATO and in the shadow of decolonisation, was characterised by a diffusion of power and the creation of subtle balances between states of different sizes.

The Union's contribution to economic prosperity was significant in the early phase of integration. The gradual and phased liberalisation of economic exchange, which developed as the common market progressed, contributed to a far

more efficient allocation of resources in Europe than would have been possible if there were no constraints on national intervention. The domestic markets of even the largest European states did not have the scale to deliver economic prosperity. High levels of growth and economic prosperity contributed to domestic stability and the further development of Europe's welfare states. The common market provided the framework for the adaptation of national industries to competitive pressures.

Economic integration faltered in the 1970s, as the European economies responded in a very divergent manner to the oil shocks and the end of the golden period of growth. In the 1980s the Member States were again looking to the Union to provide the framework for a collective response to questions of economic governance and Europe's competitive position. The EMS experiment led to a convergence of views around sound money, low inflation and fiscal orthodoxy. This in turn facilitated agreement on a single currency, which would further embed the convergence of policy in Europe. The "1992 programme" was the second strand in the role of the Union as a framework of economic adjustment. The massive regulatory programme that accompanied market integration unleashed a process of change in a wide range of industrial sectors, services, and public monopolies. It led to fundamental changes in the business environment for companies of all sizes and altered the potential of Member State regulation.

The increased salience of the EU in the 1990s reflected broader trends towards internationalisation and globalisation in the international system. The trigger for the relaunch of formal integration– the Single European Act–was designed to enhance internal competition in the European market and to increase

the competitiveness of European industries internationally. The internal market was a necessary but not sufficient condition to ensure European prosperity. The economies of Western Europe continue to face challenges of structural adjustment, inflexible labour markets and high unemployment.

The EU of the nineties represents a highly integrated economic space governed by a collective political-economic authority. The nature of economic integration that has evolved in the Union has led to a distinctive form of economic policy. Most of what the Union does is to enhance the competitiveness of the national economies and to force structural adjustment in response to wider forces in the international political economy.

Although the EU is not built on an agreed "European model of society", it is predicated on a belief that economic integration must go beyond the market.

Europe's symbols and identity

Just as state-builders in the past set out to create an imagined community', a 'European identity' is being deliberately constructed by political actors in their attempt to invent or reinvent Europe. It matters to the future of European integration and to the nature of the incipient polity how this exercise is undertaken, whose views and values prevail and whether European identity is constructed in an open inclusive manner or a restrictive manner.

Since the 1980s political actors and Union institutions have also sought to lever traditional nation-building strategies in the form of a European flag, passport, driving licence, a European anthem and European sporting events to deliberately create a sense of identification with the European project. The purpose

of these symbols is to gradually alter peoples' consciousness of the political domain to which they belong. The blue flag with its golden stars is now flown from public buildings, industrial enterprises and even at beaches that conform to EU standards. Driving in Europe one is constantly assailed by communal notices ensconced in the gold stars. It is common in many, but not, all member state for heads of government to surround themselves with the national and European flag. EU documents refer with considerable frequency to "Europe's cultural heritage", of "spreading Europe's messages across borders", and a "European identity". Documents refer to the latter as if it were self-evident and unproblematic, the product of a shared history and common values. Apart from the boundary problem, the construction of a "European identity" is faced with the continuing salience of national identities. It is not clear just how the top-down strategies will find a resonance among Europe's publics.

In addition to the undeniable primacy of national identities living on, which have always been considered as equal to "danger" on the other side of the Atlantic, the fear of a European identity with anti-American implications developing at least indirectly has first been publicly mentioned by Henry Kissinger in the mid-70's - and not without any amount of truth in it. The early support of the US to the European construction was at the same time desire to create a waning influence of national identities in a European "melting pot", due to the fact that for the US, European conflicts have always been simplified to wars between aggressive nations, or wars for independence by nationalities forced to live in multiethnic empires without recognition of their rights to autonomy.

Kissinger's argument -being originally from Germany himself - pointed out that Europeans will be unable to create a common identity without defining a common enemy - and even at that time, the veteran scholar and diplomat felt that the choice for America being the scapegoat would be obvious.

During the Cold War, the unfriendliness, distrust, and sometimes-even hostility of Europeans towards the exterior have been divided between the Soviet Union, and the US. (Of course, we would not argue that the style and intensity were the same: at least the enemy and the protector pictures were clear.) However, the population of Western Europe, being the cradle of European integration, had no first-hand experience on the Soviet Union, and if you are only *educated* to feel hostility towards someone is not as effective, when some people (as American military), who do not simply "fit into the landscape" are actually there. With the Soviet Collapse the US remained the only non- European "friend on European grounds", basically presented in the form of military troops who always have a tendency not to embody the most refined groups of a certain population.

Another aspect of rising anti-Americanism is the natural loathing of democratic societies towards any sort of hegemony, which belief is practiced and propagated on every single community level. And when the hard facts behind the moving rhetoric become the target of journalism, emitting the message towards the population, the whole process can speed up, and get out of control. Quite amusingly, Europeans of nowadays keep shooting on the US with the same buzzwords Americans have always used against Europe of the colonial empires.

The International Role of the Union

The establishment of the Community of Six in the 1950s had immediate consequences for other European states, regional organizations and the wider international system. The United States plays a central role in the evolution of the Union's foreign policy as hegemon, brake but also demandeur. The Union's development as a trading block endowed it with a considerable presence in the international political economy and led it to develop a impressive array of external policy instruments, particularly in trade and aid. The Union built up panoply of association agreements and trade arrangements with its immediate neighbours and former colonies. It gradually became the dominant force in the West European political economy, absorbing most of the EFTA states as members, influencing the rest through the EEA.

The way in which the Union's internal order has evolved has had major implications for the Union as an international actor. The Union's prismatic governance manifests itself starkly in its external capacity and reach. Competence is fragmented between external relations in pillar one and the CFSP in pillar two. Its capacity in international politics rests largely on "soft power", aid, trade and its internal policy regimes. It still practically lacks the attributes of "hard power", a real-existing autonomous defence. Moreover, in the exercise of 'soft power', the Union is constantly running up against the limits of internal agreement. The political pressure of EU producers frequently undermines important external agreements. EU external policy emerges from multiple and complex decision making procedures. There is an unsettled and uneven distribution of responsibility

for external policy in the Commission and the Council. National foreign policies continue to have considerable salience given the varying interests and historical trajectories of the Member States.

Yet despite these caveats, the Union has a presence in the international system and is of immense importance in its continental environment. It contributes to global governance as it aggregates the views of the Member States and reduces the transaction costs of international negotiations. The Union is most effective when it can use "soft power"— market access, the Union budget, its attraction as a community of values, and its ability to impose conditions for membership. It is weakest when external events demand that it react quickly, when faced with military conflict, when the US has a major interest in a particular region or issue and when there is a divergence of interests and views among the Member States. The US, once the champion of European integration, is deeply ambivalent about the emergence of a European external identity, especially in security and - since January 2002 - in the financial markets as well.

World economy power

There is certainly a need to picture the state of EU economy, from two different angles. Let us glance first at statistical numbers coldly showing the real economic

weight of the EU in the world vis-à-vis its biggest competitors, The US and Japan.⁴²

The EU unquestionably is the most populated economic giant, having the biggest number of labour force, an impressive number of 171 millions. It is the biggest exporter of the world, amounting to nearly 20 percent of world export share. The shady side of having a social market economy is visible from the highest unemployment rate, expensive labour cost, and a relatively slow growth.

The EU is the biggest foreign direct investor in America, with a 63,1% share of total Foreign Direct Investment (FDI), followed by Japan's more modest 15,1%. (Where are the times now, when all the US on red alert feared a Japanese economic invasion?) An estimated 7 million US jobs are supported by European investments, of which 3,6 million are provided directly by European-owned firms. From a 144,2 billion \$ of EU FDI in 1998, it was raised by 25% in one year.

On the other side, the EU receives 45,2% of the total US FDI. (The annual rise was 15%.) The UK stays the number one investor and destination; Germany (miraculously preceded by Switzerland) receives almost half of its direct investment back from the US.

Regarding foreign acquisitions of EU companies, the US is clearly leading with a transaction number of 1,016 in 1999, and 82,8 billions spent on them. Mainly the UK, France, and the Netherlands acquire US companies.: Adding up the transactional values of these three above, it amounts to 205,8 billion dollars in only 407 transactions. To make it clearer, it creates a situation of EU acquisitions (without even taking into account the transactions made by other Member States)

⁴² Data Source: "The European Union and World Trade" Basic statistics on European Union Trade for the year 1999 Comparison with the United States, Japan, and Regional Trading Areas.

amounting to more than two and a half times the value of US acquisitions, but with half the number of transactions (!) A possible explanation for these phenomena is EU companies merging with US giants, increasing their global weight rapidly, and the US concentrating on buying up innovative EU companies to fend off, or at least control the increasing European competition in the high-tech sector.

Transatlantic cooperation in the 90's

In December 1990, at the time of the first Bush administration, a document baptized as the "Transatlantic Declaration" was signed by the EU and the US, with an intention to show the world just entering a new age of chaos the commitment of the "free world" on acting together. It was born as a two-pages document, solemn as the situation required, but in fact, there is nothing new in it: all it reflects is the momentary paralysis on what to do now, referring to "recent developments which have restored unity in Europe". This evolvment is doubtlessly the motivation for creating it. As Europe's division ceases to exist, the EC's zone of influence will be expanding to the borders of Eastern Europe, and it was obvious that the CEEC countries recently emerging from Soviet yoke will not have any intention to seek other camps to join than that of the EC. The US was not totally sure, however, of the necessity to fully reintegrate the former Soviet vassal states: even in 1994, President Clinton simply denied NATO accession to CEEC countries⁴³, promoting their EU membership because of the relative "softness" and "insignificance" of the

Compiled by Miia Huhtala, Speakers Bureau, January 2001.

⁴³ Cited in KISSINGER, 1994, p. 825.

EU, an idea cherished by Americans, but which was slowly becoming outdated by that time.

"Bearing in mind the accelerating process by which the European Community is acquiring its own identity in economic and monetary matters, in foreign policy and in the domain of security", the Declaration marks the first-time acceptance of Europe under construction as an ally with a possibility and an ability to have its own separate interests.

Or to put it in another way: Americans had nothing against all of Europe becoming a loose alliance or cooperation which is enough to minimize the risks in Europe from internal problems emerging, but upholding a certain division is a must. Two reasons for that: the fear of Russia, which feeling or reflex was surprisingly surviving the complete dissolution of the Soviet Empire for many years after it took place. The other fear was also historical: of Germany, geopolitically becoming the link between East and West, and dominating one with the help of the other.

The importance of NATO and OSCE as actors of stability is reaffirmed in the document, thus satisfying US concerns at least on the declarational level. So the Transatlantic Declaration (TD) can be labelled as a hastily signed agreement, during which both parties have already had their attentions on someplace else. What has to be mentioned is that the TD established institutionalised transatlantic meetings in the following format:

"-- bi-annual consultations to be arranged in the United States and in Europe between, on the one side, the President of the European Council and the

President of the Commission, and on the other side, the President of the United States;

-- bi-annual consultations between the European Community Foreign Ministers, with the Commission, and the US Secretary of State, alternately on either side of the Atlantic;

-- ad hoc consultations between the Presidency Foreign Minister or the Troika and the US Secretary of State;

-- bi-annual consultations between the Commission and the US Government at Cabinet level;

-- briefings, as currently exist, by the Presidency to US Representatives on European Political Cooperation (EPC) meetings at the Ministerial level.

Both sides are resolved to develop and deepen these procedures for consultation so as to reflect the evolution of the European Community and of its relationship with the United States. They welcome the actions taken by the European Parliament and the Congress of the United States in order to improve their dialogue and thereby bring closer together the peoples on both sides of the Atlantic."⁴⁴

From the frequency and multi-level nature of these meetings one can conclude a need for a strengthened partnership, and an importance of dialogue. What happened in reality, is that the framework established was devoid of significance and soon became a burden on both sides, since the goals and perspectives identified were all well-known liberal "mantras" (like human rights,

⁴⁴ Excerpt from the text of the Transatlantic Declaration, adopted in December 1990.

trade liberalization, non-proliferation etc.) and combated for side by side on international grounds: there was no need to talk about them "entre nous". But what in reality caused the necessary renewal of the partnership was Europe's unsuspected rapidity in developing the different facets of its international interests and strategy, arising basically from the Maastricht Treaty and the CFSP.

