



RE-WIRING THE US-EU RELATIONSHIP

Daniel Korski, Ulrike Guérot and Mark Leonard

Introduction

In 2005, as the dust settled on one of the most fractious periods in transatlantic relations, the then German chancellor Gerhard Schroeder called for a debate about new transatlantic institutions in a speech at the Munich Security Conference. He argued that NATO could no longer be the central institution in a relationship that spanned everything from climate change and genetically modified (GM) foods to joint actions in Afghanistan and the Balkans. The thrust of his message was undeniably correct, but the timing was not ideal. Just two years after the invasion of Iraq, Europeans and Americans were willing to work together again at an operational level, but political divisions were still raw. And there were still great differences, at the level of analysis and solutions, on some of the biggest global issues, such as international terrorism, Iraq, Afghanistan, Iran, climate change, and the International Criminal Court.

The election of Barack Obama has seriously narrowed the policy differences between Europe and the US. While significant disagreements remain on ambition, priority and approach, both sides now agree to a large degree on the major challenges facing them. Moreover, the President-elect is likely to be America's first "post-Special Relationship" leader, eager to see Britain play a role in making Europe work rather than to build an exclusive US-UK bilateral bond.

New institutions are no surrogate for common interests and strategy. But a coherent framework for cooperation could help Europeans and Americans to get a clearer sense of each other's priorities and to develop a shared idea of the problems both sides must confront. Where common interests exist, these transatlantic institutions could help the two sides marshal their resources to come up with a common approach. With the change of leadership in Washington, the US and the EU are presented with an ideal moment to strengthen the US-EU institutional bond, at the same time as US and European leaders develop a new substantive transatlantic agenda.

Existing institutions fail to deliver

NATO is and will continue to be the most important organisation for ensuring European security. European countries rely on the Article V guarantee, and NATO's role in Afghanistan and the Balkans is crucial to Europe's security interests. But NATO is no longer the place where Americans or Europeans go to talk about big strategic questions. This is true not only for non-military topics such as the global financial crisis or climate change, but also for classic foreign policy problems such as the resurgence of Russia, the rise of China, and Iran's nuclear programme. The EU will not be a high-end military operator for decades, but its emergence as a security actor is a fact, since it has advantages that NATO can never enjoy, such as the potential to blend civilian and military assets and the ability to deploy where the US and NATO are not welcome.

If NATO does not provide an adequate forum for discussing numerous issues critical to the transatlantic relationship, neither does the current US-EU institutional architecture. Formally speaking, US-EU cooperation is based on the Transatlantic Declaration of 1990 and the New Transatlantic Agenda (NTA), adopted in 1995. The NTA set up an adjustable framework for US-EU relations, upgraded the level of commitments, and widened the

scope of ties at the US-EU level. Meetings now take place on many levels, including, summit meetings between the US, the European Commission and the EU Presidency. In 2007, a Transatlantic Economic Council was set up, aimed at deepening economic integration through harmonising economic regulation among other approaches.

Unfortunately, the Transatlantic Economic Council has not lived up to its initial promise, whilst the annual US-EU summit at the level of heads of states and governments is a potluck dinner, depending for its success on who holds the rotating EU presidency at any given time -- in one year European representation consisted of a commission president and a rotating presidency from the smallest country in the EU. The US representation is more consistent, usually comprising the President, Vice-President, Secretary of State, Secretary of Commerce, National Security Adviser, and occasionally other senior officials, but the meeting tends to last just a few hours and is higher on symbolism than on substance. When President George W. Bush attended the US-EU summit meeting in June 2005, the session was so raucous -- with each EU leader wanting to brief the press afterwards that they had given the US leader a piece of their mind -- that President Bush later confided he would not have attended if he had known what to expect.

As a result, most of the business in the transatlantic relationship is conducted bilaterally or through informal smaller groups, such as the Quad, the Quint, the Quartet, and contact groups like the E₃₊₃ process on Iran. Every European ambassador in Washington, DC, knows that they will be judged back home by the degree of familiarity they display on the US policy process relative to their European counterparts.

One of the main reasons that it is difficult to have proper transatlantic discussions is that Europeans themselves seem unable to have real strategic discussions on issues such as Russia, China, the Middle East or European defence. Europe may not be divided between old and new parts, but it is divided nonetheless. Many member states see having a seat at the table as an end in itself. The EU is also frequently held back by the vexed topic of size. So long as the EU grants Luxembourg the same status as France or Germany in formal institutions, it is inevitable that many issues will be addressed through informal channels. The US itself bears some of the blame for the lack of European coherence. Though successive US administrations have supported European integration, American policy-makers cannot always resist the urge to "divide and rule" the 27-member bloc; one recent example of this is the US's decision to negotiate directly with a handful of European governments over transatlantic airline security, pushing the European Commission to one side.

Better work with new institutions

A new set of Euro-Atlantic institutions could be inaugurated early in President Obama's term. These should aim to strengthen high-level policy dialogue, improve working-level contacts and help re-create the transatlantic community for a new generation of decision-makers and opinion-formers. This could happen at six levels, and should involve an investment in both formal and informal ties.

At the highest level, the President of the United States should be invited once a year to the European Council, and the leaders should have an informal discussion about global issues. The first step towards this could be to organise back-to-back EU and NATO summits, which would allow the necessary interchange without rushing towards a formalised arrangement of US participation in the European meeting. If successful, the US President could be invited to the European Council meeting.

