

**SPECIALREPORT**

SR022 May 2016

**LSE Ideas**



# New Challenges, New Voices:

Next Generation Viewpoints on  
Transatlantic Relations

 **DAHRENDORF  
FORUM**

*Debating Europe*

Editor

**Dr Tim Oliver**

Managing Editor

**Alexander Soderholm**

IDEAS Reports Editor

**Joseph Barnsley**

Cover image source

[www.shutterstock.com](http://www.shutterstock.com)

[lse.ac.uk/IDEAS](http://lse.ac.uk/IDEAS)

LSE IDEAS is an Institute of Global Affairs Centre that acts as the School's foreign policy think tank.

Through sustained engagement with policymakers and opinion-formers, IDEAS provides a forum that informs policy debate and connects academic research with the practice of diplomacy and strategy.

IDEAS hosts interdisciplinary research projects, produces working papers and reports, holds public and off-the-record events, and delivers cutting-edge executive training programmes for government, business and third-sector organisations.

The 'Dahrendorf Forum - Debating Europe' is a joint initiative by the Hertie School of Governance, the London School of Economics and Political Science and Stiftung Mercator. Under the title "Europe and the World" the project cycle 2015-2016 fosters research and open debate on Europe's relations with five major regions.

## **New Challenges, New Voices:** Next Generation Viewpoints on Transatlantic Relations

---

<b>CONTRIBUTORS</b>	1
---------------------	---

---

<b>INTRODUCTION</b>	2
Tim Oliver	

---

<b>DEFENCE AND SECURITY</b>	
-----------------------------	--

---

US View: Atlanticism at Risk.	6
Jeff Lightfoot	

---

European View: Modern Dilemmas in the Old World.	16
Ben Jones	

---

<b>ECONOMICS AND TRADE</b>	
----------------------------	--

---

US View: It's the politics, stupidly...	26
Philip Bednarczyk and Andrew Whitworth	

---

European View: Four Reasons Why TTIP May Fail and Why It Will be Europe's Fault.	34
Tereza Novotná	

---

<b>POLITICS AND VALUES</b>	
----------------------------	--

---

US View: A Most Valued Relationship?	46
Parke Nicholson	

---

European View: 'The Europe We Want': Migrants and Europe's Failure of Imagination.	53
Claire Sutherland	

---

---

**EMERGING POWERS**

---

US View: Selective and Ambivalent Thinking 62  
John Hemmings

---

European View: EU-US-China relations and climate deals: 70  
a threat to transatlantic relations?  
Julia Teebken

---

**CONCLUSION**

---

A Fundamental Relationship in Flux 80  
Tim Oliver

---

**LIST OF ABBREVIATIONS** 84

# Contributors

**PHILIP BEDNARCZYK** is Democratic professional staff on the U.S. House Foreign Affairs Committee responsible for the Subcommittee on Europe, Eurasia, and Emerging Threats. Previously he worked in the European Commission and Parliament. He has a B.A. from Fordham University and M.A. from the Johns Hopkins University School of Advanced International Studies (SAIS).

**JOHN HEMMINGS** is an Adjunct Fellow at CSIS and Pacific Forum, CSIS and a doctoral candidate at the London School of Economics, where he is writing on East Asian international relations. He is also the Director of the Policy Dinner Club, a monthly policy forum held at the Naval and Military Club in London.

**BEN JONES** is a PhD student at King's College, London. Previously he was a political consultant in the defence industry. He is a former foreign affairs adviser to the British Liberal Democrats and also worked as an MEP Assistant in the European Parliament.

**JEFF LIGHTFOOT** is a non-resident senior fellow at the Brent Scowcroft Center on International Security, Atlantic Council.

**PARKE NICHOLSON** is the Senior Research Associate at the American Institute for Contemporary German Studies focusing on transatlantic relations and foreign policy. He has worked at the Council on Foreign Relations, Center for the National Interest, and was a Munich Security Conference Young Leader and a Robert Bosch Foundation Fellow in Germany.

**DR TEREZA NOVOTNÁ** is an FNRS Post-Doctoral Researcher at the Institute for European Studies, Université libre de Bruxelles. She is co-editor of *The Politics of Transatlantic Trade Negotiations: TTIP in a Globalized World* and the author of *How Germany Unified and the EU Enlarged: Negotiating the Accession through Transplantation and Adaptation*.

**DR CLAIRE SUTHERLAND** is a Senior Lecturer in Politics at Durham University. Her publications include *Soldered States: Nation-Building in Germany and Vietnam* (MUP, 2010) and *Nationalism in the Twenty-first Century* (Palgrave, 2012).

**JULIA TEBKEN** is a PhD student at the Environmental Policy Research Center and the Graduate School of East Asian Studies at the Freie Universität Berlin, Germany. She holds a M.A. from American University, Washington D.C., and a B.A. from Freie Universität Berlin.

**ANDREW WHITWORTH** is a doctoral candidate in political economy at the Johns Hopkins University School of Advanced International Studies (SAIS) in Washington, DC and Bologna, Italy. Previously he worked in the EU and USA in public affairs. He has an undergraduate degree from the University of Oxford.

# Introduction

Tim Oliver

**T**he future of the transatlantic relationship is rarely out of the headlines in Europe or North America, and is a perennial subject of analysis by think tanks, universities and governments. This is hardly surprising given no other two regions of the world are as closely connected in economics, security and politics. If the United Kingdom (UK) and United States (US) are said to have a ‘special relationship’, then the same must be said of the larger transatlantic relationship of which it is a part.

Despite the closeness, the relationship faces – as it has always done – new and familiar challenges. This report, produced as part of the work of the Dahrendorf Forum Working Group on Europe-North American relations, offers views on the future of that relationship from eight scholars who are at the start of their careers. We wanted to know what they felt the future holds for the relationship in the areas of defence, economics, values and emerging powers.

In each of these four areas we asked an author based at a university or think tank in Europe or the US to give a European or US perspective.<sup>1</sup>

The report begins in the area so often associated with transatlantic relations: defence and security. In his view, **Jeff Lightfoot** offers a clear and direct a message as has been heard from a growing number of US officials, military officers and commentators: that patience at European free-riding on a US security guarantee is reaching its limits and putting Atlanticism at risk. In a chapter that takes into account the full range of pressures facing the US’s defence and security commitments, Lightfoot notes how Europe’s deteriorating geopolitical situation – especially the emergence of a ‘ring of fire’ thanks to conflicts to its east, south east and south – has yet to motivate Europeans to act in a more coordinated way in areas such as defence. Some in Europe may take the US’s decision to increase its defence spending in Europe as a sign the country remains fully committed to Europe’s security. But Lightfoot is clear that this financial investment comes without the emotional investment that followed World War II, and which helped sustain US commitments throughout the Cold War and for a long time afterwards. Europeans would be wise to carefully

watch US domestic politics, where the rise of populist politicians such as Donald Trump reflect a wider public and political unease at US engagement around the world. Europe is no exception, including in defence, where it is seen less as a strategic partner and more as a place increasingly divided and weakened by its own failings and external pressures.

**Ben Jones** explores the theme of Europe’s demilitarisation. As he sets out, Europe’s declining military clout is often explained as an outcome of the region’s cultural and political trends best captured by the idea of Europe as ‘post-modern.’ This contrasts with a US, or other powers such as Russia or China, that see the world in a traditional ‘modern’ way, and ‘pre-modern’ parts of the world such as large areas of the developing world; a division first set out by the British diplomat Robert Cooper. As Jones explains, arguments that when it comes to defence spending Europeans are motivated by radically different criteria from the US or other powers overlooks that the influence of cultural factors are more likely to be derived from individual state characteristics than some pan-European culture. As such there is a realist explanation for Europe’s demilitarisation. One of the most important is the structural weakness – most notably national divisions – in European defence industrial markets compared to that of the US. As Jones makes clear, the area of ‘defence industrial cooperation’ remains the best hope for building European defence cooperation.

US views on the prospect of enhanced US-European economic relations are examined by **Philip Bednarczyk** and **Andrew Whitworth**. As their pithy title sums up the prospects: ‘It’s the politics, stupidly...’ As they

set out, the sheer scale of the economic relationship makes it the cornerstone of both regional economies and remains the heart of the world economic system. That economic closeness has every chance of growing, but even if this happens it is not guaranteed to make relations easier. Political leaders on both sides risk taking the relationship for granted, not least in Europe. US efforts to engage the European Union (EU) through geopolitical efforts such as the 'Transatlantic Trade and Investment Partnership' (TTIP) have been overshadowed by domestic arguments in Europe. This does not mean Bednarczyk and Whitworth dismiss the potential for populist politicians in the US to damage the relationship through a mixture of attacking it while taking it for granted. Nor is the growing closeness a sign that the two economies perfectly align, with a growing US economy contrasting with a stagnant Eurozone. But from a US perspective, the future of the economic relationship is mostly endangered by European political debate, sluggish growth and disunity.

Europe's economic problems are taken up by **Tereza Novotna** whose chapter takes a close look at the problems TTIP has run into in Europe. As is noted by several authors in the report, Europe's leaders – whether at EU or member state level – may be squandering the opportunities TTIP offers Europe by allowing populist arguments to dominate the discourse surrounding the agreement. As Novotna makes clear, debate about TTIP began as quite civil and considered, with national and EU politicians agreeing to many of the ideas that they soon switched to opposing because of growing domestic anger. Instead of attempting to explain and counter the myths that built up about TTIP, politicians in member states took the easy route of blaming the EU. Meanwhile, MEPs<sup>2</sup> turned it into an opportunity to fight an institutional turf-war between the EU's institutions. The result has been to add to the EU's transition from a Union where there has been a 'permissive consensus' from the general public to one where there is a 'constraining dissensus'. While this can vary across the EU, overall it could mean that TTIP fails in Europe and not, as initially expected, in the US.

The close – if strained – defence and economic relationships are in no small part the product of the shared values and political ideas that have connected Europe and the US. Despite such claims as Americans being from Mars and Europeans from Venus, the two have a relationship based on values that can be traced back centuries and which from the rest of the world's

perspective can appear very close. **Parke Nicholson** provides a US perspective on whether the two sides are diverging over their interpretation of their common values. Nicholson highlights changes in the attitudes of Millennials (Generation Y) and in the US debate about immigration and asylum, a particularly fraught debate given the country's changing demographics mean that by the middle of the century the US white population could be a super-minority. As Nicholson notes, the purpose of the transatlantic relationship to Millennials is not self-evident. This attitude can be seen as part of a wider confused political outlook that is yet to coalesce. However, as things stand, the mistrust shown by European Millennials and indifference on the part of US Millennials could become a serious impediment to the future of the relationship. As a result, efforts such as TTIP, whether reformed to take into account some of the social concerns found on both sides of the Atlantic, is not going to inspire a new generation of Atlanticists.

In her chapter, **Claire Sutherland** does not hold back in criticising Europe's response to the refugees from Syria, and other conflicts in the Middle East, who have sought shelter in Europe. Her critical analysis tears into Europe's failure to live up to the values it purports to uphold. Her title draws on a September 2015 statement from Angela Merkel warning that "If Europe fails on the question of refugees, this close connection with universal civil rights ... will be destroyed and it won't be *the Europe we want*."<sup>3</sup> But it seems that the Europe being sought is one that tries to protect its fragile unity by defining itself against a group of weak outsiders seeking help. Refugees have found themselves turned into a threat to Europe's security and the European project itself. As such, this is an existential crisis for Europe. The result is, as she quotes one author on the topic: 'Not a refugee crisis facing Europe, but a European crisis facing refugees.'<sup>4</sup>

For several hundred years, global politics has been largely defined by the states of the North Atlantic. How then might the two sides of the North Atlantic respond to a shift towards a world in which economic, military and political power is more dispersed? In his US view, **John Hemming** looks over the literature analysing emerging powers and finds it reflects the same ambivalence shown by the Obama presidency: one that takes comfort in how emerging powers have come to symbolise the success of the Western liberal-economic model, yet at the same time doubtful as

to emerging powers' commitment to this (especially political liberalisation) and the relative decline of the US. Over the course of the chapter, he examines this mixture of optimism and pessimism in the West, and especially in the US, towards China, Brazil and India. A key problem he draws out is the overconcentration on China and how, despite the scale of the literature, there is a disparity of answers, a situation that points to how far we remain from knowing what direction the world is headed in. That lack of clarity and certainty opens up space for emotion to win out over careful analysis. This is also a debate where most of the analysis is about the implications and response of the US. What it might mean for the rest of the world – especially smaller powers – is almost entirely overlooked.

Europe is home to a range of debates about how to respond to a multipolar world, although debates vary from state to state, and the EU itself struggles to find the unity to agree what needs to be done, let alone actually do it. One area where the EU has acted in a more coherent way compared to some others is on environmental issues. **Julia Teebken's** chapter looks into how the EU and US have approached climate negotiations with China. These are negotiations where power cannot be measured using traditional economic, military or demographic ways. With the US and China as the world's largest polluters, the EU finds itself with little bargaining power and, along with the rest of the world, facing the prospect of the US and China doing a bilateral deal that meets their needs rather than those of the rest of the world. However, as Teebken argues, China and the US have moved towards the multilateralism that the Europeans have long sought to further global climate negotiations. As she shows by looking at the Twitter reactions of leading EU politicians and negotiators, they recognise that no single partnership – including the transatlantic one – is sufficient to secure any effective deal.

The report ends with a conclusion in which **Tim Oliver** examines a relationship that remains fundamental to both but is in a state of flux. In reviewing the preceding chapters he outlines four sets of challenges this next generation of authors see as defining the future of the relationship. Some of those challenges are familiar ones, some new. He summarises the policy recommendations each chapter offered as a way for the relationship to move forward.

Finally, a note on terminology. The Dahrendorf Forum Working Group on Europe-North American relations has focused largely on US-EU relations. We hope in the near future to publish views from young scholars from both Canada and Mexico, and so include the other two countries of North America. When it comes to Europe, the focus in this report is largely on the EU, but we should always be weary of immediately equating Europe and the EU as the two are not the same. This is especially so with transatlantic relations, most notably in the form of the North Atlantic Treaty Organization (NATO), because of a number of European states who are not in the EU, such as Norway, and countries such as Turkey and Iceland whose classification as 'European' does not command universal agreement. Britain's ongoing debate about its future membership of the EU serves as another reminder. In her chapter giving a European take on politics and values, Claire Sutherland quotes one source who writes about 'EUrope.' Europe's contested unity is, as it has always been, one of the continuing challenges for transatlantic relations.

The views in this report are also not those of a single, unified group. Nor do they represent the opinions of LSE IDEAS or the Dahrendorf Forum. The opinions expressed are those of the individual authors to whom we are most grateful for their contributions.

## NOTES

- 1 A coin was tossed to decide if the US or European views would go first in each of the four sections. The US – heads – won.
- 2 Member(s) of the European Parliament.
- 3 P. Oltermann, 'EU acting like "human trafficker" of refugees, says Austrian Minister,' *The Guardian*, 5 March 2016. <http://www.theguardian.com/world/2016/mar/05/rebel-austria-accuses-eu-human-trafficker-sebastian-kurz-angela-merkel>.
- 4 B. Anderson, 'Why the EU-Turkey Migrant Deal Is a Moral Disaster,' *Fortune*, 17 March 2016, <http://fortune.com/2016/03/17/eu-turkey-migrant-crisis-deal-disaster/>.



# **Defence and Security**

# US view: Atlanticism at Risk

Jeff Lightfoot

**W**ithin the span of less than a decade, the transatlantic alliance has been forced to confront two new, external strategic challenges: an aggressive and hostile Russia and the effects of an eroding order in the Middle East. These challenges are likely to continue for some time regardless of the actions taken by individual allies and the Alliance to confront them. Yet the most serious challenges to Atlanticism – American disengagement, European weakness, and the rise of illiberal populism on both sides of the Atlantic – come from within. Here, the allies control their own destiny, as well as the fate of the transatlantic alliance. A new generation of leaders, led by the United States (US), must shore up the North Atlantic Treaty Organization's (NATO) internal challenges if the Alliance is to be able to defend itself against a new generation of external threats.

"Today the Euro-Atlantic area is at peace and the threat of a conventional attack against NATO territory is low."<sup>1</sup>

It sounds strange that the above is a direct quote from NATO's current Strategic Concept, which was adopted in November 2010 in Lisbon, Portugal. Needless to say, these optimistic words no longer capture NATO's more sobering strategic environment in the aftermath of Russia's annexation of Crimea in 2014 and the traumatic terrorist attacks and refugee crises in Europe in 2015.

Indeed, much has changed for the worse since the optimistic days of the Lisbon summit a mere five years ago. In 2010 Europe was at peace, if a bit rattled by the sudden onset of the Greek debt crisis. Alliance leaders imagined the prospects for genuine partnership with then Russian President Dmitri Medvedev. North Africa and the Middle East were stagnant but stable, and NATO could see the end in sight to its combat role in Afghanistan.

Fast forward to early 2016 and it is clear that many of the core assumptions underpinning NATO's prevailing strategy document are out of date.

The Euro-Atlantic area is no longer at peace, as the 2010 Strategic Concept asserts.<sup>2</sup> NATO sees Russia as an adversary to be deterred, not a partner to be cultivated. Since 2010, President Putin has changed European boundaries by force in Ukraine, thrust Russia back into the Middle East in an unconstructive fashion, and significantly invested in Russian defence capabilities and posture with an eye toward building anti-access/area denial capability on Europe's eastern flank.

The threat to Europe is not limited to Russia. The 2011 Arab spring and its descent into repression and fanaticism have destabilised North Africa and the Middle East. Europe stayed out of the conflict in Syria. But the conflict in Syria came to Europe in the form of refugees and IS<sup>1</sup>-inspired jihadists. French President Francois Hollande describes his country as 'at war' with Islamic militants who struck at France three times in 2015. The US, United Kingdom (UK), France, and others in Europe are now militarily engaged in Iraq and Syria against the ISIS threat. A seemingly bottomless flow of refugees has overwhelmed European border security, upset European Union (EU) solidarity, and fed far-right, Eurosceptic politicians across Europe such that polls show the 'Front National' at parity with France's other two major parties.

Europe is encircled by a 'ring of fire'<sup>3</sup> at precisely the moment that its defence capabilities are hollowed out by decades of wishful thinking, misguided assumptions, and defence cuts. Europe today has a limited ability to conduct out of area defence operations without American support, even in neighbouring areas such as the Middle East.

Meanwhile, the US is officially executing its 'rebalance' strategy to Asia. In the aftermath of the Ukraine crisis, the Obama administration has 'surged' back to Europe – with a new \$3.4 billion announced in 2017 to support US military activities in Europe and the launching of negotiations for the Transatlantic Trade and Investment Partnership (TTIP).<sup>4</sup> The US remains invested in European security, fulfilling its NATO obligations and

supporting European operations out of area in Africa and the Middle East. But key administration leaders close to the President are not emotionally invested in Europe's future. And important figures in the US Congress, on both sides of the aisle, are frustrated by Europe's perceived lack of burden sharing and investments in defence. Republican candidates for the 2016 presidential elections sneer at Europe's social model and point to Europe as a failed economic model to avoid.

The transatlantic community faces serious strategic challenges – with the threats from within as serious as the threats from external sources. With proper leadership from the US and Europe, these challenges can be addressed and the transatlantic community can remain the anchor of peace, prosperity, freedom, and stability in a turbulent world.

Failed leadership on both sides of the Atlantic risks a rollback of Euro-Atlantic institutions, enhanced Russian influence in Central and Eastern Europe, a gradual American disengagement from NATO, and a general erosion of the liberal democratic international order which the US has sought to develop, maintain, and expand since the end of World War II.

## Internal Challenges

### THE RISK OF AMERICAN DISENGAGEMENT

The biggest risk to transatlantic security in the medium- to long-term is of American disengagement from, and disinterest in, European affairs. Changes in American domestic politics, driven by evolving American demographics and geopolitical upheaval, are likely to reduce the strategic importance of Europe in the eyes of future American leaders.

Future American leaders are unlikely to suddenly quit NATO or refuse to uphold their Article 5 commitments. Indeed, in the short term, the US is in the midst of reinvesting in its deterrence capabilities in Europe in the short term. But in the medium to long term, the US may invest less time, energy, and quality personnel into the relationship and exert less leadership within the Alliance. Moreover, a new generation of American leaders without the Atlanticist instincts of their forefathers will have ever less patience with a Europe unwilling or unable to shoulder its share of the regional and global security burden. It should be a sober warning to European allies that in the span of two weeks, the GOP<sup>2</sup> frontrunner Donald Trump declared NATO "obsolete" and called for a reduced US commitment to the Alliance and President Obama complained about "free rider" allies in Europe to the Atlantic's Jeff Goldberg.

America is changing faster than many Europeans fully appreciate. Demographics are having a transformative impact on American domestic policy and will shape future US foreign policy as well. By 2045, more than half of Americans will be non-white, with particular growth in Hispanic and Asian-American communities.<sup>5</sup> These trends, in addition to Europe's relative geopolitical decline, are likely to push America away from Europe and more toward Asia and Latin America, whose growing diaspora communities in the US will influence America's relations toward those regions.

The founding fathers of the transatlantic alliance were an east-coast blue-blooded elite with strong family, personal, and professional connections to Europe. World War I, World War II and the Cold War confirmed Europe as the strategic centre of gravity for American foreign policy. But the Cold Warriors, and even their successors who led NATO's

“A new generation of American leaders without the Atlanticist instincts of their forefathers will have ever less patience with a Europe unwilling or unable to shoulder its share of the regional and global security burden.”

enlargement to the East in the decades after the Cold War, are retiring from the US bureaucracy and the Congress. In former US Defence Secretary Robert Gates' farewell address to the Alliance – in this author's view the most consequential policy statement by a US official on transatlantic ties in years – Gates warned that future American policymakers would not share his Cold War predisposition to European affairs.<sup>6</sup>

President Obama personifies and previews a more diverse American future, in terms of background, experiences, and outlook. He is of a mixed race, born to a Caucasian mother and African father. He was raised in Indonesia, giving him strong personal and emotional ties to the Pacific. President Obama sees his legacy as rebalancing away from past conflicts in the Middle East and toward a strategic future in the Asia-Pacific, as his strategy documents make clear. Europe fits into his grand strategy as an American partner to contribute toward advancing America's global agenda – particularly on global commons issues like combating climate change or supporting US military action in places like Afghanistan. But shaping Europe itself has not been a major policy priority for the administration.

President Obama's policies, expressed in words and deeds, have left some analysts on both sides of the Atlantic convinced that gradual American disengagement has already begun. The anecdotes and critiques are well known. The 'reset' with Russia left central and East Europeans worried that relations with Russia took precedence over the assurance of nervous allies. The Obama administration's hesitancy to agree to the Franco-UK led Libya intervention in 2011 – followed by strange comments about 'leading from behind' from senior officials – contributed to a sense of disengagement, even if they were based on the hope that by doing so the US could encourage the Europeans to act more on their own. The 'Pivot' toward Asia convinced Europeans (and not just Europeans) that the administration was 'pivoting away' from Europe and toward Asia. Critics charge that the White House has outsourced major decisions on Ukraine to Germany, given the administration's absence from the Normandy Format of Ukraine talks and the White House's refusal to ship defensive weapons to Ukraine. And of course, the leaks of the NSA's espionage of European metadata undermined European perceptions of the US, resulting in lingering transatlantic disputes about privacy and data transfers among businesses.

In many ways, these high profile incidents of transatlantic discord have outshone areas of robust transatlantic cooperation under President Obama. The US remains a critical supplier of logistics, refuelling, and transport support for important coalition partners in military operations, particularly in Africa and Syria. Despite 'leading from behind', Washington was the dominant coalition partner in the intervention in Libya. The administration has launched negotiations on TTIP with the EU – its signature policy issue for Europe – which it sees as a strategic means of modernising American engagement with Europe. The 2014 \$1 billion 'European Reassurance Initiative' has added to important US capabilities and assets in Europe in response to the new Russian threat.<sup>7</sup> And despite fears to the contrary, Europe maintained unity with Washington on sanctions against Iran's nuclear programme and sanctions against Russia for its annexation of Crimea.

Whether Europe is able to maintain its pre-eminent place in American foreign and national security policy despite generational and demographic changes in the US, will largely be predicated on Europe's ability to remain a meaningful strategic partner in advancing American regional and global interests and upholding the liberal international order.

## THE RISK OF EUROPEAN DISARMAMENT

The second major risk to transatlantic ties is of European disarmament, disengagement and military weakness. The US has an interest in a strong, capable, and unified Europe. A robust Europe, capable of sharing the burden with the US in defending Europe and securing its periphery, enables and incentivises robust American engagement.

By contrast, a weak, divided Europe in the midst of a defence depression incentivises budget hawks and nationalists in the US Congress and presidential campaign to advocate for cuts to US forces in Europe and further American disengagement from NATO. Given this obvious reality, it is astounding to think that just fifteen years ago some voices in the US and Europe saw each other as budding rivals to be constrained.

Europe's defence drawdowns over the last fifteen years are as much a risk to NATO's internal cohesion as they are to the Alliance's defences against its adversaries such as Russia. In his farewell speech of 2011, US Secretary of Defense Robert Gates warned that these defence

cuts threatened the emergence of a 'two tiered' NATO where the US is forced to do much of the heavy lifting in military operations with token European support. Gates warned that the present status quo – where the US accounts for 75% of NATO defence expenditure – would ultimately erode American support for NATO, particularly in the Congress.

As a result, Obama administration officials have made hectoring allies about meeting their 2% target of GDP allocated to defence a signature element of their Europe policy. At the NATO summit in Wales in 2014, allies pledged that defence cuts had reached their limit. Since then, the results have been mixed. In 2015, the European Leadership Network reported that some countries including Hungary, Italy, Germany, Canada, among others, have continued cutting defence.<sup>8</sup> According to the Wall Street Journal, as of June 2015, only the US, Greece, UK, Estonia, and Poland are set to spend 2% of GDP on defence in 2015.<sup>9</sup> Even these were difficult to secure, with President Obama putting pressure on British Prime Minister David Cameron to keep UK defence spending above 2%.<sup>10</sup>

But there are reasons for optimism. The NATO Secretary General's new Annual Report reveals that the Alliance has mostly drawn a line under its defence cuts and is poised for reinvestment.<sup>11</sup> The UK and France, NATO's two most capable European allies, have announced new investments in defence as the threat from IS has worsened. In addition, Romania, Estonia, the Netherlands, Latvia, Lithuania, and Norway have made increases to the defence spending in response to recent trends.

The US realises that all 28 allies are not going to spend 2% of their GDP on defence. What really matters is that allies spend their limited dollars efficiently, in a cooperative manner, and on defence procurement; and of course, that allies show a willingness and ability to put them to use in actual operations when Alliance interests are at stake.

However, it is critical that Europe find some way to meaningfully respond to the Obama administration's new \$3.4 billion outlay as part of the European Reassurance Initiative. A commensurate European response will incentivise a longer-term American commitment to enhanced deterrence measures against a Russian threat. On the flip side, if Europe responds with silence – or worse, opposition – the next US president may decide she or he cannot care more about European security than the Europeans themselves.

## THE RISK OF EUROPEAN ROLLBACK AND ILLIBERAL POLITICS

The risk of a possible rollback or dissolution of European institutions and a retreat from liberal political values on both sides of the Atlantic is a third strategic risk facing transatlantic ties.

Wolfgang Munchau of the Financial Times sees the risk of Europe fragmenting along three fault lines: a prosperous North versus an indebted South, which played out in the Eurozone crisis; a Europhilic centre versus a Europhobic fringe, which is playing out in the UK's 'Brexit' debate; and a socially liberal West versus an increasingly autocratic East, which has played out most dramatically in the refugee matter, but also in political developments in Central and Eastern Europe.<sup>12</sup>

While the US may not have a direct seat at the table on many intra-European issues, Washington is concerned about the prospect that the European project could unravel due to a series of internal and external shocks. In a sign of Washington's growing awareness of the crises unfolding in Europe, the Senate Foreign Relations Committee called a hearing in early February 2016 on the implications for the US of strains in the EU.<sup>13</sup> At the hearing, Europe's lack of economic growth and competitiveness was identified as a major strategic challenge and a source of Europe's growing political turmoil and defence weakness.

Given the stakes, the US administration has shown some willingness to wade into EU affairs where it has a strategic interest at stake, even if it has ruffled feathers among European leaders. Washington has weighed in primarily in hopes of forestalling the actual departure of key members from the EU or its core institutions. President Obama himself has publicly stated his support for the UK remaining in the EU – a position administration officials are likely to make repeatedly as the Brexit referendum approaches.<sup>14</sup> And his administration quietly urged a compromise solution in the Greece crisis during the summer of 2015 to prevent a 'Grexit'.<sup>15</sup>

Another particular concern in Washington is that uneven governance, democratic backsliding, and emergent illiberal political movements and parties could undermine the EU and offer Russia opportunities to enhance its influence. In Hungary, Prime Minister Orbán's brand of 'illiberal democracy' and the early actions of Poland's newly-elected Law and Justice

Party are a source of unease not only for Brussels but for Washington as well. There are various reasons for the rise of illiberal parties in Europe – from concerns about immigration, to slow growing economies, to disillusionment with the EU. And the risk is not constrained to Central and Eastern Europe, as France’s ‘Front National’ has demonstrated.

US Assistant Secretary of State Victoria Nuland has identified corruption as a particular drain on public confidence of governments in Europe and a driver of illiberal, authoritarian governments, particularly in Central and Eastern Europe.<sup>16</sup> Combating corruption and enhancing good governance in Europe and Eurasia is one of the State Department’s top priorities in Europe (particularly towards Ukraine) and has taken on strategic importance given the extent to which Russia thrives on poor governance, corruption, and illiberal political parties to influence politics in Europe.

Of course, the rise of illiberal or extreme political movements is not only an Eastern European – or even merely European – phenomenon. The US, too, has become increasingly polarised, personified by the strength of nationalist Donald Trump in the 2016 Republican primary elections. Trump has lambasted US treaty allies, particularly South Korea and Japan, as free riders and economic competitors. And he has outraged transatlantic allies like the UK, Belgium, Canada, France, and the Netherlands with his critical comments of their handling of Syrian refugees, his proposal to ban Muslims from visiting the US, or his references to Brussels as a ‘hellhole.’<sup>17</sup> Whether or not Trump really makes it to the White House, his rise demonstrates that political polarisation is a fact in America, as well as Europe, and that nationalist pressures on the transatlantic alliance could come from the US as well as from Europe.

## External Challenges

### A REVANCHIST RUSSIA

The transatlantic community’s internal challenges are exacerbated, and in many ways linked, to its two greatest external challenges: an aggressive, revanchist Russia, and the breakdown of order in the Middle East. Reflective of the complexity of geopolitical challenges in the 21st century, these crises are linked to one another and to Europe: an assertive Russia seeks to actively divide the

US and Europe, divide and conquer Europeans to enhance Russian influence on the continent, and generally undermine the US-led international order. And Vladimir Putin has taken a leading role in the Syrian civil war by supporting Syrian President Assad, which has driven migratory flow toward Europe, further polarised European politics, and undermined the prevailing order in the Middle East.

An array of senior US military officials have testified before the US Congress that Russia poses the greatest threat to US national security, given its arsenal of nuclear weapons, rapid military modernisation, and ‘alarming’ behaviour, particularly in Ukraine.<sup>18</sup> Russia’s use of hybrid warfare, snap exercises, and ‘little green men’ to annex Crimea and destabilise Eastern Ukraine are well known and documented. NATO has taken important steps to reassure eastern allies and reinforce Central and Eastern European allies in response. These steps, such as the aforementioned \$1 billion US-financed European Reassurance Initiative, will be enhanced to \$3.4 billion in 2017 to allow for greater exercises and pre-positioning of equipment on Europe’s eastern flank.<sup>19</sup> European nations, too, have been important participants in NATO exercises to enhance deterrence as part of NATO’s Readiness Action Plan.<sup>20</sup>

While this response has demonstrated NATO’s important resolve in the face of Russian aggression in eastern Europe, time will tell if NATO’s response is sufficient to deter further Russian aggression. Russia is in the midst of a 10 year, \$700 billion military modernisation programme focused on strengthening Russia’s military capabilities. A significant portion of these assets have been invested in strengthening Russia’s anti-access, area-denial capabilities in Kaliningrad, Ukraine, and now Syria. Julianne Smith and Richard Fontaine warned in 2014 that the risk of anti-access area denial was no longer limited to Asia, a theme which has been repeated by senior officials, including NATO Supreme Allied Commander General Phil Breedlove.<sup>21</sup> They fear that Russia may use a snap exercise or hybrid invasion to seize some portion of Alliance territory, create facts on the ground, and use Russia’s anti-access area denial capabilities to deter the Alliance from taking Article 5 military action to retake the territory.

Present NATO readiness and reassurance initiatives are important insofar as they reassure nervous allies about the commitment of the alliance to defend against the Russian threat. But the capabilities and measures required to assure nervous allies is not necessarily

the same as what is required to deter a determined adversary. Even as the allies work to implement the assurance measures that were promised at the 2014 NATO summit in Wales, more assertive steps will be required at this summer's summit in Warsaw to properly deter Russia. The \$3.4 billion in US European Reassurance Initiative funds is a good start. Proper deterrence of Russia's threats and provocations may require not only updates to NATO's conventional posture, but also adjustments to enhance the clarity of NATO's nuclear deterrent.<sup>22</sup>

## THE BREAKDOWN OF THE MIDDLE EAST

The fifth major threat to transatlantic security is the breakdown in order in the Middle East. The festering Syrian civil war in particular has produced a refugee and terrorist crisis that has shaken the foundations of Europe and drawn Russia back into a major role in Middle Eastern security.