On 3 December 1995 at the Madrid Summit, Jacques Santer, Felipe Gonzalez, and Bill Clinton signed, the New Transatlantic Agenda (NTA), which extended EU-US dialogue beyond the level of EC core competence to the full range of political and economical issues in 1995. It has been accompanied by a joint EU-US action plan setting out 150 specific actions of mutual commitment. Due to President Clinton's noted multilateral approach, or "European-friendliness" the identification of a broader series of problems to be solved together - and mainly through other organizations - was more successful than in the TD, with another clear difference. If the TD was too vague, the NTA was too shortsighted. Anyway, as a document demonstrating more or less the '95 EU-US international power balance is worth studying, at least from this angle.

According to the text, the "common strategic vision of Europe's future security" would be

"The construction of a new European security architecture in which the North Atlantic Treaty Organization, the European Union, the Western European Union, the Organization for Security and Cooperation in Europe and the Council of Europe have complementary and mutually reinforcing roles to play." The increasing number of organizations mentioned (though none of them were newly-created)

is an important sign for the above-mentioned multilateral approach of the Clinton administration.

The document acknowledges that the "emerging European Security and Defence Identity will strengthen the European pillar of the Alliance". There is also clear evidence that the US at that time would have preferred the Partnership for Peace project covering the entire former Block instead of a gradual NATO enlargement. The concept of a "New Transatlantic Marketplace, which will expand trade and investment opportunities and multiply jobs on both sides of the Atlantic" was mentioned, which is a *grandioso* expression without any content.

The appearance of Turkey and Cyprus is an obvious European request as the US basically has Turkey as a strong NATO ally (since 1952), not to be angered:

"We will support the Turkish Government's efforts to strengthen democracy and advance economic reforms in order to promote Turkey's further integration into the transatlantic community. We will work towards a resolution of the Cyprus question, taking into account the prospective accession of Cyprus to the European Union."

The partnership position of the EU as a participant in the Middle East crisis is also made clear with the NTA. In general, we can remark that the US has reserved for itself a predominant and active role in the development of bilateral negotiations, while Europe has been able to assume a priority role in the multilateral negotiations. Europe having the image of a construction for peace, and

cooperation of former enemies had a symbolic authority. In addition, as the region's main economic partner European presence was somehow natural considering the influence it represented, and still represents in the region.⁴⁵ (Not to mention the fear of a wider-scale crisis erupting, sending oil prices up to the Heavens - which the Europeans have some recurring nightmares about up from 1973, because it played a dominant role in ruining the early phase of monetary integration. The EU is nearly totally relying on Arab oil, which is not the case with the US.)

It is somehow surprising nowadays, even taking into account an America still acting multilaterally - *when possible*-⁴⁶in 1995, how the EU managed to pressurize the US on acknowledging their debt towards the UN, in an official declaration:

" We will cooperate to find urgently needed solutions to the financial crisis of the UN system. We are determined to keep our commitments, including our financial obligations. At the same time, the UN must direct its resources to the highest priorities and must reform in order to meet its fundamental goals."

A common declaration was made on supervising North Korea's nuclear capabilities and intentions: "We will provide support to the Korean Peninsula Energy Development Organization (KEDO), underscoring our shared desire to resolve important proliferation challenges throughout the world." Nowadays, the

⁴⁵ "The price of non-peace: the need for a strengthened role for the European union in the Middle East" (A study by the Italian Centre for Peace in the Middle East, EP Working Paper, DG Research, 1999, p.29.)

⁴⁶ The full sentence was: "The US would act multilaterally when possible, but unilaterally when *necessary*." President Clinton "Confronting the Challenges of a Wider World" (Speech before the UN General Assembly, September 27, 1993.)

US left the scene, as North Korea now makes part of the "axis of evil"; Europe is still trying hard.

Police forces cooperation laid down in the NTA is still nonexistent, as the commitment to fight Ebola and AIDS together does not show any positive results. The newborn WTO was designated as the principal forum for the economic tasks of the Agenda, as the G-7 Summit for the treatment of the "overarching importance of job creation".

Six years later, the Commission started to re-evaluate the Transatlantic Partnership⁴⁷, with a need to reassess the efficiency of cooperation, since

"it is fair to say, that a partnership of equals has not been achieved...a lack of political cohesion have, at times, weakened the European impact in Washington. Moreover, the American tendency to see relations with Europe through the prism of NATO/security, rather than in EU/US terms, could affect future developments."

The proposal complains on the EU being treated simply as a regional partner by the US, criticizes US unilateralism numerous times, and calls on "a more cohesive Union, speaking with one voice or singing from the same hymn sheet" as a force, which "will be better placed to counter such tendencies".⁴⁸ Short term-priorities, a lack of focusing, and the "proliferation" of transatlantic summits happening on all diplomatic levels led the Commission to the conclusion that the summits have to revert in their original format, a restricted leaders' meeting once a

⁴⁷ "Reinforcing the Transatlantic Relationship: Focusing on Strategy and Delivering Results" (COM 2001, 154 final, 20.03.2001.)

year, with a clear agenda "to focus on strategic themes". It is hard not to point out the similarities with the Cold War summits between the superpowers.

So Europe made itself clearer than ever in its dedication being treated equally. This rhetoric was unheard of before, and one can ask, what happened in a mere six years?

Differing interests, Differing visions

So far, America has been reluctant to acknowledge the EU as a political partner; Europe, in spite of being an economic powerhouse, has behaved almost as if it were afraid of its power and has often shrunk from living up to its potential and from facing its responsibilities.

As we have seen it, the US emerged in the 90's as a uniquely powerful hegemon, possessing a combination of military, economic, „cultural”, and political power unequalled in global history before. Europe on the other hand entered a fundamentally new stage of integration, switching from being a Common Market to an entity that is possessing many of the key attributes of sovereignty- a clearly defined and gradually expanding territory, a monopoly over arms and money, and a single political will.⁴⁹

Europe's geopolitical attention is fixed on its own consolidation, its Eastern borders for a historical unification, and the Mediterranean and ACP to satisfy its post-colonial nostalgia - or vital economic interests. America has Asia

⁴⁸ Ibid. p.8.

and the Western hemisphere as primary geopolitical focuses, but since American influence or interests leave only a few countries untouched, it has to be present everywhere. Moreover, according to Kissinger's '94 analysis, the biggest strategical threat for America, irrespective of the existence of a Cold War situation, would be one single power ruling either side of the Eurasian continent. This threat has to be avoided at any cost, even if the dominant power seems to be friendly, for should the intentions change, America would find itself in a disadvantageous position concerning efficient defence, and would have less and less possibilities in practicing its influence.⁵⁰ Let us bear that in mind when we encounter "honest and unquestionable American support" situations concerning the success of European integration.

From their respective levels of power arise two approaches, which make even a foreign policy dialogue hard to imagine. Washington is focusing on security threats (what else can an empire focus on, than a coming of the barbarians?), whereas Europe seems to concentrate on problems directly affecting it, like migration and international crime organizations, in addition to key areas setting out the principles of "global governance", such as climate change, infectious diseases, and trafficking in women and children *inter alia*. (We can even call them UN-style priorities.)

Therefore an American tendency to turn away from Europe is easily can be interpreted as reasonably paying the least attention towards the most secure zone- and there is nothing to complain about that. In his first four months, George W. Bush met the key Asian allies and the Chinese representative. He made his first

⁴⁹ DAALDER, 2001, p.555.

⁵⁰ KISSINGER, 1994, p.814.

trips to Canada and Mexico, and held his first presidential summit with the leaders of the Americas. Contrastually, during his first semester in service, only the traditional key European allies (UK and Germany), and the FYROM president have been received.⁵¹

Multilateralism in Europe, and unilateralism in the US are therefore only partially chosen freely by policymakers: as we will try to demonstrate it, their respective global positions and interests determine the most effective way of acting, and the human factor's interference is not truly decisive.

The Unilateralism vs. Multilateralism boxing match has not started with the Bush administration, however, the general public started to acknowledge it because of a change in the way of talking about it. As it seems, the key difference between the second Clinton administration, and that of George II is the rhetorics. "Clinton talked the multilateralist talk, even if he did not always walk the multilateralist walk."⁵² Only a few examples of the Clinton era era: extraterritorial legislation (Helms-Burton, Iran-Libya), refusing to sign the Land Mine and the International Court Treaty, failure to pay America's UN contribution, vetoing the EU candidate to head the IMF, the refusal to implement the Kyoto protocol, and many, many more. However, his radiant personality, and unquestionable friendliness towards Europe articulated by Madeleine Albright (of European descent) made him a victim of a growingly hostile legislation in the eyes of Europeans. (Note also that Clinton came to power in an age, when Europe was a heavily unstable and insecure place, and Europe's fears were about the new

⁵¹ Ibid. p.558.

⁵² Ibid.p.562.

President leaving Europe to deal with its own problems, not American domination.)

The difference with the Bush administration towards Europe and unilateralist charges is that they do not even seem to care. Talking openly of American interests as first -and seemingly also the last - priority of current foreign policy, problems already inherited from the previous Presidency are likely to aggravate further.

Transatlantic relations: clashes inside the West?

The changing face of America

Two new elite ideologies -neo-liberalism and neo-conservatism- wage war for the political minds of America, "each of which expresses eagerness to promote its own conception of American virtue around the world through any means necessary, including force."⁵³

These ideologies are restricted to certain groups of political militants and are not shared by the majority of the American people, as numerous public opinion polls indicate⁵⁴. Strong majorities on both sides of the Atlantic would like the EU to play a strong leadership role in the world and for the US and the EU to have a more balanced relationship, whereby they act more like equal partners.

⁵³"Imposing Our 'Values' by Force," by Dimitri K. Simes and Robert F. Ellsworth, from the Washington Post, December 29, 1999, p. A27.

Most Europeans feel that the US has too much influence in Europe. American public opinion shows a readiness to share power with Europe, as well as a desire to share the burden of world leadership. When respondents were asked: "In dealing with world problems, which best characterizes what you think the relationship should be between the US and the European Union-the US should take the lead, Europe should take the lead, or the US and Europe should be equal partners?" Only 13% said the US should take the lead. An overwhelming 80% said the US and Europe should be equal partners, while 5% said that Europe should take the lead.

(In the case we would be distrustful towards opinion polls and find them hardly relevant in general, this result could simply demonstrate the American public's support to their leaders reciting that Europe should pay more. The opinion-forming ability of US administrations has always been admired by the rest of the world: how could they achieve to put a strong support for US military intervention in such remote places like Bosnia or Kosovo in the minds and hearts of the population?)

An impressive 86% was for a „strong US leadership” in the world, though, the interpretation of which can be that isolationism is excluded as an alternative.

What is even more surprising that according to the aforementioned polls, Americans support European unification more than Europeans themselves do.

At the same time, the poll found substantial majorities of Europeans saying that the US has too much influence. Majorities in France (74%), Britain (67%), and

⁵⁴ Program on International Policy Attitudes (PIPA): "Seeking a New Balance: A Study of American and European Public Attitudes on Transatlantic Issues" Sponsored by the German

Germany (54%) said "the US has too much influence over our country's affairs."

In a similar SOFRES question (October 1996), 64% of French respondents said, "the influence of the United States in the world is excessive."

There are (were) opinions even inside the US acknowledging fact, like the one as follows:

"The United States cannot effectively preserve its global leadership--let alone maintain key alliances, fight terrorism or control the proliferation of weapons of mass destruction--if it is constantly seen as too ready to interfere in the affairs of others."⁵⁵

According to certain patriots, America is uniquely positioned for international leadership as a "benign superpower", but "if it appears to be a threatening hegemon, insensitive to the interests and perspectives of other nations, that leadership will likely be both excessively costly and short-lived."⁵⁶ (It is never the role what is questioned, though, but the way America plays it - another clear sign that it is not isolationism, which rules the White House.)

Of course, this growing number of dissatisfaction amongst certain intellectuals and parts of the population has not been totally mirrored by the election of President Bush, although analysts say that the foreign policy part of his campaign, having a certain "isolationist" tinge, brought him a lot of votes. But isolationism is not just unprofitable; it is irrational at the age of "American-led globalisation".

Marshall Fund of the US , June 26, 1998

⁵⁵ ⁵⁵"Imposing Our 'Values' by Force," by Dimitri K. Simes and Robert F. Ellsworth, from the Washington Post, December 29, 1999, p. A27.

⁵⁶ "Imposing Our 'Values' by Force," by Dimitri K. Simes and Robert F. Ellsworth, from the Washington Post, December 29, 1999, p. A27.

The warnings of U.N. Secretary General Kofi Annan about a global backlash against U.S. values and the bitter divisions within the U.N. Security Council illustrate that the international legitimacy of both American interests and values is already in question, as "Washington is increasingly relying more on unsubtle measures than on the persuasive power of its pre-eminence"⁵⁷.