Second, it is important for EU foreign ministers to have an ongoing strategic conversation with the US Secretary of State. These discussions can be institutionalised. Every month, European foreign ministers meet in the General Affairs and External Relations Council (GAERC) together with the EU Foreign Policy "Czar" Javier Solana and the European Commission. It would make sense for them to invite the Secretary of State to join them twice a year (once in each EU Presidency) for an informal strategic discussion on the big issues of the day. American Cabinet officials could also be invited to European Commission meetings from time to time, when issues of mutual concern are discussed, like trade with third countries like China, or development aid to Africa.

Should the Lisbon Treaty be adopted in the near future, US Cabinet officials should be invited to the Foreign Affairs Council (which will replace the GAERC). The Treaty's stipulations would provide for a stronger European interlocutor in the shape of the High Representative for Common Foreign and Security Policy, who is given power to coordinate EU foreign policy, supported by a European diplomatic corps, the External Action Service. In this case, the US Secretary of State and the EU's High Representative should develop a schedule of regular consultations. If the Lisbon Treaty does not come into effect, to prepare for high-level meetings before US attendance at the GAERC US/PSC discussions should be held alternately in Brussels and Washington. European leaders should also consider "double-hatting" the EU Head of Delegation in Washington as an EU Special Representative (much like the EU's set-up in Macedonia) with diplomats seconded to the EUSR's office to help him fulfil more diplomatic and representational tasks. An alternative would be to appoint a separate European envoy who could work with bilateral envoys to prepare for the meetings.

The EU should reach out beyond the executive, since many of the issues that matter most to European governments, like Kyoto and the International Criminal Court, tend to be blocked by Congress. The European Parliament (EP) and the US Congress have already established an inter-parliamentary relationship through Transatlantic Legislators' Dialogue. This link could be strengthened by including not only US Representatives but also Senators, as well the chairpersons of foreign affairs committees in all 27 EU national legislatures. It may even be beneficial to establish a small European Legislatures Liaison Office in Congress, comprising representatives from the EP and national legislatures, as well as setting up Congress/EP task forces on key issues like Afghanistan/Pakistan and climate change. One way to underscore the importance of stronger transatlantic legislative ties would be for President Obama to address the European Parliament, perhaps with congressional leaders sitting by his side, before the parliamentary elections in June 2009. The last US President to address the European legislature was Ronald Reagan on 8 May 1985 -- not even Bill Clinton made it. As the US leader will attend NATO's 60th anniversary summit in Strasbourg-Kehl in April, a visit to the EP's Strasbourg seat ought not to be impossible to schedule.

Formal institutions will inevitably be unwieldy, so the EU should also invest in renewing informal institutions. The starting point could be to emulate successful examples of smaller forums, such as the "EU Three" group of Britain, France and Germany plus SG/HR Solana, which negotiates with Iran, or the partnership Poland and Lithuania forged with Solana during the orange revolution. The EU and the US could set up other "contact groups" to discuss specific issues, made up of the relevant EU foreign ministers and Solana, plus the US Secretary of State and perhaps other American decision-makers. A structured EU-US dialogue on Pakistan is long overdue while on North Africa, the EU's Mediterranean countries should take part in discussions. The smaller member states fear EU foreign policy being dominated by big countries. It is therefore vital for groups to include those countries most involved in any given situation, regardless of their size or standing. These contact groups should always include Solana, who can represent the rest of the European Union and ensure a good flow of information between all stakeholders.

The US and the EU should consider a series of initiatives to improve working-level contacts. Both sides are grappling with the challenge of failing and fragile states. On the back of a new data-sharing agreement, the US and EU could create a US-EU Conflict Prevention Task Force, with a permanent secretariat housed in Brussels, which could coordinate intelligence about developing conflicts, produce joint analyses and propose conflict-mitigating strategies for discussion by US and European leaders. Such a setup could have been useful in helping to warn of a crisis in, and prepare options to deal with, the eastern parts of the Democratic Republic of Congo (DRC).

If progress on NATO-EU relations takes place, then a NATO/ EU School for Conflict, Post-Conflict and Stabilisation could be set up to provide training for deploying officials -- a sort of Harvard for bureaucrats heading into war zones. Another potentially useful institution would be a US-EU Diplomatic Centre in Washington, on the model of the German Marshall Fund, which could bring US and European diplomats together on courses, workshops, and training programmes as well as facilitating secondments between the different foreign services. As part of this, a "Marshall-Monnet Fellowship" for younger US and European officials from the European Commission, Council Secretariat, European Parliament and EU governments could be set up, with a programme to include an annual retreat, six-month secondments, and course work. Finally, given the importance of familiarising the US leadership with Europe's strategic thinking and decision-making, the EU could consider an enhanced public diplomacy initiative, including an International Visitors Program offering 50 prospective US leaders study trips to Europe.

At the end of the day, any progress in transatlantic relations should be built on the foundations of a more coherent EU foreign policy. Europe should not wait for the usual pattern of transatlantic relations to be restored, with the US in the role of the policy demandeur and the EU as the reluctant follower. European leaders must develop their own views on the best ways to rescue NATO's Afghan mission, to respond to instability in Pakistan, to counter Russia's belligerence and to manage China's emergence, not to mention developing a coherent viewpoint on international terrorism, the spread of WMDs and unrest across the Middle East. This will require political will -- rather than "political won't" -- across the 27 EU states and would be helped by robust institutional structures, such as those proposed in the Lisbon Treaty. New transatlantic institutions cannot in themselves help the EU develop policies or come up with a better way of thinking strategically about foreign policy issues; but at a time of considerable transatlantic policy convergence, the absence of a solid framework for US-EU discussion will see both sides miss out on a valuable opportunity for cooperation on shared challenges.

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ISBN: 978-1-906538-09-5

Published by the European Council on Foreign Relations (ECFR), 5th Floor Cambridge House, 100 Cambridge Grove, London W6 oLE. UK. Contact: london@ecfr.eu