No one articulated the impact of the turmoil of the Mid East on Europe more clearly than US scholar Bob Kagan. In his Wall Street Journal feature in the aftermath of the November 2015 terrorist attacks on Paris, Kagan argued that the neglect of America (as well as Europe) to crises in the Middle East had infected the European core.<sup>23</sup> Kagan's piece critiqued the Obama administration's assumption that the US does not have sufficient interests in the conflicts in the Middle East to assume greater risk of blood or treasure by becoming involved in the conflicts. While his policy prescriptions – sending large numbers of ground forces to Syria – are highly debatable, his diagnosis of the Middle East's contagion effect on Europe is spot on.

Since the unsatisfactory conclusion of the Libyan intervention in 2011, much of Europe has been happy to join the US in sitting out the conflicts in the Middle East. France was the lone voice in Europe to lament the lack of western intervention in the Syrian conflict and warn of its possible consequences to Europe and the international order. Paris' warning went unheeded until 2015, when the Middle Eastern conflicts thrust themselves upon Europe in the form of refugees and violent jihadism.

The refugee crisis brought about by the collapse of Syria has proven to be the most serious challenge of late to European institutions and order. The mass of refugees has overwhelmed European countries and fostered renewed political tensions, renewing tensions

among Balkans states and pitting central and East European countries against Germany and the EU. The sheer volume of refugees has strained the logistics capabilities and resources of even the most welcoming and prosperous countries, such as Germany and Austria, and has further polarised politics on the Continent. More worrying for committed Europhiles is the imposition of border controls in parts of Europe, which portends an end to the Schengen arrangements as they were originally conceived.

Meanwhile, the unchecked rise of IS in Syria and Iraq has enabled the group to strike at western Europe, badly shaking the Continent's sense of security. The November 2015 attacks in Paris were the worst acts of violence in Paris since World War 2. Just weeks later, Brussels was essentially shut down by intelligence warnings of a terrorist attack on the European capital.<sup>4</sup> France has described itself as 'at war' and has urged its European partners (and a reluctant Washington) to take a more assertive posture toward terrorists in Iraq, Syria, and Africa.

The breakdown of order in the Middle East has impacted European and global geopolitics. The refugee and terrorism crises have resulted in fierce debates within the EU over internal burden sharing, reflecting a similar debate within NATO about defence expenditures. Germany resents what it perceives as an unwillingness of Central Europe to take on its share burden of refugees, while central European governments seethe at moralistic mandates and quotas proposed by Germany and imposed by Brussels. On the defence and anti-terrorism front, France has complained at what it perceives as a lack of willingness of other European countries to invest in defence and support its anti-terrorism missions in Africa. It was precisely to shame Europe into greater burden sharing that France invoked the EU's solidarity clause rather than NATO's Article 5 after the November 2015 Paris attacks.

The refugee crisis has also shaped Europe's relations with key regional powers. German-led negotiations with Ankara resulted in \$3 billion in aid and political incentives in exchange for Turkey's support in limiting the refugee flow to Europe. As concerns relations with Russia, the terrorist attacks in Paris ultimately failed to bring Russia closer to Europe in a common fight against IS, as appeared possible in the immediate aftermath of the Paris attacks when France sought to build a 'common coalition against IS with Moscow'. Ultimately, Russia's active military support for Assad's

regime in Syria, and particularly its military build-up in Syria and the eastern Mediterranean, has been seen by the US and most of Europe as more of a threat than a possible ally in fighting terrorism. However, as refugees continue to flow into Europe and Chancellor Merkel loses her domestic popularity, European states could be tempted to strike an unholy compromise with Russia over Syria in hopes of stemming and reversing the refugee flow to Europe.

## **NEXT GENERATION VIEWS: GLASS HALF-FULL OR HALF-EMPTY?**

Given the scope of the challenges listed above, the United States and Europe in particular are unfortunately less safe and less secure than they were five years ago during the Lisbon summit. A pessimistic reading of history since 2010 could easily lead one to conclude that the transatlantic community faces the 'dim and dismal future' which Secretary Robert Gates warned about in his 2011 farewell speech.

But if the last five years have shown how quickly things can change for the worse, the reverse is also true. In spite of the daunting crises facing Europe, there are budding reasons for optimism that the dramatic events of the last two years are slowly generating renewed political will on both sides of the Atlantic to better share the burden for transatlantic security and confront the challenges facing the Alliance. Perhaps the key question is whether the crises will outpace the growth of political will and leadership within the Alliance.

From the glass half-full perspective, there are reasons for optimism. Angela Merkel has emerged as the undisputed leader of Europe and a staunch defender of European norms and liberal political values, even as Central Europe flirts with political regression. Merkel's leadership of the EU has maintained unity on sanctions against Russia to the surprise of sceptics. However, even she no longer appears invulnerable, as the domestic political challenges of absorbing hundreds of thousands of refugees threaten her political pre-eminence in Germany and Europe.

On the security front, Franco-American military cooperation has reached unprecedented levels in the Middle East and Africa. The UK's 2015 Strategic Defence and Security Review commits to important investments in military equipment, reversing a half decade of major budget cuts that threatened the 'special relationship' with Washington. NATO has proven it will not be

intimidated by Russian threats, and plans to invite Montenegro to be the Alliance's 29th member at the Warsaw summit in 2016 shows a will to keeping NATO's 'open door' policy alive. Washington's quadrupling of its European Reassurance Initiative funding and the Pentagon's strong statements identifying Russia as a top threat demonstrate that the US military is relearning the muscle movements of deterrence and defence in Europe.

Pessimists see 2014-2015 as the year that crises submerged Europe and threatened the existence of the EU. However, the alternative may yet prove true. In retrospect, future analysts may come to see this period of time as the moment when Europe and the US finally came to grips with the threat to the prevailing international order posed by Russian aggression and the chaos of the Middle East and did something about it.

It should by now be evident to all that the transatlantic community's two greatest external challenges will unfortunately not be resolved any time soon. The Middle East will remain in a period of turmoil and instability for the foreseeable future. The US and Europe can reasonably hope to set back IS in Iraq and Syria with Arab partners, but the West alone cannot extinguish the tumult and identity crisis within the Islamic world.

Similarly, Russia, the West's other great external threat, will remain assertive and hostile for the foreseeable future. Despite the revisionist history afoot that NATO enlargement alone is to blame for President Putin's revanchism, there is little that the West can do now to bring Moscow back to a more friendly posture short of sacrificing its own values and principles. NATO-Russia relations are likely to remain in a deep freeze for some time given President Putin's need for an enemy to maintain popular support. In the words of Atlantic Council Executive Vice President Damon Wilson, the West will have to learn how to be comfortable with having an uncomfortable relationship with Russia.<sup>24</sup>

These external threats will require more robust responses from the US and Europe than we have seen thus far. But the essential matter for leaders in the US and Europe – particularly the next generation – is to ensure that the internal challenges facing the transatlantic community do not condemn the Alliance to a 'dim and dismal future' of its own making. US and European leaders may not be able to control the Sunni/Shia divide that is roiling the Middle East. But they can choose to take investment in defence



seriously and to properly share the defence burden within Europe and within NATO as a whole so the Alliance remains an anchor of stability in a perilous world; politicians can choose to lead voters away from xenophobic extremist ideologies and toward open, inclusive, and responsive governance consistent with transatlantic values; they can choose to commit to reforming European institutions to make them more responsive, rather than politicking against them and playing member states off against one another; and the next generation of American leaders can offer visionary leadership of the transatlantic alliance, rather than quietly disengaging and denigrating Europe's social model.

Transatlantic leaders face a choice, which must be informed by the more distant lessons of the past. American disengagement and European chauvinism at Versailles in 1919 produced a quarter-century of depression, genocide, and carnage on the Continent.

By contrast, far-sighted vision and leadership from the US, Canada, and key Europeans rescued Europe from both internal and external threats in the aftermath of the Second World War and built the foundation of the liberal international order. That same wise leadership from the US and Europe - this time with constructive Russian cooperation - delivered a peaceful end to the Cold War and a united Europe, whole, free and at peace which expanded that international order.

Those gains are now at risk. The transatlantic community faces a new strategic moment perhaps less obvious but no less important than those of the last century. A new generation of leaders – who are the beneficiaries of the most prosperous and free transatlantic community in history – must defend, protect, and expand the prosperity, freedom, and liberal values that define the Euro-Atlantic community for future generations to follow.

## **POLICY RECOMMENDATIONS:**

1. The next US President must renew US leadership of NATO to buttress a Europe in crisis. NATO remains the greatest vehicle for US influence in Europe. The US must make a political and military commitment to lead a stronger, more robust, and nimble NATO alliance.
2. The US must move beyond the concept of 'reassurance' and focus on the presence and posture necessary to establish 'deterrence' of Russia. The US should build on and enhance the commitment made by President Obama in the European Reassurance Initiative to strengthen US force posture and presence in Eastern Europe. The US should enshrine the additional funding for a European presence in the defence base budget to give it a permanent effect, but should do so on the condition European countries agree to match the ERI with contributions of their own.
3. The risk of democratic populism is a substantial threat to the transatlantic order in the USA and Europe. The American people must reject the isolationist populism of Donald Trump. His election would represent not only a threat to the transatlantic community and NATO, but also to the entire liberal international order that the US has led since World War II. A non-Trump US president must renew US political engagement and leadership. Engagement and US attention – rather than isolation – are the best means of pushing them away from anti-liberal attitudes. ■

## NOTES

- 1 NATO, 'Strategic Concept For the Defence and Security of The Members of the North Atlantic Treaty Organisation', 19 November 2010, [http://www.nato.int/strategic-concept/pdf/Strat\\_Concept\\_web\\_en.pdf](http://www.nato.int/strategic-concept/pdf/Strat_Concept_web_en.pdf).
- 2 *Ibid.*
- 3 P. Taylor, 'EU "ring of friends" turns in ring of fire' Reuters, 27 September 2015, <http://www.reuters.com/article/us-europe-migrants-neighbourhood-analysis-idUSKCN0RR09020150927>.
- 4 BBC News, 'US "to quadruple defence budget for Europe"', 2 February 2016. <http://www.bbc.co.uk/news/world-us-canada-35476180>.
- 5 V. Morales, 'Experts: Coming demographic shift will strengthen US culture', *Voice of America*, 31 March 2015, <http://www.voanews.com/content/coming-demographic-shift-will-strengthen-us-culture/2701759.html>.
- 6 R. Gates, 'Reflections on the status and future of the transatlantic alliance', Brussels, 10 June 2011, [http://www.europarl.europa.eu/meetdocs/2009\\_2014/documents/sede/dv/sede190911robertgates/\\_sede190911robertgates\\_en.pdf](http://www.europarl.europa.eu/meetdocs/2009_2014/documents/sede/dv/sede190911robertgates/_sede190911robertgates_en.pdf).
- 7 White House, 'Fact Sheet: European reassurance initiative and other US efforts in support of NATO allies and partners', 3 June 2014. <https://www.whitehouse.gov/the-press-office/2014/06/03/fact-sheet-european-reassurance-initiative-and-other-us-efforts-support->.
- 8 D. Raynova and I. Kerans, 'The Wales Pledge Revisited: A Preliminary Analysis of 2015 Budget Decisions in NATO Member States', European Leadership Network, February 2015, <http://www.europeanleadershipnetwork.org/mediabrary/2015/02/20/04389e1d/ELN%20NATO%20Budgets%20Brief.pdf>.
- 9 N. Bendavid, 'Just five of 28 NATO members meet defence spending goal, report says', *The Wall Street Journal*, 22 June 2015, <http://www.wsj.com/articles/nato-calls-for-rise-in-defence-spending-by-alliance-members-1434978193>.
- 10 J. Goldberg, 'The Obama Doctrine', *The Atlantic*, April 2016. <http://www.theatlantic.com/magazine/archive/2016/04/the-obama-doctrine/471525/>.
- 11 NATO, *The Secretary General's Annual Report 2015*, 2015, [http://www.nato.int/nato\\_static\\_fl2014/assets/pdf/pdf\\_2016\\_01/20160128\\_SG\\_AnnualReport\\_2015\\_en.pdf#page=27](http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2016_01/20160128_SG_AnnualReport_2015_en.pdf#page=27).
- 12 W. Münchau, 'Europe's multiplicity of crises is not accidental' *Financial Times*, 3 January 2016. <http://www.ft.com/intl/cms/s/0/995a98c6-b0a1-11e5-b955-1a1d298b6250.html#axzz3wCHLeDEX>.
- 13 US Senate Committee on Foreign Relations, 'Strains on the European Union: Implications for US foreign policy', 3 February 2016, [http://www.foreign.senate.gov/hearings/strains-on-the-european-union-implications-for-american-foreign-policy\\_020316](http://www.foreign.senate.gov/hearings/strains-on-the-european-union-implications-for-american-foreign-policy_020316).
- 14 BBC News, 'Obama urges UK to stay in European Union', 24 July 2015. <http://www.bbc.co.uk/news/uk-politics-33647154>.
- 15 S. Nixon, 'Can US bring an end to Greek drama?' *The Wall Street Journal*, 31 May 2015. <http://www.wsj.com/articles/can-u-s-bring-an-end-to-greek-drama-1433107961>.
- 16 The Atlantic Council, 'Prepared remarks by Victoria Nuland on a transatlantic renaissance', 13 November 2013, <http://www.atlanticcouncil.org/news/transcripts/prepared-remarks-by-victoria-nuland-on-a-transatlantic-renaissance> accessed Mar 2016.
- 17 T. Kopan, 'Donald Trump v's the world's leaders' *CNN*, updated 12 December 2015. <http://www.cnn.com/2015/12/11/politics/donald-trump-world-allies-turn-on-candidate/>.
- 18 P. Stewart and D. Alexander, 'Russia is top US national security treat: Gen Dunford', *Reuters*, 9 July 2015. <http://www.reuters.com/article/us-usa-defense-generaldunsmore-idUSKCN0PJ28S20150709>.
- 19 M. Landler and H. Cooper, 'US fortifying Europe's east to deter Putin' *The New York Times*, 1 Feb 2016. <http://www.nytimes.com/2016/02/02/world/europe/us-fortifying-europes-east-to-deter-putin.html>.
- 20 NATO, 'Fact Sheet: NATO's Readiness Action Plan', December 2014. [http://www.nato.int/nato\\_static\\_fl2014/assets/pdf/pdf\\_2014\\_12/20141202\\_141202-factsheet-rap-en.pdf](http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2014_12/20141202_141202-factsheet-rap-en.pdf).
- 21 R. Fontaine and J. Smith, 'Anti-access/area-denial isn't just for Asia anymore' *Defense One*, 2 April 2015. <http://www.defenseone.com/ideas/2015/04/anti-accessarea-denial-isnt-just-asia-anymore/109108/>; The German Marshall Fund of the United States (GMF), 'A transatlantic talk with General Philip Breedlove: NATO's next steps: Warsaw and beyond', 28 September 2015. <http://www.gmfus.org/events/transatlantic-talk-general-philip-breedlove-nato%E2%80%99s-next-steps-warsaw-and-beyond-livestreamed>.
- 22 J. Rathke and S. de Galbert, 'NATO's nuclear policy as part of a revitalised deterrence strategy', CSIS, 27 January 2016. <http://csis.org/publication/natos-nuclear-policy-part-revitalized-deterrence-strategy>.

- 23 R. Kagan, 'The crisis of world order' *The Wall Street Journal*, 20 November 2015. [http://www.wsj.com/article\\_email/the-crisis-of-world-order-1448052095-IMyQjAxMTA1NjA2NDcwNjQzWj](http://www.wsj.com/article_email/the-crisis-of-world-order-1448052095-IMyQjAxMTA1NjA2NDcwNjQzWj).
- 24 US Senate Committee on Foreign Relations, 'Strains on the European Union: Implications for US foreign policy', 3 February 2016. [http://www.foreign.senate.gov/hearings/strains-on-the-european-union-implications-for-american-foreign-policy\\_020316](http://www.foreign.senate.gov/hearings/strains-on-the-european-union-implications-for-american-foreign-policy_020316).

# EU view: Modern Dilemmas in the Old World

Ben Jones

**A**ccording to a number of analysts, scholars and decision-makers, ‘the demilitarisation of Europe’ is underway. The roots of this phenomenon are said to lie in a ‘post-modern culture’ that undermines the proper appraisal of security threats and inhibits the generation and deployment of military capabilities. Such a view has of late been given too much credence. On the contrary, the defence policies of European Union (EU) member states remain essentially ‘modern’ in form and function. A realist perspective provides an important corrective to cultural accounts, emphasising instead the effects of the vast asymmetry of military power at the heart of the transatlantic relationship. And it provides a better framework for explanation of European state behaviour in relation to the generation and deployment of military capabilities and to the current security crises to the East and South.

## EUROPE AT THE CROSSROADS OF STATEHOOD

In *The Breaking of Nations*, Robert Cooper identified three co-existing forms of statehood in the post-Cold War world.<sup>1</sup> There are ‘modern’ states, for which the old rules of Westphalian diplomacy and power politics still dominate. There are ‘pre-modern’ states, so-called because in their chaos they barely meet the criteria of statehood at all. And then there are ‘post-modern’ states that reject power politics and pool their sovereignty in common institutions. It might be said that European security lies today at the geostrategic crossroads of Cooper’s tripartite world. To the East, there is Russia’s ‘modern’ *realpolitik* and its determination to use force to defend its self-proclaimed sphere of influence. To the South, there is ‘pre-modern’ chaos in parts of North Africa, the Sahel and the Middle East, with extremist groups thriving in the absence of state authority. While ‘modern’ conceptions of territorial defence and military balancing remain the guiding principle in the East, security challenges in the South are concerned with mass migration and counter-terrorism. In the absence of a single European state, this bifurcation of security challenges and uneven geostrategic pressures splits the political focus of elites and their publics, leaving them in a quandary over how to deliver a common response, if at all.

It has become a commonplace that these troubles are compounded by the ‘post-modernism’ of the EU and its member states. This cultural predisposition is said to undermine the ability of states to think strategically about their security environment and build the necessary military capabilities to respond. Indeed, Cooper’s post-modern European state is defined by its ‘unwarlike’ rejection of the ‘modern’ world of *raison d’etat* and security policies underpinned by the use of force.<sup>2</sup> Similarly, Robert Kagan infamously argued that transatlantic relations faced a cultural divide between Venetian Europe and Martian America.<sup>3</sup> And in his last months as US Secretary of State for Defence, Robert Gates argued that “cultural and political trends” were leading to a widespread risk-aversion to the use of force and to the gradual “demilitarisation of Europe.”<sup>4</sup> More recently, citing Gates and Cooper, Christopher Coker concurs that this shift away from the military instrument is “pre-eminently a cultural phenomenon.”<sup>5</sup> And Nick Whitney and Anand Menon argue that “Europeans should perhaps cease to believe in their myths about having created a peaceful, postmodern world for themselves.”<sup>6</sup>

There is, however, something of a contradiction in this view that the post-modernism of the EU undermines its capacity for strategic thought and action. When, for example, the EU draws on its competence over external trade policy and places economic sanctions on Russia, it wields a hefty foreign policy stick in large part because of its ‘post-modern’ construction.

By contrast, the defence policies of individual member states are perhaps the least open to being shaped by the post-modern construction of the EU. According to one scholar, defence remains “the first and last bastion of national sovereignty” in Europe, a field in which the EU plays a faint second-fiddle to its larger member states and the North Atlantic Treaty Organization (NATO).<sup>7</sup> And the notion that there is any identifiably ‘European’ culture as regards the use of the military instrument, post-modern or otherwise, is greatly undermined by the fact that some EU member states, notably France, retain a high tolerance for military risk while others, notably Germany, do not. This suggests that the influence of cultural factors, such as it is, is more likely to be derived from individual state characteristics than a pan-European culture.

Even at the state level however, the notion that culture is ‘pre-eminent’ sidesteps awkward questions as to the role of non-cultural factors in creating national dispositions towards the generation and use of the military instrument. Above all, this emphasis on a form of culture derived from the apparently post-modern nature of the EU risks neglecting the explanatory insights of the other interpretations of international politics, particularly as regards the role of relative power and interests in state relations. Realism, broadly conceived, is based on concepts of system polarity, relative military capability and the convergence and divergence of interests. As such, it provides an imperfect but valuable alternative lens through which to assess the causes of European ‘demilitarisation’ and critique the argument that cultural factors are pre-eminent.

## A REALIST PERSPECTIVE

Seen from a realist perspective, culture is at best a secondary cause of the decline in the military capacity of European states. Indeed, cultural factors may reflect deeper structural causes. Realism directs us instead to the effects of the vast asymmetry of American and European military power.

These effects are manifest in two significant ways.

First, in its suppression of historic security dilemmas, particularly between France and Germany, American military power has enabled the ‘pacification’ of relations between European NATO states, in itself a rather welcome demilitarisation.<sup>8</sup>

Second, this highly asymmetrical distribution of military capability means, as Kenneth Waltz argued, that NATO is better viewed not as an alliance of aggregated capability to balance rival power, but rather as a “treaty of guarantee” by a dominant power over weaker allies.<sup>9</sup> Because of this asymmetry, the scale of the European military contribution to NATO has always been one step removed from strategic American interests in Europe, and perhaps will always be so.<sup>10</sup>

Glenn Snyder’s work on alliance politics, and his dilemma of ‘entrapment or abandonment’, remains the best framework for explaining the constraints and opportunities facing states under an asymmetrical alliance.<sup>11</sup> Under a multipolar alliance there is a high tension between the fear of abandonment and the fear of entrapment by allies. Fear of abandonment is mitigated through greater commitment to an ally, but this in turn increases the risk of entrapment into the ally’s other interests, hence the dilemma. By contrast, in an asymmetrical alliance like NATO, this dilemma is much weaker because the risk of abandonment is seen to be low. The bipolarity of the Cold War meant that the American commitment to Europe was “structurally ordained” and abandonment thus extremely unlikely.<sup>12</sup> Even in the absence of bipolarity, however, the United States (US) has continued to view the security of Europe as vital to its own strategic interests.

Subordinate states mitigate abandonment through political loyalty and military contributions. While they may contribute relatively little in capability terms, participation can still be very costly in terms of life and limb, public spending and domestic political authority. And, given the asymmetry of capabilities, the US needs little more than this level of commitment to meet its strategic goals, which are the political and economic stability of European states and their loyalty and support for American policy.<sup>13</sup> A higher level of European military capability is not, of course, inconsequential or undesirable for the US. Americans want to see Europeans spend more on defence because it helps reduce their own considerable costs and enables their allies to fight by their side on operations. Beyond enabling a symbolic expression of political loyalty, however, the extent to which any particular level of European military capability is really a *prerequisite* of the alliance is decidedly ambiguous. A transatlantic bargain on the basis of ‘burden-sharing’ has never really been struck.

Why then do Europeans have armed forces at all? Although weak, the fear of abandonment by the US does arguably put a floor under the resourcing of European military capabilities. Existential fears over US commitment and a strong dose of diplomatic obligation partly explain why, as some theories might predict, European states do not disband their armed forces entirely.<sup>14</sup> And France and the UK continue to have overseas defence commitments and an aspiration to a degree of autonomous action. This helps to explain their retention of the significant defence industrial capacity needed to underpin operational autonomy. Other reasons, however, are required to explain why European states dedicate significant military capabilities to NATO and US-led operations. To explore these reasons it is necessary to consider the other side of Snyder's dilemma, which is the fear of entrapment.

Snyder argues that entrapment is the principal concern for subordinate states in an asymmetric alliance.<sup>15</sup> While a certain amount of unilateral action is tolerated on all sides, European states cannot consistently refuse to support the interests of the US. As such, short of withholding their support in *extremis*, there is little that European states can do to prevent their political, if not always their military, entrapment into wider US policy. Instead, they seek to mitigate the risks of entrapment by pursuing what Robert Jervis describes as a "struggle for influence."<sup>16</sup> Military contributions serve to balance loyalty with a means to mitigate the risks of entrapment through presence and attempted influence. It is this struggle to maximise influence that explains the high loyalty, high contribution of the UK to US operations since the Suez crisis, and the evolution of French defence policy in the post-Cold War period towards re-integration into NATO command structures and a more 'Atlanticist' approach.<sup>17</sup>

This brief conceptualisation of the dynamics of the transatlantic defence relationship is not intended to give a definitive explanation for every defence policy choice of every European NATO state. It does, however, provide a critical lens through which to consider the long-running 'burden-sharing' debate, and to frame the balance of risks that shape decisions to generate and deploy military capabilities. With this in mind, the remainder of the chapter will consider the reaction of European states to contemporary security challenges and their decisions to maintain, deploy and cooperate over military capabilities. It asks whether the current European security crisis is really significant enough to

change the terms of the transatlantic relationship as described above.

## CAUSES OF EUROPEAN 'DEMILITARISATION'

The difference between the military capacity of the US and European NATO states has grown ever more asymmetrical in recent years; the US share of spending is now around 75 per cent.<sup>18</sup> While the response to 9/11 pushed up US spending following a post-Cold War decline, European spending continued largely on a flat or downward path. No event since the fall of the Berlin Wall has been deemed serious enough to significantly reverse this trend. Given that prior to Russia's recent actions in Ukraine few European states feared a state-on-state threat to their security, this is perhaps understandable. Even against a latent Russian threat, the American security guarantee remains in place and thus acts as a dampener on European defence spending. The absence of a higher benchmark of threat to encourage Europeans to spend more may frustrate the US, but it has not prevented Europeans from providing strong political and often significant military support.

The downward pressure on European capabilities is not, however, a function of the asymmetry of US military power alone. It is compounded by another systemic factor, which is inflation in the cost of military capability. According to one UK estimate, defence inflation runs at 3% above the general rate.<sup>19</sup> With this kind of trend, even those European states that maintain broadly 'flat in real terms' budgets will see a significant decline in the breadth and scale of their capabilities over a decade.

These pressures, particularly apparent in the acquisition of high-tech equipment, are acute for all states with advanced armed forces. And yet because European states lack the vast scale of US defence industrial production, the problem is more pressing, and pushes particular capabilities and the industrial base that supports them towards a tipping point of credible scale. For all European states, but particularly those that attach most importance to exerting influence on US operations, i.e. the UK and France, the broadest possible spectrum of capabilities offers the best means to ensure participation and presence across US operations. Yet the attempt to maintain capabilities at sufficient scale was already being labelled a 'chimera' by former senior British officers over a decade ago.<sup>20</sup> And given that

under an asymmetric alliance much of the justification for these capabilities is to pursue 'the struggle for influence' rather than to directly balance rival power, it is not easy for politicians to make the case for increased defence spending against other domestic priorities.

This crisis in military capability is not going completely unchallenged, however. Indeed, the response to it underpins the logic of a range of bilateral and small group cooperative initiatives, including the Franco-British Lancaster House treaties of 2010.<sup>21</sup> Seeking economies of scale in critical technologies and sovereign industries, particularly aerospace and complex weapons, France and the UK have come together to attempt to maintain a relatively high degree of operational sovereignty, broad spectrum of capabilities and, if they wish to act together, a greater scale in their expeditionary forces. Other bilateral cooperative projects can be seen across Europe with a similar rationale. In some cases cooperation runs even deeper, with Dutch-Belgian naval cooperation using specialisation in support services to preserve the very existence of their capabilities.<sup>22</sup> Other notable examples include specialisation in particular Army capabilities through Dutch-German cooperation.

Structural political and economic factors provide an alternative to culture as an explanation for the 'demilitarisation' of Europe. On the one hand, enduring strategic American interests in Europe ensure that the fear of abandonment remains low, and need only be met with relatively small levels of military support. On the other hand, even for those states that seek to mitigate entrapment through influence, the maintenance of a broad range of capabilities at scale is becoming increasingly untenable and pushing them to cooperate more closely.

If cooperation is difficult, however, it is not because a post-modern culture stands in the way of a more unified and efficient approach to European defence spending. Rather, it is because European states remain strongly 'modern' in their *souverainiste* or sovereignty based approach to defence policy. Even the smallest states seek to maximise their freedom of action and autonomy. In principle, specialisation or sharing of military capabilities can provide significant financial and interoperability benefits. And yet such interdependencies could also create potentially acute risks of abandonment and entrapment between European states, the fear of which significantly constrains the depth and breadth of cooperation. In

many ways the recent wave of bilateral cooperation is driven by a desire to reinforce national freedom of action for influence, particularly the ability to influence the US, rather than to underpin collective European action.

Given the declared US strategy to 'pivot' towards Asia and the parlous state of security to the East and South of Europe, however, some may argue that the analytical framework outlined above is no longer appropriate. Indeed, it has been argued that for today's Europe it is the risk of US abandonment rather than entrapment that is now, or should now be, the main concern of Europeans.<sup>23</sup> If this is correct, then we ought to expect to see such a fear of abandonment pushing Europeans to work together far more deeply and/or to increase their budgets in order to prepare to meet much more of their security needs autonomously in the absence of US power.

## THE US 'PIVOT TO ASIA'

The US Defence Strategic Guidance (DSG) of 2012 set out to draw a line under the post 9/11 era and shift US attention towards Asia-Pacific and the rise of China. The DSG was followed by a further drawdown of US forces in Europe, which left just 34,000 troops and closed a number of supporting bases. Recent events in Ukraine have seen this trend partially reversed with a firming-up of the US military presence to three Army brigades.<sup>24</sup> Partly in reaction to the direction of the DSG, however, a report prepared by EU High Representative Baroness Ashton for the European Council in 2013 argued that in response to shifting US priorities, 'Europe must assume greater responsibility for its own security and that of its neighbourhood.'<sup>25</sup> And yet the degree to which the US 'pivot' will impact on Europeans, and the degree to which they will respond remains unclear. The DSG continues to recognise the 'enduring interests' of the US in Europe. And, as Luis Simon has argued, the increasing instability in the Middle East and the actions of Russia only serve to highlight such interests.<sup>26</sup> Perhaps most importantly, the recent boost to the US Army presence in Europe demonstrates that the US will adjust its forces in response to Russian policy and will not expect Europeans to fill the gap entirely.

The 'pivot' has, however, raised the perennial question of the extent to which the US might abandon Europe, even if only partially. Simon argues that, "While the US is unlikely to abandon Europe to its own luck, its increasing strategic interest in Asia will unavoidably result in less

attention towards Europe and its surroundings.”<sup>27</sup> If true, this raises a difficult question. What scenario is sufficiently serious for Europeans to engage in high-intensity military operations alone but not serious enough to be of any strategic concern to the US? The fairly low-level military tasks undertaken by the EU’s Common Security and Defence Policy perhaps provide a partial answer. The military action led by France and the UK in Libya in 2011 perhaps provides another. In future we may see more from European ‘coalitions of the willing’ together with a ‘supporting’ but still vital role for the US. The Franco-British Combined Joint Expeditionary Force (CJEF), which will be available from 2016, may have a role in future circumstances such as these.

The crisis in Libya in 2011 underlined, however, the fact that Europeans lack the capabilities to mount such an operation autonomously with any great confidence. Neither can all European states be expected to consistently rally around France and/or the UK, as the abstention of Germany from the operations in Libya demonstrated. In order to create the scale and sustained political will necessary for such an autonomous European capability, cooperation would need to go much deeper. As yet, although a few EU-level programmes for deeper cooperation are bearing fruit, there seems to be limited enthusiasm among member states, as Witney and Menon bemoan.<sup>28</sup> This is in part because it remains difficult for European states to agree a set of baseline ‘European interests’ against which to plan autonomous action, as this is complicated by the geographic divergence of threats to European states.<sup>29</sup> But, seen through the prism of an asymmetric alliance, it is also because the expeditionary elements of Europe’s most capable armed forces are to a large degree shaped around influencing interests that are identified and defined in Washington, not in any European capital.<sup>30</sup> And while the US is now encouraging deeper European defence cooperation, it might still be expected to show some ambiguity about the autonomous projection of European military power, were such a thing to come about in any significant form. Such signals from the US, together with its enduring European interests mean that Europeans do not, in general, appear to have a deep fear of American disengagement. If they remain sceptical about the US abandoning them for Asia, what impact do actual threats have on their thinking?

## RUSSIA’S RETURN TO REALPOLITIK

Russia’s occupation of Crimea and Eastern Ukraine appeared to come as a shock to some EU/NATO member states, although it may have been less surprising to others.<sup>31</sup> Concern over events unfolding in Ukraine quickly led to worries about the security of the Baltic states and the credibility of NATO’s Article 5 mutual assistance clause. Following the end of the Cold War and the pursuit of ‘out of area’ operations, NATO has let its territorial defence preparations deteriorate; the absence of permanently stationed NATO troops in Eastern Europe has thus become an issue for those states in close proximity to the Russian border.

NATO’s 2014 Summit in Cardiff announced the creation of a Very High Readiness Joint Task Force (VJTF) to sit within the NATO Response Force as a ‘spearhead’ brigade.<sup>32</sup> The VJTF concept has echoes of a previous NATO multinational brigade, the Allied Command Europe Mobile (ACE Mobile), which provided a highly flexible conventional force to act as a ‘trip-wire’ that could invoke Article 5. The VJTF provides a standing response on forty-eight hours notice, which can be prepared for deployment on the orders of the NATO Supreme Allied Commander with final approval resting with the North Atlantic Council. The robustness of this decision-making process in the face of possible Russian aggression remains a matter of some controversy.<sup>33</sup> Furthermore, to avoid being seen as too provocative towards Russia, the VJTF will not be based permanently in Eastern Europe, although it will be able to draw on certain pre-positioned facilities and infrastructure. Its aim is to provide sufficient deterrence to prevent any Russian ‘miscalculation’, which would trigger a further escalatory response from NATO.