Moreover, military intervention in the name of democracy is highly questionable from a moral standpoint - finally recognized by at least a few Americans. President Clinton's humanitarian interventions have to some extent reduced refugee flows (as in Haiti) and stopped ethnic cleansing (in Bosnia and Kosovo), but they have not moved their targets much closer to democracy. (Not to mention the new Afghani government.)

"The beneficiaries of our humanitarian interventions are, in fact, basket cases, American protectorates, or both... How will we ensure that force is actually used to promote democracy rather than in response to domestic interest groups?"⁵⁸

These concerns, however, started to appear under the second Clinton administration (in European terms, cohabitation) in the US against the liberal "forward engagement" in world affairs. Strengthened by the first "interest-based", "unilateral" and "power player"-style communications issued by the new administration, the concerns changed a bit in direction, but not in intensity, up until the day which will be remembered for a long time in America.

⁵⁷ BACH, 2000, p.2.

⁵⁸ Ibid.

Due to the 11th of September, most of the promoters of modesty in the global arena fell silent, and the time has finally come for those, who rejected self-restriction.

The following factors inside the US seem to have made it happen:

◆ The rise of the legislative in US foreign policy

Europeans tend to think that the US President - being the most powerful person in the world - has full control over foreign policy through the staff appointed by himself. However, it is far from being true, as it has been cruelly demonstrated several times in recent history. According to the system, the control of the Congress of the federal budget, to block appointments of personnel, and a powerful hearings system is more than considerable, and Senate has at least the same opportunity of interfering by their exclusive right of the ratification of international treaties.

"I will make reversing this decision and protecting America's fighting men and women from the jurisdiction of this international kangaroo court my single highest priority..."⁵⁹

No, the quote is not from Rambo, not even Captain America. The speaker is actually the Republican Chairman of the Senate Foreign Relations Committee, Mr. Jesse Helms. (One of the fairy godfathers of the Helms-Burton Act, heavily disputed for extraterritoriality.) The subject is the 1998 Rome Treaty establishing the International Criminal Court, principally supported by the US, but in the end refusing to sign it amongst six other countries.⁶⁰ President Clinton has signed it finally in December 2000, as the last one in a row of 139 countries. By 2002, the

⁵⁹ Cited in EVERTS, 2001, p.8.

ratification has been done by 60 of them, the US senate categorically refused giving its consent to it.

This movement started with the Republican majority using its power to block Clinton's requests for fast-track authority, thus not refraining from practicing internal political games in situations where serious strategic and foreign policy questions were raised. With the current administration, the situation changed only as far as the White House took up the rhetorics already practiced by Congress and Senate.

The highest point in Congressional wariness was the 1999 rejection of the Comprehensive Test Ban Treaty (CTBT), basically enabling a stabilization of US nuclear hegemony, because the nuclear powers signing the Treaty undertook obligations to stop nuclear testing, thereby arresting their nuclear programmes in development. The Treaty's idea came from and was shaped by mainly American negotiators: the denial of it left the world, especially Europe puzzled about the other US plans, and dubious on American consequentiality.

It can be true what Samuel Berger, Clinton's security advisor said: "The new isolationists are convinced that treaties -pretty much *all* the treaties- are a threat to our sovereignty and continued superiority."⁶¹

◆ A similar, but distinguishable tendency to withdraw from permanent multilateral obligations.

These can be summarized in attacks on European preferences and keywords like global governance, and ignoring or alienating themselves from Bretton

⁶⁰ Israel, Libya, Iraq, China, Qatar, and Sudan. (A nice *entourage* for a benign hegemon, we can remark.)

⁶¹ Samuel Berger, "American Power: Hegemony, Isolationism or Engagement", Speech to the Council on Foreign Relations, October 1999.

Woods institutions like the UN or even the IMF. Contrary to the popular belief that the IMF is the most obedient servant of globalisation under direct American control, there are high-positioned voices calling for the shutting down of the IMF entirely.

The Kyoto protocol can also be mentioned here, as a long-term instrument to fight global warming - which has been labelled as not being scientifically proven by President Bush. A huge uproar it caused, nevertheless the motivations are brighter than the sun: the interests of the heavy industry dictated other solutions than the one the international community planned to adopt.

These actions could have had worse results, since the abandonment of multilateral fora created by the US itself could have robbed them from their meaning. Now it seems that those who "contributed passively" or "were forced" into the Bretton Woods system feel much more at ease there now than the Americans.

- ◆ A simultaneous increase in the defence budget, and a budgetary reduction for diplomacy and prevention of conflicts.

On a per capita basis, each American spends 29 USD per year to development, compared to the 70 USD in the other OECD countries.⁶² Since 1995, Congress achieved a 40% cut in the budget contribution of multilateral development banks. This signals an era of US disillusionment in the effectiveness of prevention at all. They might be right with their experience of American-funded Third World allies turning on them - the most recent example, that of ben

⁶² EVERTS, 2001. p.13.

Laden, is well-known. Another factor is that humanitarian aid is mainly used to secure influence in an area that you cannot bully by other means - at least from the viewpoint of current American diplomacy.

In 1995, the US military budget was around 260 bn. USD, augmented to 329 bns. by the end of the nineties.⁶³ In 1999, the US defence budget was the size of the nine countries following it in order *combined*. Representing about 36% of global military expenses then, and about 40% currently, it is not just the strongest military power with unique capabilities, it is War personified. "The US is locked into an arms race with itself."⁶⁴

The reason behind is either paranoia or desperation, but it is hard to imagine another alternative. Not a single time before in history had a superpower with such a big budget spending on the military. And history also shows, that if an Empire starts arming itself, there is never for the reason of letting arms to rust: what they have at least, is a clear agenda of whom they want to use it against.

The Bush administration promptly asked for a raise, and then the 11th of September caused a justifiable new growth in the defence budget - who would have risked voting against it?

Relying solely on the military as a foreign policy tool is the vision of a majority controlling US diplomacy, and its consequences are not considered reasonably for the moment. "If other nations complain that we're abdicating our

⁶³ KENNEDY, 2002, p.3.

⁶⁴ EVERTS, 2001, p.13.

responsibilities - or if they start abdicating their own - let them, because we're stronger and richer than they are."⁶⁵

Stronger doubtlessly, richer dubiously, but the first prize for running towards self-destruction rightfully and without question will be awarded to "the benign hegemon".

Two additional factors have to be mentioned, which do also play a key role in the subconscious of America: ethnic restructuration and, the revival of evangelical Protestantism. Without getting into petty details, it is to be remarked that the Spanish-speaking population having a strong separate identity will soon become majority in a huge part of the Southwest, miraculously covering exactly the same territory taken from Mexico by the US in the middle of the XIXth century.⁶⁶ To preserve US territorial integrity against an eventual revisionism appearing, the most essential US interests lie at cultivating friendly relations with Mexico, but the threat will always stay there.

Secondly, there is an apparent rise of evangelical protestantism with certain WASP tendencies, and this phenomenon counts also heavily for George W. Bush's election. (Some say that Bush senior lost at his re-election campaign because Christian voters did not see him as being firm enough.) Though never to same extent as in Europe, religion was - until recently - left in the backyards of US politics: with the current administration it is coming back, and it is influencing much more as presidential rhetorics, as many seem to believe in Europe. With the unshakable confidence of having God on their side, who in the world could stand a chance to disobey his will?

⁶⁵ Samuel Berger, "American Power: Hegemony, Isolationism or Engagement", Speech to the Council on Foreign Relations, October 1999.

The reasons of conflict on the European side

Disputes and disagreements have always existed between Europe and the United States, always determined by the global roles they played matching their respective power positions. In history, Europe started out as the evergreedy menace for free and newborn America, than a competitor for the domination of US neighbourhood, on land in earlier, and on sea in later XIXth century. The Old World weakening itself from intracontinental warfare in the First War - then rapidly running towards the Second meaning complete devastation for the winners and the defeated alike - the US obtained an ever growing presence in Europe: from influence as a protector against aggression to domination as a leader of the whole world.

In the 90's, both parties agreed on the rebalancing of the "partnership", *de facto* vassaldom according to external conditions changed in world security, but now it seems that the only factor so far influencing the US in changing its attitude towards Europe is the surprisingly rapid accumulation of power beginning in the second half of the last decade.

What is behind tensions, what happened in Europe? The factors of growing suspicion in America towards Europe, and the sudden birth a vigorous European self-confidence are, amongst others:

⇒ the strategic agenda for the EU road to power clear and unanimous in European minds since the Maastricht Treaty

⇒ the weakening or possible failure of Japanese economy left only two major players on the ground, who find their greatest competitor in each other

⁶⁶ HUNTINGTON, 1998, p.341.

- ⇒ Europe reaching higher economic indicators such as a higher economic GDP, and a higher percentage of world trade - above all, a healthier economy
- ⇒ the successful launch of the euro having a huge possibility to be an equal competitor to the USD
- ⇒ the 2003 launch of the Rapid Reaction Force leaves at least the continent protected from all imaginable conventional threats
- ⇒ the CFSP and more symbolically, the arrival of Mr. CFSP solved the "Kissinger-syndrome"⁶⁷

Therefore, Europeans and Americans all of a sudden found themselves faced with the following questions:

- ◆ **How much American influence needs to be left in Europe?**
- ◆ **How to define the role of both superpowers in the formulation of the post-Cold War global order, and how to share costs and benefits?**
- ◆ **How to manage a relationship built on the double necessity of competition and cooperation?**

"Peace, stability and economic prosperity continue to be threatened by the dark side of globalisation: the proliferation of threats such as environmental degradation, growing inequalities between rich and poor, both between and within countries, the spread of disease and famine, illicit trade in drugs, money laundering, international terrorism, proliferation of arms - these are problems that bother a lot of European citizens. Many are tempted to seek refuge in a reassertion

⁶⁷ Americans taunted Europe for more than twenty years with Henry Kissinger's legendary line on the fact that there he does not know which phone number to call, if he wants to talk to the Foreign Affairs Head of Europe.

of national identity against fears of what is perceived as the homogenising forces of American-led globalisation"⁶⁸

The challenges of globalisation transcend state borders and the ability of individual states to manage them on their own. What is required is multilateral co-operation - and the European Union is the only way to assert that Europe's nations can influence where this multilateral co-operation will head. It seems that only Europe has realized the responsibilities of incidentally setting free such a powerful *djinn* from its bottle: it is out of control now, and the US does not seem to care.

As an answer to that, the EU is identifying itself as a key to achieve a so-called "more equitable global order". This is an integral part of recent European diplomacy: whatever terrain the US abandons, Europe takes it over, donning the white battle mail left to lie in the dust.

"The EU's sheer size and weight after enlargement obliges us to behave as a global power. We have to assert an autonomous model of Europe that prioritises, against the backdrop of growing global economic and social imbalances as well as rising insecurity, a sustainable development path, the resolution of regional conflicts through dialogue and co-operation, and a well-regulated globalisation. This approach is in fact the only avenue open to us: it is the only one compatible with our European values, and, on a more cynical note, the alternative (a security-centred approach based on strategic hegemony) is out of our reach any way."⁶⁹

⁶⁸ Pascal Lamy: "Europe's Role in Global Governance: The Way Ahead" (Humboldt University, Berlin, 6 May 2002)

⁶⁹ Ibid.

These words show two important principles behind the rhetorics: first, that Europe's duties arise from its position of power, and secondly, that the alternatives on how to formulate a European global strategy are more likely to be determined vis-à-vis Washington, than following a set of ideals.

Therefore, Europe's attitude on globalisation will be focusing on preserving the "soziale Marktwirtschaft" which cannot be abandoned, and looks much more attractive for developing countries than the "crueller" and "less compassionate" liberal American model. In our eyes, their effectiveness compared to each other will be realized, when one of them crumbles: so let economists do their battle advocating one model or the other. What matters for Europe is the aforementioned "attraction" and "positive image content", because global sympathy is what needed for achieving the diplomatic goals set out. Following these logics, European defence questions are truly secondary: Europe's real enemy is not attacking with conventional weapons, nor through anthrax in your mail: it is inside the Schengen borders, or is just passing through unnoticed.

Europeanisation of Foreign policy

The high density of multilateral interactions and the continuous communication and adjustment (coordination reflex) within CFSP point at certain qualitative new features of solidarity between EU members. Transparency, consultation and compromise are norms underpinning the CFSP framework. As the former British Foreign Secretary, Malcolm Rifkind expressed it: ``consultation

and co-operation are now instinctive."⁷⁰ Thus, the foreign policy cooperation between EU member states could be interpreted as the beginnings of a learning process where the actors involved increasingly perceive themselves as a "we".

The commitment to reach common positions in the CFSP is foremost based on the build-up of mutual trust, increased communication and the political will among its members. On this level, it is noticeable that a 'Europeanisation' of foreign policy has taken place – even among larger states.

„... the foreign policy process has become Europeanised, in the sense that on every international issue, there is an exchange of information and an attempt to arrive at a common understanding and a common approach – compared to how things were in the past, where most issues were looked at in isolation without addressing the attitudes of other member states or a European dimension.“⁷¹

Trust is as essential to mutual understandings and the development of a supranational identity as the picture of a common foe Trust was gained by time of the integration, wearing down instinctual distrusts amongst foreign-policy-making elites, though there is no other factor as integrative as to point out - at least - the „challenge“ to overcome in the redefinition of Europe's global status. And there is no one more able to fill in that position than the United States.

Nevertheless, with intergovernmentalism still predominating EU foreign-policy-making, the actors involved still, to some extent, regard their interaction in a strategic and self-interested manner. There is no automatic spill-over of

⁷⁰ Malcolm Rifkind, "Common Foreign and Security Policy" (Speech at the "Institut Francais des Relations Internationales", Paris, 5 March 1996).

⁷¹ Pauline Neville-Jones, interview January 1996

European norms inevitably becoming internalised and leading to cooperative understandings as it is on other fields of EU policy.

It is, however, a fine balancing act for foreign policy elites to articulate views of European integration that are seen by the broader public not as a threat to national identity, but an enhancement of a more vague, but more powerful identity - but there is nothing historically new in the desire for someone, something to unite against - for the general public, at least.

In Europe, the agents of foreign policy are positioned at the intersection of transnational processes and domestic structures. Although, they are national agents of foreign policy, they find themselves in a boundary position from which they mediate between two worlds of foreign policy-making: one in the national capital – the other centred in Brussels. Whilst foreign policy is primarily shaped within the broader political culture of a state, the elite's interaction and socialisation taking place on the European level influences and changes their perceptions.

Two potential conflicts may arise in nowadays European diplomacy, swaying away from the „ideal CFSP” principles.. The first is on whether the strengthening of a European identity and development of a Common European Security Policy is perceived by policy-makers as contradictory to NATO and the transatlantic relationship - simply put, whether the fear implanted is stronger than the will to overcome it. We should not forget that there is still a hardcore group of European atlanticists „crying wolf” whenever anti-American rhetorics on the European level become too harsh.

The second centres on the possible tension that may exist between the domestically generated drive for national independence in foreign policy and the

explicit political commitments made by EU members to speak and act in unison in international affairs. The search for the lowest common denominator prevails: usually, a defence of human rights, an indispensable goal but all the more insufficient because it does not differentiate us from our partners. Moreover, because of the lack of consensus on influencing events from start to finish, the EU is often limited to helpless gesticulations (the Middle East is but one case in point). Too often, the EU gives the impression that it refuses to define its objectives, and is content to intervene at the margins, trying to bend the US position.

The rift might become even wider if the nation-state itself is generally considered to be „Americo-phile”, but a European-level decision forces it to participate in an agreement contrary to its „special relationship” as it is the case with the UK, the Netherlands, but Portugal or Ireland can also be mentioned. It quickly leads to a split personality, and a diplomatic tightrope walking - but these kind of decisions are likely to multiply in the near future.

„Europe does not yet have the single coherent world vision, the deep-rooted instincts of a national foreign policy. That is not to the discredit of the European Union. But it is one more reason why we should see CFSP as a complement to our national foreign policies, an increasingly robust complement, but not a replacement.”⁷²

This is not really surprising, as foreign policy, more than economic policy, relates to the identity of each Member State: its vision of the world, the values that it holds and projects, its history and traditional ties with other parts of the world.

⁷² Malcolm Rifkind, "Common Foreign and Security Policy" (Speech at the "Institut Francais des Relations Internationales" , Paris, 5 March 1996).

What is under construction is a common vision of the world and the manner in which Europeans can have a real influence on its evolution.

Struggles inside Europe for national leadership are not coming to an End, however, and they won't be until the nation states exist. European integration was made on the axis of Franco-German reconciliation; leadership becoming through time and successive enlargements something competed for and at the same time intangible, refusing any attempt to be officialised. The number of *axes* does not stop multiplying, and concepts on core groups constantly reappear, only to fall back to oblivion after inciting interstate debates of renewed vigour-if only for a while.

The stability of the EU as a foreign policy actor is dependent on the member states modifying their behaviour according to:

- Each other's roles and expectations.

The more the „Europeanisation” of foreign policy becomes formally institutionalised within the EU, the more foreign policy perceptions will be influenced by positions (needs) instead of preferences (wishes). A position role increases the predictability of foreign policy behaviour and stable expectations: as it certainly undermines the notion of national independence in foreign policy.

- The role Europe plays and has to play externally.

This is a parallel process to the one mentioned above, and according to our perceptions, this was and will be much more efficient in moving the bulk of Europe ahead, than all the consultations and negotiations between Member States, no matter how „instinctual” they might have had become.

The more decisions brought to European level, the chances will be as minimized to incidentally or directly create divisions between Member States. (The CFSP's constructive abstention solution seems to be a handy tool for tackling key state-level disagreements, if there will be any in the future.)

Trade wars and their implications

"One man's unilateralism is another's determined leadership."

(Pascal Lamy)

Trade disputes were the first type of open conflict appearing as soon as the early nineties. In the earlier chapters, we tried to present some of the main reasons behind this type of conflict hitting the news more and more often. But let us shortly summarize them just as a reminder for now, before getting into deeper scrutiny:

- ⇒ Demise of the Soviet threat, and less need to unity
- ⇒ Two economical superpowers of equal weight, but Europe's developing more quickly
- ⇒ National interest openly arising as the key foreign policy motor in the US
- ⇒ Different models of market economy - "liberalism" vs. "socialism"
- ⇒ Gaps between the participants self-perception and the other's evaluation
- ⇒ The creation of the WTO dispute resolution system as an obvious tool hard to resist not to use

Though politicians and diplomats - mainly on the European - side keep echoing that today's trade disputes do only represent 2% of bilateral trade, that is more a sign for the gigantic size of transatlantic trade (500 billion euros yearly), than being able to show that everything is all right. The "proliferation" of trade disagreements can also be interpreted in a broader sense as the battlefield where the invulnerability of the transatlantic alliance is first put into question. Between two players of equal power, differing interests, and a single will conflict is a natural consequence. Cooperation is only possible against others: the harsh rules of the world of trade do not really acknowledge cooperation between competing economies.

Trade conflicts are also unavoidable because of the nearly complete elaboration of the international trade regulatory system, and now we enter a phase, "when a country's health and labour laws risk being construed as some member states of the WTO can sometimes find themselves having to enforce domestically deleterious rulings."⁷³ Basically, global trade is battering down the walls of national regulations, and interfere deeply with the political sphere.

In 1947, only 7 European countries were represented out of the 24 founders signing the original GATT Treaty - Germany and Italy were excluded. As regional European integration grew in size, power, and unity, for the time the WTO has been created in 1995, the EU became a co-author to it of equivalent weight.

During nearly 50 years of GATT, 1115 reports were issued by disputes panels, 39 of which were going on between the US and European countries. Since the WTO's creation, 59 panel reports were born out of 200 complaints, and 36

⁷³ BACH, 2000, p.3.

made their way up to the WTO Appellate Body.⁷⁴ Though the majority of these are not EU-US disputes, their value and - not to forget - their political impact is clearly leading the lists.

Much of the reflection on Dispute Settlement has focused, one way or another, on the „juridification” of the WTO. It has been pointed out countless times, that before, GATT third party dispute resolution required the consent of the disputants both to begin the process and to accept its results, two features which, it could be cogently argued, compromised foundational principles of the rule of law and chilled the utility of dispute resolution, especially for the meek and economically and politically unequal. But with the WTO legal paradigm shift occasioned by the acceptance of compulsory adjudication with binding outcomes, the WTO became more and more like a Court instead of being a Congress of diplomats, as a recent study argues.⁷⁵

This change in the approach to the use of WTO has been at least partly initiated by the US, namely Mrs. Barshefsky, Clinton's Trade representative. (And worsened by her personal misunderstandings with Sir Leon Brittan, her counterpart from the EU. Trade, being the strongest foreign policy field enjoying a high level of autonomy in the EU, personal contacts are more than determining.)⁷⁶ Lawyers climbing the hierarchy ladders on the US side in big numbers instead of analysts or traditional diplomats caused the new interpretation of the WTO as the first and last resort weapon became strengthened. It is not difficult to picture the consequences of a psychological shifting from "consensus-seeking" to "win or lose" concepts, which mark the current relationship.

⁷⁴ JOHNSON, 2001, p.4.

⁷⁵ WEILER, 2000, p.4.

It is worth citing just a few cases, which have, according to our opinion, some demonstrative elements on the style and deeper nature of the conflicts:

Hush Kits

A typical interclash between key strategic interests, this conflict arose between the differences between Airbus and Boeing planes. The US threatened not to let Concorde planes land on US airports because they are not equipped with hush kits - a sort of noise reducing equipment. Airbus planes are designed to meet European standards, or *vice versa*, though Boeing manufactures hush kits for its airplanes. The US also heavily criticizes EU government subsidies to airbus as being non-conform with the WTO Subsidies Agreement. Europe responds pointing out US "non-subsidy" funding to the aircraft industry through military contracts. Both companies are not just strategically important, and exclusive competitors for the world market, their "PR value" does not allow politicians not to defend their interests through fire and deep water.

The Banana case - now finally resolved - has three interesting factors, which might lead the observer to deduce something about the real forces behind. One is the fact that the Head of Chiquita Brands, made lavish donations for campaign purposes to attain the launch of a WTO procedure against the EU's banana regime.⁷⁷ So, if we talk about national interest, maybe there is a simultaneous need to look a bit even farther.

⁷⁶ JONQUIÉRES, 2001, pp.4-5.

⁷⁷ Ibid. p.4.

Second factor appearing on both sides: there is no banana growth either on US, or on EU territory. "EU" bananas are produced on former colonial territory, which are now free and democratic on one hand, and single-product, export-based, and totally dependent on the EU on the other. US bananas are produced in Central America, by corporations like the aforementioned Chiquita and Dole, which fact enriched languages with the term "banana republic". So when the two sides of the Atlantic clashed against each other for long years over the banana, it is good to know which interests were precisely on the stake.

Third factor of historical importance was when for the first time in GATT/WTO history the organization authorized the US in 1999 to impose extremely heavy retaliatory tariffs (100 % tariffs on European goods worth 191 million USD) on another WTO member.

The agreement on bananas took effect on July 1, 2001 at which time the United States suspended retaliatory sanctions it imposed on EU imports in 1999. There will be a transition period until 2006 during which bananas will be imported into the EU through licenses distributed on the basis of past trade. After that, imports will be based on a tariff-only system.⁷⁸

Foreign Sales Corporations

As old as dating back to 1973, attacked with varying intensity by the EU since then, the FCC "represents an extremely large, and prohibited export subsidy".⁷⁹ Washington had to lose the case four times in the WTO for Europe to threat with retaliations after the US made some minor changes in the law on FCCs but not changing its content at all.

⁷⁸ "U.S.-EU Statement on Resolution of Banana Dispute", April 11, 2001

⁷⁹ LAMY, 2002, p.2.

After the EU finally issued a statement to impose retaliatory sanctions worth 4 billion USD, studies started to appear warning that because of the interlinked nature of transatlantic business, EU cannot sanction without harming its own companies or interests. "It is critical for transatlantic companies that we avoid a trade war that would have catastrophic consequences for both sides"⁸⁰

Now the WTO enabled the utilization of 1 billion USD worth of products, which the EU cunningly choose to hit mainly Republican business interests, to let the pressure on Bush be done by his supporters. Now the "US is pleading for patience", but there is no chance for the new law to pass legislation this year.

Steel - last, but not least. Unawaited and unwanted came Bush's statement in June 2001 on raising steel import tariffs with a maximum 30 percent to enable the survival of US steel industry on the brink of collapsing. Now this latter move is surpassing every imagination and shatters all remaining illusions on the effectiveness of multilateral trade regulations, since this is not a matter of a dispute - it is clear-cut protectionism and the defence of national interests. The EU argues that the necessary internal restructuring in the steel sector has already been done in Europe, with reducing production at the same time. The fact that the US even increased production in the full knowledge of grave internal problems in its steel industry makes you think whether strategic reasonability plays any role in US economic decisionmaking. But what is even more obvious: that the US seems not to even seek a multilateral consensus if a unilateral one comes handy.

⁸⁰ European-American Business Council: "Scenarios for possible EU retaliation in the FSC disputes", May 2001

II. A glimpse on global battlefields

Europe and the redefinition of international security

"World peace is always a unilateral decision."