In 2015 Operation Trident Juncture, NATO’s largest exercise in over a decade, involving 36,000 personnel, was undertaken. It was intended to provide American reassurance to Europeans and demonstrate allied resolve to Russia, showing for example, that US paratroopers could be flown in directly to operations in Europe from their home bases. Some question whether, in the absence of pre-positioned troops, the VJTF provides for sufficient deterrence, although the relative military weakness of Russia suggests that the threat ought to be containable by NATO’s superior forces.<sup>34</sup> Europeans will provide the forces for the VJTF, which is not in itself a large force and as such ought not to present immediate concerns over European capacity.



Europeans understand their self-interest in helping ensure the credibility of NATO's responses to Russia's actions in the East. Indeed, for some European governments a return to the importance of territorial defence provides for a more compelling justification for defence spending to their voters than NATO's more controversial 'out of area' operations. There has also been a modest budgetary response to the crisis in the East. In the Netherlands and Germany, and to a degree in the UK, spending has increased, albeit marginally. More broadly, the actions of Russia appear to have prompted a pause in the downward trending defence spend of European states. And yet, there is no really significant uplift. These small shifts would suggest that, in line with behaviour in an asymmetric alliance, Europeans are keen to be seen to be contributing more, but are not assuming significantly greater responsibilities in response to a greater threat from Russia.

## THE 'PRE-MODERN' THREAT

It may at least be said that concern over Russian intentions in the East has a long history. The upheaval in the Middle East and North Africa represents an unprecedented and very different challenge for European security. And while deterrence remains a guiding principle for relations with Russia, the utility of military force is much more questionable when dealing with the disintegration of states into 'pre-modern' conditions.

Both American and European experiences in Iraq and Afghanistan cast a long shadow over the use of the military instrument, particularly as regards the deployment of ground forces. The 2011 Franco-British-led operation in Libya was launched primarily on humanitarian grounds but did not deploy troops on the ground. It failed to provide the foundations for a secure and stable Libyan state, which had been the national interest component of the case for action. And while Europeans and Americans share an interest in stability in the region, the US does not suffer from the immediate consequences or political ramifications of mass migration. Because the political stability of Europe is a strategic interest for the US, however, Europeans would hope that Americans could not ignore serious destabilisation in Europe even if they were less immediately affected.

While influential when acting together for concerted diplomacy, as over talks with Iran, European states take their foreign policy lead from the US on the Middle East, particularly where security matters are concerned. As such, for France, and most agonisingly for the UK, the Syrian crisis has reiterated the importance of deploying even relatively small-scale military force alongside the US to ensure presence and attempt to influence. Such an approach is, of course, in line with the model of behaviour in an asymmetric alliance. Would Europeans be more influential with the US if they could aggregate their military contribution to operations such as those on-going in Syria and Iraq? Perhaps they would. And yet, as has been argued, it is not the presence of a post-modern culture that prevents them from doing so, rather it is a distinctly 'modern' understanding of autonomous foreign policy decision-making and the inevitable divergences in national policy and interests that flow from this autonomy.

## PROSPECTS FOR EFFECTIVE EU-NATO COOPERATION

A final challenge facing Europeans is how better to manage their institutional security architecture. Security in the East and stability in the South cannot be achieved by military means alone. Indeed, the EU has a different but equally strategic role when it comes to relations with Russia, due to its ability to deploy a wider array of tools for diplomatic and economic leverage, as exemplified by recent economic sanctions. As such, better NATO-EU cooperation has for many years been viewed as the elusive key with which to unlock a more comprehensive approach to regional security. If the Cyprus-Turkey dispute can be resolved soon this will help to bring the two organisations together.

The pre-existing aggregation of power in EU policy areas other than defence - notably trade and development - also needs to be better integrated into a more strategic approach, over which the EU's European External Action Service has a key role to play. And France and the UK - sometimes alone, occasionally together and often drawing on supporting US assets - may still provide Europe with some form of expeditionary capability in the region. This capability could, in principle, be backed-up with a more coherent EU policy using the non-military levers available to its institutions.

## CONCLUSION

It has been argued that European states are not particularly 'post-modern' when it comes to the generation and deployment of their military capabilities. But when they do act together through their 'post-modern' institutions they can pursue their interests collectively through a kind of quasi-statehood. That Europeans struggle to do so more often, particularly in the effective aggregation of their military capabilities, is because of their 'modern' attributes. They are focussed on balancing risks and still see the US as vital to their security. Collective European military action remains extremely problematic, hence the recent focus on bilateral agreements and small groups that can work together to maintain capabilities in line with national policy goals. Given that they can never draw on economies of scale comparable to the US, it is perhaps unfair to argue that Europeans ought to simply spend a great deal more on a national basis. Resources are scarce and European states also need to invest in their infrastructure and their citizens. Under Cooper's typology, the future of European military capabilities is perhaps one caught in a dilemma between a 'modern' conception of sovereignty and a 'post-modern' conception of collective EU action.

This brief analysis of recent shifts in US policy and European security threats demonstrates that the fear of US 'abandonment' remains weak, as suggested by Snyder's model of an asymmetric alliance. Moreover, the analysis suggests that, beyond largely symbolic military contributions, the 'struggle for influence' will remain the dominant motivation for European armed forces, particularly for the UK and France. This has important ramifications for transatlantic relations. First, in the medium to long-term, the sustainability of a broad spectrum of European military capabilities will depend in large part on deeper defence cooperation. If those European states that want to influence the US wish to continue doing so, they will need to work together to sustain the necessary capabilities; it is important that the US gives its full support to such cooperative endeavours.

Second, the analysis suggests that the best way for the US to support military capability in Europe is not necessarily to remind Europeans of the need to be grateful for American power, but to find ways to demonstrate to European elites and publics that investment in military capabilities (and their use) does

achieve some national influence, has a wider security benefit and that allies that make contributions are rewarded with a fair hearing. Finally, both Europeans and Americans need to consider how the more comprehensive foreign policy toolkit of the EU can be used to back up the military capability of NATO and its more capable leading nations. The US and Europe may never have a symmetrical military capability relationship, but if Europeans can more effectively combine their military and non-military tools of influence then the broader foreign and security policy relationship can aspire to be more of a partnership than simply a transactional treaty of guarantee.

The analysis above is not intended to prove a kind of rational determinism in the behaviour of European states and thus to justify low defence spending or a reticence to use military force under any circumstances. Neither is it to argue that cultural differences play no role, or that Europeans should do no more than they are doing already. It is instead to critique the tendency to ascribe a decline in European military capabilities to a form of 'post-modern culture', which implies that Europeans are motivated by radically different criteria from the US or other powers. There are serious concerns over the on-going reduction of European military capabilities. But analysis of the causes of this decline should not neglect the effects of fundamental disparities in power between NATO allies. A realist perspective suggests that the cultural aspect is secondary to the structural factors that place constraints on European state actions. This, however, still leaves considerable room for the agency of states and thus for good and bad decision-making.

## POLICY RECOMMENDATIONS

1. EU and European NATO states should re-double their efforts to maintain military capabilities with greater efficiency through deeper industrial and operational cooperation, including through pooling, specialisation and sharing.
2. The US should give strong support to such European defence cooperation initiatives aimed at maintaining and improving military capabilities at the bilateral, small group, NATO and EU level.
3. As a priority, the EU and NATO should focus on ensuring that both organisations are able to deploy mutually reinforcing strategies towards security threats, both in the East and South. ■

## NOTES

- 1 R. Cooper, *The Breaking of Nations* (London: Atlantic, 2003), 16-37.
- 2 Cooper, *Breaking of Nations*, p.51.
- 3 R. Kagan, *Of Paradise and Power* (London: Atlantic, 2003).
- 4 R. Gates, Speech at National Defense University, United States, 23 February 2010. <http://archive.defense.gov/speeches/speech.aspx?speechid=1423>.
- 5 C. Coker, 'A Farewell to Arms: Europe's Meritocracy and the Demilitarization of Europe,' in Janne Haaland Matlary et al (Eds.) *NATO's European Allies: Military Capability and Political Will* (London: Palgrave Macmillan, 2013), p.54.
- 6 A. Menon and N. Witney, *After Paris: What Price European Defence* (London: European Council on Foreign Relations, 2015), p.3.
- 7 J. Howorth *Decision-Making in Security and Defence Policy Towards Supranational Intergovernmentalism?* (Berlin: Kolleg-Forscherguppe Working Group Series, Freie Universität Berlin, No. 25, 5, 2011).
- 8 J. Joffe, 'Europe's American Pacifier', *Foreign Policy*, No. 54 (1984): 64-82.
- 9 K. Waltz, 'Realist Thought and Neorealist Theory' in Robert Rothstein (Ed.) *The Evolution of Theory in International Relations* (University of South Carolina Press, 1991), p.19.
- 10 Tim Bird has argued that the consequences of asymmetry are not a 'problem' but a 'constitutive' feature of NATO. See T. Bird, "Perennial Dilemmas": NATO's Post-9/11 Afghanistan 'Crisis' in Ellen Hallams et al (Eds.) *NATO Beyond 911* (London: Palgrave Macmillan, 2013), p.119.
- 11 G. Snyder, 'The Security Dilemma in Alliance Politics', *World Politics*, No. 36, 1984.
- 12 Snyder, 'Security Dilemma', p.489.
- 13 'The United States has enduring interests in supporting peace and prosperity in Europe as well as bolstering the strength and vitality of NATO, which is critical to the security of Europe and beyond.' See US Department of Defense, *Defence Strategic Guidance* (2012).
- 14 See, for example: M. Olson and R. Zeckhauser, 'An Economic Theory of Alliances', *The Review of Economics and Statistics*, No. 48, 1966.
- 15 Snyder, 'Security Dilemma', p.491.
- 16 R. Jervis, 'Unipolarity: a structural perspective' in G. John Ikenberry et al (Eds.) *International Relations and the Consequences of Unipolarity* (Cambridge: Cambridge University Press, 2011), p.276.
- 17 See, for example: E. de Durand, 'Entente or oblivion – prospects and pitfalls of Franco-British cooperation on defence', *Future Defence Review Working Paper 8* (RUSI, London, 2010).
- 18 D. Raynova and I. Kerans, *The Wales Pledge Revisited: A Preliminary Analysis of 2015 Budget Decisions in NATO Member States* (London: European Leadership Network, 2015), p.9.
- 19 D. Kirkpatrick, 'Is Defence Inflation Really as High as Claimed?', *RUSI Defence Systems*, 2008, p.71.
- 20 M. Alexander and T. Garden, 'The arithmetic of defence', *International Affairs*, 77, 2001, p.528.
- 21 B. Jones, *Franco-British military cooperation: a new engine for European defence?* (European Union Institute for Security Studies, 2011).
- 22 S. Biscop et al, *The Future of the Benelux Defence Cooperation* (Egmont Institute, 2013).
- 23 J. H. Matlary and M. Petersson, 'Introduction', *NATO's European Allies*, p.6.
- 24 J. Judson, 'US Army budget to build force size in Europe', *Defense News*, 12 February, 2016
- 25 EEAS, *Preparing the December 2013 European Council on Security and Defence: Final Report by the High Representative/ Head of the EDA on the Common Security and Defence Policy* (Brussels: EEAS, 2013), p.2.
- 26 L. Simon, 'America's Asian rebalancing and the future of Europe' in Sven Biscop et al (Eds.) *The State of Defence in Europe: State of Europe* (Brussels: Egmont, 2013).
- 27 Simon, 'America's Asian rebalancing', p.25.
- 28 Menon and Witney, *After Paris*.
- 29 Matlary, 'Introduction'.
- 30 France, at least rhetorically, may still be an exception, although less so than in the past.

- 31 For example, 'Russia's strategy to revise the post-Soviet order in what it calls its "near abroad" will be pursued with even more perseverance following its victory over Georgia.' See J. Fischer, 'Realism about Russia', *Guardian*, 30 August 2008, <http://www.theguardian.com/commentisfree/2008/aug/30/russia.eu>.
- 32 NATO, 'Wales Summit Declaration', 5 September 2014, [http://www.nato.int/cps/en/natohq/official\\_texts\\_112964.htm](http://www.nato.int/cps/en/natohq/official_texts_112964.htm).
- 33 D. Bennett and H. Panahov, 'NATO needs an Emergency Council for timely crisis management', *Atlantic Council*, 14 September 2015
- 34 R. Righter, 'NATO's Obama Problem', *Politico*, 10 December 2015. <http://www.politico.eu/article/natos-obama-problem/>.

# **Economics and Trade**

# US View: It's the politics, stupidly...

Philip Bednarczyk and Andrew Whitworth

**T**he United States (US) – European Union (EU) trade and economic relationship is the cornerstone of both the US and EU economies and of the modern international system. It is already close and current trade policies look set to make it closer. The main threat is a political one. There are currently major domestic issues with economic and trade policy on both sides of the Atlantic, and the transatlantic economic and trade partnership is liable to become an easy scapegoat. This chapter identifies the top five threats, but comes to an ultimately optimistic view of the relationship: it is more vulnerable than in the past but it would take a concerted effort by politicians on both sides to pull it apart. This does not seem to be likely.

The US-EU trade and economic relationship is the cornerstone of both regional economies and of the modern international system. This is no coincidence. The transatlantic economic relationship represents 35% of global GDP, \$5.5 trillion in commercial sales, 15 million jobs in both regions, 30% of global trade in goods, 40% of the trade in services, and 57% of global foreign direct investment (FDI).<sup>1</sup> The economic importance of this relationship to each bloc is not in doubt.<sup>2</sup> Despite the growing role of China and other emerging markets in the global economy, as well as current US and EU economic challenges, the US and the EU (as a bloc) remain each other's largest trade and investment partners. The Congressional Research Service has calculated that the US-EU trade in goods and services amounted to \$1 trillion in 2013, making a US trade deficit to the EU of \$106.5 billion.

Although transatlantic trade flows are sizeable, the importance of the US-EU relationship is even greater from the FDI perspective. The US and EU are each other's largest investors, and FDI often serves as a major driver of transatlantic trade flows. In 2013, the US FDI in the EU totalled \$2.4 trillion (or about 56%) of total US direct investment abroad. Conversely, EU companies accounted for \$1.7 trillion (or about 62%) of direct investment in the US.<sup>3</sup> Despite the growth of emerging economies, which have been faltering recently, the two blocs' economic relationship remains robust.

The ability of the USA to promote and defend the international system through and beyond the Cold War has depended on the strength of the American

economy. European reconstruction and integration has likewise been founded on the 'European dream' of the post-war years, known as the *trente glorieuses*, or *glorious thirty*, and the ability of the EU to offer ever-increasing prosperity to its ever-increasing number of nations and citizens. There is no surprise, therefore, that weak economic performances since the 2008 financial crisis has caused US dominance of the international system, the stability of that system, and European integration to flounder.

The transatlantic trade and economic relationship has therefore always been about more than economics. At different times the different sides have focused on the different aspects of the relationship according to their priorities and the wider circumstances. What is not in doubt is that both the US and the EU see the trade relationship as one way of confirming the two regions' commitment to each other and of imposing themselves on the rest of the world. Thus in a moment of relative weakness we should expect to see a renewed bout of trade negotiations in some form to bolster economic integration. Following the 2008 financial crisis which shook the US economy and the Eurozone crisis from 2009 which continues to undermine the EU economy, there has been a renewed push to improve the transatlantic trade relationship. This has come in the form of the Transatlantic Trade and Investment Partnership (TTIP).

From the US perspective, the geopolitical aspects of the relationship are clearly predominant at the moment. Partly this reflects the already close integration

between the two economies,<sup>4</sup> partly the poor economic performance of the Eurozone,<sup>5</sup> and partly the similar needs of each economy. Because of this downplaying of the economic side of the relationship, the political side has come to the fore. This is clear in the aims of TTIP, which acknowledges that tariff barriers are already so low that the benefits of tariff reduction will come through indirect effects rather than a direct increase in trade ; for the EU a boost to demand, for the US this comes through setting international rules while still part of a declining 'pre-eminent' club.<sup>7</sup> Through TTIP, the US and the EU hope to continue to assert dominance in the international economic system, even while their relative economic and geopolitical influence wanes.

Broadly speaking the reasons for the trade agreement can be put into three categories: economic, systemic, and domestic. It goes without saying that TTIP aims to boost growth in both economies, but with already historically close trade links and unspectacular growth on both sides of the Atlantic (to say the least), it seems that other reasons are more important.

Systemically we have already noted how TTIP and closer economic cooperation between the US and EU is seen in the US as a way to 'lock-in' a dominant position in the international order. But what of domestic politics?

As we make clear, what looked like a win-win proposition by politicians on both sides of the Atlantic to create a 'historic' agreement that would 'find a way to growth' while 'affirming friendship' between the heartlands of liberal democracy has come to be framed – again, on both sides – as an elite project that will harm workers' who have already been hardest-hit by the economic crises of the last eight years.<sup>8</sup> The US finds itself in an uncomfortable position of railing against the Trans-

Pacific Partnership (TPP) for its loosening of workers' protections and regulatory standards while being assailed in the EU for the exact same thing with TTIP. The irony – while amusing – does not make the transatlantic relationship any easier. The popularization of trade policy is beginning to cast a noticeable shadow over the future of US-EU economic relations: the exact opposite of what this new push was intended to do.

We should be clear: TTIP is not the entire transatlantic trade relationship, let alone the economic relationship. It is, however, the current focus. There was a trade and economic relationship before TTIP; there will be one afterwards. This is true whether TTIP is finally agreed or not. But for the US both TTIP in the short-term and the wider economic relationship are both now more about asserting leadership in the world, and working out domestic political change, rather than trying to find ways to boost economic growth at home. For this the US now looks towards Asia. The US-EU trade and economic relationship is old and deep; it has boosted growth in both economies for many decades; it continues to provide economic and political benefits to both sides. Whether or not this strong foundation will allow the relationship to weather an unprecedented storm of economic sclerosis, international decline, and domestic anxiety depends on the political will of leaders on both sides of the Atlantic. This conclusion is not heartening.

## THE TRANSATLANTIC INTERNATIONAL PARTNERSHIP

As noted above, Washington sees the relationship with Europe as a strategically beneficial one, especially in terms of economic interests and advancing geopolitical goals. The US's much-flaunted 'Pivot' to Asia is real

TTIP is not the entire transatlantic trade relationship, let alone the economic relationship. It is, however, the current focus. »

for the US both TTIP in the short-term and the wider economic relationship are both now more about asserting leadership in the world, and working out domestic political change, rather than trying to find ways to boost economic growth at home. »

and rational, but relies on a solid relationship with its traditional allies and partners in Europe. Even as the US negotiates the TPP and builds a larger military presence in Asia, Europe remains its closest partner in the liberal world order; something sometimes taken for granted in Washington. In the geopolitical sphere, for example, it can be argued that the EU's participation in the sanctions regime on Iran brought the Iranians to the negotiating table for the nuclear deal.

Whatever one thinks of the US-EU trade relationship, the US needs the EU as an effective and cooperative partner on the world stage to support the US's leadership position. The US can no longer go it alone – if it ever could – and the EU remains its partner of choice. As Russia actively touts a different set of values in its sphere of influence, the EU and NATO become ever more important. Separately, the EU is concurrently negotiating bilateral Free Trade Agreements (FTAs) with countries in the Americas and Asia (Japan). Nevertheless, the efforts to accomplish the economic and aforementioned liberal geopolitical goals set forth by TTIP represent a deep understanding from both sides of the Atlantic that the relationship's economic health is in need of a boost and formalisation in today's changing world. The success of TTIP and the ideals it represents, therefore is a net positive for America. The negotiations recognise this, but the political undercurrent risks undermining meaningful progress. Failure in the TTIP negotiations would severely limit the transatlantic partners in shaping the world according to liberal, democratic values.

## DOMESTIC ANXIETIES

The populist and isolationist views that have been heard in the rhetoric of many of the US presidential candidates suggest a desire amongst some in the US to pause and reflect on the globalisation process. Bernie Sanders' surge in the polls on the left is a direct result of this while on the populist right, Donald Trump has been advocating for tariffs to combat an 'unfair system' where America is 'losing out', not the free trade argument one might expect from an ostensibly right-wing plutocrat. Nevertheless, the numbers show that the US economy is growing again at a time of attempted American retreat from the world stage. The risk for the transatlantic economic relationship is that populist presidential candidates manage to imply causality in this coincidence and promote further isolationist tendencies among the American public.

In the US, candidates from both sides of the aisle are stoking ideas that the world is a dangerous place, America is better off alone, and we must get our house in order before we open the doors to deeper world trade in Asia or Europe. Given the political strategic goals of the relationship (symbolised by TTIP), domestic politics are playing a destabilising role in tense times. Through the TPP paradigm, the American left sees Asia as the low labour cost and deregulated destination for all of American jobs.<sup>9</sup> The American populist right views TPP and TTIP as deals that give up American sovereignty.<sup>10</sup> On the other hand, Europe is seen as a sick and aging agent on the world scene.

In Europe, politicians from the left (GUE/United Left) and right (FN) use America, and on a smaller scale the EU, as symbols of everything bad in the world. TTIP is anathema to this worldview and in the lead up to presidential elections in the US and multiple elections in Europe, the relationship will be attacked and affected.

Examples of these anti-globalisation threads are numerous. A popular petition being spread by the European Green party,<sup>11</sup> which calls to stop TTIP negotiations, has gathered over 3 million signatures EU-wide with the largest number being from Germany. From the right, France's Front National consistently rails against TTIP and US influence in the EU, all while promoting an anti-EU message, as the supreme threat to French sovereignty.<sup>12</sup> On a less important but symbolically significant level, even the UK parliament was forced by popular demand to debate whether or not to ban Donald Trump from the country – despite the UK being historically and ideologically the European country most committed to the transatlantic relationship and liberal economic and political ideals.

These populist political trends pose substantial problems to attempts to solidify the transatlantic economic relationship, an already strong relationship, but one that is at risk of fraying and weakening. It is our assessment that politicians from both Europe and America should note the changing nature of the world and realise that a strong transatlantic relationship, solidified by an ambitious trade deal, would make our societies more prosperous and, by extension, our values safer than ever in an era of global flux.



## DIVERGING ECONOMIES

The populist politicians are, however, just exploiting a widening rift between the European and American economies: they have not caused it. The gaps between the two economic blocs are growing, as shown by a number of relevant indicators. Most significantly, the US has been experiencing successive years of growth after the global economic crisis, while the EU continues to struggle to exit the crisis and achieve stable economic growth. Although the American economy's future positive growth trajectory faces significant hurdles, the general consensus acknowledges its relative health compared to Europe.

Other important indicators underlie the growth divide and should be noted. The divisions in trade, energy policy, and monetary policy, are creating different paths for the two economic blocs. More specifically, the US has consistently seen its trade deficit with Europe widen and with a strengthening dollar this will continue. In energy policy, the US has benefited from the much touted shale boom and recently lifted its crude oil export ban, making it an even larger player in the energy markets and less reliant on energy imports.<sup>13</sup> Finally, the Federal Reserve recently reversed its policy of monetary easing and signalled a long-term path towards higher interest rates.

In all three cases, the EU is experiencing the post-crisis era differently. With a weaker Euro, Europe still relies heavily on exports with Germany being the main benefactor. In the energy sector, Europe is still overly reliant on Russian imports and is only slowly working its way towards a more efficient and independent future. And on monetary policy, the European Central Bank only recently began its version of quantitative easing, with no sign of rising interest rates in the near future.<sup>14</sup>

Above all, in both continents, the atmosphere of sluggish economic growth has led to generally pessimistic feelings towards the political class, as surveys consistently show that citizens name the economy as one of the most important concerns facing their countries.<sup>15</sup>

In this environment of diverging economies, political populism, and the pull of illiberal democracy, an ambitious TTIP agreement will be difficult to reach. A divided EU and a divided transatlantic community is a dangerous prospect for the post-WWII order and plays into the hands of those with other plans for

global norms, such as Putin's Russia. Nevertheless, even an agreement that postpones or leaves out contentious issues such as defence articles, agricultural subsidies, and rules of origin, while finding resolution over tensions surrounding the Investor-State Dispute Settlement mechanism, will be a healthy step forward for both sides of the Atlantic both economically and geopolitically. Using the economic relationship to overcome domestic political troubles across the Atlantic is the best hope of stabilising and strengthening the international system, which is in the US's national interest.

## THE TOP FIVE THREATS

Five potential pitfalls can be seen along the road to a closer and popularly accepted trade regime.

The first is inherent: if the trade relationship is there to bind the economies together, what if these economies simply are moving in opposite directions?

Far from trade linking the two economies, economic divergence could simply break the trade relationship apart.<sup>16</sup> It is not merely that the aggregate EU economy seems to be diverging from the US, as we noted above, but divergence within the EU is extreme. Even leaving aside extreme cases such as Greece, or semi-detached member-states such as the UK, the economic prospects of the engines of Europe, France and Germany, look very different. When we talk about the US and EU economies converging, or the benefits of further trade integration across the Atlantic, it is no longer obvious what exactly we are talking about. The consolidated figures for the EU economy no longer tell us a very useful story. Economic divergence within and between the Atlantic economies could also lead different states to try to find support in different quarters, as we have already seen with Cyprus and Russia during the crisis and Greece and China. All this undermines the historic link between the transatlantic economies.

As the two economies continue to change shape and gaps between the two grow, a clarification of the trade and regulatory agreements would ensure that our values and business are protected, a case made particularly by Dan Hamilton.<sup>17</sup> Hamilton has been and continues to energetically make the argument for TTIP in and around both the EU and the US. Recently Ben Bernanke outlined his analysis on what the EU's decision makers have gotten wrong and how the EU is diverging from the US<sup>18</sup> Interestingly, Bernanke

calls for the EU to address the large and consistent trade imbalances within the Eurozone, not just the external ones.<sup>19</sup>

The second threat is the domestic political problems facing transatlantic trade.

Most observers feel that TTIP is generating more heat than it ought to. Long-term, structural benefits are losing out politically to short-term concerns. This is normal enough in a democratic nation, but usually some form of elite-thinking or 'establishment' can be prevailed upon to get its way: especially on technical and international issues. Will this happen again this time around?

The current populist rhetoric that is gaining traction in all states is not encouraging. We can see examples of this in US recalcitrance to respecting European 'geographical indication' (designations of protected origin), e.g. Champagne from France and Parmesan cheese from Italy (*Parmigiano Reggiano*). At heart these are all fairly simple examples of hidden protectionism, but ones bound up with highly salient political expression.

The domestic political situation in the US is driven by the election cycle and in this presidential election year, it can be difficult to differentiate between the noise the campaigns are creating and what is actually possible given the politics on the ground. The two are not separate, but the campaigns, along with the ads and primary campaigns that are designed to consolidate the base in each party, clog the airwaves and dominate the political conversation. Such is the nature of US democracy.

As the populist wings of both the left and right surge in the primary races, their rhetoric is fuelled by the belief that international trade, and therefore TTIP and TPP, represents a huge net loss for American workers. Senator Sanders referred to the Trade Promotion Authority (TPA) as "a disaster for America",<sup>20</sup> stressing the negative impact on the working class, while Mr. Trump sees America as losing to China and the TPP as "a horrible deal... designed for China to come in, as they always do, through the back door and totally take advantage of everyone."<sup>21</sup> Although these candidates do not represent the mainstream or the Congress, they are revealing and stoking fears of the outsider, causing American voters to look inwards.

Furthermore, consumer protection groups and labour have been vocal about their anti-TPP stance. Voices such as trade union federations like the AFL-CIO have driven the scepticism surrounding international trade.<sup>22</sup> Paired with the presidential election, the consumer and worker protection organisations form a powerful force, even if their message is predictable. Even though TTIP may be a deal between two largely aligned economies, TPP is first on the calendar and it is important for the sitting Congress to work with President Obama to pass TPP within 2016.

Third, from a US perspective one of the biggest threats to the US-EU trade relationship now comes from threats to the EU's coherence and capacity to act.

The potential for a hollowing out of the EU so that its form remains but member states take back ever more and diverse competencies would render the EU effectively useless as an international interlocutor. Already, the Single Market is threatened by the breakdown of Schengen and the attempt in some member-states (e.g. the UK) to slow down the free movement of people through restricting what welfare they can access. Capital has had a hard time flowing freely through the Single Market since the financial crisis because financial institutions have not been convinced that, ultimately, a euro in Greece is worth the same as a euro in Germany. The European Central Bank has spent a lot of time and effort to reassure financial markets – largely with success compared to the apocalyptic scenarios that seemed imminent – but persistently significant government bond spreads within the Eurozone show that the pre-crisis consensus assumptions about financial convergence within the single currency has been cut to shreds. Two of the three pillars of the Single Market – the free movement of goods, capital, and people – are under significant threat.

The challenges facing the EU – migratory, political, and economic – are manageable separately, but amongst a rising tide of populism and in the face of referenda concerning nations' relationship with states and the EU, a perfect storm may be brewing. The Eurozone will be forever changed after Greece walked back from the brink in the summer of 2015. George Soros generally captured the sentiment in America,<sup>23</sup> arguing that the current EU is not sustainable but the EU's breakup is by no means inevitable. Rather, policy makers see the EU as a body that needs to adjust to fast moving issues that can have dangerous political consequences from both the right and left, putting the project's success at risk.

The potential exit of member states such as the UK raises a host of questions. Can TTIP move ahead (or survive) without the UK inside the EU? Would a British exit plunge the EU and UK into years of internal negotiations and navel gazing, and might the loss of the UK make the EU less open and more protectionist. Would a British exit begin the EU's unravelling? The potential for destructive or transformative changes unleashed by a British exit are generally heard in the US from those who have a personal preference for the end of EU in its current form, for example at the DC-based right-wing Heritage Foundation.<sup>24</sup> Others, such as the Cato Institute, the American Enterprise Institute, or Brookings are more circumspect as to the impact this would have on the transatlantic economic relationship. It is no coincidence that particular views on the relative likelihood and desirability of the EU's break-up tend to fall down along partisan lines, given the argument that this relationship is largely driven by politics rather than trade. The US government's own worries about the break-up of the EU are clear in the increasingly frequent warnings to the UK not to leave as made by US officials and by the President himself.<sup>25</sup>

Finally, frustrations leading to intransigence within the negotiations could easily scupper the deal.

Frustration in negotiations is normal; what is not normal is the political salience of the topics on both sides of the Atlantic, something being exacerbated by electoral politics. Within the US Congress, the pro-trade movement has been able to rely on support from the likes of Republican House Speaker Paul Ryan. Speaker Ryan was instrumental in getting Congress to grant President Obama Trade Promotion Authority (TPA) and will be key in getting any trade deal, trans-Pacific or trans-Atlantic, to the floor for a vote prior to 2017. Support for the deal will also need limited, but crucial, support from a small group of Democrats in Congress. In the Senate, Senator Pat Murray of Delaware has represented an important group of pro-trade Senators, while in the House, Congressman Steny Hoyer has been an effective pro-trade voice amongst a small group of Democrats.

## LOOKING AHEAD

From the US perspective, most risk to the trade partnership comes from the EU – either economically or politically. Partly this is due to the nature of politics on both sides and we should not forget the significant risk to the relationship from US populism. More to the

point though, from the US point of view, the greatest risk is the current fragility of Europe. What kind of partner can the EU be to the US globally if it is riven by internal fault-lines and teetering on the edge of collapse itself? For that reason we argue that the future fate of the transatlantic economic relationship lies in Brussels more than Washington.

The risks to the relationship are not insurmountable, but they are problematic, and they need to be dealt with. Unfortunately at the moment it seems that both sides of the Atlantic take their economic and trade relationship so much for granted that it can be used as a domestic political football (spherical or oval). This is unedifying, but it is unlikely – at least in the short-term – to be fatal.

The relationship has a long and successful history, and is already so close that it would take concerted political effort to pull the two economies apart. Most likely, looking forward, is that it will drift until another crisis, political or economic, comes along on either side of the Atlantic and revives politicians' waning interest in their closest international partners.

## POLICY RECOMMENDATIONS

1. Complete TTIP as quickly and thoroughly as possible. This is not so much for the trade benefits themselves (as we have seen, the trade relationship is already close) as for the political signal it will give to each partner about the value placed on the Transatlantic economic relationship.
2. Success in TTIP could profitably lead to a regular (annual or bi-annual) trade and economic forum between the US and EU where problems can be discussed in a transparent manner, solutions found, and improvements sought, as a way to institutionalise the relationship.
3. US and EU politicians should avoid impractical populist approaches. The transatlantic economic and trade relationship is close but could be blown apart by intemperate, short-term politics. The best defence against political risk to the economy lies in moderate pro-trade politicians. ■

## NOTES

- 1 D. Hamilton and J. Quinlan, *The Transatlantic Economy 2015* (Center for Transatlantic Relations Johns Hopkins University, Washington DC, 2015) ; and Delegation of the European Union to the United States, 'EU-US relations: Trade and Investment', accessed on 24 December 2015 at: <http://www.euintheus.org/what-we-do/policy-areas/trade-investment-and-business/eu-us-relations-trade-and-investment/>
- 2 W. Cooper, *EU-U.S. Economic Ties: Framework, Scope, and Magnitude*, Congressional Research Service, 21 February 2014.
- 3 *Ibid.*
- 4 J. Francois, *Reducing Transatlantic barriers to trade and investment*, (CEPR, London, March 2013).
- 5 The Economist, 'European economy guide', London, 13 November 2015, <http://www.economist.com/blogs/graphicdetail/2015/11/taking-europe-s-pulse> accessed Mar 2016.
- 6 DG Trade European Commission Factsheet, 'Trade in goods and customs duties in TTIP', January 2015, [http://trade.ec.europa.eu/doclib/docs/2015/january/tradoc\\_152998.1%20Trade%20in%20goods%20and%20customs%20tariffs.pdf](http://trade.ec.europa.eu/doclib/docs/2015/january/tradoc_152998.1%20Trade%20in%20goods%20and%20customs%20tariffs.pdf).
- 7 Hamilton and Quinlan, *The Transatlantic Economy 2015*.
- 8 For the pro-TTIP language see President Barroso's comments at the launch of TTIP at the 2013 G8 summit in Northern Ireland (which can be found here: [http://europa.eu/rapid/press-release\\_SPEECH-13-544\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-13-544_en.htm)) ; Obama's pro-trade agenda has been rejected in Congress by both Democrats and Republicans: <http://www.theguardian.com/business/2015/jun/12/obama-trade-deals-congress-trans-pacific-partnership>.
- 9 Press release from Senator Bernie Sanders, 'The Trans-Pacific Partnership (TPP) must be defeated', May 2015, <http://www.sanders.senate.gov/download/the-trans-pacific-trade-tpp-agreement-must-be-defeated?inline=file>.
- 10 C. Gomez, 'Trans-Pacific Partnership (TPP) agreement threatens US sovereignty', *NewAmerican*, 11 December 2015. <http://www.thenewamerican.com/usnews/foreign-policy/item/22114-trans-pacific-partnership-tpp-agreement-threatens-u-s-sovereignty> accessed Mar 2016.
- 11 'Stop the TTIP and CETA petition' <http://ttip2016.eu/sign-the-petition-against-ttip-and-ceta-copy.html>.
- 12 'RT News, "We must resist corporations": Le Pen targets troubled TTIP deal in new campaign', *RT*, 19 May 2015, <https://www.rt.com/news/259805-lepen-ttip-campaign-secrecy/>.
- 13 BBC News, 'US spending bill lifts 40-year ban on crude oil exports', 18 December 2015. <http://www.bbc.com/news/business-35136831>.
- 14 G. Claeys, A. Leandro, and A. Mandra, 'European Central Bank quantitative easing: the detailed manual', *Bruegel*, 11 March 2015, <http://bruegel.org/2015/03/european-central-bank-quantitative-easing-the-detailed-manual/>.
- 15 For the US, see Gallup, 'Most Important Problem', <http://www.gallup.com/poll/1675/most-important-problem.aspx> ; for the EU (along with immigration and terrorism in the past year), see European Commission, 'Public Opinion', <http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2098>.
- 16 Akin to the deep structural forces that destroyed the international free trade order in the 1930s.
- 17 See Hamilton and Quinlan, *The Transatlantic Economy 2015*.
- 18 B. Bernanke, 'Greece and Europe: is Europe holding up its end of the bargain?', *Brookings*, 17 July 2015, <http://www.brookings.edu/blogs/ben-bernanke/posts/2015/07/17-greece-and-europe>.
- 19 S. Matthews, 'Bernanke says US far outperforms EU and rest of the world' *Bloomberg Business*, 8 October 2015, <http://www.bloomberg.com/news/articles/2015-10-08/bernanke-says-u-s-far-outperforms-europe-and-rest-of-the-world>.
- 20 C-SPAN, 'Sen. Bernie Sanders: TPA, a disaster for America', 23 June 2015, <http://www.c-span.org/video/?c4541798/sen-bernie-sanders-tpa-disaster-america>.
- 21 C. Yoingman, 'Trump says China gets an advantage from the trans-Pacific Partnership', *Politifact*, 12 November 2015. <http://www.politifact.com/truth-o-meter/statements/2015/nov/12/donald-trump/trump-says-china-will-take-advantage-trans-pacific/>.
- 22 AFL-CIO, 'US-EU free trade agreement (TTIP)', AFL-CIO briefing, <http://www.aflcio.org/Issues/Trade/U.S.-EU-Free-Trade-Agreement-TTIP> accessed Mar 2016.
- 23 Bloomberg, 'Soros: the EU is falling apart, Greece is still a problem' *Bloomberg*, 21 January 2016, <http://www.bloomberg.com/news/videos/2016-01-21/soros-the-eu-is-falling-apart-greece-is-still-a-problem>.

- 24 T. Bromund, 'The top ten US myths about the European Union', *CAPX*, 21 January 2016, <http://capx.co/the-top-ten-u-s-myths-about-the-european-union/>.
- 25 The Guardian, 'US warns Britain: if you leave EU you face trade barriers to trading with USA', 28 October 2015. <http://www.theguardian.com/politics/2015/oct/29/us-warns-britain-it-could-face-trade-barriers-if-it-leaves-eu> ; BBC News, 'Full transcript of BBC interview with President Barack Obama', 24 July 2015, <http://www.bbc.co.uk/news/world-us-canada-33646542>.

# EU View: Four Reasons Why TTIP May Fail and Why It Will be Europe's Fault

Tereza Novotná

**D**espite clear economic and geopolitical advantages, TTIP has become one of the most controversial agreements to ever be negotiated by the European Union (EU). In contrast to initial expectations, it might be the ratification process within the EU which proves to be more difficult than that in the United States (US) Congress. This chapter focuses on how we got to where we are now in the public debate on TTIP from a European perspective and explains that a potential failure to ratify TTIP in Europe would be a result of weaknesses in the EU's system of governance created by the Treaty of Lisbon. The chapter argues that the public discourse among national leaders born from a sense they are not responsible for TTIP may eventually block the agreement. Secondly, various actors, including the European Parliament, are using the TTIP debate and aspects of it, such as questions over transparency and the investor-state-dispute-settlement (ISDS) mechanism, to their advantage in the institutional turf wars rather than as a matter of common good. Finally, the chapter points to a lack of 'throughput legitimacy' of TTIP being the cause for why public opinion has shifted from 'permissive' to 'constraining' and how this is likely to shape TTIP's destiny. In other words, if TTIP fails, it will be Europe's fault.

Terrorists attacks in Europe, Da'esh<sup>1</sup> threatening peace and stability in the Middle East, Russian aggression on the Eastern flanks of the EU, immigration inflows causing tense debates on both sides of the Atlantic and the rise of China and other emerging economies in Asia, all mean that more than ever there is a need for a strong transatlantic partnership. Although it tends to get overshadowed by headline-grabbing events, negotiations over the Transatlantic Trade and Investment Partnership (TTIP) might prove to be the most significant development that could shape the transatlantic partnership for the foreseeable future.

From an economic perspective, with one notable exception,<sup>1</sup> scholarly studies<sup>2</sup> predict that TTIP will boost the GDP growth in the US and Europe as well as worldwide, increase mutual exports and FDI<sup>3</sup> and, in Europe, have a positive impact on economies of individual EU member states.<sup>4</sup> Moreover, even though TTIP is primarily a trade deal, if concluded it will have far-reaching global implications for both the US and the EU.<sup>5</sup> A successful TTIP will not only strengthen the transatlantic alliance internally but also reinforce the standing of the two partners, together and individually, *vis-à-vis* third countries. A comprehensive TTIP, along with its partner, the Transpacific Partnership (TPP) deal, would allow the US and EU to set global trade standards<sup>6</sup> and extend their mutually agreed rules across borders.<sup>7</sup>

Yet despite these clear economic and geopolitical advantages, TTIP has become one of the most controversial agreements to ever be under negotiation in Europe. From anti-TTIP public demonstrations in various European capitals through to online and social media campaigns to vocal 'TTIP-skeptics' in the European (and some national) parliaments, opponents of TTIP portray the agreement loudly as a catastrophic scenario which will dismantle the European social model, lower environmental, health, and food protection standards, and sell off the European regulatory systems to the hands of multinationals. Meanwhile, TTIP's supporters remain largely silent.

This is however not to say that the EU negotiators should accept any American proposal on the table or that some of the concerns voiced by the critics do not have their merits. Nonetheless, in contrast to initial expectations that the final TTIP deal would have a hard time passing through the US Congress, it might in the end be the ratification process within the EU which proves to be more difficult and even lead to TTIP's rejection. If this happens it will not be due to the power of the arguments put forward by the anti-TTIP campaigners, since many of them have been repeatedly refuted as grossly exaggerated or even unfounded.<sup>8</sup> Rather, a potential failure to ratify TTIP in Europe would be a result of weaknesses in the EU's system of governance

that were supposed to be solved by the Treaty of Lisbon. Although the Lisbon Treaty did alleviate some problems, TTIP exposes Lisbon's remaining deficiencies and, in fact, intensifies them. In other words, if TTIP fails, it will be Europe's fault.

This chapter focuses on how we got to where we are now in the public debate on TTIP from a European perspective and explains why a TTIP deal may fail in Europe. To do so the chapter assesses the role of EU leaders, their public discourse on TTIP and how a lack in sense of national ownership may eventually block the agreement. The chapter then looks at the institutional turf battles between various EU institutions and actors who are using TTIP to their advantage rather than as a matter of common good. Throughout the chapter we examine several aspects of TTIP, such as questions of transparency and the investor-state-dispute-settlement (ISDS) mechanism; issues that have been taken hostage by various groups in order to press for their own interests. Finally, the chapter points to a lack of 'throughput legitimacy' of TTIP being the cause for why public opinion has shifted from 'permissive' to 'constraining' and how this is likely to shape its destiny.

## NATIONAL LEADERS, PUBLIC DISCOURSES AND OWNERSHIP OF TTIP

For direct observers, TTIP "has been from the outset, is at present and will have to continue to be a *Chefsache*"<sup>9</sup> (a 'matter for the boss'). This has been on display in TTIP negotiations where the high level of engagement by European national leaders has distinguished it from previous trade negotiations that were conducted by the EU.<sup>10</sup> However, because of the post-Lisbon Treaty institutional arrangements of the EU, member states have no direct control over the TTIP negotiation process and, therefore, have less desire and fewer means available to them by which they can ensure the negotiations are a success. Indeed, if TTIP negotiations fail, national leaders can then blame the 'faceless' European Commission bureaucrats.

From the EU-US summit establishing a High-Level Working Group on Jobs and Growth (HLWG) in November 2011, TTIP-related meetings at the margins of G7/G8 summits and through to several successive European Council Conclusions,<sup>11</sup> the attention of EU member states and their leaders paid to TTIP, particularly in contrast to other trade negotiations, has indeed been extraordinary. It is also true that the

impetus to initiate TTIP negotiations with the US came from EU member states, in particular because European leaders were keen on using a free trade deal with the US to boost jobs and growth after a protracted financial downturn. The influence of EU member states was therefore very high, easily overriding the concerns of trade experts on both sides of the Atlantic.<sup>12</sup>

Yet, TTIP has run into problems because of the peculiar system of power and competence-sharing within the EU. Because the EU's 'common commercial policy' is an exclusive power of the EU,<sup>13</sup> once the process of negotiations is set off it is the European Commission, and DG Trade in particular, which sits at the negotiating table with the American counterparts on behalf of all 'EU-28 Member States'. In practical terms, EU member states can voice their views and concerns as well as obtain regular detailed debriefs by Commission officials on the outcomes of the TTIP negotiating rounds through the Council of the EU's weekly Trade Policy Committee (TPC), and bi-weekly Working Group on Transatlantic Relations (COTRA) meetings. Despite this, throughout the negotiation process, EU member states have been more or less passive receivers of information rather than active agents. Given the massive impact of a transatlantic deal, TTIP could increase the clout of the EU's supranational institutions, and the Commission in particular, *vis-à-vis* EU member states more than any other trade agreement.<sup>14</sup>

Although the Lisbon Treaty clarified the EU's powers and strengthened the influence of the Commission (as well as the European Parliament, see below) in the trade and investment areas, in effect, due to lower input by member states, it decreased national leaders' sense of ownership of the trade negotiation process and their willingness to risk their political capital on its outcome. This was particularly so since other big issues and crises often loom large at the same time. This would be much less of a problem in other Free Trade Agreement (FTA) negotiations that create nearly no public reaction, such as that currently ongoing with Japan or the 2011 FTA agreed with the Republic of Korea. However, due to the heated debate surrounding TTIP, and the Commission's limited ability to conduct its own public diplomacy, the Lisbon set-up has disincentivised European leaders to get engaged, explain, and publicly support TTIP, while making them more prone to disown what they have themselves previously agreed 'in Brussels'.

“ In the EU, it is often the case that national leaders agree amongst themselves on an issue at an EU summit only to then condemn the same decision when back home and so shift the blame by saying ‘Brussels made me do it.’ As a result, the gap between the coordinative and communicative discourse leads to low legitimacy for the decisions taken jointly with other member states and within a context of ever more critical domestic publics. ”

The Commission itself pointed this out in 2013, saying that it would need to work closely together with EU member states to “collectively manage and coordinate our communication and outreach strategies.”<sup>15</sup> In 2015, Commission President Juncker complained that member states should “stop the ‘double-speak’ between what is said during meetings in Brussels and what is said in public, and make sure they commit and stick together in the process...talking about the benefits, listening to people’s concerns, responding to them.”<sup>16</sup> This complaint has been supported by others around the EU, most notably by the House of Lords. The European Union Committee of the British Upper House<sup>2</sup> concluded in a report on TTIP that the Commission “cannot be expected to make the case for the TTIP... EU Member States are not bearing their fair share of responsibility for transparency and communication around the project.”<sup>17</sup>

In a sense, the EU faces an ‘enlargement paradox’: during an EU enlargement it is the member states that lead the accession negotiations, while the Commission stands in the background providing wider objectivity to the process through its technical expertise.<sup>18</sup> In TTIP, as with any other trade negotiation, the situation is the reverse: the Commission conducts negotiations but legitimacy of the process is provided by EU member states and it is their politicians who are now reluctant to do so over TTIP.

From an academic perspective, the TTIP negotiations and debate are good examples of ‘discursive institutionalism’ and the difference between two types of public discourse: a coordinative discourse among the elites and a communicative discourse between the elites and masses.<sup>19</sup> In the EU, it is often the case that national leaders agree amongst themselves on an issue at an EU summit only to then condemn the

same decision when back home and so shift the blame by saying ‘Brussels made me do it.’ As a result, the gap between the coordinative and communicative discourse leads to low legitimacy for the decisions taken jointly with other member states and within a context of ever more critical domestic publics.

The question of transparency and, in particular, the agreement on and publication of the TTIP negotiation mandate provides an illustration. Between March and June 2013, the Commission launched procedures to obtain a negotiating mandate. The Commission’s draft was approved unanimously by the Council (and received an input by the European Parliament) within just four months, a record time by EU standards.<sup>20</sup> Despite this short stretch of time, those member states who were keen on certain issues were able to exert pressure on their colleagues to achieve changes to the draft. For example, at France’s insistence, audiovisual services were removed from the mandate and have thus been considered ‘non-negotiable.’ The Council’s unanimous vote on the mandate allowed TTIP negotiations to begin on 14 June 2013.<sup>21</sup>

At the time of the mandate’s approval by the Council, no national leader protested against inclusion of ISDS.<sup>22</sup> Yet, public opinion on ISDS (if not TTIP as such) has become increasingly contested, in no small part thanks to civil society activists particularly in Austria and Germany.<sup>23</sup> Austrian Chancellor Faymann, who has been in the office since 2008 and therefore during the period leading up to the launch of TTIP negotiations, experienced a change of his heart and became one of the fiercest opponents of ISDS, condemning it as an outdated institution which benefits corporations.<sup>24</sup> Despite agreeing to the mandate, Faymann threatened to file a



lawsuit with the European Court of Justice should ISDS become a part of TTIP, and made the unusual move of making a unilateral declaration to this effect during the March 2015 Council meeting.<sup>25</sup> More recently, Faymann declared himself to be opposed to the Investment Court System (ICS), the reformed ISDS tribunal proposed by the Commission.<sup>26</sup>

In a similar vein, growing dissatisfaction with ISDS and TTIP in Germany saw SPD<sup>3</sup> Vice-Chancellor Sigmar Gabriel prevaricate over the old ISDS system.<sup>27</sup> While he seems content with its newest version, this may be because TTIP is a part of the coalition treaty with Angela Merkel's CDU<sup>28</sup> and thus torpedoing TTIP would have consequences for the unity of the German grand coalition. A legitimate debate on the possible reforms of the arbitration system which, in contrast to the proposed scale of EU-US regulatory cooperation, is not the most important aspect of TTIP has therefore become a magnet for other political interests, such as the quest for popularity within the political elite and anti-globalisation sentiments among the activist public (see below).

It has not only been ISDS but also a lack of transparency that have been one of the key criticisms levied by various civil society organisations against TTIP. The demand to publish the negotiating mandate became the first target of public pressure. Aware of the increasing public backlash against TTIP, it was Commissioner De Gucht and DG Trade who early on advocated publishing the mandate.<sup>29</sup> Yet, the Commission received most blame for keeping the talks out of public scrutiny despite the fact that this was due to a blocking minority of 11 member states<sup>30</sup> who at a Council meeting in May 2014 prevented the mandate from being published, a particularly ludicrous decision given the fact that the mandate had been leaked and had been available online for several months.<sup>31</sup> It took several more months and growing public pressure to reach a unanimous Council decision to publish the mandate in October 2014.<sup>32</sup>

The incoming Juncker Commission, appointed in 2014, included Trade Commissioner Cecilia Malmström who made transparency of TTIP negotiations one of her flagship initiatives. This included publishing all the EU's textual proposals, i.e. specific proposals for legal texts for individual TTIP negotiation chapters that set out the EU's negotiating positions, with the first batch made public on 7 January 2015 and the latest set of documents published on 21 March 2016. However,

the damage over an alleged lack of transparency had already been done, even if the negotiations were now rightly described, including by some of those who are unhappy with certain aspects of it, as a trade negotiation with an unprecedented degree of transparency.<sup>33</sup>

The impression of a lack of transparency, of TTIP as a 'behind the closed door' deal and hence a lack of legitimacy, has continued to stick since it is not possible to make the consolidated texts (i.e. legal textual proposals that include concessions and compromises of both sides) public before all the chapters are agreed upon in the expectation that 'nothing is agreed until all is agreed'. As evidenced above, this is exacerbated by two facts: firstly, in line with the contradiction between coordinative and communicative discourses, national leaders are not willing to invest much of their political capital into defending what has been negotiated within TTIP at home, but are happy to absolve themselves from any accountability while shifting responsibility to the Commission. Secondly, the topic of transparency has been taken up by other actors, such as the European Parliament, as a means of establishing itself as an equal partner to the Council within the interinstitutional 'several level game'.

## **THE EUROPEAN PARLIAMENT: THE NEW ACTOR ON THE SCENE AND THE BATTLE OF TTIP**

Following the Lisbon Treaty, where the European Parliament received more or less an equal standing with the Council as a co-legislative body through the ordinary legislative procedure within the EU, any EU FTA must be ratified by the Parliament.<sup>34</sup> No matter whether the Commission eventually judges that TTIP falls under the exclusive Common Commercial Policy (CCP), (and thus will be voted at the EU level only) or that TTIP represents a 'mixed agreement' interfering with Member State competences (in which case the national ratification processes will take place as well mostly through national parliaments), the European Parliament will approve or reject it on a simple majority vote.<sup>35</sup>

In fact, TTIP will be the first EU-US agreement that will be ratified by both the European Parliament and the US Congress.<sup>36</sup> Because the Obama Administration managed to secure a fast-track Trade-Promotion Authority (TPA) from Congress in 2015, Congress has

in effect moved from a body that was allowed to add amendments both to the TPP and TTIP agreements to the same position as the European Parliament: they can both either say yay or nay to the final deal.<sup>37</sup> The European Parliament's role has therefore been likened to a 'permanent TPA'<sup>38</sup> due to the caveat that either the US House of Representatives or the Senate may under certain conditions withdraw their consents to the TPA, while the European Parliament does not have such a power.<sup>39</sup>

Nevertheless, the fact that the European Parliament enjoys the 'hard power' of thwarting any final arrangement has been portrayed as the basis of its political clout,<sup>40</sup> its 'ex-ante power'<sup>41</sup> or even its 'trump card'.<sup>42</sup> The European Parliament has shown that it can exploit its newly accorded competence by voting down the SWIFT (Society for Worldwide Interbank Financial Telecommunication) and ACTA (Anti-Counterfeiting Trade Agreement) agreements.<sup>43</sup> What is perhaps new with TTIP is that the European Parliament have tried to exert influence over TTIP from a much earlier stage than during the ratification period, as was the case with SWIFT and ACTA.

During the period of obtaining the TTIP negation mandate, MEPs more or less copied the approach of national leaders. In May 2013, a month before launching the negotiations, the European Parliament voted on a resolution that emphasised two main points: exclusion of audiovisual and the Parliament's insistence on being 'immediately and fully informed at all stages' of the TTIP negotiations.<sup>44</sup> As with national leaders, the European Parliament did not express any objections to ISDS being included. Yet once ISDS turned into one of the most controversial issues of the negotiations, the newly elected MEPs from both the Left and Right seized on it as the opportunity to show that they were the main guardians of the public's interests. It took them two years to realise this, but they did so with all the more force.

Before voting on a second resolution on TTIP in July 2015,<sup>45</sup> MEPs submitted nearly 900 amendments through 14 European Parliament committees, making it the most contested European Parliament resolution of all time.<sup>46</sup> In an unprecedented move, the initial vote was postponed and amendments that were largely related to ISDS were sent back to the International Trade (INTA) committee. In the end, a compromise was produced in order to satisfy primarily the Socialists and Democrats groups. This agreed that the Parliament

would approve TTIP only in the case of a revised version of ISDS was a part of the deal. Even so, about a third of the Socialists voted against the resolution<sup>47</sup> which, in a way, parallels the divide within the US Congress that is split on TTIP (and even more so on the TPP) not along party lines but across the aisle with mainly Democrats being against it.<sup>48</sup> In any case, TTIP may eventually lose a majority vote in the European Parliament if the Commission's revised ISDS (or ICS) proposal is rejected or watered down due to the objections by the US.

Even though the Lisbon Treaty strengthened the role of the European Parliament as the only directly elected body in the EU's decision making-processes, MEPs have to some extent started behaving similarly to their national counterparts. They have been quick to drop previously held views once they see they no longer correspond with popular demand back home, as opposed to trying to explain and defend their original positions. The contradiction between the coordinative and communicative discourse is thus being replicated in the European Parliament as well. Moreover, even if pressure by the Parliament to change ISDS might be considered a victory by the Parliament over the Council (and the Commission), paradoxically, it was achieved by using the same 'double speak' method that national leaders practice. As such they have done so through the means that the Lisbon Treaty should have reduced. For the future of the transatlantic relations it is a shame that the ISDS, and TTIP in general, might be the first victim of these post-Lisbon developments.

The European Parliament's tendency to use contentious subjects for its own institutional gain is well illustrated on another issue: transparency and the so-called 'reading rooms'. In contrast to the US Congress where, even under the TPA, the USTR must consult the individual members of Congress at any time they wish and provide them with all classified documents, the European Parliament is in a more passive position in which it is to be 'informed' rather than consulted. Although the Commission has been willing to provide more information than previously,<sup>49</sup> by using public pleas for more transparency the European Parliament has pushed for increased access to the consolidated texts through the opening of specially secured 'reading rooms' in the Commission and Parliament buildings.

Since spring 2014, select MEPs (for example, the Parliament's leadership, chairs of key committees and rapporteurs) have been able to access the consolidated texts of TTIP. After several more months

of pressing both the Commission and the US, all MEPs were granted access in December 2015.<sup>50</sup> As a result, the European Parliament successfully changed the 'institutional asymmetry' that favoured the EU member states who had more access than MEPs. Nonetheless, public criticism directed at the reading rooms as a 'sham transparency' persists, particularly because of complex security rules allowing for handwritten notes but no photocopies that could be taken away.<sup>51</sup> Given the high number of actors involved, it is probably only a matter of time before one of the classified documents is leaked.

National parliaments joined the European Parliament's demands for better access to the consolidated texts. That was initially allowed to a small group of MPs in each Member State at special premises in the US embassies in each capital. However, together with the European Parliament, national parliamentarians eventually received the same level of access as MEPs and, for instance, the German Members of the Bundestag may view the documents in a secured room at the German Economics Ministry.<sup>52</sup> It is one of the few instances where national parliaments have teamed up with the European Parliament in pressuring the governments of the member states.

It remains to be seen whether this level of access will lead MEPs or MPs to better communicate TTIP to the general public. As the Committee of Regions (whose key members may also access the classified documents in the Commission's reading room) pointed out, it is not clear how this information can be used to improve communication on the ground.<sup>53</sup> Moreover, some MEPs such as a Swedish Green MEP started calling for opening up the consolidated texts to all citizens, which is impossible to permit if there is to be anything left for the US and EU to negotiate over.

All in all, there are two lessons that TTIP can teach us about the role of the European Parliament. First, in contrast to the US Congress that voluntarily limited its control through agreeing to the TPA, the European Parliament has used TTIP as a way to increase its powers. In a way, we are witnessing two opposite processes across the Atlantic: in the US TPA contributed to a shift from the congressional to executive actors in handling TTIP, in the EU we have seen a shift from the executives towards the European Parliament. Second, actors who are not formally involved in the negotiations are those who can eventually ditch the deal, particularly if they have the public on their side.

## TTIP, THROUGHPUT LEGITIMACY AND A CONSTRAINING PUBLIC DISSENSUS

TTIP negotiations demonstrate how public opinion can matter in areas of European integration where previously public views were either ignorant or were ignored by elites. Although from the American perspective we can say that TTIP shows nothing much new and Europe is simply experiencing its 'NAFTA moment',<sup>54</sup> from a European perspective however there has been a significant change. TTIP represents a clear example of Hooghe's and Mark's<sup>55</sup> post-functional argument of the EU and EU policy making moving from a 'permissive consensus' to 'constraining dissensus' among European publics.

Moreover, these developments differ across EU member states. In the Czech Republic, for instance, where general support for TTIP is relatively high at around 62%,<sup>56</sup> the 'permissive consensus' still prevails: around 78% of the Czechs have never heard of TTIP or do not know what TTIP is about and, equally, 76% of the Czech citizens are not interested in knowing more.<sup>57</sup> On the other hand, in EU member states where anti-TTIP campaigners are particularly active through social media,<sup>58</sup> such as Twitter,<sup>59</sup> and which do not experience the same level of online engagement from TTIP advocates, the public 'dissensus' becomes constraining and is translated into the lowest levels of support for TTIP: Austria with 39%, Germany with 39%, and Belgium with 40%.<sup>60</sup>

This is perhaps in line with wider frustrations and feelings of disconnect between ordinary voters and politicians. TTIP's weak support is therefore in part the result of the so-called '80:20 society'<sup>61</sup> where 80% of the population do not see any direct benefits of a trade deal like TTIP, as much as they do not see any benefits that the European integration brings them in general. We can also look at it from a positive angle and see in the anti-TTIP civic activism the creation of a true Europe-wide public sphere and civil society. Or, it can be dismissed as a 'proxy war' by those who fight against globalisation corporate influence, and are anti-American.<sup>62</sup>

Nevertheless, there is a silver lining to the problems TTIP faces. Paradoxically, some of those who protest against TTIP do so to defend the rules and regulations that have been achieved throughout the last seventy years of European integration: it is the EU's environmental, health

and safety standards that they want to uphold rather than dismantle. The VW scandal also points to another paradox between reality and faith in EU standards. In 2014, 91% of Germans trusted EU standards for car safety more than American standards.<sup>63</sup> But it was the US environmental agency that detected the German car manufacturer's cheating of emission rules.<sup>64</sup>

Therefore it is 'throughput legitimacy' which is needed to make sure TTIP is agreed in Europe. In other words, it is not enough to focus either on the output legitimacy from delivering the goods (such as 'TTIP will bring jobs and growth', a position advocated by Commissioner De Gucht), or input legitimacy (whereby 'all stakeholders are consulted' in the decision-making process, as often emphasised by Commissioner Malmström). We also need 'Throughput' legitimacy<sup>65</sup> of the negotiation process as such, i.e. that both national leaders and politicians at the EU level make clear that they take part, trust in and support what goes on in the 'black box' of EU governance. This throughput legitimacy depends however on them resisting the temptation of caving in to public pressure at home by blaming 'the EU' for a bad TTIP deal.

If TTIP fails in Europe, the EU will be blamed but, in fact, national politicians will be responsible. On the other hand, the EU's institutions, especially the European Parliament, should avoid using TTIP and its various aspects, such as transparency and ISDS, as part of the power struggles between themselves. All sides in the EU need to recognise that if TTIP is not ratified but TPP is, it will allow the US to set global trade and regulatory standards with Pacific allies such as Japan, leaving the EU to play catch up at a later date.

## POLICY RECOMMENDATIONS

1. EU member states, and their national leaders in particular, need to get involved in the public debate about TTIP in their home countries, explaining and defending what they have agreed 'in Brussels' and what has been negotiated at the EU level with the United States. The Commission's DG Trade communication unit should better coordinate its work with national ministries, thereby increasing the sense of member states' ownership of the TTIP process.
2. The European Parliament and national parliaments should use their increased access to negotiating texts to inform their voters about the costs and benefits of TTIP. Both European and national parliamentarians should familiarise themselves with fact based advantages and disadvantages of various aspects of TTIP, such as ISDS and regulatory cooperation, through consultations with experts. They should avoid using TTIP for turf wars with other EU institutions.
3. All actors, from EU member states and European Commission through to European and national parliaments, should focus on an informed debate on the geopolitical aspects of TTIP and consider the consequences for the EU and its member states of TTIP failing. ■

## NOTES

- 1 J. Capaldo, *The Trans-Atlantic Trade and Investment Partnership: European Disintegration, Unemployment and Instability* (Medford MA: Tufts University, 2014).
- 2 See, for instance, CEPR, *Reducing Transatlantic Barriers to Trade and Investment: An Economic Assessment* (London: Centre for Economic Policy Research, 2013).
- 3 For an overview of various models examining the costs and benefits of TTIP, see, for instance, F. Mustilli, 'Estimating the Economic Gains of TTIP', *Intereconomics* Vol. 50, no. 6, 2015 ; G. Felbermayr, *Die TTIP Debatte in Deutschland* (Paris: ifri, 2015), p.13.
- 4 World Trade Institute, *TTIP and the EU Member States* (Bern: University of Bern, 2016).
- 5 D. Hamilton and J. Pelkmans (Eds.), *Rule-Makers or Rule-Takers? Exploring the Transatlantic Trade and Investment Partnership* (London: Rowman and Littlefield, 2015) ; D. Hamilton (Ed.), *The Geopolitics of TTIP: Repositioning the Transatlantic Relationship for a Changing World* (Washington DC: Center for Transatlantic Relations, 2014) ; E. Brattberg, *Toward a Transatlantic Renaissance? TTIP's Geopolitical Impact in a Multipolar World* (Washington DC: The German Marshall Fund, 2015).
- 6 C. Malmström, 'Future EU Trade Policy: Achieving Europe's Strategic Goals', (2015), [http://trade.ec.europa.eu/doclib/docs/2015/may/tradoc\\_153407.pdf](http://trade.ec.europa.eu/doclib/docs/2015/may/tradoc_153407.pdf); Hanns Günther Hilpert, "Trans-Pacific Partnership (TPP) Agreement: Increased Pressure on European Trade Policy," Berlin: Stiftung Wissenschaft und Politik, 2015.
- 7 K. De Gucht, 'Transatlantic Trade and Investment Partnership – Solving the regulatory puzzle', Speech in Prague, Czech Republic, 10 October 2013, [http://europa.eu/rapid/press-release\\_SPEECH-13-801\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-13-801_en.htm).
- 8 F. De Ville and G. Siles-Brugge, *TTIP: The Truth about the Transatlantic Trade and Investment Partnership* (Polity, 2015) ; T. Novotná et al. (Eds.), *The Politics of Transatlantic Trade Negotiations: TTIP in a Globalized World* (Farnham: Ashgate, 2015). For the Commission's view, see: [http://trade.ec.europa.eu/doclib/docs/2015/march/tradoc\\_153266.pdf](http://trade.ec.europa.eu/doclib/docs/2015/march/tradoc_153266.pdf)
- 9 A. Ahnlied, 'EU in the TTIP negotiations - some observations on the role of leaders, stake-holder dialogue and transparency', Paper presented at the Unpacking TTIP Negotiations ULB-Berkeley Conference, Brussels, 17 October 2016 2016, p1.
- 10 *Ibid.*
- 11 *Ibid.*
- 12 Some EU member states pushed the Commission into the launch of the talks despite the fact that there was no clear consensus within the Commission that the negotiations should commence as quickly as they did. Similarly, Mike Froman, the current US Chief Trade Negotiator, was initially skeptical about launching the negotiations. See T. Novotná, 'EU Institutions, Member States and TTIP Negotiations: The Balance of Power and EU Foreign Policy', in J. F. Morin et al. (Eds.) *The Politics of Transatlantic Trade Negotiations: TTIP in a Globalized World* (GEM Series, Farnham: Ashgate, 2015) ; C. Barfield, 'The Political Economy of TTIP: The View from the United States', paper presented at the Unpacking TTIP Negotiations ULB-Berkeley Conference, Brussels, 17 October 2015, p3.
- 13 Article 207 of the Treaty on the Functioning of the European Union (TFEU): "only the EU, and not individual member states, can legislate on trade matters and conclude international trade agreements." See: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12008E207:en:HTML>
- 14 Novotná, 'EU Institutions, Member States and TTIP Negotiations: The Balance of Power and EU Foreign Policy'.
- 15 This point of view was actually criticized by the civil society activists and leaked by one of the anti-TTIP groups. See <http://corporateeurope.org/trade/2013/11/leaked-european-commission-pr-strategy-communicating-ttip>
- 16 Speech by President Juncker at the Business Europe Day event, 26 March 2015, [http://europa.eu/rapid/press-release\\_SPEECH-15-4708\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-15-4708_en.htm)
- 17 House of Lords European Union Committee, *Fourteenth Report - The Transatlantic Trade and Investment Partnership* (London: House of Lords, 2014), Point 258.
- 18 T. Novotná, *Negotiating the Accession: How Germany Unified and the EU Enlarged*, New Perspectives in German Political Studies. (Basingstoke: Palgrave Macmillan, 2015).
- 19 V. A. Schmidt, *Democracy in Europe: The EU and National Politics* (Oxford: Oxford University Press, 2006) ; V. A. Schmidt, 'Discursive Institutionalism: The Explanatory Power of Ideas and Discourse', *Annual Review of Political Science*, no. 11, 2008.