(Oswald Spengler, 1917)

CFSP: the way up and the necessary steps ahead

Until recently it was not unusual to argue that the EU did not have a foreign policy, that is, to describe the CFSP as a "myth". Integrating in this area of so-called "high politics" has often been described as synonymous with "surrendering sovereignty" altogether - that was the vision of Old World euroskeptics. On the other side of the Atlantic, the efforts for a high-level of European foreign policy coordination were less a source of fear, than a source for amusement. Nonetheless, at the end of the 1990s, efforts to establish a common foreign and security policy were sped up. Pillar two issues emerged on top of the policy agenda of the EU. Why these developments have taken place we already tried to demonstrate in the chapter on the rebirth of Europe, or with even more style, "the second renaissance of Europe".

Historically, co-operation on foreign and security policy has been a sensitive issue for the EU. The development of a foreign and security dimension to the EU has been dependent on two factors in particular: The first is the EU's

relations to the United States and NATO, the second is the internal EU disagreement and insecurity about the general purpose of European integration. Traditionally, closer co-operation or integration on foreign and security policy has been connected to the idea of a Political Union, refused by many. Hence, the issue has been difficult for those member states who were primarily interested in the economic dimensions of European integration, as well as for those who have been concerned with protecting national sovereignty from the intrusion of supranational institutions in Brussels. At the same time, the debate about the development of an EU foreign and security policy reflects conflicting views inside the EU on what kind of influence the United States should have on European affairs. This has meant that the dividing lines on EU's security and foreign policy co-operation have often been different from those in other policy areas.

France has often played the role of the driving force in foreign and security policy, but has received far less enthusiastic support from Germany here than on other issues. This is primarily because of Germany's close ties (or historical debt) to the United States in security and defence. Great Britain and Holland have been particularly sceptical to the development of an independent security and defence role for the EU. In the case of Britain, this scepticism must be seen as a consequence partly of the country's close ties to the United States and partly as a consequence of British reservations about developing a European organization with a strong political dimension. To the extent that Britain has supported the development of a foreign and security policy in the EU it has been on the condition that this policy will be formulated on the basis of consensus amongst

member states and without interference from the Commission and the Parliament. As for Holland, it has traditionally supported the idea of Political Union and wished to see the EU develop into something more than a free trade organization, yet the Dutch have been sceptical to security and defence co-operation because of a concern that this might weaken the ties to the United States and reduce future American involvement in European security and defence.

Though we tried to picture this in the first chapter, let us rummage quickly through steps of key importance, focusing now directly on CFSP history.

After a failed attempt at establishing a European Defence Community (EDC) and a European Political Community (EPC) in the early 1950s, further efforts to make foreign policy co-operation into the core of European integration were abandoned. Security and defence co-operation was defined into an Atlantic context: NATO became the central organization for security and defence in West Europe and the United States became guarantor of European security. This did not mean that the idea of European co-operation on foreign and security policy disappeared. At the EU summit in The Hague in 1969, the idea of political co-operation was relaunched, and led to the establishment of European Political Co-operation (EPC) in 1972. After this, the system of foreign policy co-operation was gradually expanded, both in terms of its institutional framework and its policy content. The EPC became important in the Helsinki process that was launched in the early 1970s, both in terms of co-ordinating the positions of West European states and in setting the overall agenda. EPC also developed a distinct position on the Middle East, most clearly defined in the Venice declaration of 1980. The EPC's capacity to react to situations of crisis was strengthened in the early 1980:s

still, all these developments took place outside the treaties. It was only with the Single European Act that EPC was formally included in the treaty framework, and that the commitment of the member states to consult and co-operate in foreign policy became a legal obligation. Also, EPC developed in the shadow of NATO and the Cold War problematics. Security and defence were excluded from its discussions.) To many, this meant that the EC could not be a serious actor in the international system) The image of EPC as the insignificant 'brother' of transatlantic co-operation and European integration was reinforced by the maintenance of the intergovernmental mode of decision-making in EPC institutions and adding security to foreign policy.

The end of the Cold War changed the security framework in Europe radically. Focus shifted to more "diffuse" security challenges, such as international crime, ethnic conflicts, terrorism, spread of nuclear weapons as well as humanitarian and environmental crises. In parallel, a debate developed in Europe about the legitimacy of using military power in other contexts or for other purposes than to defend national territory. In this context, the EU emerged as a natural security actor in particular in situations where collective solutions were sought as well as in situations where there was a need for political and economic instruments and not military force. In a sense the EU can be seen as the embodiment of the co-operative approach to security encouraged by the "new" European security agenda. In key respects it has successfully "domesticated" security amongst its own member states. NATO, on the other hand, which was built on a traditional perspective on security and defence, was expected to have outlived its role. The

statement of the Luxembourg foreign minister Jacques Poos' during the Luxembourg presidency of the EU in the first half of 1991: "This is the hour of Europe, not the hour of the Americans"⁸¹ is symbolic for this period.

The Treaty of Maastricht, which was ratified in late 1993, was a turning point for the EU's foreign and security policy. The more modest EPC was left behind and replaced with the CFSP. The aim of developing a policy that covered "all areas of foreign and security policy" and that should be supported "actively and unreservedly by its Member States in a spirit of loyalty and mutual solidarity" was written into the Treaty. Security and defence were also explicitly included in the CFSP. The Treaty promised to develop a "common security and defence polity" and perhaps also "a common defence". The recently revitalised West European Union (WEU) was singled out and gradually redefined as the defence arm of the EU through consecutive Treaties.

As a follow-up to the Maastricht Treaty, the WEU started to strengthen its own institutions and develop military capabilities. In 1992, the so-called Petersberg declaration, which defined the WEU's security tasks to include peacekeeping, crisis management and "soft security", was issued. Institutional adaptation to external change did nonetheless not take place with the expected, or desired, efficiency. It also became evident that even though the security challenges to Europe had changed, the actors' preferences for solutions were still influenced by some of the same "traditions" as during the Cold War. These were the view on the United States' role and justification in staying in Europe and the view of the

⁸¹ Financial Times, July 1991

purpose and future development of the EU as an organization. Behind the formulations in the Maastricht Treaty, there were still divergent views, not only about how to develop a European security policy, but whether or not the EU should have such a policy at all. The text of the Maastricht Treaty was vague enough to satisfy both the maximalists, such as France, who wanted to see stronger integration in security and defence, and the minimalists, most importantly Britain, who wished to continue with status quo. The Maastricht Treaty also stressed that the development of a common European security policy should not in any way prejudice or challenge Atlantic security co-operation.

Expectations about the disintegration of NATO after the "loss" of its enemy did not come true. In fact NATO, under its German Secretary General Manfred Wörner, turned out to be far more efficient in redefining its role and its organizational structure after the Cold War than the EU. From being a traditional military alliance whose purpose was to protect the territory of its member states against an external threat, NATO developed a more flexible strategy, which amongst other things would allow it to conduct peacekeeping operations outside NATO territory. The continued relevance of NATO to European security was strengthened at the NATO summit in Berlin in June 1996, where it was finally decided that a European Security and Defence Identity (ESDI) should be developed inside the framework of NATO. A central element in this strategy was the creation of mobile forces, the so-called Combined Joint Task Forces (CJTF). (The CJTF is an idea dating back to 1994, but these two years were needed to

overcome French-American disagreements on that.⁸²⁾ It was agreed that these forces would be available to the WEU for European operations, in situations where the United States itself would not wish to participate. This decision was interpreted as a victory for the Atlanticists in the struggle over the development of security structures in Europe. Any European use of NATO forces was dependent on recognition from the Atlantic Council: in other words on agreement from the United States, irrespective of whether or not the United States would take part in the operation.

Hence, it looked at that time as if the WEU would foremostly be connected to NATO rather than become the defence arm of the EU. The Berlin agreement was to a large extent made possible by France's decision to move closer to the military co-operation within NATO. This was interpreted as a signal that France had abandoned its ambitions about developing a European security policy with the EU at the core, and chosen instead to expand the European security identity inside NATO.

This struggle about the development of EU foreign and security policy was also influenced by external political events, in particular the war in Bosnia and the question of enlargement of Western institutions, both the EU and NATO, to Central and Eastern Europe. The EU's treatment of these issues was heavily criticised and often, to its disadvantage, compared to NATO. After the EU failure to negotiate peace in Bosnia, it was NATO that was seen to have found a solution to the conflict. As a result, expectations about EU capabilities in foreign policy in the early 1990s were more and more frequently described as unrealistic. The "new

⁸² GALLET, 1999, p. 121.

NATO" with a European face, a new list of threat, and the reassuring sense of victory in the Cold War was presented as an institution, which was far better, suited to tackle the challenges that Europe was facing at the end of the Cold War than the EU.

Inside the EU attempts to follow up the ambitions of the Maastricht Treaty moved slowly. The 1996-97 Intergovernmental Conference, which resulted in the Amsterdam Treaty, was expected to clarify some of the uncertainty about the relationship between the WEU and the EU. Nonetheless, the result was seen again as a victory for the Atlanticists. The independence of the WEU was maintained and the organization seemed more and more as a protection against a too independent security role for the EU rather than as a defence arm directly subordinated to the EU.

The Amsterdam Treaty did not change the fundamentals of decision-making in foreign and security policy. A careful attempt was made at expanding qualified majority voting in the second pillar of political co-operation by writing into the Treaty that, after unanimous agreement on common strategies, the Council may proceed with majority voting for "joint actions" and "common positions". To counterbalance it, a "national interest" principle created an opportunity close to that of the infamous Luxembourg compromise.

Nonetheless, the possibility of "constructive abstention" that was introduced in the Amsterdam Treaty does in practice allow a limited number of states to take initiatives in foreign policy without the full participation of all member states- so making use of the Union's full weight.

Another way of strengthening integration and efficiency in foreign policy decision-making would be to strengthen the role of the Commission. At the same time, this would also help resolve the problem of inconsistency between pillars in external policy. From being almost completely excluded from the former EPC, the Treaty of Maastricht had increased the Commission's influence in the CFSP. A group composed of the six Commissioners with involvement in external affairs (popularly referred to as the "Relex Group") was established and began to meet regularly under the chairmanship of the new Commission President Jacques Santer. A new DG was also established to deal specifically with the CFSP and to prepare the Commission for participation in foreign policy co-operation. However, this trend towards a stronger role for the Commission was not taken any further with the Amsterdam Treaty. Presently, the new Commission, under the leadership of Prodi, seems to be making progress in terms of strengthening the legitimacy of the Commission. In the longer term this might facilitate a stronger role for the Commission in foreign and security policy.

At the 1996-97 Intergovernmental Conference an effort was made to strengthen the cohesion in the EU's external representation, and to give the EU a single visible voice in the international system. It was decided to nominate a "High Representative" of the EU (dubbed Mr. CFSP) in the person of the Council's Secretary General. Javier Solana, former Secretary General of NATO seems to do a good job, arriving to the half of his term- a right choice to cool down Americans also. He is assisted by the new Policy Planning Unit, composed of representatives from the Commission, the Western European Union (WEU) and the member

states, which is intended to help provide the EU with a long-term perspective in foreign policy.

An important turning point came in the autumn of 1998, when Britain under the leadership of Tony Blair declared its support for a more independent security role for the EU and thus abandoned its position as defender of the political independence of the WEU. With the Franco- British 'St. Malo declaration' work on strengthening the EUs security and defence capacity was given new life. The changes in the British position were partly a result of Blair's desire to lead an active European policy, partly a result of increasing British frustrations with the USA. (Britain's frustrations with the United States were triggered by discussions on Western policies in the former Yugoslavia. The British government was particularly disappointed with what it considered to be American sabotage of the Vance–Owen plan for Bosnia.)

Even more importantly Blair realized that the British military might appear as a "leader" in Europe, a role he cannot play as the sidekick of the US. Foreign and security policy is one of the areas Britain most easily can promote in order to strengthen its own influence inside the EU. In this area the Franco-German axis is weaker and France does in many ways have more in common with Britain, than with Germany on foreign and security policy.