- 20 Ahnliid, 'EU in the TTIP negotiations - some observations on the role of leaders, stake-holder dialogue and transparency', p.5.
- 21 Council of the European Union, 'Council approves launch of trade and investment negotiations with the United States', 2013, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/137485.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/137485.pdf).
- 22 ISDS is an arbitration mechanism that was initially devised to protect private investors from abuse and discrimination by interfering governments but is nowadays considered by its critics a tool prioritising the private interests at the detriment of public regulatory powers. See, for instance, M. Sapiro, *Transatlantic trade and investment negotiations: Reaching a consensus on investor-state dispute settlement* (Washington: Brookings Institution, 2015); R. Pardo, *ISDS and TTIP - A miracle cure for a systemic challenge?* (Brussels: European Policy Centre, 2014); R. Quick, 'Why TTIP Should Have an Investment Chapter Including ISDS', *Journal of World Trade* Vol. 49, No. 2, 2015.
- 23 For data, see: [http://ephtinktank.eu/2015/06/16/eu-us-negotiations-on-ttip-a-survey-of-current-issues/support\\_for\\_ttip\\_in\\_eu\\_ms/](http://ephtinktank.eu/2015/06/16/eu-us-negotiations-on-ttip-a-survey-of-current-issues/support_for_ttip_in_eu_ms/). For an analysis of the German views, see P. Sparding, *Germany's Pivotal Role on the Way to TTIP*, (Washington DC: The German Marshall Fund of the US, 2014); Felbermayr, 'Die TTIP Debatte in Deutschland'.
- 24 M. Volker, 'TTIP: Faymann gegen Schiedsgerichte', *der Standard*, 9 April 2015. <http://derstandard.at/2000014095183/Konzerne-profitieren-von-Schiedsgerichten>.
- 25 Ahnliid, 'EU in the TTIP negotiations - some observations on the role of leaders, stake-holder dialogue and transparency', p.16.
- 26 Der Standard, 'TTIP: Faymann auch gegen reformiertes Schiedsgerichte' *der Standard*, 29 December 2015. <http://derstandard.at/2000028195269/TTIP-Faymann-auch-gegen-reformiertes-Schiedsgericht>
- 27 M. Hartmut, 'Between 'NATO for Trade' and 'Pride in Angst': The German TTIP Debate and its Spill-over into Wider Transatlantic Concerns', in J. M. Morin et al. (Eds) *The Politics of Transatlantic Trade Negotiations: TTIP in a Globalized World* (Farnham: Ashgate, 2015).
- 28 The Christian Democratic Union of Germany (CDU). Coalition agreement between CDU, CSU and SPD can be found here : [https://www.bundesregierung.de/Content/DE/\\_Anlagen/2013-12-17-koalitionsvertrag.pdf;jsessionid=B8C9186A2D9C0A08688850EBF42F7D.s6t1?\\_\\_blob=publicationFile&v=2](https://www.bundesregierung.de/Content/DE/_Anlagen/2013-12-17-koalitionsvertrag.pdf;jsessionid=B8C9186A2D9C0A08688850EBF42F7D.s6t1?__blob=publicationFile&v=2), p. 168
- 29 European Commission, 'TTIP : I'm delighted EU governments decided to make the TTIP negotiating mandate public – says De Gucht', European Commission Press Release, 9 October 2014, [http://europa.eu/rapid/press-release\\_STATEMENT-14-306\\_en.htm](http://europa.eu/rapid/press-release_STATEMENT-14-306_en.htm).
- 30 The blocking minority included most of the 'new' EU member states but also states like Denmark which argued that publishing the mandate will set a wrong precedent and weaken the hand of the EU's negotiators. An informal discussion with an EU member state diplomat, Brussels.
- 31 S. McKeagney, 'Council fails to agree on release of TTIP mandate', *TTIP2016 blog*, 14 March 2016, <http://ttip2016.eu/blog/EU%20Mandate%20transparency.html>.
- 32 See European Commission, 'Declassification: Directives for the negotiation on the Transatlantic Trade and Investment Partnership between the European Union and the United States of America', 9 October 2014, <http://data.consilium.europa.eu/doc/document/ST-11103-2013-DCL-1/en/pdf>. Nonetheless, even the published mandate does not show any positions of individual EU member states and thus we can still only speculate which countries pushed for what amendments. In the audiovisual example above, it seems however clear that it was not just France that took a critical stance, but a number of other states were happily hiding behind it.
- 33 See a comment by Bernd Lange (MEP, S&D), a chair of the EP's INTA committee, during a Facebook chat cited in: European Parliament News, 'Bernd Lange on TTIP: "If there is no ambitious deal on the table, there is no deal"', 4 February 2016, <http://www.europarl.europa.eu/news/en/news-room/20160203STO12769/Lange-on-TTIP-If-there-is-no-ambitious-deal-on-the-table-there-is-no-deal>.
- 34 See Article 218 (TFEU), <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:12008E218>.
- 35 M. F. Larsén, 'The Increasing Role of the European Parliament in EU FTA Negotiations', GIFTA Project Briefings Series, No. 3, September 2015, [http://giftaproject.org/wp-content/uploads/2015/09/Policy-Brief-3\\_Frenhoff-Larsen-2015.pdf](http://giftaproject.org/wp-content/uploads/2015/09/Policy-Brief-3_Frenhoff-Larsen-2015.pdf); Directorate General for External Policies European Parliament, *Comparative study on access to documents (and confidentiality rules) in international trade negotiations* (Brussels: European Parliament, 2015).
- 36 M. Iffland, *Getting Legislatures on Both Sides of the Atlantic Engaged in TTIP* (Washington, DC: The German Marshall Fund of the United States, 2015), p1.
- 37 Cf. Ibid.
- 38 D. W.F. Huang, 'The European Parliament's Role in Trade Agreements and TTIP', *Journal of Business and Politics*, 2016.

- 39 TPA is also time-limited, i.e. valid until 1 July 2018 with a possible extension for another three years. For further details, see D. Jančí, 'The Role of the European Parliament and the US Congress in Shaping Transatlantic Relations: TTIP, NSA Surveillance, and CIA Renditions', *JCMS: Journal of Common Market Studies*, forthcoming 2016.
- 40 Larsén, 'The Increasing Role of the European Parliament in EU FTA Negotiations', p.2.
- 41 Huang, 'The European Parliament's Role in Trade Agreements and TTIP'.
- 42 Jančí, 'The Role of the European Parliament and the US Congress in Shaping Transatlantic Relations: TTIP, NSA Surveillance, and CIA Renditions', p.5.
- 43 See, e.g., European Parliament, *Comparative study on access to documents (and confidentiality rules) in international trade negotiations*.
- 44 European Parliament, 'European Parliament resolution of 23 May 2013 on EU trade and investment negotiations with the United States of America' (Strasbourg: European Parliament, 2013). See particularly points 11 and 25 of the resolution. The resolution was accepted by 406 votes against 105 with 28 abstentions. See <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0227+0+DOC+XML+V0//EN>.
- 45 European Parliament, 'European Parliament resolution of 8 July 2015 containing the European Parliament's recommendations to the European Commission on the negotiations of the Transatlantic Trade and Investment Partnership (TTIP)' (Strasbourg: European Parliament, 2015), <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0252+0+DOC+XML+V0//EN>.
- 46 Ifland, 'Getting Legislatures on Both Sides of the Atlantic Engaged in TTIP'.
- 47 Votewatch.eu, 'TTIP mandate makes it through EP plenary. Investors' protection system remains in limbo', 9 July 2015, <http://www.votewatch.eu/blog/ttip-mandate-makes-it-through-ep-plenary-investors-protection-system-remains-in-limbo/#more-5653>.
- 48 This assumption is based on the vote on TPA in the Congress, see Barfield, 'The Political Economy of TTIP: The View from the United States'. The TPP will go through the ratification process in Congress during 2016.
- 49 Larsén, 'The Increasing Role of the European Parliament in EU FTA Negotiations'; Ahnlid, 'EU in the TTIP negotiations - some observations on the role of leaders, stake-holder dialogue and transparency'.
- 50 European Parliament Press Office, 'All MEPs to have access to confidential TTIP documents', 2 December 2015, <http://www.europarl.europa.eu/news/en/news-room/20151202IPR05759/All-MEPs-to-have-access-to-all-confidential-TTIP-documents>; and M. De La Torre, 'S&Ds welcome increased TTIP access to negotiating documents for members of the EU parliament', press release from S&D group, 2 December 2015, <http://www.socialistsanddemocrats.eu/newsroom/sds-welcome-increased-ttip-access-negotiating-documents-members-eu-parliament>.
- 51 Letter from Cecilia Malmstrom to Bernd Lange, 2 December 2015, <https://polcms.secure.europarl.europa.eu/cmsdata/upload/8159ead1-cc47-410e-9985-843f42dda56e/Letter%20to%20Chairman.pdf>; and letter from Martin Schulz and Bernd Lange to Cecilia Malmstrom, 10 December 2015, <https://polcms.secure.europarl.europa.eu/cmsdata/upload/9eb1ebb4-3205-4cb1-9b57-72a87a298048/Access%20to%20TTIP-related%20docs.pdf>.
- 52 Tagesschau.de, 'Abgeordnete dürfen Dokumente einsehen', 26 January 2016, <http://www.tagesschau.de/wirtschaft/ttip-einsicht-freihandel-101.html>.
- 53 M. Schneider, 'Mobilising the masses: a grass-roots communication strategy for TTIP', *European View* Vol. 14, No. 2, 2015, p.204.
- 54 Barfield, 'The Political Economy of TTIP: The View from the United States'.
- 55 L. Hooghe and G. Marks, 'A Postfunctionalist Theory of European Integration: From Permissive Consensus to Constraining Dissensus', *British Journal of Political Science*, Vol. 39, No. 01, 2009.
- 56 See European Parliamentary Research Service Blog, 'Support for TTIP in member states' 16 June 2015, [http://epthinktank.eu/2015/06/16/eu-us-negotiations-on-ttip-a-survey-of-current-issues/support\\_for\\_ttip\\_in\\_eu\\_ms/](http://epthinktank.eu/2015/06/16/eu-us-negotiations-on-ttip-a-survey-of-current-issues/support_for_ttip_in_eu_ms/).
- 57 See J. Cervenka, 'Obžaně o Transatlantickém obchodním a investičním partnerství', *CVVM*, 8 July 2015, <http://cvvm.soc.cas.cz/mezinarodni-vztahy/obcane-o-transatlantickem-obchodnim-a-investicnim-partnerstvi-cerven-2015>; and J. Cervenka, 'Obžaně o Transatlantickém obchodním a investičním partnerství – listopad 2015', *CVVM*, 30 December 2015. <http://cvvm.soc.cas.cz/mezinarodni-vztahy/obcane-o-transatlantickem-obchodnim-a-investicnim-partnerstvi-listopad-2015>. The percentage of disinterested citizens was 78% in June 2015 and 79% in September 2015.
- 58 M. Bauer, 'The Spiral of Silence – How Anti-TTIP Groups Dominate German Online Media and Set the Tone for TTIP Opinion', *ECIPE*, 28 January 2015, <http://ecipe.org/blog/anti-ttip-german-online-media/>; B. Crawford and A. Chan, 'The power of public opposition to TTIP in Germany: A case study in the demise of ISDS', paper presented at the Unpacking TTIP Negotiations ULB-Berkeley Conference, Brussels, 17 October 2015.

- 59 S. Maria Ciofu and N. Stefanuta, 'TTIP, the Bullied Kid of Twitter', *Georgetown Public Policy Review*, January 2016, <http://gppreview.com/2016/01/14/ttip-twitter-and-how-social-media-is-defining-the-public-argument/> ; M. Bauer, *Klicks gegen TTIP: Netzaktivismus als Mittel zur Massenmobilisierung* (Konrad Adenauer Stiftung, 2015).
- 60 European Parliamentary Research Services Blog, *EU-US negotiations on TTIP: A survey of current issues*, 16 June 2015, <http://epthinktank.eu/2015/06/16/eu-us-negotiations-on-ttip-a-survey-of-current-issues/>.
- 61 N. Copley, *Rethinking the European Union* (Basingstoke: Palgrave Macmillan, 2015).
- 62 Sparding, 'Germany's Pivotal Role on the Way to TTIP'; Felbermayr, 'Die TTIP Debatte in Deutschland'.
- 63 Pew Research Center, 'Americans, Germans Prefer Own Standards', 8 April 2014, <http://www.pewglobal.org/2014/04/09/support-in-principle-for-u-s-eu-trade-pact/pew-bertelsmann-eu-trade-report-13/>.
- 64 R. Hotten, 'Volkswagen: the scandal explained' *BBC News*, 10 December 2015. <http://www.bbc.com/news/business-34324772>
- 65 V. A. Schmidt, 'Democracy and Legitimacy in the European Union Revisited: Input, Output and 'Throughput'', *Political Studies*, Volume 61, No. 1, 2013.



# **Politics and Values**

# US View: A Most Valued Relationship?

Parke Nicholson

**M**any fear the transatlantic partnership is drifting apart. Disputes over policy, privacy, and security make it seem like the community of common values has eroded. Populism in the United States (US) and Europe has further unsettled the political landscape. However, the emergence of a more global, diverse generation is an opportunity for policy makers seeking to reframe and strengthen relations to confront common challenges.

The 21st century has been awkward thus far for the transatlantic community. Terrorism, the digital revolution, the financial and refugee crises, and changes to the global order have all become sources of anxiety. At the same time, American and European political leaders too often repeat empty platitudes to ‘common values’ instead of contending with real policy differences. The successive economic and political crises of the day have only brought to light these tensions in US-European relations.

It should thus be no surprise that the discussion of transatlantic values has taken on an earnest tone in recent years. US Assistant Secretary of State Victoria Nuland gave a speech in 2013 on a ‘transatlantic renaissance’, an optimistic vision following the uproar over Edward Snowden’s revelations of NSA activities in Europe. She referred to the European Renaissance as a great opening towards humanism and called upon the transatlantic community to continue to advance “the universal values that bind us as free nations” including “justice, peace and freedom.”<sup>1</sup> Europe and the US needed to work together to mentor other countries struggling with democracy, the rule of law, and the protection of civil liberties.<sup>2</sup>

Others have been less sanguine about the state of values in the transatlantic relationship. Writing for *Foreign Affairs* online, University of North Carolina Professor Konrad Jarausch has argued that although the US-European relationship “is based on common Enlightenment-era human values, their interpretation has started to diverge.”<sup>3</sup> He highlights several areas of difference including the use of force, the role of the state in social policy, and government intrusion in the private sphere. Jarausch asserts these divergences will

continue as the US population with European heritage declines, European studies courses diminish, and the ‘transatlantic media’ reinforces stereotypes.<sup>4</sup>

From a historical perspective, however, there is little that divides Europeans and Americans when it comes to core political values. The constitutions of Western democracies enshrine very similar goals for society and laws have been shaped by similar impulses. Though our historical experiences diverge on social and economic policy, they more often than not converge when it comes to the advancement of democratic ideals such as liberty and equality. Thus, tensions between the US and Europe do not stem from fundamentally different world views (i.e. Mars and Venus), but more from “different interpretations of common values.”<sup>5</sup>

This chapter highlights several US perspectives on politics and values with respect to transatlantic relations. I do not focus on the divisive US politics of today, but two trends that will shape US politics and relations with Europe in the coming decades - the attitudes of Millennials (Generation Y) and the US debate about immigration and asylum. Finally, I suggest a few policy areas that will continue to complicate transatlantic discussions over politics and values.

## A VALUES GAP?

Europe and the US have long had different social models. Despite the recent push towards universal health care under the Obama administration and deregulation in several major economies in Europe, American capitalism still stands in stark contrast to European social democracy. The financial crisis only

exposed these differences as American commentators criticised European constraints on economic growth and Europeans criticised rising economic inequality and America's laissez-faire approach to economics.

These disagreements are nothing new. Over a decade ago, European historian Tony Judt made note of the transatlantic divide that went beyond the divisions over Iraq policy:

"What Europeans find perturbing about America... is precisely what most Americans believe to be their nation's strongest suit: its unique mix of moralistic religiosity, minimal provision for public welfare, and maximal foreign market freedom – the "American way of life" – coupled with a missionary foreign policy ostensibly directed at exporting that same cluster of values and practices."<sup>6</sup>

Europeans have long felt estranged from a US society seemingly obsessed with consumerism, gun ownership, and religion. Judt's critique focused on the era of President George W. Bush, but he thought it likely that the differences between the US and Europe would deepen over time as they are "highlighted and reinforced by policy disagreements" on other issues.<sup>7</sup>

A Pew Research Center poll in 2012 suggests there indeed remains a persistent values gap – though it is smaller than Judt would have guessed and will likely narrow with the younger generation. Questions about religion and individualism showed a clear divide between the Americans surveyed and most Europeans. A majority in the US maintain that "belief in god is necessary to be a moral person", while Europeans are much more secular.<sup>8</sup> In contrast with Europeans, most Americans agree with the view that "everyone should be free to pursue their life's goals without interference from the state."<sup>9</sup> Yet when it comes to the role of the state, slightly more than half of US liberals would like the state to take a more active role to help the needy. The poll also revealed two popular misconceptions about Americans: that the US thinks itself superior to other countries and that its people care little about the plight of marginalised groups. There was a surge in nationalist pride in the immediate aftermath of 9/11, but Americans' patriotism has faded over time as the country has become increasingly aware of its limits. Whereas 6 in 10 respondents believed the US was "not perfect, but our culture is superior" in 2002, less than half believed this to be the case in 2012 – roughly equal to German and Spanish nationalist sentiment.<sup>10</sup>

Besides religion and nationalism, American perspectives on sexual orientation are also shifting. Public opinion concerning homosexuality and same-sex marriage has shifted to a considerable degree. While support for homosexuality in Europe has long exceeded 80% in most countries, a majority of Americans over the past decade have now come to accept that same-sex couples have a fundamental right that is protected by the constitution. This cultural shift was solidified by the Supreme Court's ruling legalising same-sex marriage in June of 2015.

Adding to this complex picture are two broad demographics trends that will shape the American electorate and, thus, have an impact on the transatlantic relationship in the coming decades. The Millennial generation will have a prominent role in shaping the country's values and policies and is now larger than the retiring Baby Boomer generation. At the same time, the US ethnic white majority will become a super-minority by 2050 with one in five children being foreign born.

## NARROWING THE DIVIDE

During his first visit to Washington D.C. as Foreign Minister under German Chancellor Angela Merkel, Frank-Walter Steinmeier expressed concern about the next generation's attitudes towards transatlantic relations. The relevance of the transatlantic relationship is "in no way as self-evident" to the current generation as it seemed to be for his.<sup>11</sup> He referred to a conversation he had with his teenage daughter who expressed a familiar refrain to parents – "Why should I care?"<sup>12</sup> Steinmeier inferred that simple appeals to common values like freedom or 'openness' sound empty to younger audiences who question whether that is true or even relevant.

There has been much hand-wringing about the political values of the millennial generation in the US. Pundits have characterised the millions born after 1980 variously as "cynical do-gooders", "generation 'me,me,me'", "excellent sheep", and "morally inarticulate."<sup>13</sup> However, the sizeable adult population of millennials is not nearly as homogeneous as these labels imply.

Millennials are the generation born after 1980 and came of age in the late '90s and the first decade of the new millennium. They now comprise more than 30% of the adult US population (18 to 35 years old). They are clearly concerned about global issues

and generally more socially progressive than older generations. According to reports by Nielsen, an agency that researches consumer trends, the top issues for Millennials include education, poverty, and the environment and many desire to work for non-profit organisations in these areas.<sup>14</sup>

Social and economic inequality has been a particular concern for younger Americans. Millennials are often stereotyped as having grown up in relative privilege during the 1990s economic boom, benefiting from the fruits of globalisation and the introduction of new technologies. Since the financial crisis, however, the median income for young adults today is estimated to be 10% less than the similar age group in 1995.<sup>15</sup> Millennials increasingly expect to see no Social Security benefits by the time they retire, so it should be of little wonder then that one of their primary concerns is economic security.<sup>16</sup>

Senator Bernie Sanders' surprising resilience in the US presidential campaign owes much to his appeals to this demographic. A self-proclaimed 'democratic socialist', he has long held strong positions on the inequities of the US financial and tax system. His idealism appeals to a younger demographic of voters who face persistently high rates of unemployment. The economy has recovered during President Obama's administration and many of Sanders' own policies are unrealistic in the current political environment, but his campaign has nonetheless successfully played to a lingering sense that Wall Street and major corporations did not pay a high enough price for the financial crisis.

Yet US politicians will continue to face challenges in securing the Millennial vote. Many share the general public's disenchantment with 'politics as usual'. A Pew poll in 2014 came out with the headline 'Adult Millennials – detached from institutions, networked with friends.' It showed that 50% of the respondents under the age of 35 described themselves as politically independent, which was the highest total in 25 years of polling.<sup>17</sup> The young and politically-engaged may thus be more interested in participating in demonstrations and protests (e.g. the movements 'Occupy Wall Street' and 'Black Lives Matter') than voting and voicing their political interests through formal, traditional platforms. Young people are also more interested in directly serving their communities than participating in traditional forms of politics, due in part to their frustration with established institutions' slow capacity for change.<sup>18</sup>

The strong domestic focus of younger US voters does not necessarily mean that their interest in foreign affairs will diminish, but it will become important to find new justifications for the practical value of the transatlantic relationship. Is Europe relevant to young Americans who did not experience the Cold War and whose focus is drawn to other parts of the world - particularly the Middle East after 9/11 and increasingly Asia? Do Millennials believe in defending and advancing Western values?

Unequivocally yes. However, the young generation has only just started to articulate clear answers in its own voice. A report in 2015 produced by young, US-German leaders under the age of 35 sought to clarify how their generation saw the world through its own 'prism':

"They have a natural understanding of diversity, a passion for equality, and a demand for equal representation. They believe in many of the previous generations' values such as freedom, democracy, and individual expression. And they are connected through social networks, where they debate current global challenges in order to find their own solutions."<sup>19</sup>

The authors of the report concluded that such a perspective could help set German-American relations on a path towards "less mistrust and less indifference."<sup>20</sup> This could apply to US-European relations more generally.

However, the mistrust on the part of young Europeans and indifference on the part of young Americans could still become a serious impediment to improving transatlantic relations. Arguments are magnified when neither side listens or seeks to understand the other's position. This may be more a matter of mechanics than substance. Societies' goals shift over time and there will always be policy differences between different countries. However, the permanent loss of cultural exchanges and European/American studies courses would leave leaders with few means to prevent the rise of anti-European or anti-American sentiment. They would also lose the opportunity for young Europeans to engage with an American generation that is more pragmatic, secular, socially liberal, and open to new forms of interaction.

## LAND(S) OF IMMIGRATION

If millennials have a greater tolerance for diversity and are generally more liberal about issues such as immigration, are they representative of American attitudes towards the refugee crisis in general?

European leaders' commitment to an open society and the rule of law is being severely tested by the refugee crisis. Anti-EU, anti-immigration, and anti-austerity political groups are not yet capable of up-ending the European order (nor are populists in the US), but their machinations will exhaust political leaders seeking to respond to a public weary of globalisation and whose compassion for refugees is not inexhaustible. Many in Europe look to the US as the archetype of a 'land of immigration' for answers and inspiration.

Even though it accepts more than one million legal immigrants each year, the US has not always welcomed mass migration. Over the past 150 years, America has only gradually adjusted to new waves of people from Europe in the late 1880s through the 1930s, Southeast Asia in the 1970s, and South America most recently despite periodic restrictions and quota systems. The American people have largely agreed with the idea that the country is a 'melting pot' of cultures and ethnicities, but they have not always followed through on the Statue of Liberty's promise to accept the world's "huddled masses yearning to breathe free."<sup>21</sup>

Integration in the US has been a continuously evolving process. Newly diverse communities have not always been peaceful as strangers trust each other less and choose not to work on joint projects for the common good. New communication technologies have made it easier to connect with each other, but also allow immigrants and natives alike to remain tethered to their homelands or chosen identities. It has perhaps been easier for foreigners to find their place and avoid conflict with others in the vast expanse of North America.

The US is not considered a 'land of immigration', however, simply because of its size and prosperity. It offers both a path to citizenship (though arduous) and adaptive institutions like the school system (though imperfect). These help establish a common language and history, give space to even the most extreme perspectives, and help form a political identity as 'Americans' that supersedes class, race, or ethnicity. As Harvard political scientist Robert Putnam suggests, the long and hard process of integration can lead to a "more welcoming and a more capacious sense of this new, diverse 'we'."<sup>22</sup>

The American electorate's view of Europe's migration crisis today is a reflection of this mixed historical experience. The US continues to have heated debates over admitting more highly-skilled immigrants, reducing illegal immigration, and legalising the more than 11 million unauthorised immigrants already in the country. Other lingering issues such as bilingual education, an overloaded immigration court system, and migrants' access to basic services, does not however prevent hundreds of thousands of individuals and families from finding legitimate work and contributing to the 'American way of life'.

The US and Europe have much to share in addressing the migration challenge. According to a recent report by the Migration Policy Institute, Germany and Sweden received nearly 30,000 unaccompanied minors in 2015; nearly as many as during the child migration crisis in the US in 2014. This poses urgent questions for the transatlantic community about how to support municipalities, schools, and employers faced with using already limited resources to provide instruction and work for refugees of varying skill levels who have recently experienced significant trauma or violence.<sup>23</sup>

The US political debate over refugees is also similar to that in Europe. Approval of the Obama administration's recent decision to accept 10,000 Syrian refugees splits along partisan lines. The evangelical Christian community is sceptical, while a majority of most self-identified Catholics or Protestants approve of the decision. According to the most recent Pew Poll on this question, a third of American respondents say we were doing enough to help Europe while nearly half of the respondents said that the US should do more.<sup>24</sup>

American pundits and politicians are worried about how Europe is handling the crisis, though often for different reasons. The attack in San Bernardino, California in 2015 by a Chicago native and Pakistani immigrant has sparked a fierce debate among conservatives, with some pointing to the supposed danger from Muslims and mass migration in general. A few US presidential candidates and others have cynically used the bully pulpit to relentlessly stoke the anxiety and fears of the moment.

Many mainstream conservatives oppose mass migration because of the perceived threat to national identity. The journal *American Conservative* makes the broad claim that mass immigration in Europe and the US "obliterates" national culture and is a threat to

the values and livelihood of “native” populations.<sup>25</sup> Nonetheless, polls show most Americans would be much more concerned with a self-described socialist or atheist in the White House (regardless of ethnic background) than they would be by a Hispanic or Muslim President.<sup>26</sup>

Liberals are much more supportive of Chancellor Merkel’s defence of ‘European values’ and the continuation of an open and tolerant Europe. In responding boldly to the refugee crisis, Roger Cohen argues that Merkel “stands tall, a European leader of immense stature”, whose decision to accept over a million refugees prevented a humanitarian catastrophe.<sup>27</sup> Similarly, Time magazine anointed Merkel as the person of the year in 2015 for her “moral leadership in a world where it is in short supply.”<sup>28</sup>

By 2050, the US will become a country of minorities with Hispanics and Asians among the fastest growing populations. American perspectives on Europe and its migration crisis today will likely echo our domestic debate on immigration. The sheer scale and speed of the migration crisis in Europe is not an immediate concern for Americans and in the context of a US Presidential campaign, Europe’s troubles seem a faraway phenomenon.

## STILL AN OCEAN BETWEEN

These long-term demographic shifts will have an important impact on transatlantic relations. Official ties between the US and European governments remain close, but the governments themselves are as of yet not broadly representative of their people. As this changes, so too will the level of interaction and substantive exchange between ‘elites’ and the average citizen across the Atlantic.

Regardless of the evolving identity of the US and European electorate, however, the political values and policy priorities that form the transatlantic relationship will continue to be shaped by three broad trends:

## DIGITISATION

The dominance of US technology companies and US global surveillance capabilities has threatened more than it has reassured European citizens. Throughout the Cold War, half of Europe was effectively governed to varying degrees by a surveillance state. Americans on the other hand, still perceive a greater threat

from terrorism than from government intrusion. Even a year after Snowden’s revelations, seven in ten Americans said that it is more important “for the federal government to investigate possible terrorist threats, even if that intrudes on personal privacy.”<sup>29</sup> Only a third of respondents thought privacy should be prioritised regardless if that limited the government’s ability to investigate potential terrorist attacks.<sup>30</sup>

This issue will also continue to impact the US-European commercial relationship. US companies worry about being locked out of European government contracts and being targeted by strict EU privacy laws. The US-EU Safe Harbour Agreement recently struck down by the EU’s Court of Justice is only the latest instance of a larger dispute about privacy, the open internet, and security in a digital age.

## GLOBALISATION

There is now deep scepticism on both sides of the Atlantic about the mutual economic benefits of trade and investment. This is perhaps unusual as both the US and Europe have benefited enormously over the past half century from Free Trade Agreements (FTAs) and the opening of markets around the world. On the other hand, there are deepening anxieties about inequality, unemployment, and the consequences of the rapid change in technology for the future of work. For Americans, the ‘pursuit of happiness’ seems to be heavily qualified depending on one’s place of birth or education. In Europe, the cleavages wrought by the Eurozone crisis between debtor and creditor nations will remain even if economies recover in the short term. Nonetheless, the Transatlantic Trade and Investment Partnership (TTIP) remains one of the most significant initiatives to preserve Western prosperity and influence a changing global economic order.

## INTERVENTION

After his election in 2008, President Obama’s administration quickly became bogged down in a number of security challenges from closing Guantanamo Bay to ‘exiting’ from Afghanistan and Iraq. The US response to these challenges highlighted differences in European and American perceptions of the role of morality and the rule of law in international affairs. The experiences of the 20th century have long been perceived very differently on both sides of the Atlantic. While both shared in the military defeats and victories of the World Wars, the civilian costs and

the repressive regimes that followed ‘total war’ left deep impressions on the politics and values in Europe. In contrast, post-war America rose to prosperity, was never invaded, and had both the resources and inclination to take a leading role in shaping the world order – ensuring a relative peace that was not shaken by the slow demise of the Soviet Union, but by the shock of the terrorist attacks on September 11th.

The transatlantic alliance will continue to face hard questions regarding the use of force in the 21st century. The credibility of US assurances against the use of torture and the legitimacy of its military actions will continue to face great scrutiny. Issues such as Russia’s assertive foreign policy, stability in the Middle East, and reducing tensions in East Asia will take up a considerable amount of policy makers’ time. The US will likely continue to push Europe to consider the use of coercive power, maintain modern defence capabilities, and more closely align US and EU security priorities.

### **SAME BED, DIVERGENT DREAMS?**

Transatlantic relations is neither in a ‘renaissance’ nor are the divisions between the US and Europe unbridgeable. We are instead in a period of adjustment as our democracies focus on the internal challenges of sustaining economic growth, integrating refugees, and reforming political institutions. At the same time, Europe and the US are reassessing their respective priorities in promoting a liberal, democratic world order.

No single policy success will miraculously turn Americans into Europeans or Europeans into Americans. It should especially be doubted that a trade agreement alone will inspire a new generation of Atlanticists. They will be shaped more by their response to the crises of the day, discovering that liberty, freedom, and the rule of law are more than vague theories; they are defended and reframed by every successive generation.

Incorporating the diverse perspectives of a new generation and minorities might begin the process of forming a new understanding of Atlanticism. In the 21st century, the values that have shaped the outlook of US and European leaders will inevitably be derived from more than just a common European heritage. Millennials/Generation Y may not remember the Cold War or have close familial ties across the Atlantic, but this does not preclude this cosmopolitan and

socially-engaged bloc of voters from understanding common values. Americans of European descent are not necessarily wedded to their lineage and have a worldview informed by their knowledge of cultures well beyond the Atlantic. Thus, the future of the transatlantic relationship does not belong to North America and Western Europe alone.

The challenges posed by digitisation, globalisation, and intervention will require far-reaching cooperation among many countries. Too often, however, the US and Europe have given rhetorical support to initiatives without tangible, sustained commitments. The conspicuous absence of EU-US engagement except when there is a major disagreement reinforces the perception that transatlantic tensions have become permanent. Instead, both should use new formats to think freely about the global order and the institutional changes that are needed to preserve it – not simply recite carefully practiced scripts.

The policy divergences that have emerged between the US and Europe are less signs of an inevitable break up, but the periodic ups and downs of a close relationship with high (and often unrealistic) expectations. Forestalling a ‘weak Europe’ or ‘indifferent America’ will take more than simple appeals to ‘common values’. A mature transatlantic relationship between Europe and the US requires that we better understand and accept our differences. Despite the acrimony and demagoguery of the day, transatlantic relations will continue to prosper even as we emphasise different aspects of our common history.

### **POLICY RECOMMENDATIONS**

1. Top-tier European and American studies courses and policy institutions should more rigorously incorporate the perspectives of younger scholars in their publications and events.
2. Parliaments and grant-giving institutions should sustain funding for professional exchange programmes, especially those that prove they serve a diverse pool of applicants.
3. Political leadership should shift from ad-hoc crisis management to creating sustained, inter-governmental policy dialogues on a full range of issues relevant to the transatlantic relationship. ■

## NOTES

- 1 Prepared remarks by Assistant Secretary Victoria Nuland, Bureau of European and Eurasian Affairs, 'Toward A Transatlantic Renaissance: Ensuring Our Shared Future', Delivered at the Atlantic Council, 13 November 2013, <http://www.state.gov/p/eur/rls/rm/2013/nov/217560.htm>.
- 2 *Ibid.*
- 3 K. H. Jarausch, 'Continental Drift: The Divisions that Damage the U.S. – EU Relationship', *Foreign Affairs*, 8 September 2015.
- 4 *Ibid.*
- 5 Interview with German historian Heinrich August Winkler, 'Eine große Schweiz', *Der Spiegel*, 23 June 2014.
- 6 Tony Judt, "Anti-Americans Abroad," *The New York Review of Books*, 1 May 2003, <http://www.nybooks.com/articles/2003/05/01/anti-americans-abroad/>.
- 7 *Ibid.*
- 8 Pew Research Center, 'The American-Western European Values Gap: American Exceptionalism Subsides', Pew Global Attitudes Project, 29 February 2012.
- 9 *Ibid.*
- 10 *Ibid.*
- 11 Speech by Foreign Minister Frank-Walter Steinmeier at the Brookings Institution in Washington DC, 'Transatlantic ties for a new generation', Federal Foreign Office, 28 February 2014, [http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2014/140228-BM\\_Brookings\\_Institution.html](http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2014/140228-BM_Brookings_Institution.html).
- 12 *Ibid.*
- 13 There is ample research about the millennial generation's attitudes, but perhaps even more generalizations from pundits. See M. Winograd and M. Hais, 'How Millennials Could Upend Wall Street and Corporate America', The Brookings Institution, 28 May 2014 ; D. Brooks, *The Road to Character* (Random House, 14 April 2015) ; W. Deresiewicz, *Excellent Sheep: The Miseducation of the American Elite and the Way to a Meaningful Life* (Free Press, 19 August 2014) ; J. Twenge, *Generation Me* (Free Press: 4 April 2006).
- 14 Nielsen, 'Nielsen Company 2014 report – Millennial: breaking the myths', 4 August 2014, <http://www.slideshare.net/recsportsmarketing/nielsen-millennial-report-2014>.
- 15 S. Rattner, 'We are making life too hard for millennials', *The New York Times*, 31 July 2015.
- 16 For a more in-depth analysis of the economic challenges facing millennials, see *The Economist* special report on 'The young', 23 January 2016.
- 17 Pew Research Center, 'Millennials in Adulthood: Detached from Institutions, Networked with Friends', March 2014.
- 18 AICGS, 'Values, Challenges, and Opportunities for a New Political Generation', AICGS Workshop Summary, 19 November 2013, <http://www.aicgs.org/events/values-challenges-and-opportunities-for-a-new-political-generation/>.
- 19 From the Executive Summary of Atlantic Council, 'Through a New Prism: A Next Generation Strategy for the U.S.-German Relationship', June 2015.
- 20 *Ibid.*
- 21 From Emma Lazarus' sonnet '*The New Colossus*', inscribed on the Statute of Liberty.
- 22 Interview with Molly Lanza, 'Robert Putnam on Immigration and Social Cohesion', Harvard Kennedy School Insight, 11 February 2008, <http://www.hks.harvard.edu/news-events/publications/insight/democratic/robert-putnam>.
- 23 V. Rietig, 'A Shared Challenge: Europe and the United States Confront Significant Flows of Unaccompanied Child Migrants', Migration Policy Institute, 9 December 2015.
- 24 Pew Research Center, 'Mixed Views of Initial U.S. Response to Europe's Migration Crisis', 29 September 2015.
- 25 B. Schwarz, 'Unmaking England', *The American Conservative*, 11 January 2016.
- 26 J. McCarthy, 'In U.S., Socialist Presidential Candidates Least Appealing', *Gallup*, 22 June 2015.
- 27 R. Cohen, 'Europe's Huddled Masses', *The New York Times*, 4 February 2016.
- 28 Time, 'Angela Merkel, German Chancellor, is Time 'Person of the Year'', 9 December 2015.
- 29 Pew Research Center, 'Majority Views NSA Phone Tracking as Acceptable Anti-terror Tactic', 10 June 2013.
- 30 *Ibid.*



# EU View: 'The Europe We Want': Migrants and Europe's Failure of Imagination

Claire Sutherland

**E**urope's approach to the values it purports to hold dear has been shown wanting in the tendency of all European Union (EU) member states, including Germany, to take unilateral action with regard to welcoming or stemming refugee flows since summer 2016. An agreement to redistribute asylum seekers across Europe has remained all but a dead letter, the Dublin convention has been suspended in practice, and the failure of German chancellor Angela Merkel's calls for a collective response raise fundamental questions about the question of EU solidarity. Yet the European Commission is doggedly sticking to its aim of lifting all border restrictions in the Schengen area by November 2016, despite a creeping reintroduction of controls. At the heart of this is a colossal failure of imagination; a failure to imagine a European project that does not simply replicate the 'us' and 'them' logic of bounded national communities.

In mid-February 2016, Ai Weiwei, the renowned Chinese artist and political dissident, clad the neoclassical columns of Berlin's *Konzerthaus* with 14,000 life jackets transported from the Greek Island of Lesbos. This was one response to the time he had spent on the island. Another was a photograph of him lying on a beach in a pose reminiscent of Alan Kurdi, the Syrian toddler whose lifeless body was washed up in November 2015. Ironically, the lifejackets were whisked directly to where many of their erstwhile wearers would like to be. They cling to a symbol of Europe's Greco-Roman heritage, just as their wearers clung to overcrowded boats and the hope of freedom and security. But another reading of Ai Weiwei's work suggests itself; perhaps the lifejackets are keeping the European edifice afloat. Perhaps they are somehow stopping it from crumbling under the weight of its own inadequacies and inconsistencies.

In recent months we have heard voices at the very heart of the EU, including those of Federica Mogherini (the EU's High Representative for Foreign and Security Policy) and Martin Schulz (President of the European Parliament), warn that the EU's future hangs in the balance. Commentators echo the gravity of the situation for the EU's *raison d'être*:

"three of its fundamental principles are at stake: that the continent's problems can be best solved by cooperation; that freedom of movement across the EU is in the public interest; and a belief in European values and respect for human rights."<sup>1</sup>

The title of this chapter – 'the Europe we want' – is taken from a statement by Angela Merkel in September 2015 warning that "If Europe fails on the question of refugees, this close connection with universal civil rights ... will be destroyed and it won't be the Europe we want."<sup>2</sup> Similarly, in late February 2016, Merkel criticised Austria's current stance of limiting daily intakes of refugees with the words "When someone starts to define limitations [to immigration], others have to suffer. That is not my Europe."<sup>3</sup>

The tendency of all EU member states, including Germany, to take unilateral action with regard to welcoming or stemming refugee flows has been clear since summer 2016. An agreement to redistribute asylum seekers across Europe has remained all but a dead letter, the Dublin convention has been suspended in practice, and the failure of Merkel's call for a collective response do indeed raise fundamental questions about the question of EU solidarity, which are rendered all the more poignant as continental European politicians worry about making potentially counterproductive contributions to the Brexit debate. At the same time, however, the European Commission is doggedly sticking to its aim of lifting all border restrictions in the Schengen area by November 2016, despite a creeping reintroduction of controls. At the heart of this is a colossal failure of imagination; a failure to imagine a European project that does not simply replicate the 'us' and 'them' logic of bounded national communities. A failure to justify why the movement of those who

happen to live inside this prized Schengen construct should be made ever easier at the same time as the barriers against those in Europe's 'backyard' grow ever more murderous.<sup>4</sup>

When the price of preserving Schengen as the EU's supposed greatest achievement is barbed wire, teargas and criminal inaction as men, women and children drown daily in the Aegean, does that not devalue the achievement? When the price of preserving European wealth and privilege is to lambast and prosecute people smugglers as a demonstrably ineffectual migrant deterrent, or play a deadly cat and mouse game of interception and pushback, whilst turning a blind eye to the massive and morally questionable profits of the refugee industry, is that price worth paying? And when people pile up outside the EU's 'gated community', turning the EU's own territory into a humanitarian disaster zone, what does that really say about 'us' and 'them'?<sup>5</sup> At the very least, it questions the EU as a bordered zone of 'airbrushed achievement' to be protected – and this appears to be the EU's aim – at all costs.<sup>6</sup> As Adam McKeown put it with the evolution of US migration law in mind;

“the series of concepts used to project North Atlantic history as the trajectory of world history: natural rights, civilization, family of nations, modernization, the community of liberal states, and, as often as not, globalization itself...helps naturalize global difference and justify new projects of expansive regulation.”<sup>7</sup>

The logical and ethical incoherence of the EU's current position can be distilled into the following three questions: What is 'the Europe we want'? What is 'my Europe' and what does it stand for? And most importantly, who are 'we'? This chapter addresses these questions in turn, and considers the importance for Europe - with its desire to set an example to the rest of the world - of moving beyond the dichotomy of insides and outsides.

## WHAT IS 'THE EUROPE WE WANT'?

The foreword to Peo Hansen and Stefan Jonsson's book *Eurafrica*, though written only in 2014, evokes a very different era, when the EU's stability and rule of law were a great prize to be shared with Ukraine and Ukrainians. As at the end of the Cold War, and on the break-up of Yugoslavia, the EU offered the tantalising prospect of membership, or at least partnership, and thus a share in

what Ukrainians apparently wanted. As Manuel Barroso, President of the European Commission, made clear: “They want freedom, they want prosperity, they want stability.”<sup>8</sup> European flags waved in the streets of Kiev were greeted as 'stars of hope' and signs of their being 'part of the European family', a sentiment even echoed by UK prime minister David Cameron.<sup>9</sup>

Fast forward to 2016 and it could be argued that the migrants at the gates of Europe want nothing different, regardless (for once) of whether they are classed as economic migrants or asylum seekers. Nor do those European citizens travelling freely to teach English in Bulgaria, service boilers in the UK or retire to Spain. What makes the EU's interpretation and facilitation of these pretty universal human desires so different from place to place?

What is the moral justification for the further securitisation of 'Fortress Europe' in order to save the Schengen agreement? Why is Schengen worth saving more than the souls shoring up in Greece and the many hundreds more who have drowned, predictably and avoidably, since and despite the short-lived moral outrage caused by Alan Kurdi's death? Why is this so called 'crisis' repeatedly presented as a zero-sum game of either stability or humanity, suggesting that 'having it all' is impossible? Few things in the world today appear more nationalistic than the discourse about the security of the EU's borders. The sole basis of EU solidarity on this issue is to keep the 'Other' out and erect a solid barrier between 'us' and 'them', while the in-fighting continues unabated. Hence the idea evoked by Ai Weiwei's work that the lifejackets are all that is keeping the EU afloat.

Nicholas de Genova highlights how the German anti-immigrant movement 'Pegida' (*Patriotische Europäer Gegen die Islamisierung des Abendlandes* - Patriotic Europeans against the Islamisation of the West) describe themselves in terms of a 'patriotic Europeanism', partly to distance themselves superficially from Nazism and partly in order to connect with like-minded groups across the continent.<sup>10</sup> In January 2016, the former leader of the far-right English Defence League launched a UK Pegida movement, a sign of how an appeal to this discourse is to be found across the EU. Migration and asylum became part of EU affairs as a result of the Tampere European Summit in 1999. Significantly, this prompted one of the first protests by the 'No Borders' collective in Europe, part of a wider movement campaigning against border controls.<sup>11</sup>

The Tampere summit signalled a diplomatic move from low to high politics that – as the EU's ongoing difficulties in agreeing and enforcing a common response to unabated migrant arrivals show – is not reflected in the reality of current immigration policy or crisis management. Clearly, the EU's overriding emphasis on securing its external borders is a form of Europeanism, or nationalism writ large. At the end of August 2015, as Chancellor Angela Merkel temporarily opened Germany's borders to those fleeing Syria's civil war, her statements suggested that 'the Europe we want' is one that upholds human rights and noble values. At the same time, the use of the first person plural 'we' denotes an imagined community at the EU level, which necessarily excludes its constitutive 'Other'. Confronted with that 'Other', variously imagined as the poor, the persecuted, or the supposedly cultural alien, EU countries have proved either openly xenophobic or singularly unwilling to articulate the ethical and economic imperatives of accepting migrants into Europe. Neither is there clear evidence of long-term structural planning in order to ensure that pressures on housing, health and education caused by new residents are not felt disproportionately by already disadvantaged households.<sup>12</sup>

As Peter Nyers notes, the 'body politic' tends to be a starting point for political analysis, one against which waves wash and migrants bump up.<sup>13</sup> Though clearly not a nation-state, the EU is nonetheless a 'geo-body' which defines and polices 'irregular' migrant flows.<sup>14</sup> In other words, its strictures, such as the Dublin Convention, deem who is 'irregular' and its agency, Frontex, enforces the EU border on land and on sea, sometimes far from the EU's own territory and territorial waters. Nick Vaughan-Williams has argued that critiques highlighting the inconsistencies between the EU's humanitarian principles, enshrined in the EU's 2011 Global Approach to Migration and Mobility, and border practices like pushback and ignoring distress calls amounting to 'lethal modes of political abandonment' do not go far enough.<sup>15</sup> In his view:

"situations in which some 'irregular' migrants are endangered precisely by the authorities associated with humanitarian border security are not a question of improper implementation of the EU's humanitarian principles, but are part of the very logic of border securitization."<sup>16</sup>

The EU's current rhetoric surrounding its management of migrants clearly pits everything the EU stands for against the migrant as a threat to those achievements. It draws a line between 'them' and 'us' in the starkest terms. For example, the EU Commissioner for migration, Dimitris Avramopoulos, has stated:

"All that we have achieved in the last 60 years is at stake and we have to do what we can to uphold and safeguard these achievements [...] We cannot have free movement if we cannot manage our external border effectively."<sup>17</sup>

It is useful to consider the EU using Bridget Anderson's concept of 'community of value'.<sup>18</sup> This she defines as:

"composed of people who share common ideals and (exemplary) patterns of behavior expressed through ethnicity, religion, culture, or language – that is, its members have shared values. They partake in certain forms of social relations, in communities."<sup>19</sup>

To scholars of nationalism, this definition clearly overlaps with some common attributes of nations, and Anderson acknowledges this.

The EU itself claims to be a community of shared values, as seen in the 2001 Laeken Declaration, the 2007 Berlin Declaration, the 2011 Global Approach to Migration and Mobility (GAMM) framework, the Copenhagen criteria for accession, and the conditionality it imposes on trade agreements with third countries. It is this community of value on whose behalf President Jose Manuel Barroso accepted the Nobel Peace prize in 2012 and to which Angela Merkel doggedly refers. Phrases like 'Europe's disgrace' and 'shame' to describe the humanitarian situation in Greece, Idomeni, Lesbos and along all of Europe's borders explicitly refer to these putative shared values. Values that member states now only honour in the breach of previous resettlement agreements or by recognising, in this case by Lithuania's president, Dalia Grybauskaitė, that a deal with Turkey "will be very difficult to implement and is on the edge of international law."<sup>20</sup> So, Europe's refugee crisis goes hand in hand with a crisis in European values. In the words of EU migration commissioner Dimitris Avramopoulos on visiting Idomeni, "The situation is tragic, an insult to our values and civilisation."<sup>21</sup>

The EU has been gripped by a prolonged series of so-called ‘crises’. The latest crisis, focused on the situation with Turkey, has led to a ‘one in, one out’ bargain that has been presented as a way of undermining smugglers’ business model. Surely, a more effective way of undermining their business model would have been to ensure migrants safe passage to European shores. A simple ferry ticket is the failsafe way to disrupt the market in ropery dinghies and useless lifejackets. Instead, the EU and member state leaders stand by in the full knowledge that men, women and children will die, whilst heaping moral opprobrium on the smugglers. The hypocrisy is quite breathtaking. The European ideal has sunk to the bottom of the Mediterranean with those lives lost. An organisation and union much-maligned for its bureaucracy has failed to organise, failed to cooperate and failed to save lives. The recent decision to repurpose EU humanitarian aid that was ring-fenced for areas outside the EU to within its own borders is a not inconsiderable acknowledgement of its own failure to act, but even this has not addressed the shocking suffering in Idomeni and elsewhere. Meanwhile, the Brexit campaign cranks into gear regardless, a combination of economic calculation and pantomime patriotism; it is woefully self-referential, self-aggrandising and self-centred. Boudicca for Brexit, anyone?<sup>22</sup>

## WHAT IS ‘MY EUROPE’ AND WHAT DOES IT STAND FOR?

Nation-states still dominate our understandings of political community, including in Europe.<sup>23</sup> Physical borders between European states might have – in some cases – disappeared, but that has not disrupted the monolithic, static nature of the state they serve. Borders still underpin the enduring hegemony of the nation-state and its creation, the EU. Peter Nyers argues that the ‘refugee question’ is not a problem to be solved or a crisis to be mastered, but a more fundamental challenge to rethink the political:

“It is not that there are no other ways of being or acting politically but rather that the success of statism as a social movement has rendered these alternatives either unacceptable or unthinkable.”<sup>24</sup>

The grim determination of migrants who continue to die in the Channel Tunnel, doughtily march around the fences erected before them, or who cross fast-

moving, freezing waters with babes in arms to continue their journey north, testifies to their resilience in the face of periodically opening and closing borders and crude categorisations in terms of nationality, not need. The violence inherent in border securitisation and enforcement has become more visible, no longer confined to the watery realms of the Mediterranean. Not content with barbed wire and inaction in the name of deterrence, the EU has begun to defend its fortress with tear gas and riot police. From a classic International Relations (IR) perspective, “the violence involved in securing the external borders of the state are justified as a necessary precondition for civil political relations to flourish within the political community.”<sup>25</sup> In the EU’s case then, internal harmony is clearly dependent on keeping foreigners at bay, and the two are explicitly linked in its rhetoric.

Nick Vaughan-Williams has shown how the EU has ‘co-opted’ humanitarian principles and thereby made it difficult to hold it accountable for human rights abuses from an independent vantage point.<sup>26</sup> Add to this the outsourcing and offshoring of border practices; including to private security firms, to coastguards enforcing territorial sovereignty on the high seas, to detention centres in North Africa and through bilateral deals with Turkey.<sup>27</sup> It is important to place the quandary facing Europe in its wider historical context, in order to show that the EU is merely repeating the well-trodden nation-building path of bordering, forgetting and exclusion found in imperial attitudes towards (un)civilised society. As Antoinette Burton noted, postcolonial historians of Empire “question the legitimacy of a national history that views the non-white populations of the late twentieth century as fallout from the disintegration of empire rather than as the predictable outcome of centuries of imperial power and engagement.”<sup>28</sup> Similarly, Adam McKeown’s account of nineteenth century controls on migration from Asia to the United States (US) sounds remarkably familiar to the present day.<sup>29</sup>

McKeown examines how the US reconciled restrictions on immigration with democratic, liberal values of freedom and progress, a process the EU is engaged in right now. He shows how border controls themselves served to create and entrench a racist hierarchy between the civilised West and the backward rest, which in turn justified the mission *civilisatrice* (civilising mission), rendered in the US context as its ‘manifest destiny’ to colonise the Philippines, for example.

The nineteenth century process of differentiation in matters of migration and representation has directly shaped the 'common sense' basis on which the EU tortuously tries to base its distinction between European 'insiders' – who should benefit from free movement and progressive policies – and outsiders, who are not even deserving of safe passage to the 'hotspots' that will determine their (safe) return to a (questionably safe) third country such as Turkey.

The ultimate twist is that the price of Turkey's cooperation is to reopen the prospect of Turkish accession and allow visa-free travel for a population that may open another front on the 'migration issue.' In this instance, it is not only the country's leadership that is unpalatable to the EU, but the potential for unwelcome *Gastarbeiter* (guest workers) alongside temporary tourist and business travellers. The latest plan purporting to take migrants to Turkey in return for seaborne arrivals, an example of what has been called *Überrealpolitik* (surreal politics), is another nail in the coffin in Europe's community of value.<sup>30</sup> As Bridget Anderson has recently commented, it is clear evidence of the EU's existential, identity crisis; "not a refugee crisis facing Europe, but a European crisis facing refugees."<sup>31</sup> The one thing the EU has done collectively is fail.

## WHO ARE 'WE'?

Press coverage of migrants seeking to enter the EU has been increasingly subverted by the rise of online citizen journalism and the intervention of migrants, activists and artists. The advent of digital news media has arguably enhanced a cosmopolitan perspective, that 'has long been associated with the capacity of journalism to bring 'home' distant realities and to inspire a sense of care and responsibility beyond our communities of belonging.'<sup>32</sup> Indeed, we can find a greater emphasis in some professional journalistic practice on bearing witness to suffering, complete with its moral and emotional connotations, as opposed to adopting a detached and supposedly objective perspective.<sup>33</sup> This has been accompanied by the emergence of a 'new solidarity' which has helped challenge traditional national media.<sup>34</sup> The media is clearly key to mobilising feelings of empathy, compassion, identification and solidarity in response to refugees, but evidence suggests that these feelings are unstable and subject to reversal.<sup>35</sup> For example, the image of the dead toddler Alan Kurdi washed up on a

Turkish beach "produced a "seismic shock" in terms of change of opinion (from being inimical to "migrants" to empathic to "refugees")."<sup>36</sup> However, its impact was brief and the impetus for political change was limited. By contrast, the consolidation of a German backlash to Angela Merkel's refugee policy can be linked to the media impact of the sexual assaults that took place in Cologne on New Year's Eve 2015 and the subsequent spike of the anti-immigrant *Alternative für Deutschland* in the German regional elections of March 2016.<sup>37</sup>

The ever-growing number of migrant deaths at sea has also led to legal and commemorative movements. There have been attempts by activists and victims' families to pursue justice, offer a dignified burial, or at least mark the failure to provide a 'welcoming Europe'.<sup>38</sup> There have been many commemorative interventions that have sought to show solidarity with migrant victims and thereby create an ephemeral sense of community across conventional borders.<sup>39</sup> This so-called 'grief activism' rejects preordained national solidarities. One German artists' collective was widely criticised in Germany for moving crosses commemorating East Germans who died trying to cross the Berlin Wall to the EU's external borders, which it characterised as far more murderous 'death strips' (*Todesstreifen*). Its defiant retort included the claim "Every society only mourns its own victims."<sup>40</sup>

The ringing phrase repeated in migrant struggles, 'We are here because you were there' encapsulates the postcolonial, nationalist context of the European crisis playing out today.<sup>41</sup> Benedict Anderson wrote of the "skein of journeys through which each state was experienced" initially by colonial functionaries, increasingly by indigenous intelligentsia and today by migrants.<sup>42</sup> The EU's failure of imagination lies in its inability, despite its supposed supranationalism, to put skeins before states. McKeown's description of a "modern world where states were taken for granted more than mobility" still stands.<sup>43</sup> In other words, the EU is never less of a super-state than when it comes to migration, as demonstrated by the simple refusal of its members to honour the migrant redistribution agreement.

This is not just a failure of imagination but a failure to reflect historical fact. As Benedict Anderson suggests and Antoinette Burton shows, the well-documented movement of colonised people to the imperial centre represents a "critical challenge to traditions of Western history-writing dependent on the progress

of the territorially bounded nations out of which such narratives have been produced.”<sup>44</sup> In other words, official nation-building in Europe has still not embraced the postcolonial critique of ‘imagined communities’ premised on the fiction of *longue durée* (the long term view of history), organised in bounded serialities and existing in homogenous, empty time.<sup>45</sup>

As Michael Herzfeld has noted, “the absurdity of the human condition surely comes to a head with official claims to everlasting nationhood.”<sup>46</sup> The EU is hamstrung by the same failure to acknowledge its imperial influences, the spurious distinction between mobility and migration and, understandably for a world order organised as it is, an inability to imagine human relations as skeins rather than states. More than twenty years on from the publication of Edward Saïd’s *Orientalism*, the lessons of history have yet to have any impact on European imaginings of ‘us’ and ‘them’.<sup>47</sup>

## CONCLUSION

The Nobel prize-winning EU presents itself as a beacon of democracy, human rights and values that Angela Merkel can conjure simply as ‘my Europe’ and the ‘Europe we want’ despite “the most egregious human rights abuses in the context of Europe’s border crisis.”<sup>48</sup>

Bridget Anderson paints a picture of the Good Citizen in this community of value as firmly ensconced in an unreflective liberal worldview, produced from a “history and culture that does not acknowledge its own particularity.”<sup>49</sup> However, as Peo and Hansen have shown in their book *Eurafrica*, the European integration project is a very particular product indeed.<sup>50</sup> As they carefully document, the EU grew from imperial states’ post-war concern with retaining soon-to-be former colonies within their sphere of influence. The European project remains riddled with racialised, hierarchical assumptions that shape its border and migration policy along parallel lines to the US in the nineteenth century.<sup>51</sup>

I myself have uncritically taught students the founding myth of European integration, consisting in the post-war consensus to bind France and Germany, the Schuman declaration, the creation of the European Coal and Steel Community to control the raw materials of conflict, and so on in a litany of treaties from Rome, to Maastricht, to Amsterdam and to Lisbon. I shall never do so again.

## POLICY RECOMMENDATIONS

1. Establish a Mediterranean ferry ticket system for refugees to disrupt the people smuggling market that forces refugees to use dinghies and useless lifejackets instead of being able to claim asylum safely.
2. Stop relying on volunteers and NGOs to carry out humanitarian work in Greece (and France, and Italy) that the EU is funded and equipped to do, and immediately air-lift all those languishing in inhuman conditions at Idomeni and other closed borders (including Calais and Dunkerque) to safety, using the EU’s existing quota distribution system.
3. Urgently end and investigate the prison-like and catastrophic living conditions at the ‘Vial’ ‘hotspot’ detention centre on the Greek island of Chios, and the ‘hotspot’ system as a whole. ■

## NOTES

- 1 The Guardian, 'The Guardian view on the EU-Turkey migration summit: human values on the line', 7 March 2016, <http://www.theguardian.com/commentisfree/2016/mar/07/the-guardian-view-on-the-eu-turkey-migration-summit-human-values-on-the-line>.
- 2 L. Dearden, 'Angela Merkel: Reintroducing border controls to stop migrants is not "the Europe we want"', *The Independent*, 1 September 2015, <http://www.independent.co.uk/news/world/europe/angela-merkel-reintroducing-border-controls-to-stop-migrants-is-not-the-europe-we-want-10481094.html>.
- 3 P. Oltermann, 'EU acting like "human trafficker" of refugees, says Austrian Minister', *The Guardian*, 5 March 2016, <http://www.theguardian.com/world/2016/mar/05/rebel-austria-accuses-eu-human-trafficker-sebastian-kurz-angela-merkel>.
- 4 R. Dati, 'What's Europe's next move? The world is watching what some hope is our collapse', *The Guardian*, 6 March 2016, <http://www.theguardian.com/commentisfree/2016/mar/06/europe-collapse-syria-migration-terrorism-turkey>.
- 5 M. Herzfeld, *Cultural Intimacy*, 3rd Edition (Abingdon and New York: Routledge, 2016).
- 6 N. Vaughan-Williams, 'Borders' in A. N. Mhurchú and R. Shindo (Eds.) *Critical Imaginations in International Relations* (Routledge, VitalSource Bookshelf Online, 2016).
- 7 A. McKeown, *Melancholy Order; Asian Migration and the Globalisation of Borders* (New York & Chichester: University of Columbia Press, 2008), pp. 364-5
- 8 Barroso cited in P. Hansen and S. Jonsson, *Eurafrica* (Bloomsbury, 2014), p.xv.
- 9 *Ibid.*
- 10 N. De Genova, 'In the Land of the Setting Sun: Reflections on "Islamization" and "Patriotic Europeanism"', *Movements Journal*, Volume 1, No. 2, 2015.
- 11 B. Anderson, N. Sharma and C. Wright, 'Editorial: why no borders?', *Refuge*, Volume 26, No. 2, 2009.
- 12 L. Mckenzie, 'The refugee crisis will hit the UK's working class areas hardest', *The Guardian*, 16 September 2015, <http://www.theguardian.com/society/2015/sep/16/refugee-crisis-hit-uk-working-class-powerless>.
- 13 P. Nyers, 'Community without Status: Non-Status Migrants and Cities of Refuge', in D. Brydon and W. Coleman, (Eds.), *Renegotiating Community: Interdisciplinary Perspectives in Global Contexts* (Vancouver: University of British Columbia Press, 2008), pp.123-138.
- 14 T. Winichakul, *Siam Mapped: A history of the Geo-body of a Nation* (University of Hawaii Press, 1994).
- 15 Vaughan-Williams, 'Borders'.
- 16 Vaughan-Williams, 'Borders', p.12.
- 17 Cited in J. Rankin, I. Traynor and H. Smith, 'Turkey agrees to take back people who don't qualify for EU asylum', *The Guardian*, 4 March 2016, <http://www.theguardian.com/world/2016/mar/04/turkey-eu-asylum-redmit>.
- 18 B. Anderson, 'Why the EU-Turkey Migrant Deal Is a Moral Disaster', *Fortune*, 17 March 2016, <http://fortune.com/2016/03/17/eu-turkey-migrant-crisis-deal-disaster/>.
- 19 B. Anderson, *Us and them? The dangerous politics of immigration control* (Oxford: Oxford University Press, 2013).
- 20 J. Rankin and R. Mason, 'EU leaders to meet Turkish prime minister as refugee deal falls short', *The Guardian*, 18 March 2016, <http://www.theguardian.com/world/2016/mar/17/cyprus-sticking-point-eu-turkey-deal-refugees>.
- 21 H. Smith, 'Migration crisis: Idomeni, the train stop that became "an insult to EU values"', *The Guardian*, 17 March 2016, <http://www.theguardian.com/world/2016/mar/17/migration-crisis-idomeni-camp-greece-macedonia-is-an-insult-to-eu-values>.
- 22 M. Deacon, 'EU referendum: From Boadicea to Mrs Pankhurst... meet the posthumous backers of Brexit', *The Telegraph*, 8 March 2016, <http://www.telegraph.co.uk/news/newstopics/eureferendum/12188063/EU-referendum-From-Boadicea-to-Mrs-Pankhurst...-meet-the-posthumous-backers-of-Brexit.html>.
- 23 P. Nyers, *Rethinking refugees: beyond state of emergency* (Routledge, 2006), p.3.
- 24 Nyers, *Rethinking refugees*, p.4.
- 25 Nyers, *Rethinking refugees*, p.3.
- 26 Vaughan-Williams, 'Borders', p.4.
- 27 Vaughan-Williams, 'Borders', p.6.
- 28 A. Burton, *At the heart of the empire: Indians and the colonial encounter in late-Victorian Britain* (University of California Press, 1998), p.9.

- 29 A. McKeown, *Melancholy Order; Asian Migration and the Globalisation of Borders* (New York & Chichester: University of Columbia Press, 2008).
- 30 T. Garton-Ash, 'Can Angela Merkel prevent Europe being eaten away at its core?', *The Guardian*, 17 March 2016, <http://www.theguardian.com/commentisfree/2016/mar/17/german-elections-angela-merkel-europe-refugees>.
- 31 Anderson, 'Why the EU-Turkey Migrant Deal Is a Moral Disaster'.
- 32 L. Chouliaraki and B. Blaagaard, 'Introduction' in *Cosmopolitanism and the New News Media* (Routledge: London and New York, 2013) p.150.
- 33 J. Cottle, 'Journalists witnessing disaster; from the Calculus of death to the Injunction to Care' in L. Chouliaraki and B. Blaagaard (Eds.) *Cosmopolitanism and the New News Media* (Routledge: London and New York, 2013), p.88.
- 34 Chouliaraki and Blaagaard, 'Introduction', p.151.
- 35 S. Karakayali, 'Rights or Philanthropy: Emotions of Solidarity with Refugees', *Compas*, 1 March 2016, <https://www.compas.ox.ac.uk/2016/rights-or-philanthropy-emotions-of-solidarity-with-refugees/>.
- 36 F. Vis and O. Goriunova (Eds.) 'The Iconic Image on Social Media: A Rapid Research Response to the Death of Aylan Kurdi', Published by the Visual Social Media Lab, December 2015, <http://visualsecialmedialab.org/projects/the-iconic-image-on-social-media>.
- 37 T. Fischer, 'Unser Sexmob', *Zeit Online*, 12 January 2016, <http://www.zeit.de/gesellschaft/zeitgeschehen/2016-01/sexmob-koeln-kriminalitaet-strafrecht-fischer-im-recht>.
- 38 K. Rygiel, 'In life through death: transgressive citizenship at the border' in P. Nyers and E. Isin (Eds.) *Routledge Handbook of Global Citizenship Studies* (Routledge, 2014).
- 39 M. Stierl, 'Contestations in death - the role of grief in migration struggles', *Citizenship Studies*, Volume 20, No. 2, (2016): pp.173-19.
- 40 See Stierl, 'Contestations in death - the role of grief in migration struggles', p.183 ; M. Billig, *Banal Nationalism* (London: Sage, 1996).
- 41 N. De Genova and M. Tazzioli (Eds.), "'Migrant Crisis" / "Refugee Crisis"' (Zone books online, 2016), <http://nearfuturesonline.org/europecrisis-new-keywords-of-crisis-in-and-of-europe/>.
- 42 B. Anderson, *Imagined Communities* (London: Verso, 1991).
- 43 McKeown, *Melancholy Order*, p.28.
- 44 Burton, *At the heart of the empire*, p.11
- 45 Anderson, *Imagined Communities*.
- 46 M. Herzfeld, *Cultural intimacy: social poetics and the real life of states, societies and institutions* (Routledge, 2016).
- 47 E. Saïd, *Orientalism* (Pantheon, 1978).
- 48 Vaughan-Williams, 'Borders', p.116.
- 49 B. Anderson, *Us and them? The dangerous politics of immigration control* (Oxford: Oxford University Press, 2013).
- 50 Hansen and Jonsson, *Eurafrica*.
- 51 McKeown, *Melancholy Order*.