Both are:

- ⇒ Permanent members of the UN Security Council
- ⇒ Have strong overseas interests
- ⇒ A military capacity that includes nuclear weapons

As a result of the change in the British position, one of the most important blockages to the strengthening of the CFSP was overcome. The St. Malo declaration was followed by systematic discussion amongst the member states of the EU on the practical shaping of co-operation in security and defence. At the European Council meeting in Cologne in June 1999 a new course was identified. The Cologne summit conclusions stressed that the EU must develop the necessary capabilities to fulfil the objective of a common security and defence policy, and that the EU must have the capacity to act autonomously and be supported by credible military forces. Furthermore, the EU's own capacity for analysis and intelligence should be strengthened. In this connection the German presidency suggested regular (or ad hoc) meetings of the General Affairs Council, as appropriate including Defence Ministers. In addition they are planning to establish a permanent body in Brussels (Political and Security Committee) consisting of representatives with political / military expertise; an EU Military Committee consisting of Military Representatives making recommendations to the Political and Security committee, an EU Military Staff including a Situation Centre; and other resources such as a Satellite Centre. The Cologne summit also agreed to redefine the Eurocorps, which is composed of forces from France, Germany, Belgium, Luxembourg and Spain, into a European crisis reaction corps directly connected to the CFSP. Security policy in Europe will now be developed through discussions between the EU and the United States inside NATO or through independent EU initiatives. The content of the EU's security policy is still defined with reference to the 1992 Petersberg declaration. In other words, it is concerned with crisis management, peacekeeping and peacemaking operations.

The establishment of a "new balance"

Despite these changes and clarifications, the relationship between NATO and the EU remains ambiguous. This is obvious if one compares the texts issued at NATO's Washington summit in April 1999 with the declarations from the EU summit in Cologne. In the NATO declaration, European use of NATO-capabilities is still seen as dependent on acceptance by the Atlantic Council and the EU's security policy is presented in a way that suggests that it is only a supplement to NATO. The Cologne summit on the other hand signalled ambitions about developing separate European resources and capabilities so that the EU can act independently of NATO. Another point, which has not been resolved, is the position of European NATO states, which are not members of the EU. The EU has so far not committed itself to being as flexible as the WEU has been on this issue.

Bickering about the questions of command is also an ages-old conflict: Americans refuse the SACEUR (Supreme Ally Commander Europe) to be a European, although that would be quite natural, or refuse to delegate command of US troops to any other nation - on the other hand, they expect other countries' military to obey to US commanders without hesitation. A temporary bargain has been struck with a Deputy SACEUR position established, and filled in by a European to be, although his influence might not be completely equal to the symbolic importance of Europeans having at least a secondary-level say in the defence of Europe if things would go wrong.

The CFSP has changed both in terms of its institutions and in terms of the content of policy. The changes in the content of policy are fairly unambiguous. From concentrating exclusively on foreign policy, the CFSP now also discusses security and to a certain extent defence policy. This change is connected to broader developments in the international system. The main purpose of security policy is no longer seen to be to defend the territory of nation states from an external threat. It is expected that European security tasks in future will focus increasingly on non-territorial threats and operations in third countries. This change is evident when one looks at the EU's efforts to define its security role. The role of the EU is linked exclusively to these "new" security tasks. The EU's purpose is not to become a military alliance in the traditional sense. However, this change is also evident inside NATO. Thus, the institutional changes have been less important than what was expected in the immediate aftermath of the Cold War. Likewise, the institutional mechanisms of the CFSP have only been marginally adjusted. NATO continues to be an important security institution in Europe. At the same time, it is no longer the only security institution in Europe. The role of the EU, both independently and as a forum for co-ordinating a European position inside NATO is strengthened. This is a tendency that is likely to continue in the future.

The CFSP was often criticised for having a slow decision-making system and for being incapable of acting decisively, in particular in situations of international crises, such as Kosovo, Bosnia or the Gulf war. The CFSP is often also seen to be incapable of letting words be followed by action: An often-quoted example is the

Venice declaration of 1980 where the EU officially recognised the Palestinians' right to self-determination. This happened at a time when the United States was far from accepting such a principle; yet, it was not followed up with concrete policy initiatives. The United States was still seen as the actor that determined the policy-agenda in the Middle East and any symbolic value of the EU declaration was not considered. The CFSP has also been criticised for failing to take the lead in European politics at the end of the Cold War. This role was filled by the United States, it is argued by critics, not by the EU and its new Common Foreign and Security Policy - up to the present day.

In forming an ESDI the European members did not seek to take anything away from the United States -as it was presented - but to create a more powerful allied capability. That is, a "new balance" and an ESDI are not about reducing American influence in NATO or in Europe, but increasing the responsibility and authority of the European members with respect to security issues that are of singular and peculiar concern to Europeans. Simply put, "more Europe" but not "less America".

Americans could never resist these rhetorics, but as the always argued, Europeans needed to provide more substantial military capabilities: the buzzword is still burdensharing. Minor suspicions, however, still remain that the CJTF concept did raise the notion that U.S.-supplied assets would automatically be provided to allies, though the CJTF legally or politically does not provide for "automaticity" as such.

Military technologies cooperation - truth or dare?

The strength of the Atlantic Alliance rests not only upon the political and military structures embodied in NATO, but also upon the military technologies and systems that its members have developed and deployed. There is little argument about the continuing importance to Alliance members of maintaining their technological superiority in a world of more diffuse but increasingly sophisticated. This concept is shared by "transatlantic partners" towards the rest of the world, but Americans still view it as being of key importance towards Europeans. There is considerable debate, however, as to how U.S. and European governments and industry can cooperate to ensure that there is as little erosion as possible of the Alliance's collective defence technology and industrial base, which is already undeniably enormous.

There are currently two sets of centrifugal forces that are compounding the traditional obstacles to transatlantic defence cooperation.

⇒ The growing differences between the military requirements of the U.S. government and its principal European allies, due to differing budgetary priority traditions,

⇒ The distinct pressures for and patterns of defence industrial consolidation in both the United States and Europe.

If the mutual trust in the Alliance will keep on existing, these difficulties have to be overcome. Industrial consolidation and national military requirements recently have been obscured by the focus within nations on the political benefits of transatlantic defence cooperation. Cooperative defence research, development, and

procurement are critical to the maintenance of transatlantic political ties, a fact reflected by the continued attention that senior leaders pay to cooperation. Despite the strategic and political logic for collaboration, however, a number of traditional obstacles continue to impede cooperative efforts between the governments of Europe and the United States.

In the post-cold war strategic and defence economic environment, the desire to support transatlantic political cohesion is no longer reason enough to justify defence industry cooperation. U.S.–European defence industry cooperation must be based upon long-term strategic interests, mutual economic advantage, and technological synergy. There are obvious problems with all the three above. It must also recognize some new realities:

- ◆ US-European military interoperability is as important as ever. More joint U.S.-European military operations, including peacekeeping and peace enforcement, place a renewed premium on standardized military equipment. As the NATO allies establish the Combined Joint Task Force and the Rapid Reaction Force, both industries will be fighting for their share, and business conflict in this sector of extreme delicacy can be disastrous.
- ◆ While the need for a technology edge is as pressing as ever, U.S. hegemony in high technology across the board is a relic of the past. Moreover, U.S. laws to shield high technology from foreign competition and cooperation can obstruct innovation and increase the price of U.S. defence equipment.
- ◆ Although U.S. and European governments share a concern about the proliferation of conventional weapons, they often disagreed about which countries constitute threats to global or regional security. Differing arms export

policies complicate collaborative programs because they may constrain the number of export markets to which a collaboratively developed system may be sold.

- ◆ Whereas European governments often make multi-year commitments to defence programs, the U.S. legislative process allows the Congress to review all weapons programs each year. The unpredictability of the annual U.S. budgetary review process is a considerable disincentive to companies that are considering whether to enter into a collaborative program.

The fact that U.S. defence contractors have access to national defence procurement and R&D budgets that are greater than the combined budgets of NATO's European members can act as a structural disincentive to industry collaboration. Some commentators argue that European industries will never be full collaborative partners with American defence corporations unless they can achieve similar size and economies-of-scale. For this reason, many policymakers and industrialists in Europe have called for explicit government preferences for European-manufactured defence systems and for greater intra-European purchases of defence goods until European industry can be an effective partner. The persistent imbalance in U.S.–European defence trade only strengthens the hand of those who favour these protectionist sentiments.

There is, as yet, little convergence between the pace and nature of defence consolidation in the United States and Europe. This lack of convergence creates new tensions and new obstacles to transatlantic defence cooperation. The size of U.S. defence conglomerates, benefiting from large R&D and procurement budgets

in relation to their European counterparts, means that U.S. defence systems are likely to become more competitive across the board—in U.S., European, and global export markets. Irrespective of the comparative size of future U.S. and European defence conglomerates, the different ownership structures and government-to-company relationships on either side of the Atlantic may raise new obstacles to the establishment of transatlantic cooperative and collaborative programs.

Though U.S. corporations enjoy larger R&D and procurement budgets, European industries have accelerated their cross-border rationalization (through downsizing and joint ventures) to achieve similar economies of scale. European corporations have long since accomplished their consolidation at the national level: British Aerospace and Daimler-Benz of Germany are the amalgams of once-diverse national industries. Within the last several years, Europe's defence industries have turned to cross-border relationships. British Aerospace and Matra of France have established a missile joint venture, while Matra and GEC-Marconi of the United Kingdom have a defence electronics joint venture. French consolidation has accelerated with the merger of Aerospatiale and Dassault Aviation and the privatization of Thomson-CSF. Though U.S. industrial consolidation has yielded spectacular mergers like Boeing-McDonnell Douglas and Lockheed Martin, Europe's consolidation process has accelerated and promises similar achievements.

While governments may take years to react to these changes, defence industries - in case of a tangible interest - cannot afford to wait.

Europe facing new security threats

The attacks on America finally made it clear and irrevocable that the US will neither have the time nor the will to be involved in Europe: that left Europe in a situation where it had to take up practical responsibilities on the Continent and in its zone of interest. "For European security this means no more consultation through NATO and the end of tactical interoperability"⁸³

On the other hand, that means that in tackling global military problems, which can be at our doorstep from one day to the other, Europe is allied to a US with a complete dedication towards a unilateral National Missile Defence or World Missile Defence system, shrugging off international treaties, relishing in a sense of military superiority, and for all the above reason no bondage to hold it back, if it does not want to be held. European concerns on missile defence had a considerable effect on Clinton to postpone decisions⁸⁴, but it is hard to imagine any similar influence in the present situation.

Before the fall of the Twin Towers, the EU reviewed the ESDP, according to the following key factors:

- ⇒ The new geopolitical reality
- ⇒ The causes and changing nature of conflict
- ⇒ The extent of Europe's ambitions in the security arena
- ⇒ The EU's capabilities

⁸³ RUTTEN, 2002, p.1.

⁸⁴ Julian Lindley-French: "Pourquoi l'Amérique a besoin de l'Europe" (WEU Institute Bulletin 31, Octobre 2000)

⇒ How the EU's security positions fit into that of the world⁸⁵

Of all the above, we would like to further elaborate those which show a distinct difference from the US perception, and have not been detailed before.

Poverty, failed states, and ethno-religious conflict have been singled out as being main threats for Europe. It is a XXIst century fact that army vs. army type conflicts are outdated, at least from the perspective of having a direct effect on Europe. Though the fact that Europe becomes more and more multicultural means a necessary realization that - as unfortunate as it sounds - Europe cannot distance itself from conflicts geographically occurring far away, in a case when the Middle East conflict - for example - continues on the streets of Paris.

External unity and the use of soft power - prevention, aid, and diplomacy - are the effective mechanisms considered by Europe as being effective for treating current crises.

In addition to the real need for military power - sturdy but effective -, the importance and complementarity of two fields of cooperation is worth pointed out: the Police Force for civilian Peace-keeping missions, which is destined to debut in Bosnia; and maybe the most important of all instruments is the pooling of the Member States' intelligence services. If a similar kind of threat to that of the attack on the United States truly exists for Europe, which is highly doubtful, the most effective method in countering it depends on intelligence.

A multilateral solution is sought for the Middle East crisis - the Madrid Conference involving the US, UN, Europe and Russia is a demonstrative example

⁸⁵ Javier Solana: "Leadership strategy in the security arena: changing parameters for global

- to avoid that the Israeli government would get a free hand in dealing with the problem.

Therefore, the final conclusion can be drawn as Europe's possibilities only allow a security system harmonized with the values echoed internationally, which can be summarized in one sentence as follows:

"For Europe, security policy is more important than defence policy"⁸⁶

Europe and the reshaping of global economy

"At all grand undertakings it is the spirit which leads: in books and at meetings it is the word which rules (democracy), while money handles the profit (plutocracy) - and in the end, there is never a victory of ideas, but that of capital."

(Oswald Spengler, 1917)

After 20 years spent in an ever-globalizing world (recognized as that from the end of the gold standard in 1971), the end of the Cold War brought a painful realization on both sides of the Atlantic, that the fluidlike-mobility of capital undermines the promise of a social welfare state, and major fluctuations on currency markets may turn otherwise stable economies upside down.