# **Emerging Powers**

# US View: Selective and Ambivalent Thinking

John Hemmings

**A**s we approach the end of the Obama presidency it is clear that the American approach toward emerging powers over the past 10 years has been marked by ambivalence. On the one hand, emerging powers have come to symbolise the success of the Western liberal-economic model and a natural part of globalisation; on the other hand, the rise of new powers has occurred in the background of relative decline of American power and a concern that political liberalisation has not always accompanied economic liberalisation within the emerging powers. Therefore, American policy and academic writings have viewed emerging powers as both opportunities and as new geopolitical challenges to both American power and to the future of the liberal international order.

## THE RISE OF THE OTHER POWERS

The end of the Cold War seemed to herald the triumph of liberal capitalism as an ordering principle for the global system.<sup>1</sup> The 1990s were preoccupied with development, human security, and failed states; all focused on shoring up rather than replacing the liberal international order.

However, a series of financial crises in Asia, Latin America and Eastern Europe hinted at the difficulty of western-style financial reform. The debate on emerging powers coalesced around the 'BRICs'-term in November 2001, when Jim O'Neill, Head of Global Economic Research at Goldman Sachs Economic Research Group, coined the acronym in a report describing the four fastest growing emerging markets over the previous decade.<sup>2</sup> Brazil, Russia, India, and China were all revealed to be dynamic and exciting emerging markets whose GDP growth would exceed that of G7 nations by 2002 and make up 10% of the global economy by 2010. A follow-up paper, produced by Goldman Sachs in November 2007 claimed that the BRICs had out-performed expectations: equity markets had seen a remarkable increase in value; Brazil rising by 369%, Russia rising by 630%, India, by 499%, and China by 201%. The combined weight of all four had already reached 15% of the global economy.

The implication was that the emergence of these new powers would impact global governance, reflected in a growing vein of academic writing linking economics and security with global governance architecture.<sup>3</sup>

The writing on these rising economies quickly developed a distinctly geopolitical flavour, highlighting North-South divisions, capitalists-developing nation distinctions, and Western-non-Western political cultures.<sup>4</sup> The Chinese People's Daily (Beijing) exemplified this new apparent shift, represented by the BRICs:

"The rise of the BRICs is also changing the world order. This is happening not only because of the BRIC's robust economic growth, but also because of their role as an initiator and motivator of the new international order. The four countries advocate the democratization of international relations, oppose hegemony, and call for respect for global diversification. As developing nations, they have had the opportunity to learn from others and offset their own weaknesses."<sup>5</sup>

In some writings the emerging powers were rising to challenge Western dominance, and in other examples to challenge American dominance. Naturally, this impacted how American academics and policymakers viewed the ultimate evolution of the BRICs and their potential to reshape the preferred world order of the United States (US). This has led to debates around the future of the global order and the future of American power by international relations theoreticians. Some like Joseph Nye have written in *Foreign Affairs* that American decline has only been relative, and that the United States still has the capacity to lead.<sup>6</sup> Others like Fareed Zakaria, have implicitly accepted American decline, as in 'The Post-American World', arguing instead

for a new strategy as an “honest broker” in dealing with “the rise of the rest”<sup>7</sup>

This debate has also focused on the future of the global system, argued between liberals and realists.

American liberal thinkers like John Ikenberry have argued that while the US and the West are experiencing relative decline, liberal internationalism is not, as the rising powers increasingly embrace institutions and other sovereignty-eroding forms of cooperation.<sup>8</sup> Rather than contesting the system, he argues, they are merely attempting to gain more authority and leadership within that system. China’s Asian Investment and Infrastructure Bank (AIIB) is a case in point: it seeks not to supplant the methods or principles of the liberal order, merely to raise China’s profile and interests in that order.

These views contrast with the pessimism of Charles Kupchan and Walter Russell Mead who argue that the decline of Western power is also about the decline in liberal international norms and values<sup>9</sup>. Mead’s argument that Russia and China in particular are authoritarian states who seek to undo the post Cold War liberal victory has gained resonance since Russia absorbed Crimea through military action and subsequent referendum, and since China began building islands in a contested maritime space in the South China Sea.

Not all thinkers that accept decline have been so pessimistic, however. Some works have focused on the benefits to the US, such as Charles Kenny’s ‘The Upside of Down: Why the Rise of the Rest is Good for the West’, where he sought to explain why no longer having the world’s largest GDP would actually advance American exports.<sup>10</sup>

Finally, there has been a discussion on whether many rising economies are still on track to overtake the US and

the West. This has been particularly prevalent since 2014, when the US economy saw real improvement while the BRICS have suffered serious setbacks, or felt the competition from the MINTs (Mexico, Indonesia, Nigeria, and Turkey.)<sup>11</sup>

The term BRICs has taken on geopolitical connotations, which do not serve intellectual clarity. For that reason, this article deals primarily with newly-risen powers China, India and Brazil and leaves out Russia. This is partly because until 1990 Russia was itself a superpower and does not really fit as an ‘emerging economy’. Indeed, since the mid-2000s, there have been serious doubts that Russia constitutes a ‘rising power’; despite all the hard power elements of Russian interference in Syria and revanchism in Ukraine, Russia is declining in all the important long-term ways that count. Demographically, its population is decreasing; its economy is in tatters, overly-reliant on low-cost oil exports, with Standard & Poor’s (S&P) rating agency downgrading Russia to ‘junk’ in 2015. It is sanctioned by two of the largest economies in the world, the US and the European Union (EU), and domestic governance is looking less positive. The geographic dislocation of the BRICs label, their differing economic models (two are resource-driven, two are export-reliant) and different regime types (two are democracies, while two are authoritarian) raise serious questions about the long-term use of the BRICs as an academic term or political grouping.<sup>12</sup>

## THE RISE OF CHINA

No other power excites debate about emerging powers among American policymakers and academics quite like China. Its incredible economic growth and military modernisation has increasingly defined American foreign policy in the post-Iraq space, promoting

“No other power excites debate about emerging powers among American policymakers and academics quite like China.”

an increasing preoccupation with Asian and maritime security. It has raised both day-to-day policy challenges, as well as deeper theoretical challenges on the peaceful rise of powers in history. This debate has often pitted those within the realist tradition against neoliberal institutionalists.

The history of China in American policy has an interesting arc. Following the Tiananmen Square crackdown in 1989, Sino-American ties underwent a deep freeze. Despite this, the George H.W. Bush presidency (1989-1993) encouraged the resumption of high-level political ties and vetoed attempts by Congress to link the political relationship to progress in human rights. There was a belief that economic liberalisation would lead to political liberalisation. Until that time, American policy would hedge against two outcomes: a friendly, liberal China and a strong, challenger China.

This binary reveals itself in the varying articles about China in the early 1990s. Was Asia ripe for rivalry? Aaron Friedberg's pessimistic 1993 International Security article thought so.<sup>13</sup> Others, like David Shambaugh, wondered if the US should enact an engagement policy or containment policy.<sup>14</sup> Some like Patrick Cronin, Kenneth Lieberthal, and James Shinn have argued for various forms of engagement, which deeply coloured Clinton policy on China. Others like Arthur Waldron, Gideon Rachman, and Gerald Seagal recommended 'constraint' or varying forms of containment. This debate spilled over into the policy community, in what became known as the 'Red Team/Blue Team' debates. 'Blue Team' members included congressional staffers, journalists, and policy academics who were hawkish on China, while 'Red Team' members preferred engagement and accommodation. Blue Teamers painted the 1996 campaign finance controversy (in which the Chinese government was alleged to have been trying to influence US domestic politics through donations to political campaigns) as a sign of growing Chinese influence in Washington. In Congress, they publicised accounts of Chinese defence-related espionage – as described in the 1999 Cox Report – and sought to show how growing Chinese military capabilities would make it a threat one day, requiring from 2000 annual reports from the Defense Department and the US-China Economic and Security Review Commission. The 1995-6 Taiwan Crisis and 1999 Belgrade bombing seemed to raise China's threat profile, though trade was delinked from security issues.

The incoming G.W. Bush administration in 2001 was deeply sceptical of China, seemingly justifiably after their first crisis; the P-3 Incident off of Hainan Island (in which there was a mid-air collision between a US Navy signals intelligence aircraft and a Chinese Navy fighter jet). The administration's attitude softened in its second term as Robert Zoellick attempted a charm offensive from the State Department, initiating the 'responsible stakeholder' approach.

In the wake of the 2008 Financial Crisis, the Obama administration seemed to follow the Zoellick approach, with James Steinberg emphasizing the management of tensions as China underwent what Chinese President Xi Jinping called 'the great revival of the Chinese nation.' A growing perception in Washington and regional capitals that Chinese 'assertiveness' had risen in the face of accommodation led to a backlash in the second term.

The Rebalance to Asia, or 'Pivot', rolled out in 2011 is intended to invigorate American leadership in the region and while it is not aimed at China, there is no doubt that China's rise plays a part in its conception. It's built around the three pillars of economic, security, and political engagement, and have seen a large uptick in activities between the US and its allies, between the US and China, and between the US and ASEAN member-states.

American writing on China has increased immensely, commiserate with its standing as the world's next largest economy and military power. Writers have tended to come from two groups: China-watchers and IR scholars/security experts. China watchers like Iain Alastair Johnston, Harry Harding, David Lampton, David Shambaugh, Kenneth Lieberthal, and Michael Pillsbury have tended to adopt culturally nuanced approaches to policy, basing their analyses on cultural, linguistic, and network familiarity within China. Their tone varies widely between Shambaugh's, 'The Tangled Titans: the United States and China', and Pillsbury's book, 'One Hundred Year Marathon'.<sup>15</sup> Others ponder the efficacy of American policymaking, like Harry Harding's 'Has US China Policy Failed?' Those who have a more general IR background focus on the US-China relationship or rising power debates. This includes a wide range of academics and practitioners, including Henry Kissinger, Henry Paulson, James Steinberg and Evan Medeiros, who advocate a 'wait-and-see' approach. Others like Aaron Friedberg, John Mearsheimer, Ashley Tellis, Robert Kaplan and Peter Dutton predict or seek to explain growing tensions and competition.

Over the past decade, much of the debate has been on whether the engagement policy vis-à-vis China has been successful in the long-term. Harry Harding's Washington Quarterly piece, 'Has US China Policy Failed?', traces the reasons for American disappointment in China, looking at Washington's hopes for political liberalisation inside China as well as the expectation that Beijing would become an active supporter of the international system.<sup>16</sup> The fact that under Xi Jinping, political control has been tightened over the media, over universities, and NGOs has played into this disappointment. As for a global role, China's willingness to create regional organisations like Regional Comprehensive Economic Partnership (RCEP) and the AIIB are seen as challenging to American interests, while its maritime disputes with American allies Japan and the Philippines are dramatically increasing regional insecurity.

## INDIA

No factor about India has excited more interest and debate in US writing on India than the fact that it is a fellow democracy. Its history as a British colony, its Hindu culture, and its place in the non-aligned movement during the Cold War have all become less important to American international relations scholars than the fact that it is the world's largest democracy. This says as much about American ideological preferences and the nature of the global order, the desire for a continued liberal democratic order, and the hope that India might serve as a balance to China's rise.

Ultimately, both literatures merge through the debate on the future of the liberal order; as India is seen as friendlier to liberal values than China, it plays a large role in both neoliberal arguments and in geopolitical, realist-style arguments. A recent Council on Foreign Relations Task force reported, "A rising India offers one of the most substantial opportunities to advance American national interests over the next two decades."<sup>17</sup>

Notably, Indian views of this development are rather dour:

"There is a hysterical sense, encouraged by the West, about India's rise.' A top-level official in India's foreign ministry echoed the sentiment: 'When do we Indians talk about it? We don't.'"<sup>18</sup>

Nevertheless, US policy has tried to balance its concerns over India's nuclear weapons programme and human

rights infractions towards India's Muslim minorities with this larger strategic narrative. However, the US is not the only state to view India in this geopolitical manner. Shinzo Abe, the current Japanese Prime Minister, has made stronger ties with India a key point in his global strategy. This has led to some new geopolitical groupings, as the US and Japan held naval exercises with India and recently upgraded their trilateral strategic dialogue with India to the ministerial level in 2015.

For much of the early 1990s, American academia and policymakers focused on either India's environmental issues or with India's role as a nuclear power (it tested its first bomb in 1974, as the US was attempting to negotiate the non-proliferation treaty). The US decision to impose sanctions on India in the wake of the 1998 nuclear tests, which followed the Pakistani test, defined bilateral ties for much of the early 2000s. It was difficult for American policymakers to square their preferences for non-proliferation with the triumphant and often defiant tone of Indian writings on the issue. While canvassing against the Comprehensive Nuclear-Test-Ban Treaty (CTBT) in Geneva, for example, Indian former foreign secretary A. P. Venkateswaran stated that some of India's "own analysts are guilefully Uncle-Tomming such a course of action on the servile argument that we should not displease the great powers."<sup>19</sup> Given the dominant place the late Clinton administration gave to stopping the spread of dangerous technologies, US-India ties seemed frozen. The 1999 US National Security Strategy explicitly mentioned strengthening the CTBT, the Non-Proliferation Treaty, the Missile Technology Control Regime, and the IAEA safeguards system.<sup>20</sup>

The 2005 US-India Civil Nuclear Agreement was a significant geopolitical event, though perhaps this has only become evident in hindsight. For one thing, the agreement allowed the United States and India to move past the nuclear split, agreeing on a framework for cooperation and continued Indian non-membership to the NPT and CTBT. It is perhaps no surprise that one of the lead negotiators on the deal, Ashley Tellis, views the deal very much through the prism of US geopolitical strategy vis-à-vis China. He defended the deal in the 2006 'Atoms for War? US-Indian Civilian Nuclear Cooperation and India's Nuclear Arsenal', and considered the future of US-Indian partnership in 'What Should We Expect from India as a Strategic Partner?' in Henry Sokolski's 'Gauging US-Indian

Strategic Cooperation.<sup>21</sup> Daniel Twining, an influential voice in American policy, has predicted closer ties between Washington and New Delhi to balance Beijing. His writings include 'Not a Chinese Century, an Indo-American One'.<sup>22</sup> Working at the German Marshall Fund of the United States, he and colleague Dhruva Jaishankar look at the intersection between Indian foreign policy and American grand strategy. This has increasingly spilled over into the maritime sphere, looking at India's growing naval capabilities and forces.

Naturally, the perception of India's growing strategic importance for American writers has led to a surge in writing on Indian domestic and foreign policies, particularly the impact of the election of Narendra Modi - a far more outgoing leader than his predecessor Manmohan Singh. Recently, American writers have also begun to look to India's role in shaping future global institutions and its place in the climate change debate.

## BRAZIL

Brazil is the fifth most populous country in the world and occupies nearly half of the South American continent. However, Americans write substantially less about Brazil compared to India and China.

Despite the fact that the two share continental proximity, there is simply not the same strong interest in academic and policy literature and American Latin American policy seems decentralised. In many ways, this is due to the on and off again nature of the political relationship, which has waxed and waned for the past 60 years.

Much American writing that does focus on Brazil examines its foreign policy in a South American context, its trade and investment relations, and its general part in the BRICs phenomenon. Often, it has danced between playing a bridging and a countervailing role between the US and other powers. For example, it has often played a bridging role between Washington and other South American regional states – such as when President Lula befriended both Venezuelan President Hugo Chavez and President George W. Bush; it has also sought to negotiate between Tehran and the West (as it did alongside Turkey in 2010), and more recently, tried unsuccessfully to mediate between Western powers and Russia over the Syrian Civil War. Because of the delicate nature of these diplomatic efforts, American writings on Brazil have struggled to understand Brazil's global role.

In the 1990s, the regional integration project Mercosur began to attract more attention in American academic circles.<sup>23</sup> Reflecting the growing global trends in regional integration projects, like the EU and ASEAN, Mercosur seemed the South American answer. The fact that Brazil's population and economic size was so much larger than the other member states also raised the question of whether Brazil would become the group's leader – and by extension a regional leader. Samuel A. Arieti, Clare Ribando Seelke, and Carl Meacham have all written about Brazil's regional political and economic profile in this light and sought to predict the course of Brazil's regional leadership.

Naturally, interest in Brazil's trade and political profile has only grown stronger, as Brazil has joined new groupings such as Union of South American Nations (UNASUR), Community of Latin American and Caribbean States (CELAC), BRIC and the G20 over the last 10 years. Despite – or perhaps because of – high expectations, a growing number of American experts have begun writing on Brazil's inability to reach its own goals. Harold Trinkunas and David Mares book, 'Aspirational Power: How Brazil Tries to Influence the International Order and why it so Often Fails' is a case in point.<sup>24</sup> Both Trinkunas and Ralph Espach have written on aspects of defence and security for Brazil and region for some decades, often focusing on civil-military affairs, defence policy, and the relationship with the US.<sup>25</sup> As can be imagined, there is a long tradition of disappointment in American inattention of US-Brazil relations. Well known examples, include Julia E. Sweig's 'Global Brazil and US-Brazil Relations', and Monica Hirsts' 'The United States and Brazil: A Long Road of Unmet Expectations'.<sup>26</sup>

## CONCLUSION

As we approach a confused and contentious presidential campaign in the US, it is uncertain how easily it will maintain its soft power leadership over the liberal international order in the coming years. It must reaffirm its commitment to the norms and ideals that gained European and East Asian support in the first place, resisting either churlish isolationism or populist approaches to foreign policy. One facet of US leadership has been its strong hold over soft power, something that will be badly needed as a number of rising powers consider authoritarianism and democracy as credible alternatives.

It is clear that in considering emerging powers, American academia and policy writings do not consider all powers equally. China has garnered by far the most analysis and writing. One might argue that its long history and ancient culture drive this interest, but much the same could be said about India. More likely, it is China's place as a question mark in the minds of American policy makers which drives the large need for analysis and writing.

China's rise has been far more prevalent than the others, and its potential to re-order the global system that much more credible, and its growing implicit reliance on force – as in the South China Sea – that much more unnerving. The fact that its regional aspirations are hemmed in by the American network of alliances in the Asia and Pacific indicate that American political elites will have to find the line between accommodation and appeasement. Security does drive research.

On the other hand, size matters. Everyone does China now, one might say churlishly. With that said and done, it is also true that a great many Americans thinkers have sought to place the rise of emerging powers into a grand strategic or theoretical framework. Unfortunately, while much work has been useful, fascinating, and thought-provoking, the disparity of answers indicate how far we are from knowing what will eventually occur. The debate between Ikenberry, Measheimer, and Kupchan is a case in point. All have different predictions for how emerging powers will affect American power. All would seem to base their analyses on sound modelling. However, not all can be right.

Cooler heads must prevail in dealing with such an emotionally charged battlefield. The rhetoric that emanated from newly-emerging powers in the post-BRICs period seemed full of schadenfreude about the power transition that seemed set to take place, which has in turn provoked overly-fearful predictions of Western eclipse. One senses that the narratives around emerging economies played into older North-South/Cold War post-colonial narratives. However, in drawing on these narratives, many have made wildly incorrect or overly-linear predictions.

The fall of the BRICS label, upon which this paper was partially based, is a case in point. A swift search of the global press brings up the following headlines: 'The Failure of the BRICS reveals the Folly of Fuzzy Acronyms' (The Telegraph); 'Why 3 or the 4 BRICS are Failing to Meet the World's Expectations' (BusinessInsider);

'Whatever Happened to the BRICs?' (Financial Times); 'The BRICs Fallacy' (CSIS); 'Think Again: the BRICs' (Foreign Policy), and; 'Broken BRICs' (Foreign Affairs). Clearly, these titles are as guilty of over-simplification as those predicting the dawning of a new age.

Whatever the case, it is clear that American thinkers have some way to go in realising how the US will function in the new age. The term 'decline' implies that it will simply disappear into the political landscape, but as Joseph S. Nye as pointed out, the sources of American demographic and economic power will remain for some time. While no longer hegemonic, the nation will have to adjust to a new role of 'first among equals', of go-between, facilitator, and perhaps almost-indispensable nation. Whatever the case, American academics and policy writers will have to continue trying to frame the global environment in a way that is meaningful for policy elites.

## POLICY RECOMMENDATIONS

1. The US should frame the challenges of authoritarian states to the rules-based liberal order, rather than as a challenge to American hegemony. A relatively weaker US will have to rely on deft diplomacy and appeals to the collective interests of its partners and allies.
2. The US should provide idea leadership and promote a liberal approach to the future of the international order among like-minded states. It should, for example, seek to uphold UN-related rules and institutions – and should ratify The United Nations Convention on the Law of the Sea (UNCLOS) as a sign of its commitment.
3. The US should continue to welcome newly-empowered responsible stakeholders into the system, and seek to impose collective costs on those who resort to the use of force in their international disputes. Ignoring geopolitics and the use of force can only lead to more fragility in the system. ■

## NOTES

- 1 F. Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992).
- 2 J. O'Neill, 'The World needs Better Economic BRICs', *Global Economic Paper, No.66* (Goldman Sachs, 2001).
- 3 V. Cable, 'What is Economic Security?', *International Affairs*, Volume 71, No. 2 (1995): pp.305-324 ; G. Garrett, 'Global Markets and National Politics: Collision Course or Virtuous Cycle?', *International Organization*, Volume 52, No. 4 (1998): pp.787-824 ; M. Mastanduno, 'Economics and Security Statecraft and Scholarship', *International Organization*, Volume 52, No. 4 (1998): pp.825-854 ; J. Kishnir, 'Political Economy in Security Studies after the Cold War', *Review of Political Economy*, Volume 5, No. 1 (1998), pp.64-91.
- 4 While the BRICs represent 'emerging powers', not all BRICs are emerging. Russia is left out of this treatment because its economy has declined considerably since the original report. Also, not all emerging powers are BRICs. The more recently-coined MINT (Mexico, Indonesia, Nigeria, and Turkey) has also emerged as a new grouping. For the sake of space, this piece focuses purely on the writings of three states: China, India, and Brazil.
- 5 People's Daily, 'Shining, Golden BRIC', 6 September 2006, [http://english.people.com.cn/200609/06/eng20060906\\_300197.html](http://english.people.com.cn/200609/06/eng20060906_300197.html).
- 6 J. S. Nye, 'The Future of American Power: Dominance and Decline in Perspective', *Foreign Affairs*, November/December 2010.
- 7 F. Zakaria, *The Post-American World* (Norton, 2012).
- 8 G. J. Ikenberry, 'The Future of the Liberal World Order: Internationalism after America', *Foreign Affairs*, Volume 90, No. 3 (May/June 2011): pp.56-68 ; G. J. Ikenberry, 'Internationalism 3.0: America and the Dilemmas of Liberal World Order', *Perspectives on Politics*, Volume 7, No. 1 (March 2009): pp.71-87
- 9 C. A. Kupchan and P. L. Trubowitz, 'Dead Center: the Demise of Liberal Internationalism in the United States', *International Security*, Volume 32, No. 2 (Fall 2007): pp.7-44 ; W. R. Mead, 'The Return of Geopolitics: the Revenge of the Revisionist Powers', *Foreign Affairs*, May/June 2014 ; and W. R. Mead, 'Liberal Internationalism: The Twilight of a Dream', *The American Interest Online*, 1 April 2010, <http://www.the-american-interest.com/2010/04/01/liberal-internationalism-the-twilight-of-a-dream/>.
- 10 C. Kenny, *The Upside of Down: Why the Rise of the Rest is Good for the West* (Basic, 2012).
- 11 This grouping was also created by Jim O'Neill, the originator of 'BRIC'.
- 12 For this discussion, see, for example, J. O'Neill, 'Is the BRICs Rise over?', *Bruegel Blog Post*, July 2014, <http://bruegel.org/2014/07/is-the-brics-rise-over/> ; C. Nwosu, 'What Happened to the BRICs?', *Foreign Policy in Focus*, 31 July 2015.
- 13 A. Friedberg, 'Ripe for Rivalry: Prospects for Peace in a Multipolar Asia', *International Security*, Volume 18, No. 3 (Winter 1993/94): pp.5-33.
- 14 D. Shambaugh, 'Containment or engagement of China? Calculating Beijing's responses', *International Security*, Volume 21, No. 2 (Fall 1996): pp.180-209.
- 15 D. Shambaugh, *The Tangled Titans: the United States and China* (Rowman, 2012) ; M. Pillsbury, *One Hundred Year Marathon* (Henry Holt, 2015).
- 16 *Ibid.*
- 17 C. R. Kaye and J. S. Nye, 'Working With a Rising India: A Joint Venture for the New Century', *Council of Foreign Affairs Website*, November 2015, <http://www.cfr.org/india/working-rising-india/p37233?co=C007301>.
- 18 M. C. Miller, 'India's Feeble Foreign Policy: A Would-be Great Power Resists its own Rise', *Foreign Affairs*, May/June 2013.
- 19 G. Perkovich, *India's Nuclear Bomb: The Impact on Global Proliferation* (London: University of California Press, 1999), pp.457-458
- 20 White House, *A National Security Strategy for a New Century* (White House, 1999), <http://clinton4.nara.gov/media/pdf/nssr-1299.pdf>.
- 21 H. Sokolski (Ed.) *Gauging US-Indian Strategic Cooperation* (Strategic Studies Institute, March 2007). <http://www.strategicstudiesinstitute.army.mil/pdffiles/PUB755.pdf>.
- 22 D. Twining, 'Not a Chinese Century, an Indo-American One', *Global Asia*, Volume 6, No. 1, Spring 2011, <https://www.globalasia.org/wp-content/uploads/2011/03/288.pdf>.
- 23 Mercosur includes five member states (in order of GDP size): Brazil, Argentina, Venezuela, Uruguay and Paraguay.
- 24 D. Mares and H. Trinkunas, *Aspirational Power: How Brazil Tries to Influence the International Order and why it so Often Fails* (Brookings, June 2016 (forthcoming)).



- 25 R. Espach, 'The Risk of Pragmatism: Brazil's Relations with the United States and the International Security Order', in O. Stenkel, M. M. Taylor (Eds.) *Brazil on the Global Stage: Power, Ideas and the Liberal International Order* (New York: Palgrave MacMillan, 2015).
- 26 M. Hirst, *The United States and Brazil: A Long Road of Unmet Expectations* (Routledge, 2004).

# EU-US-China relations and climate deals: a threat to transatlantic relations?

Julia Teebken

**I**s the recent United States (US)-China climate engagement an historic milestone that can positively shape US-European relations, or does it pose a threat to the transatlantic relationship? The US-China climate agreement has created suspicion amongst some European politicians that the US 'Pivot' to Asia has left them in the shadows cast by emerging powers. However, recent bilateral US-China climate engagement offers fruitful grounds for a strengthened transatlantic partnership, newly empowered triangular relations between China, the European Union (EU) and US, as well as greater environmental cooperation internationally. European politicians' reactions – analysed here through their tweets – to the US-China engagement were positive, pointing towards an empowered transatlantic relationship that is part of multilateral climate cooperation.

Opinions diverge as to how the end of the Cold War and the era that followed it changed the transatlantic relationship and what factors were decisive. Undeniably, the rise of emerging powers such as China and India has played a significant role. Their economic development became a crucial determinant in explaining new geopolitical power constellations globally. Whereas some opinion leaders believe contemporary geopolitics is best explained by the rise of developing countries and 'Asian tigers' causing a decline of 'Western influence', others have emphasised increased hegemonic rivalry between great powers such as China, Russia, and the US as central to understanding global power. The bulk of the academic literature has emphasised a shift from a bipolar (in some cases unipolar) to an interdependent multipolar world order.<sup>1</sup> Whereas the former bipolar order was determined by a strong US-European alliance that "provided the core of the international order";<sup>2</sup> the new world order is characterised by more nuanced distributions of power, with multiple state and non-state centres of power.

Overall, there is a tendency to define power in the context of economic, military and political strength. Closely intertwined are factors such as the size of a territory and/or population. Through an environmental lens, power, at least to some degree, ironically rests on a country's level of pollution, which is connected to the leverage it has in the international climate negotiations under the United Nations Framework Convention on

Climate Change (UNFCCC). Based on their share of global CO<sub>2</sub> emissions, China, the US, India, Russia and Japan were the top five emitters in 2015. When looking at the total greenhouse gas (GHG) emissions of a region or country, the EU ranks third after the US and China. In the context of climate change, therefore, emerging powers such as China, India, Indonesia and Brazil have clearly become important players.<sup>3</sup> Nonetheless, with regards to their fossil fuel emissions, China and the US outrank other rising as well as industrialised countries. In 2014 both contributed approximately 43% of the fossil fuel emissions globally, totalling 35,890 Metric tonnes of CO<sub>2</sub> (MtCO<sub>2</sub>) emissions, China being responsible for 9,680 MtCO<sub>2</sub> and the US for 5,561 MtCO<sub>2</sub>.<sup>4</sup>

By keeping in mind what power can mean from an environmental standpoint, this chapter seeks to analyse how the transatlantic relationship was influenced by the bilateral climate cooperation that China and the US have built in recent years. It asks whether their recent climate engagement can be considered a historic milestone that positively shapes US-European relations, or whether it poses a threat to the transatlantic relationship. To do so the chapter examines European and Chinese views of the transatlantic relationship, focusing on climate policy. It then takes a closer look at the international and transatlantic implications of the November 2014 US-China climate agreement, paying particular attention to European perceptions. To explore these perceptions the chapter looks at the Twitter reactions to the agreement of European

politicians. Twitter has proven to be a useful instrument for perpetuating a rhetorical narrative of the EU as a role model and indispensable leader in environmental politics. As will be shown, Twitter fulfilled a range of different political functions, which were of advantage for communicating European environmental policies. The final section looks at how developments over addressing climate change have created opportunities for a reinvented transatlantic relationship as part of a triangular relationship between China, Europe and the US.

## CHINESE AND EUROPEAN VIEWS OF TRANSATLANTIC RELATIONS

Chinese views of European attitudes to the transatlantic relationship have highlighted the tensions that have developed since the end of the Cold War. David Shambaugh outlines five principal sources, which, from a Chinese perspective, explain US-European differences: the end of the Soviet Union, which meant the basis of the transatlantic alliance was gone; the consequences of 9/11 and Bush's 'war on terror' marking the end of transatlantic solidarity in 2002; the invasion of Iraq; the European desire to 'be independent' of the US; and differing world views.<sup>5</sup>

Shambaugh critically reflects on many of these. The first explanation partially neglects the "historical, cultural, ethnic and political foundations of transatlantic relations".<sup>6</sup> The second explanatory angle looks at the lack of transatlantic harmony through emphasising European resentment towards the Bush administration. Closely connected with this is the third reason: the invasion and occupation of Iraq, which remains a prominent justification for distance from the US. Whereas the fourth explanation reflects China's own desire for national independence (a poor judgement according to Shambaugh), the fifth reason provides an interesting analysis by contrasting a European model with an American one.<sup>7</sup> Shambaugh concludes that although some explanatory angles are overstated by those in China who follow Europe and the transatlantic relationship and are examples of 'cognitive dissonance', some do help to explain potential underlying dynamics of transatlantic tensions that remain in place today.

In examining Obama's conception of multilateralism, Bruce Jones offers a more nuanced view of the 'traumas' that transformed the transatlantic relationship. Overall, Jones describes the pattern of US-European

cooperation in the post-Cold War period as mixed, given both phases of alienation and intensified collaboration. In the case of international development, Jones states, US-European relations deepened. In line with Chinese European theorists, most European transatlantic analysts seem to agree that the Bush era marked a phase of alienation and growing anti-US sentiment. However, according to Jones, it was particularly the first term of the Bush administration that led to growing alienation of European elites. Although the second term of the Bush era is said to have been more cooperative,<sup>8</sup> the aftermath of the Iraq war marked the beginning of a new phenomenon: "namely the gradual rebalancing of international order to encompass the 'emerging powers.'"<sup>9</sup> In his critical analysis of potentially clashing US-Europe relations, Jones makes two central arguments: first, Europe and the US have different versions of multilateralism, and second, the centre of gravity may gradually shift away from transatlantic relations with growing attention on emerging powers.

The initial European delight when Barack Obama took over as President with a different foreign policy emphasis in 2009 gave hope for a different conclusion. However, according to Jones, European perceptions of the Obama administration were later on negatively influenced by disappointment at continued climate change inaction by the US. Although the Obama administration declared climate change a high priority on the policy agenda, particularly in his second term, this had not had any impact at the time of Jones' analysis in 2009. Thus, tensions on climate change and diverging approaches to wars such as that in Afghanistan were given as the primary reasons to explain severe differences between the European vision of multilateralism and the American approach.

The 'Regent's Report' on transatlantic relations likewise emphasises climate change and energy security as important new areas of multilateral cooperation.<sup>10</sup> At the same time, these areas have the potential to undermine transatlantic relations thanks to the rising energy demands of emerging markets in Brazil, Russia, India, China and South Africa. In particular, inertia by the major emitters China and the US in international climate change negotiations has played a crucial role in defining and limiting Europe's position in environmental politics. It has cast doubts on the possibility of the transatlantic relationship being a way forward for Europe in tackling climate change.

China and the US together are said to be the chief climate negotiators – the “two gorillas in the room”. This added to European fears that bilateral US-China relations would override relations between the EU and US and wider multilateral efforts. China and the US could then force the rest of the world to accept a “lower common denominator” through a bilateral deal. ▸

## PROGRESS IN US-CHINA CLIMATE ENGAGEMENT

According to the Director of Chatham House, Robin Niblett, the slow-moving international climate negotiations, particularly the Copenhagen summit in 2009, exposed the limitations of European influence on domestic American politics as well as “the limits of US influence on the world’s emerging powers in this area”.<sup>11</sup> This has led to much speculation as to whether or not multilateralism is dead. Whereas some argued that the multilateral approach is deadlocked and there was an urgent need to rethink climate governance altogether,<sup>12</sup> others outlined scenarios of a multilateral climate process which had turned into a zombie “staggering on but never quite dying.”<sup>13</sup> Two decades of intergovernmental multilateralism under the UNFCCC had resulted in only one internationally binding treaty, the Kyoto protocol. In this context, the stance of the Bush administration had come under intense scrutiny. The failure of the then biggest GHG emitter to sign on to the Kyoto protocol was interpreted as a sign of how weak multilateralism was. In 1997 however, the role of China and calls for drastic emission reductions from an emerging but still developing country were less common than today. Some of the multilateralism-critical literature concentrated on calling for a rebirth of the multilateral approach<sup>14</sup> and multilateral innovation for climate stabilisation.<sup>15</sup> Concerns for the future of a multilateral way forward grew when China replaced the US as the biggest GHG polluter in 2006. Due to their pollution contributions, China and the US together are said to be the chief climate negotiators – the “two gorillas in the room”.<sup>16</sup> This added to European fears that bilateral US-China relations would override relations between the EU and US and wider multilateral efforts. China and the US could then force the rest of the world to accept a

“lower common denominator” through a bilateral deal.<sup>17</sup>

In the most part, recent developments have run contrary to this interpretation. The US-China climate agreement of November 2014 has not resulted in lower environmental denominators, but an increased momentum in global commitment. The November agreement and the September 2015 joint presidential statement of Xi Jinping and Barack Obama shortly before the climate conference were of great significance for the international contributions to the Paris Agreement (PA). The Paris climate summit in 2015 gained traction through the submission of Intended Nationally Determined Contributions (INDCs). INDCs reflect a country’s ambition for reducing their GHG emissions besides committing to other national contributions. Although non-legally binding, 160 INDCs were submitted to the UNFCCC, representing 187 countries and covering 98.6% of global GHG emissions, thereby breaking with former dynamics and threat scenarios.<sup>18</sup> Aside from scepticism regarding how ambitious the submitted targets are, or how realistic their implementation will be in the different national contexts, the PA was welcomed as “a landmark in international climate policy”.<sup>19</sup> It was the first time that almost all countries, independent of their historical emissions and current development status, submitted reduction targets and made a contribution to the international climate negotiations.

The bilateral agreement hit most climate watchers and the general public by surprise due to its ambitious energy cooperation and reduction targets. In essence, both countries delivered more ambitious climate pledges: the US doubled its emission reductions by committing to reduce carbon pollution by 26-28% by 2025, compared to 2005 levels. China announced that it intends

CO2 emissions to peak around 2030 (potentially earlier), and to increase the share of renewable energy by 20% by 2030.<sup>20</sup> In addition to the national pledges and emission reduction targets, Xi and Obama announced their plan to expand the US-China climate and energy cooperation in six major areas. The US-China Clean Energy Research Center (CERC) and the Climate Change Working Group (CCWG) are to be bilateral state bodies that will partially administer the expanded cooperation. CCWG for example is responsible for launching a new Climate-Smart/Low-Carbon Cities initiative.

Less than a year later in September 2015, the US and China released a Joint Presidential Statement on Climate Change.<sup>21</sup> The statement builds on the previous bilateral agreement and addresses further areas of cooperation. Joshua P. Meltzer of Brookings singles out four announcements that were of particular significance: China will launch its nationwide Emission Trading Scheme (ETS) by 2017; China is to prioritise renewable energy sources; an 'Obama-Xi Paris Call' for an ambitious multilateral agreement was scheduled for December 2015 ; and in the field of climate finance China will provide \$3.1 billion for developing countries, thereby breaking with calls for such financial and technological support from developed countries only. [2]In light of China's contribution, the US reaffirmed their \$3 billion pledge to the Green Climate Fund – described by Meltzer as "positively inadequate".<sup>22</sup>

The November 2014 climate agreement and September 2015 announcement broke with former tendencies of inertia and turned out to be precursors that led to a rather successful PA in December 2015. Until then, a majority of policy-makers had emphasised the different priorities between the US and EU vis-à-vis US-

China. Most climate watchers and policy-makers failed to predict the newly emerging consensus. Others continued to argue that consensus still does not exist, with both countries following their own ambitions in order to not fall behind. However, Li Mingjiang argues that China's attitude of rivalry has changed toward an attitude of pragmatic burden-sharing through a more proactive approach to multilateral diplomacy. Based on Shambaugh's remarks, Li presents China as a 'selective multilateralist', that is engaged diplomatically on specific issues:

"China now understands that many of the newly-emerging transnational externalities such as climate change, global financial instability, resource depletion, international terrorism, environmental degradation and pandemics cannot be tackled effectively by any single country but have to be dealt with through multilateral cooperation with other states."<sup>23</sup>

Most climate watchers and policy-makers failed to predict the newly emerging consensus. Others continued to argue that consensus still does not exist, with both countries following their own ambitions in order to not fall behind. ”

## EUROPEAN REACTIONS

In the past decade, the proliferation of social media has opened up new channels of communication with great opportunities to influence and communicate global environmental politics. One such example is Twitter, the social networking service that has enjoyed increased prominence among political leaders and has changed their relationship with the public.<sup>24</sup> Parmelee and Bichard have shown that messages sent through Twitter can crucially influence political discourses on a wide range of topics. They can also provide helpful insights into underlying politics and political narratives of debates. Although measuring the impact of 140 character tweets is a bold venture, tweets have changed political communication

**Table 1:** Comparison of European Twitter reactions to the US-China Climate Agreement

<b>NAME &amp; TWITTER ACCOUNT</b>	<b>POSITION</b>	<b>FOLLOWERS</b> (as of March 18, 2016)	<b>NOVEMBER 2014 AGREEMENT</b>
<b>Donald Tusk,</b> <b>@eucopresident</b>	President of the European Council	342,000	<p>3:48 AM – 12 Nov 2014: We welcome today's <b>US-China #climate</b> announcement, answering EU leaders' call to put forward targets for cutting greenhouse gas emissions.</p> <p>3:51 AM – 12 Nov 2014: Joint Statement with <b>@JunckerEU</b> on the <b>US-China #climate</b> announcement: <a href="http://ow.ly/E9Pkl">http://ow.ly/E9Pkl</a>. <b>#COP20 #COP21 #Paris2015</b></p> <p>12:48 PM – 12 Nov 2014: Announcements so far cover +/- half of global emissions. We urge other <b>#G20</b> members to announce targets in 1st half of 2015- transparently.</p>
<b>Connie Hedegaard,</b> <b>@CoHedegaard</b>	Former EU Commissioner for Climate Action	49,700	<p>8:19 AM – 12 Nov 2014: Positive and timely that the US doubles its reduction pace – and very much needed in order for US to come on the right trajectory. Good news</p> <p>8:21 AM – 12 Nov 2014: Also positive that China is ready to commit to a peak year. BUT "around 2030" is very late – will the 2 degrees still be possible?</p>
<b>Miguel Arias Cañete,</b> <b>@MAC_europa</b>	EU Climate Action and Energy4Europe Commissioner	31,700	<p>3:54 AM – 12 Nov 2014: The EU's reaction to the US-China climate announcement <a href="http://goo.gl/qqoZ8m">http://goo.gl/qqoZ8m</a> <b>#COP21 #climate</b></p> <p>4:13 AM – 12 Nov 2014 US-China <b>#climate</b> announcement: positive, timely, important step in the right direction. Now we need other <b>#G20</b> countries to play ball</p>
<b>Marcin Korolec,</b> <b>@MarcinKorolec</b>	Former State Secretary for the Environment responsible for Climate Policy	3,197	<p>3:33 AM – 12 Nov 2014 Glad that <b>#COP19 #Warsaw</b> decision on new agreement gives countries base to come up with declarations so soon! Congratulations <b>#US #China</b></p>
<b>Thomas Wyns,</b> <b>@TomasWyns</b>	Researcher at the Institute for European Studies @IES_brussels	3,032	<p>6:27 AM – 12 Nov 2014 So while the <b>#EU</b> was sleeping (literally), <b>#US</b> and <b>#China</b> agreed on post 2020 joint <b>#climate</b> action This is good news! <b>#EU2030 #paris2015</b></p>

through simplification and downsizing of content. To examine European reactions to and perceptions of the November 2014 climate agreement between China and the US, we can look at the first tweets of five different influential European actors (see Table 1). Each actor was in a position to provide political orientation for a broader public as well as decision-makers, and to varying degrees enjoy great political influence.

The initial tweets indicated an optimistic outlook: all five European policy actors and analysts welcomed the US-China agreement. They sought to emphasise Europe's significance for the bilateral agreement between China and the US as a way to re-establish Europe's political weight and role model function in international climate politics. That the world's two major GHG emitters had reached agreement was used as an argument for increased political pressure for more ambitious climate policies from other G20 members. That they all raised past and upcoming climate summits served as a reminder of the European concern to create consensus for increased international ambition on climate action.

Although the political impact that tweets might have and how they mobilise a variety of actors has been well-researched, less has been written about how the perceptions they create match reality. Do the tweets portray the true European stance? Closely linked with this is the question of whether it actually matters if the tweets' portrayal is in line with reality. Through tweeting, certain frames are used that thematically reinforce certain positions. Thus, through welcoming the climate agreement, European leaders send an important signal to US and Chinese leaders. The use of tweets is of strong symbolic character and an important element of climate diplomacy. Through backing up the agreement while formulating their own demands, the underlying political process is pushed forward. This is in line with the work of Paul G. Harris, who has shown that social media can significantly influence global environmental politics.<sup>25</sup>

The tweets also shed light on the European desire for continued geopolitical significance in the climate negotiations, but must not be confused with the fear over a bilateral US-China agreement and a decline of European influence. As discussed earlier, fears of US-China domination contrast with the reality and needs for drastic action on emission reductions and transatlantic climate cooperation. Thus, EU proposals

continue to have a decisive impact simultaneous to China moving to the centre stage of international climate negotiations. Given their population sizes and related emissions, the activities of China and the US will continue to be of particular importance. In this context, more flexible and creative forms of multilateralism are needed in the field of climate policy, as different countries have different priorities as well as capacities. Whereas Chinese concerns relate to energy security (energy efficiency and renewable energy sources), the US and EU have more room to concentrate on energy efficient building standards, to name one example. This could lead climate change diplomacy and future summits to be shaped by "multiple bilateralisms."<sup>26</sup> Overall, there seems to be a consensus emerging that it would be wrong to pin a single partnership to negotiations or exclude certain actors, as no multilateral agreement will be effective without rising powers such as China.<sup>27</sup> As Jones argues, "The transatlantic relationship will simply be one strand of global policy, not the strand of global policy, in Obama's multilateralism."<sup>28</sup>

## FUTURE COOPERATION

Just as Twitter has changed political communication, so too can readjusted visions of environmental engagement and cooperation change the thinking about and structure of multilateralism. Most transatlantic relations analysts mention coordination on climate change as a primary area of concern.<sup>29</sup> In the context of the failed 2009 Copenhagen summit, Egenhofer and Georgiev formulated a passionate call for "why the transatlantic climate change partnership matters more than ever" and why there is a need to develop a climate strategy with the US.<sup>30</sup> The authors stated that a joint transatlantic climate change agenda and/or partnership is critical for implementing a global agreement. Overall, there seems to be consensus that US inertia on environmental issues negatively influenced the transatlantic relationship in the past decades, but chances are high that this US-European climate trauma can be overcome in light of the recent developments.

From an environmental European perspective, collective action in addressing climate change inclusively on a multilateral level remains a major challenge for the transatlantic relationship. Europe expects the US to raise its climate ambitions further. In light of the deadlocked political system and

widespread climate scepticism within the US, a major domestic challenge will be to address the political and public divide on this issue in order to move the climate agenda forward internationally as well as bilaterally. Perpetual visions of economic growth based on cheap and dirty energy are a further barrier. The outcome of the 2016 US presidential election will be a crucial determinant in shaping future transatlantic relations and in finding common ground for environmental cooperation in a multipolar world. Based on a continued Obama legacy scenario under Hillary Clinton, the transatlantic relationship could push further climate change cooperation at multilateral, bilateral, as well as subnational levels.

There is a case, however, to be made for a future which sees strengthened trilateral climate cooperation that involves China.<sup>31</sup> China's interest does not rest with exclusive bilateral climate deals with the second biggest GHG emitter. Rather, China seeks pragmatic cooperation with a variety of countries. The China-EU-US dynamic is being transformed by increasingly forward-looking Chinese interactions with both the USA and EU. A basis for greater consensus in the environmental arena was created within the last two years thanks to the gradual shift of American, Chinese as well as European visions of multilateralism. The transatlantic relationship could find itself reinvigorated by the growing opportunities for a strengthened trilateral relationship in such areas as renewable technologies.

## POLICY RECOMMENDATIONS

1. Build on the annual meetings of the EU-US Energy Council (established in 2009) by holding a US-EU climate summit after this November's US presidential election, with an aim to reaffirm the positions and expectations of both sides in order to build a solid base for raised global ambitions.
2. Pursue further trust-building measures, especially ones aimed at creating greater transparency and accountability on all sides, but especially so as to ensure the US follows through with its domestic commitments to tackle climate change. The Paris Agreement contains a 'facilitative dialogue' through which the EU is an important actor in reminding the US of its responsibilities for collective progress and a review of the initial Nationally Determined Contributions (NDCs).
3. The China-EU-US relationship should be enhanced through establishing a knowledge hub on emissions trading schemes. This knowledge hub would be responsible for exchanging best-practices and reflecting on experiences at the regional, national as well as subnational level. ■



## NOTES

- 1 For example, see: A. de Vasconcelos and M. Zaborowski (Eds.), *The Obama Moment, European and American perspectives* (Paris: European Union Institute for Security Studies, 2009).
- 2 B. Jones, 'The coming clash? Europe and US multilateralism under Obama', in A. de Vasconcelos and M. Zaborowski (Eds.) *The Obama Moment, European and American perspectives* (Paris: European Union Institute for Security Studies, 2009), pp.63-79.
- 3 M. Ge, J. Friedrich and T. Damassa, '6 Graphs Explain the World's Top 10 Emitters', World Resources Institute, 25 November 2014, <http://www.wri.org/blog/2014/11/6-graphs-explain-world%E2%80%99s-top-10-emitters>.
- 4 For further information, see the Global Carbon Atlas, a platform that provides up-to-date data on global country level carbon emissions. Website available at: <http://www.globalcarbonatlas.org/?q=en/content/welcome-carbon-atlas>.
- 5 Adapted from D. Shambaugh, 'China eyes Europe in the world, real convergence or cognitive dissonance?', in David Shambaugh et al. (Eds.) *China-Europe Relations, Perceptions, policies and prospects* (London and New York: Routledge, 2008), pp.127-148.
- 6 *Ibid.* p.139.
- 7 *Ibid.*
- 8 In his article on drifting transatlantic relations, Robin Niblett describes how the transatlantic relations became more constructive in Bush's second term, starting in 2005. See R. Niblett, 'Europe: transatlantic relations still drifting' in R. Niblett (Ed.) *America and a Changed World: A Question of Leadership* (London: Chatham House, 2010), pp.185-202.
- 9 Jones, 'The coming clash? Europe and US multilateralism under Obama', p.69.
- 10 J. Drew and M. Bond (Eds.), *The Regent's Report 2014. Transatlantic Relations: A European Perspective*, (London: Regent's University London/Belmont Press, 2014).
- 11 Niblett, 'Europe: transatlantic relations still drifting', p.196.
- 12 See for example T. Hale, 'A Climate Coalition of the Willing', *The Washington Quarterly*, Volume 34, No. 1 (2011): 89-101.
- 13 A. Evans and D. Steven, 'An Institutional Architecture for Climate Change, A concept paper', Commissioned by the Department for International Development, March 2009, [http://www.envirosecurity.org/gpc/publications/Institutional\\_architecture\\_climate\\_change.pdf](http://www.envirosecurity.org/gpc/publications/Institutional_architecture_climate_change.pdf).
- 14 Hale, 'A Climate Coalition of the Willing'.
- 15 Evans and Steven, 'An Institutional Architecture for Climate Change, A concept paper'.
- 16 The reference was made by Todd D. Stern, the US special envoy for climate change, at the Copenhagen Summit in 2009.
- 17 According to remarks made by Michael Starbaek Christensen, Senior Danish Adviser on Climate Change, in: P. ?wieboda, 'Climate policy: the quest for leadership', in: A. de Vasconcelos and M. Zaborowski (Eds.), *The Obama Moment, European and American perspectives* (Paris: European Union Institute for Security Studies, 2009), p.121.
- 18 CAIT Climate Data Explorer, 'Paris Contributions Map', CAIT: Open source tool published by the World Resources Institute (WRI), <http://cait.wri.org/indc/>.
- 19 R. Bodle, L. Donat and M. Duwe, 'The Paris Agreement: Analysis, Assessment and Outlook', Background paper for the workshop 'Beyond COP21: what does Paris mean for future climate policy?', 28 January 2016 (Berlin: Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, 2016), p.2.
- 20 The White House Office of the Press Secretary, 'FACT SHEET: U.S.-China Joint Announcement on Climate Change and Clean Energy Cooperation', released 11 November 2014, <https://www.whitehouse.gov/the-press-office/2014/11/11/fact-sheet-us-china-joint-announcement-climate-change-and-clean-energy-c>.
- 21 The White House, 'U.S.-China Joint Presidential Statement on Climate Change', published by the Office of the Press Secretary on 25 September 2015, <https://www.whitehouse.gov/the-press-office/2015/09/25/us-china-joint-presidential-statement-climate-change>.
- 22 J. P. Meltzer, 'U.S.-China Joint Presidential Statement on Climate Change: The road to Paris and beyond', Planet Policy Blog, Brookings Institute, released 29 September 2015, <http://www.brookings.edu/blogs/planetpolicy/posts/2015/09/29-us-china-statement-climate-change-meltzer>.
- 23 L. Mingjiang, 'Rising from Within: China's search for a Multilateral World and its Implications for Sino-U.S. Relations', S. Rajaratnam School of International Studies, Singapore, Working Paper Series, WP No. 225, published 25 March, 2011, p.11.

- 24 J. H. Parmelee and S. L. Bichard, *Politics and the Twitter Revolution: How Tweets Influence the Relationship between Political Leaders and the Public* (Lanham, MD: Lexington Books, 2012).
- 25 P. G. Harris (Ed.), *Routledge Handbook of Global Environmental Politics* (Oxon, New York: Routledge, 2016).
- 26 D. Belis, P. Joffe, B. Kerremans, Y. Qi, 'China, the United States and the European Union: Multiple Bilateralism and Prospects for a New Climate Change Diplomacy', *Carbon & Climate Law Review*, issue 3/2015.
- 27 Vasconcelos and Zaborowski, *The Obama Moment, European and American perspectives*.
- 28 Jones, 'The coming clash? Europe and US multilateralism under Obama', p.77.
- 29 Belis et al., 'China, the United States and the European Union' ; Drew and Bond, *The Regent's Report 2014* ; Niblett, 'Europe: transatlantic relations still drifting' ; Jones, 'The coming clash? Europe and US multilateralism under Obama'.
- 30 C. Egenhofer and A. Georgiev, 'Why the transatlantic climate change partnership matters more than ever', *Centre for European Politics Studies (CEPS) Commentary*, 10 January 2010, [https://www.ceps.eu/system/files/book/2010/01/Jan%20CE%20on%20transatlantic%20implications%20and%20agenda\\_REV\\_CE\\_fin.pdf](https://www.ceps.eu/system/files/book/2010/01/Jan%20CE%20on%20transatlantic%20implications%20and%20agenda_REV_CE_fin.pdf).
- 31 Belis et al., 'China, the United States and the European Union' ; Mingjiang, 'Rising from Within'.

## **Conclusion**

# Conclusion: A Fundamental Relationship In Flux

Tim Oliver

**T**his next generation of authors have outlined a transatlantic relationship in a state of flux. Some of the strengths and weaknesses they have outlined are familiar ones that have long defined the relationship. As many of the authors made clear, the relationship remains a fundamentally important one to both sides. But over the course of eight chapters they also outlined four series of challenges to it: shifting attentions; uncertainties over Europe's security; Europe's wider failings in politics and economics; and doubts as to the future of liberalism in both Europe and the United States (US). That many of the challenges are faced by Europe shows how it is likely to be Europe's actions that make or break the relationship.

## FUNDAMENTAL LINKS

It is worth recalling how important and strong the relationship is for both sides. The end of the Cold War brought with it many predictions that the relationship was doomed. This was despite a historical relationship that had bound the US and Europe together. Shared experiences of war, common political ideas in values and economics, strong economic and trading relations, to say nothing of the cultural and ethnic links, provided foundations on which the relationship has weathered many storms.

Today the military and economic relationships remain the world's most preeminent. The attempts to create a US-European Union (EU) free trade deal – the Transatlantic Trade and Investment Partnership (TTIP) – might have run into substantial problems on both sides, but efforts to create it reflect the fact that together, the US and EU represent roughly 35-40% of global GDP, with the values of trade in goods, services and (often overlooked) investments having long ago entered the realm of trillions as opposed to billions of dollars. While the growth of markets such as China and Brazil have been incredible and transformative experiences for the world (and will remain so for the foreseeable future), they have somewhat distracted attention from the remarkable scale of deepening in the economic interconnectedness that binds Europe and the US together. In some fields it now makes sense to talk of a transatlantic market.

The economic links can also be overlooked because of a focus on the military side of the relationship, especially that of the North Atlantic Treaty Organisation (NATO). The alliance has rarely been out of the headlines, with doubts – both in public and private – about its purpose and abilities after its experiences in the former Yugoslavia, Afghanistan and now in the face of Russian actions in Eastern Europe. Nevertheless, it remains the world's preeminent military alliance, with combined US-European defence spending in NATO at \$893 billion. The ginormous scale of US defence spending alone means the alliance immediately dwarfs the defence spending of Russia and China. While spending and size of military force is not everything, NATO forces also remain amongst the world's best trained, educated and motivated. This geopolitical relationship was not only essential to building European cooperation, integration and peace. It remains central to the ways both sides have approached global politics and reached agreements such as the recent Joint Comprehensive Plan of Action with Iran and the Minsk II agreement over Ukraine. Atlanticism has been a defining part of the outlooks of generations of leaders on both sides of the North Atlantic. Whether it will remain so depends on how both sides face four interrelated challenges, many of which focus on Europe more than the US.

## SHIFTING ATTENTIONS

As several authors noted, the US is looking away from Europe towards emerging powers, especially China and the challenge it poses to US security in the Pacific. Debate in Europe can overlook that this shift is not out of choice or as a direct snub to Europeans. It is also not undertaken purely out of US national interest but is intended to try and preserve stability in regions of vital economic and political importance to both the US and Europe and, crucially, to the liberal world order they have sought to create. This is not to argue that the US is not conscious of the challenge these emerging powers pose to its power and the revisionist policies they may pursue. Efforts such as the Trans-Pacific Partnership (TPP) and TTIP are US-led, but are intended to bolster the wider system the US leads. For all the criticisms of TTIP and TPP emerging from Europe, the EU and its member states have yet to offer any viable alternative. The US – including its Millennial generation – will not wait for Europeans as they struggle to adapt to a fast changing world order.

## UNCERTAINTIES OVER EUROPEAN SECURITY

US complaints about European defence spending have been around since the start of the military relationship. Those complaints are, however, now at a point where the US's willingness to commit to Europe's security has been thrown into doubt as never before. Europeans should not overlook the fact that NATO's future existence is openly debated in US presidential elections. The USA's recent decision to increase defence spending in Europe should not be confused with a sign that all is okay. The presidential debates show that the vital emotional investment is not as forthcoming. Europe's repeated failure to cooperate on defence cannot be excused as some special European post-modern problem. There are realist reasons why European states have failed to cooperate. How long this is sustainable, not least in the defence industries, is open to doubt. Today, it is the US that is most enthusiastic to see European states cooperate on defence.

## EUROPE'S FAILURE

That Europe – and especially the EU – can struggle as it does to cooperate on defence is one of a series of problems that make for something of an existential crisis facing the EU. The EU has faced many crises in the

past, and has a history of moving forward as a result of them. Nevertheless, crises in the Eurozone have led to significant social and economic consequences; Russian aggression in Ukraine has shown the EU incapable of thinking geopolitically and understanding the continued relevance in global politics of hard power; refugees from Syria and the Middle East have caused such political unease that some of the world's most vulnerable people have been portrayed as a threat, a portrayal which has only served to weaken and divide the EU; scepticism is on the rise across the EU, with the possibility of a British EU-exit carrying with it the risk the whole Union could unravel.

## WESTERN ILLIBERALISM

The problems facing the EU's unity are in no small part thanks to growing nationalist, inward-looking and populist agendas. Such agendas are also to be found in the US. The success of authoritarian states either economically or in exhibiting political stability (compared to a weak EU, and a US prone to government shutdowns) have raised questions and doubts as to the viability of European, US or Western models and hopes for some form of liberal internationalist world order. The failings (real or perceived) of this global order for large numbers of Europeans and Americans have also fuelled scepticism of traditional institutions and sources of authority domestically, regionally and globally. Too many see integration and globalisation as arranged by elites for elites. This has helped political agendas that have turned politics inwards in the US and inwards nationally (and to a lesser extent on a European level) in the EU. The idea of sovereignty has taken on an almost mythical quality. Another driver behind this have been the changing demographics of the US and Europe. The millennial generation might lack the negative views and be more comfortable with living in a more diverse US or Europe, but mistrust of the US by European millennials, and indifference towards Europe by US millennials, do not suggest strong foundations for the future of US-European relations.

## PROPOSALS

We asked the authors of each chapter to outline three policy recommendations to help address the problems they identified in their areas. The following are summaries of the proposals. Please refer to the end of each chapter for full details.

## DEFENCE AND SECURITY

### US:

1. The next US President must make a political and military commitment to lead a stronger, more robust, and nimble NATO alliance.
2. The US must move beyond its recent commitments to Europe and the concept of 'reassurance' to focus on the presence and posture necessary to establish 'deterrence' of Russia. But only on condition European countries match increased US funding.
3. The new US president must put behind them the negative messages of the presidential campaign in order to renew US political engagement and leadership.

### EUROPE:

1. European states should re-double their efforts to maintain military capabilities with greater efficiency through deeper industrial and operational cooperation.
2. The US should give strong support to European defence cooperation initiatives aimed at maintaining and improving military capabilities at the bilateral, small group, NATO and EU level.
3. As a priority, the EU and NATO should focus on ensuring that both organisations are able to deploy mutually reinforcing strategies towards security threats, both in the East and South.

## ECONOMICS AND TRADE

### US:

1. Complete TTIP as quickly and thoroughly as possible, especially for the political signal it will give to each partner about the value of the relationship.
2. A successful TTIP should lead to a regular institutionalised trade and economic forum.
3. US and EU politicians should avoid impractical populist approaches which would undermine the relationship.

## EUROPE:

1. The leaders of EU member states need to explain and defend TTIP and stop blaming the EU. The European Commission should better coordinate its work with national ministries.
2. The European Parliament and national parliaments should use their increased access to negotiating texts to inform their voters about the costs and benefits of TTIP rather than using it for political turf wars.
3. All of Europe's political actors should encourage an informed debate on the geopolitical aspects of TTIP and the consequences for Europe if TTIP was to fail.

## POLITICS AND VALUES

### US:

1. Top-tier European and American studies courses and policy institutions should more rigorously incorporate the perspectives of younger scholars in their publications and events.
2. Parliaments and grant-giving institutions should sustain funding for professional exchange programmes, especially those that prove they serve a diverse pool of applicants.
3. Political leadership should shift from ad-hoc crisis management to creating sustained, inter-governmental policy dialogues on a full range of issues relevant to the transatlantic relationship.

### EUROPE:

1. Establish a Mediterranean ferry ticket system for refugees so as to disrupt the people smuggling market and allow refugees to claim asylum safely.
2. Stop relying on volunteers and NGOs to carry out humanitarian work the EU is funded to do, and airlift all those languishing at closed borders to safety, using the EU's existing quota distribution system.
3. Urgently end and investigate the prison-like living conditions at the 'Vial hotspot' detention centre on the Greek island of Chios, and the 'hotspot' system as a whole.

## EMERGING POWERS

### US:

1. Frame the challenges from authoritarian states as being to the rules-based liberal order, rather than to American hegemony. A relatively weaker US will have to rely on diplomacy and the interests it shares with allies.
2. Provide idea leadership and promote a liberal approach to the future of the international order among like-minded states and show its own commitment by acts such as ratifying UNCLOS<sup>1</sup>.
3. Welcome newly empowered responsible stakeholders into the system, and seek to impose collective costs on those who resort to the use of force in their international disputes.

### EUROPE:

1. Hold an US-EU climate summit after the November 2016 US presidential election, in order to reaffirm the expectations of both sides and build a solid ground for raised global ambitions.
2. Pursue further trust-building measures such as a 'facilitative dialogue' to create greater transparency and accountability on all sides, to ensure they follow through with domestic commitments to tackle climate change.
3. Enhance the China-EU-US relationship through establishing a knowledge hub on emissions trading schemes so as to exchange best-practices and reflect on experiences at the regional, national as well as subnational level.

## NOTES

- 1 The United Nations Convention on the Law of the Sea (UNCLOS).

# List of abbreviations

<b>ACE Mobile</b>	Allied Command Europe Mobile	<b>GHG</b>	Greenhouse gases
<b>ACTA</b>	Anti-Counterfeiting Trade Agreement	<b>IAEA</b>	International Atomic Energy Agency
<b>AFL-CIO</b>	The American Federation of Labor and Congress of Industrial Organizations	<b>ICS</b>	Investment Court System
<b>AIIB</b>	Asian Investment Infrastructure Bank	<b>INDC</b>	Intended Nationally Determined Contributions
<b>ASEAN</b>	Association of South East Asian Nations	<b>ISDS</b>	Investor-State Dispute Settlement
<b>BRIC</b>	Brazil, Russia, India and China	<b>ISIS</b>	Islamic State of Iraq and Syria
<b>CCP</b>	Common Commercial Policy	<b>MEP</b>	Member of the European Parliament
<b>CCWG</b>	Climate Change Working Group	<b>MINT</b>	Mexico, Indonesia, Nigeria and Turkey
<b>CDU</b>	Christian Democratic Union	<b>MP</b>	Member of Parliament
<b>CELAC</b>	Community of Latin American and Caribbean States	<b>NAFTA</b>	North American Free Trade Area
<b>CERC</b>	US-China Clean Energy Research Center	<b>NATO</b>	North Atlantic Treaty Organization
<b>CJEF</b>	Combined Joint Exeditinoary Force	<b>NGO</b>	Non-Governmental Organisation
<b>COTRA</b>	European Council's Trade Policy Committee's working group on Transatlantic Relations.	<b>NPT</b>	Non-Proliferation Treaty
<b>CTBT</b>	Comprehensive Test Ban Treaty	<b>NSA</b>	National Security Agency
<b>DSG</b>	Defence Strategic Guidelines	<b>RCEP</b>	Regional Comprehensive Economic Partnership
<b>ETS</b>	Emissions Trading Scheme	<b>SAIS</b>	School of Advanced International Studies (Johns Hopkins University)
<b>EU</b>	European Union	<b>SWIFT</b>	The Society for Worldwide Interbank Financial Telecommunication
<b>FDI</b>	Foreign Direct Investment	<b>TPA</b>	Trade Promotion Authority
<b>FTA</b>	Free Trade Agreement	<b>TPC</b>	European Council's Trade Policy Committee
<b>G7</b>	Global 7: Canada, France, Germany, Italy, Japan, USA, UK.	<b>TPP</b>	Trans-Pacific Partnership
<b>G20</b>	Global 20: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK, USA	<b>TTIP</b>	Transatlantic Trade and Investment Partnership
<b>GAMM</b>	Global Approach to Migration and Mobility framework	<b>UNASUR</b>	Union of South American Nations
		<b>UNFCCC</b>	United Framework Convention on Climate Change
		<b>VTJF</b>	Very High Readiness Joint Task Force



## EXECUTIVE MASTERS PROGRAMME **INTERNATIONAL STRATEGY AND DIPLOMACY**



LSE IDEAS, a Centre for the study of international affairs, brings together academics and policy-makers to think strategically about world events.

This one year **EXECUTIVE MASTERS PROGRAMME** is at the heart of that endeavour. While studying in a world-leading university you will be able to learn from top LSE academics and senior policy practitioners.

The programme will sharpen your ability to challenge conventional thinking, explore new techniques for addressing risk and threats, and coach you in devising effective strategies to address them.

The course has been especially tailored so that you can accelerate your career while holding a demanding position in the public or private sector.

'Right from the first week I was able to apply the lessons I had learnt to our operational and policy work and to coach my teams to look at issues differently.'

- **Karen Pierce**  
UK's Permanent Representative  
to the UN and WTO in Geneva

### **CONTACT US**

Email: [ideas.strategy@lse.ac.uk](mailto:ideas.strategy@lse.ac.uk)  
Phone: +44 (0)20 7955 6526  
[lse.ac.uk/ideas/strategy](http://lse.ac.uk/ideas/strategy)



**international  
affairs**

**diplomacy**

**strategy**



THE LONDON SCHOOL  
OF ECONOMICS AND  
POLITICAL SCIENCE ■