The two models we know function by a relatively high unemployment rate in Europe and keep depending on low-wage jobs in the US. Though the protectionist era seems to be melted away and its promoters extincted by the impressive growth of liberal market economy, now it becomes more and more questionable that deregulation is the global answer to a global world. There might be important reasons for the unemployment in continental Europe other than the

recovery" (The Economist Conference, Athens, April 2002)

labor rigidities created by the respective regulatory frameworks there.(Unemployment, taken as an example, in countries with large service sectors in their economies tends to be lower than in countries that continue to depend on manufacturing.)

Americans keep asking whether the social welfare systems in continental Europe could be sustained in light of current problems, or whether they will follow the path of the US (or that of the Thatcher revolution in Britain) in the realization that they cannot. But Europe's voice abroad keeps defending the "Rhine-model" more out of respect for it as a symbol, than out of conviction, as it seems.

The EU and global governance

Global governance, according to a definition close to our hearts, is nothing else than "a struggle among those countries that benefit most from globalisation over the character of the norms and rules that will regulate the economy's infamously erratic disposition".⁸⁷

So it is on one hand, a technocratic task of finding the best regulation for every global problematic situation arising; whilst on the other it is a competition of players on whose interests will be primarily reflected in the regulation covering the rest of the world.

Globalisation is also faced with an inherent paradox: deregulation is buzzword needed for the invasion of foreign markets, whereas concern over the domestic impact of globalisation calls for more caution and more effective

⁸⁶ RUTTEN, 2002, p.2.

⁸⁷ BACH, 2000, p.1.

regulation.⁸⁸ The globalisation of markets has progressed far more rapidly than the evolution at global level of the institutions and mechanisms that are needed to shape market forces. Today, the Bretton Woods governance system is outdated and unbalanced in several respects: the system of economic governance (still essential, though needs internal reform according to Europeans) is much better developed than social or environmental governance, where the required institutional framework is either absent or far too weak. The existing institutions of global governance still largely function as "clubs", where a small number of rich industrialised countries pull the strings.

Today, two thirds of the WTO membership are developing countries, and they struggle for this fact to be determining to the WTO working methods, a headache for EU and US alike, though Europe can do nothing but nod and even promote these changes in hope of gathering the backing necessary for a successful outcome in its trade disputes - mainly with the US.

The existing institutions largely function as single-issue institutions - there is no forum that is able to consider the broader picture and address the interlinkages that exist, for instance between trade, environment, labour and development questions. European dedication to UN reform also aims at a solution to all these, creating the necessary forum out of the long-existing UN framework - though much effort will be needed to disperse the picture of the "toothless tiger".

While approaches differ, the principle objectives and aspirations, but also the challenges are similar: each regional entity needs to find an appropriate balance between trade liberalisation and market integration on the one hand. With

⁸⁸ Ibid.p.3.

this combination of open markets and common rules, regional associations can provide a vital building block towards global governance. They can often go further on regulatory co-operation: between countries of the same region which share a common heritage, it is often easier to align collective preferences and to integrate not only markets, but also the flanking policies that are necessary to allow all participants to reap the benefits of integration. This in turn then can help upgrade multilateral co-operation, particularly where regional organizations function as caucuses at global level and thus facilitate decision-making in multilateral institutions. Therefore Europe needs to strengthen the regional integrations for two main reasons:

- ◆ According to the declared European priority for multilateralism, at the current state of play Europe can only benefit from regional organizations following consensus-seeking methods, and having a stronger voice in the international field, provided the second criteria is met, which is
- ◆ Successfully building up EU influence within these organizations, formalized by bilateral accords if necessary (e.g. EU-Mercosur), or creating parallel consultative forums of European initiative (e.g.ASEM), and finally fully involving them in a multilateral structure more and more characterized by European principles if the US will go on with its policy of secession.

Meeting the above criteria it is almost sure that these organizations will have a picture on Europe as a helpful and reliable partner against any external threat.

In the WTO, the new round of trade negotiations have been launched in November 2001 in Doha, after wearing down US interests becoming more focused on the Free Trade Area of the Americas (FTAA) Doha's Development Agenda should contribute crucially to improved governance by expanding the areas of trade related matters subject to global rules. The EU also fights hard for that Doha would also contribute to increased coherence in international policymaking as it provides for negotiations leading to clarification of the status of multilateral environmental agreements (like the Kyoto protocol) in relation to the WTO.

A special and unique attention is brought by the EU to "North-South" relations, which is a long-standing concern of the EU, as various existing instruments show: EU/ACP agreements, the Generalised System of Preferences for developing countries, regional trade agreements, the Everything but Arms initiative which grants duty-free and quota-free access to the EU market to the 49 poorest countries. As we tried to present earlier, EU interests are obvious: be them geopolitical (former colonies), economical ("export-based economies"), or political (gaining sympathy, allies, and finally votes in "egalitarian" multilateral organizations). So there is a reasonable need to devote all tools of external policy (trade, development, diplomacy) to harnessing globalisation in a global "partnership" with developing countries.

One of the biggest advantages of Europe being potentially the most effective player in global trade policy arises from the fact, that on this battlefield, Europe has been united and has managed to speak with one voice. This has been the case since the early days of European integration, and its fruits now show a good future picture for the CFSP. Trade diplomacy has always been overlooked by

being secondary to "orthodox" foreign policy, but as the present situation demonstrates it has two big advantages for Europe: greater manoeuvring capacity stemming from its remoteness from the general public opinion, and a potential for the clearer representation of positions due to all Member States having the same interests in global economy as the Single Market has.

Institutional upgrading is needed to meet an even higher level of efficiency, though, as Lamy requests:

"The EU needs a unified representation for the eurozone in the IMF and the G7, to be extended to the World Bank and eventually to the UN Security Council.

Qualified majority voting in the Council should apply to questions of global economic governance.⁸⁹"

Implications of the euro

With successfully leaving behind the final stage of launching the euro, the expectations of a EU-wide price stability that will enhance the competitiveness of European goods and services in the global marketplace may become true.

The external impact of the EMU and Euro on transatlantic relations and global markets are at least as important as its internal symbolism and reliability.

Several key questions can be considered:

- ◆ Will the success of the monetary union and a single currency stimulate growth in the EU?
- ◆ What is likely to be the relationship between the dollar and the Euro? Will the dollar's role as reserve currency be strengthened or weakened?

- ◆ What policy responses, if any, will the United States consider?

A successfully implemented EMU and resulting price stability will surely make Europe more competitive in the global arena. Political considerations notwithstanding, the financial markets will be the ultimate arbiter of whether the EMU will (or should) succeed, and though the euro went through a series of illnesses against the dollar since its introduction in, though as recently as last week, it came very close to the dollar (0, 92). An estimation issued as early as in 1999 foresaw a portfolio diversification from dollars into euros by private investors and central banks that could reach \$500 billion to \$1trillion.⁹⁰ The previously mentioned exchange rate rise might be due to these operations already taking place.

Doubtlessly, the EMU has significant implications for global markets, U.S. foreign and monetary policy, and the future of international monetary institutions (such as the G-7), but that far too little attention has been paid to these issues. In particular, there was concern that EU policymakers do not appreciate the external implications of the EMU enough, and that U.S. policymakers have not been sufficiently attentive to the potential impact that the EMU could have on U.S. monetary and foreign policy.

The official American and position is that the euro "is good for America if it is good for Europe"⁹¹, and there are soothing words on the European side, too: "it is not expected to be a rival to the dollar, but will complement it". This

⁸⁹ Pascal Lamy: "Europe's Role in Global Governance: The Way Ahead" (Humboldt University, Berlin, 6 May 2002)

⁹⁰ BERGSTEN, 99, p.5.

⁹¹ Ibid.p.5.

"complementarity" is expected to happen slowly, as the confidence of the world financial markets will develop in the stability of the European currency, but a "boom" is also not out of question, knowing the quicksilver-like and speculative characteristics of current financial markets. If it will be a minor discomfort, or a source for a global financial crisis, no one knows for the moment.

But let us not forget that the US seems to be deeply involved in the 1998 Asian financial crisis - directly or indirectly? - it is hard to tell. For many years the yen has been held as a very stable currency, and Europeans have similar long-term expectations towards the euro. We strongly hope that the ECB is prepared for a situation if the "complementarity" line would fail to work.

What is still lacking on the European side, is a clear European representation in international monetary institutions and forums, or as Lamy put it again: "European ministers of finance are the biggest obstacles remaining in front of further integration."

Europe and the UN: taking over?

„UN-bashing might be fashionable--until we discover that it means shooting ourselves in the foot.”

(Jacques Santer)

European vision and the UN

All EU countries are members of the UN in their own right – and many have been so since the foundation of the Organization in 1945⁹². Through the establishment of the EU's Common Foreign and Security Policy in 1992, EU Member States have enhanced the coordination of their actions in international organizations and undertaken to uphold common positions in such forums in order to give greater impact to their collective weight in the world. EU Member States, together with the European Commission, regularly coordinate their actions at the UN. This coordination has gradually increased and now covers the six main committees of the General Assembly and its subordinate bodies, including ECOSOC and the subordinate commissions techniques. More than a thousand internal EU coordination meetings are conducted each year in order to prepare and finalise EU positions. In 1999, this resulted in the EU achieving a common position on almost 95% of General Assembly votes. The EU has also spoken with one voice in the follow up of all the major conferences and summits held since the beginning of the 1990's.

As the EU's common foreign and security policy becomes a daily reality, so the activities of its members on the UN Security Council increasingly take

account of the EU dimension on those global security issues where the EU has a political position. According to Article 19 of the European Union Treaty, EU "Member States which are also members of the UN Security Council will concert and keep other Member States fully informed. Member States which are permanent members of the Security Council will, in execution of their functions, ensure the defence of the positions and interests of the Union, without prejudice to their responsibilities under provisions of the UN Charter". The Union's common viewpoint on such issues is made known by joint statements delivered by the EU Presidency in open and other meetings of the UN Security Council.

The role of the EU Presidency is particularly important. It has the day-to-day job of ensuring EU co-ordination and representing the Union in most areas of UN activity, and is the interlocutor for the UN on these issues. The Presidency represents the EU in discussions with other UN Member States, regional groups or organizations. It also delivers "demarches" and statements on behalf of the Union. The 13 EU candidate countries, together with Iceland, Liechtenstein and Norway, are invited to align themselves with these EU declarations.

The European Commission is actively involved at the UN where it works with the EU Presidency in representing the EU's views in many areas, especially development, environment and humanitarian aid. The European Commission has specific responsibilities in such areas as trade, fisheries and agriculture.

When the EU meets with non-EU countries or regional groupings or undertakes "demarches", it often does so in the troika format. Through this arrangement, the Presidency of the EU Council accompanied by its General

⁹² Belgium, Denmark, France, Greece, Luxembourg, Netherlands and the United Kingdom in 1945; Sweden in 1946; Austria, Finland, Ireland, Italy, Portugal and Spain in 1955; and Germany in

Secretariat, the European Commission and the incoming Presidency, represents the EU's common foreign and security policy in day-to-day contacts.

There is a long history of EU cooperation with the UN, as EU institutions have been represented at the UN since the mid-seventies. The European Commission has Delegations which are accredited to UN bodies in Geneva, Paris, Nairobi, New York, Rome and Vienna. In addition, the Council Secretariat has offices in Geneva and New York. The European Commission's information office in New York officially became a Delegation to the United Nations in 1974. As an observer within the UN General Assembly and most UN specialised agencies, the European Community has no vote as such, but is a party to over 50 UN multilateral agreements and conventions as the only non-state participant. It has obtained a special "full participant" status in a number of important UN conferences, as well as for example in the UN Commission on Sustainable Development (CSD) and in the Intergovernmental Forum on Forests (IFF). In 1991, the European Community was accepted as a full member of the UN's Food and Agriculture Organization, the first time it has been recognised as a full voting member by a UN agency.

European Union –United Nations relations in our era

The EU has grown into a significant world player, the biggest trading entity in the world with a common market as well as a single currency for most of its member countries, and most importantly - from a UN viewpoint - is the largest provider of Official Development Assistance (ODA).

1973. The European Community has also been a permanent observer at the UN since 1974.

Not least, EU Member States are the largest financial contributor to the UN system. They pay around 37% of the UN's regular budget, around 40% of UN peacekeeping operations and around 50% of all UN Member States' contributions to UN funds and programmes. Despite the fact that they already contribute far more to the UN than its 28% share of world GDP, the EU as a whole decided to keep its overall financial contribution at the same level as before in the last round of UN budget negotiations in 2000. It is proud to have maintained its generous share of UN funding as a sign of its support of the UN system.

Working through the UN is a EU priority now providing unquestionable legitimacy to all of its operations. The Union recognised its responsibility to support and strengthen the UN in order to protect the organization's role in seeking multilateral solutions to global problems as an effective tool to its role and global strategy.

The EU and UN have started to make some sweeping changes to their relationship starting in the 2001. The UN's Brahimi report on enhancing the effectiveness of the UN's peacekeeping role and its implementation has brought into focus one of the areas where EU-UN cooperation has the great opportunity to expand. Since the beginning of the UN's existence, European military personnel have played a prominent role in UN peacekeeping efforts. Drawing on well-equipped European troops of national armed forces, the EU is planning a rapid reaction force of 60,000 soldiers by the year 2003. Depending on circumstances, this force could be made available to provide prompt assistance for UN

peacekeeping operations. There is also a lot of scope for cooperation in the areas of crisis management and conflict prevention.

In spring 2001, the European Commission, the executive body of the EU, issued a Communication on “building an effective partnership with the United Nations in the fields of development and humanitarian affairs” which aims to improve the quality and impact of the EC’s development policy within the UN system. This includes the goal of ensuring predictable UN programme funding where EC development priorities are being met.

For the first time, the European Union was hosting a major UN conference in its own right. The Least Developed Countries (LDC) conference is was held in Brussels in May 2001 and included amongst others the EU’s concrete initiative, the “Everything but Arms” initiative, which opens the EU’s doors to free trade with LDCs for all goods and services except arms.

Many influential EU diplomats serve the UN as Heads of specialised agencies, funds and programmes-shortly put, key positions of influence..

From a wider WTO perspective, it is essential that developing countries - which now make up the large majority of the WTO membership - participate fully, ensuring that the multilateral trading system works to the advantage of the greatest number of its members.

A sign of increasing EU influence in this territory, is not only due to humanitarian benevolence: the economic benefits and control of these export-based economies

are considerable not to mention the numerous interlappings within this category and what the EU already has highly-developed contacts with, the ACP countries.

Since committing itself to offering tariff-free treatment for almost all imports from LDCs in October 1997, the EU has frequently called on other developed countries in the WTO to match the EU's openness to imports from the LDCs. In 1998, the EU was already by far the leading destination for LDC exports, taking in 56% (8.71 billion euro) of the world total. One main objective of the recent Cotonou agreement signed between the EU and African, Caribbean and Pacific countries is the smooth and gradual integration of ACP countries - forty of them being LDCs - into the world economy. Forthcoming negotiations of WTO compatible trading arrangements will help consolidate economic and legal reforms and will create more opportunities for local and foreign investors.

In February 2001, the EU adopted a new initiative – 'Everything but arms' – to provide full market access for products originating in LDCs to EU markets, covering all goods except the arms trade, with (in most cases) immediate effect. The UN Secretary-General has praised the EU's "Everything but arms" initiative, saying it has proven that "Europe really does want a fair international trade system in which poor countries have a real chance to export their way out of poverty".

An overall WTO objective is to contribute to sustainable development. Yet the WTO is and will remain a trade institution. Many of the concrete policy measures required to help developing countries benefit from increased trading opportunities fall within the primary responsibility of national governments or within the fields of activity of other international organizations. The United

Nations Conference on Trade and Development (UNCTAD) has an important role to play in this respect, as it is the focal point within the UN for the integrated treatment of trade and development and the inter-related issues in the areas of finance, technology, investment and sustainable development.

Although it only has observer status, the European Community (along with the EU Member States) has played a major role in UNCTAD's evolution and policy-making, from its very beginning in 1964. EU support of and influence in UNCTAD policy-making continues to be substantial, not only due to the Union's major share of world trade, but also because its member countries have been consistently successful in coordinating their policy positions, whether on issues falling under Member States responsibility or those governed by Community competence. What can easily be deducted of the historical process of cooperation and initiatives described above can be summarized by the following EU principles relating to the UN:

⇒ The EU wants to increase UN importance in the world, not for totally selfless reasons.

"Europeans want the UN to play a central role in the world."⁹³ During the Cold War, the UN lost a lot of credibility mainly due to the constant blocking of Security Council decisions by one camp or the other. In the 90's, the resurrection of the UN became a primary object for EU foreign policy to restrain the American tendency to act alone, with the EU suffering the financial consequences of rebuilding territories devastated.

Europeans have a desire to see the UN as the most important forum of

international law-making, drafting the most important global Treaties. The EU is pushing the world community (especially the US) using UN legitimacy to create global agreements to problems of its own concern. Some miserable failures at the ratification of certain Treaties by US Senate in the past few years lead to a conclusion of a need to improve the legal or quasi-legal bond of these agreements-therefore the UN needs more power. After all, the UN is the forum where all members can feel equal and secure, and not bullied so easily as through bilateral negotiations or an eventual military threat.

⇒ The EU wants to solve the problem of contradiction between speaking in one voice everywhere in the UN, except for the Security Council.

This is mainly a EU internal problem, with differing interests of Member States. The struggle is about smaller members trying to pressurize the three big members to give up their advantageous positions, holding the right of veto, therefore giving up their last, symbolic benefit reminding them to the good old times spent as empires. Although that would make much sense just for sheer European foreign policy identity reasons, since the Security Council's structure and decision making procedure is representing an era which is by large outdated in our age. Moreso, all Member States do about 97-98% of votings in the UN General Assembly unanimously, so there could be only a slight chance of disagreement even in the Security Council if statistics prove anything. So, trading old symbols for new symbols is the challenge of the reform, and chances of success are quite low. (Making voters to understand a decision like

⁹³ Speech by Ambassador Jean De Ruyt, Permanent Representative of Belgium to the United Nations in New York, December 2001.

that in France or the UK, is a tougher job one can imagine for himself as a democratically elected politician with a desire to stay in power.)

⇒ The EU continues to finance UN development assistance programs, and wants a share in peacekeeping operations.

For Overseas Development Aid, the EU and Member States together currently provide 50% of the world's total. (The US contribution is 17%.) Development aid is a useful tool of exerting EU influence in the world, positioning Europe as the benefactor of the world's problems, and thus "incidentally" making a difference with the US mentality. As all countries vote equally in the General Assembly, it is not hard to picture whose side would be picked in the case of an eventual conflict between the US and EU positions, since 50 of the total votes would come from the Least Developed Countries benefiting from this aid. For the UN-peacekeeping budget, European contribution is 40% of the total, the US finances 27%. The situation here shows much more of a balance: of course, the US was always more eager to finance projects with the word "military" in it. Aside with sarcasm: up until the *de facto* creation of the European Rapid Reaction Force, Europe's peacekeeping contribution has always been and still is restricted mainly to financial help. As Europe's own military force will appear (hopefully in 2003), the need for a greater responsibility and more efficient control of peacekeeping operations is justifiable.

⇒ The EU supports fully the UN's necessary institutional reform. Currently, only the US is able to deny its UN obligations, defying the cornerstone of the international system of American creation. In the EU's eyes, a stronger UN will

serve well as a tool for global governance, a regulatory mechanism of the "dark side of globalisation", and a legitimate counterweight of the US. If the reform does not succeed, the EU is likely to introduce a "soft containment policy", forging global alliance to control American hegemony: the signs of the recent past are obvious for that.

A typically EU-originated idea is the regional-based restructuring of the UN.⁹⁴ Europe's support for these above, and agreements with these organizations are not accidental. This would create blocks of considerable power, which can more effectively associate amongst each other against any sort of unilateral menace, and because of the artificial unity within these blocks, it is clearly directed for counterbalancing America.

American unilateralism in the UN

As it has been already mentioned in the first chapter, the first American attack against the legitimacy of the United Nations happened during the 1956 Suez crisis. France and Great Britain were defending their colonial interest in Egypt, which was not meeting American interests and has been answered with a clarity of speech surprising both European powers. Naturally, the call on Europeans to cease operations were handed over in a nice bouquet of wilsonism, and an obligation to respect the autonomy of any fellow members of the global community. The "denial of violence" bellowed by Eisenhower has not always been taken so

⁹⁴ TOULEMON, 1994, p. 269.

seriously, if only the case of the successful American operation against the Guatemala government is cited, which happened two years before.⁹⁵

Due to the reasonable fear that the Security Council's British and French representatives would veto any decision directed against their project, the US took the case with lightning speed to the UN General Assembly, which voted by absolute majority against the European intervention, and thus indirectly opened the way in front of a not-so-direct American "help" for the region.

In our time, we have a similar situation, with the same actors; only the roles have been redistributed. In Europe there is a rising demand for a UN mandate for all future humanitarian interventions, a requirement with obvious anti-American implications.⁹⁶

The problem with that is not just the stillborn desire to constrain American unilateralism, but the consequences of giving China and Russia a veto in all Western common actions. There might be a European certainty behind the fact the EU is still clinging on to this concept: that binding America is much more essential for the future than the need for Western cooperation in global interventions. The excessive power of the US has to be tied down with similar ones the Lilliputian people used on Gulliver⁹⁷, and this concept foreshadows an formerly unimaginable global cooperation against the US, or an even more elegant expression would be the "containment of the US".

⁹⁵ KISSINGER, 1993,p.531.

⁹⁶ RODMAN,1999, p.2.

⁹⁷ JOFFE, 1999, p.2.

Epilogue - Europe unbound

"The nations of Western Europe, long divided by feuds (...), are joining together, seeking, as our forefathers sought, to find freedom in diversity and unity in strength: The United States looks on this vast new enterprise with hope and admiration...We believe that a united Europe will be capable of playing a greater role in the common defence, of responding more generously to the needs of poorer nations, of joining with the United States and others in lowering trade barriers, resolving problems of currency and commodities, and developing coordinated policies in all other economic, diplomatic and political areas. We see in such a Europe a partner with whom we could deal on a basis of full equality in all the great and burdensome tasks of building and defending a community of free nations...Acting on ourselves, we cannot establish justice throughout the world."

These words deserve applause and ovation: the problem is, they have been broadcasted in 1962 by a President shot in Dallas the next year⁹⁸. The current state of the world does not indicate such an attitude change in the US, however the above conditions only vaguely or not at all existing at that time sprang to full existence by today, as Europe is hovering on the doorstep of final political integration.

European integration entering its final stage, however, and Europe itself will stay its own main focus for still a few years to come. It is not in a key power position,

⁹⁸ Adress by President Kennedy at Independence Hall, Philadelphia, PA, July 4, 1962

but these are the years forming the identity of future Europe; in other terms, it is time to redefine the Transatlantic Relationship from the point of view of a Europe which is in the final moments of its birth as a fully grown adult actor of global politics.

Nevertheless America, in the complete knowledge of its powers and (but not its weaknesses) resembles more an old-fashioned European colonial empire than the Land of the Free envisaged by the Founding Fathers. It is hard to face even for them that their unique position simply implies a lot of determining consequences for their foreign policy, between which they only have a narrow path to manoeuvre on.

One might think that above kind of support coming from a row of American Presidents was due to the unshakable American belief that European integration will be a never-ending story. Long-term strategy could never be named as one of Washington's major virtues, and the current appearance of Europe in the international stage as full-fledged actor seems to meet only instinctive transatlantic responses since no strategy seems to have been elaborated for this occasion - although it happened in full stage lighting.

The end of the unipolar world draws nearer, the face of the world getting much more resemblance to that of XIXth century Europe - but now on a global level.⁹⁹ Probably the future actors of "global power balance" will not be "traditional" states, but regional alliances and organizations; whatever would be the case, their self-identification will be motivated and determined according to their perception of the US, though the construction methods may resemble to that

⁹⁹ KISSINGER, 1994, p.836.

of Europe. Connected to that tendency, it has to be obvious that the US desire for NAFTA and FTAA are not examples for isolationism, but a source to gather power for the non-military type conflicts of the future.

There is a necessity of future cooperation between transatlantic powers: the western world of today is even less about letting ideologies stand in the way of business, than it was ever before. And without each other, none of the Western giants of economy can "open the global marketplace", which is a more sophisticated expression for "colonization" or "exerting a dominating economic influence". Europe's techniques and tricks to build recognition of its true might are likely to succeed after a while. The cunning game they play now is about not distancing themselves too much from the US on a rhetorical level, but undermining its power and authority by all means possible, using every single multilateral forum for that battle. There is a low-chance possibility that the US realizing the above will finally let its own will to be bent according to Europe's wishes. Though reasonably, it would be illusory to think that the conflicts will cease after the satisfaction of this natural desire. Tensions will be growing as the "World cake" will be finally placed on the table, and the inherent gluttonous nature of global capitalism will start to devour it.

To use a historical example, the US has already left behind its *primus inter pares* role, if the Pax Augustiana is compared to the Pax America period. What comes after can be similar to the exile of Tiberius - intentional or not. The worse alternative, which seems to be looming gloomily over the Empire, is the fate of Caligula. And - as it seems now - Europe, playing the role of the global conscience, will have a dominant say in what will happen to the American Empire.

The key question is, if such a situation would arise, will Europe bury Caesar, or praise him?

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