THE NATIONAL WAR COLLEGE

THE SHAKY PILLAR:
THE U.S. AND THE EUROPEAN UNION
Longer Essay

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Report Documentation Page

Form Approved
OMB No. 0704-0188

1. REPORT DATE	2. REPORT TYPE	3. DATES COVERED
1994		**00-00-1994 to 00-00-1994**

4. TITLE AND SUBTITLE	5a. CONTRACT NUMBER
The Shaky Pillar: The U.S. and the European Union	5b. GRANT NUMBER
	5c. PROGRAM ELEMENT NUMBER
6. AUTHOR(S)	5d. PROJECT NUMBER
	5e. TASK NUMBER
	5f. WORK UNIT NUMBER
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) **National War College,300 5th Avenue,Fort Lesley J. McNair,Washington,DC,20319-6000**	8. PERFORMING ORGANIZATION REPORT NUMBER
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)	10. SPONSOR/MONITOR'S ACRONYM(S)
	11. SPONSOR/MONITOR'S REPORT NUMBER(S)

12. DISTRIBUTION/AVAILABILITY STATEMENT
Approved for public release; distribution unlimited

13. SUPPLEMENTARY NOTES

14. ABSTRACT
see report

15. SUBJECT TERMS

16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON
a. REPORT **unclassified**	b. ABSTRACT **unclassified**	c. THIS PAGE **unclassified**		**30**	

SUMMARY

Throughout the Cold War, the U.S. security guarantee to Europe assured it dominance of the U.S. - European Union relationship. The U.S.-EU Declaration of November 1990, signed at a time of when the EU appeared headed toward world power status, commits the U.S. and the EU to a "global partnership" implying a greater sharing of world leadership. With U.S. support for the "separable but not separate" option for European forces within NATO at the January 1994 NATO Summit, the United States appears fully prepared to accept the independent European defense identity that could make burden sharing within a global partnership a reality.

Yet three years after the Declaration was signed, the extended wrangle over the GATT agreement and the bloody quagmire of former Yugoslavia are witness to the limits of cooperation, joint action, and to the EU's ability to act alone. Some part of the U.S. - EU tensions over these issues reflects enduring flash points in the U.S.-EU relationship. However, U.S.-EU tensions and frustrations over issues like the GATT and former Yugoslavia are also due in large measure to the EU's limited ability to pursue cohesive, swift, decisive action on issues which go beyond the strictly technical.

The need for de facto consensus on foreign policy issues has hampered EU foreign policy making since its earliest days. The EU's external paralysis is compounded now by its own pervasive internal malaise, of which the travails of the Maastricht Treaty, the wreckage of the European Monetary System, and anti-immigrant tensions are only the symptoms.

Only forty years since its beginnings, the European Union is considered a fixture of the international landscape with cyclical movements of progress and consolidation around a relentless upward course. Now, however, its very foundation has been pulled apart by the massive shift in power relationships in Europe that came about with the end of the Cold War and German reunification. Moreover, unrelenting competition from Asia and other markets is putting enormous pressure on that part of the foundation which still remains. At best, the EU appears condemned to an extended period of economic and political weakness.

Yet the United States appears prepared-and may be determined-to limit its engagement in Europe at a time when the European Union's ability to fulfill the roles we expect of it-expectations which the Europeans themselves helped create[1]-is far from assured. We take the EU's ability to assure stability in Western Europe for granted. The EU's declining ability to fulfill the economic vocation on which its public support is based and the ease with which the war in former Yugoslavia shattered EU unity should give us pause.

The magnetic attraction of the European Union for the newly independent states of Central and Eastern Europe has become an article of faith in our policies towards the region. Yet the spectacle of the EU's economic decline and domestic tensions, together with its refusal to open important markets, can only

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[1] Michael J. Brenner, "EC: Confidence Lost," Foreign Policy Summer 1993: 31.

strengthen the hand of the opponents of democratic and market reform. The EU's failure to do more than contain the conflict in former Yugoslavia gives an unmistakable signal to other restive nationalities that aggression will be tolerated. Outside of Europe, reduced U.S. leverage and the EU's own domestic focus may make it increasingly difficult to enlist EU support for regional initiatives for which our own financial limits require joint approaches.

A strong, united European Union is a critical U.S. interest, but the EU is neither strong nor united. Moreover, there is not much we can do about it, because the integration process is fundamentally an internal European affair.

A best strategy for the United States would continue an active engagement in the political and security affairs of Europe, working through our bilateral relationships with the major European players if agreement within the EU is impossible. It would reinvigorate the G-7 process and demonstrate scrupulous respect for GATT disciplines to encourage the structural reform of European economies and help contain protectionist pressures.

The strategy would try to compensate for EU weakness by strengthening the CSCE's conflict resolution mechanisms and by ensuring that NATO's "Partnership for Peace" and the NACC receive the resources in attention and money that will make them meaningful. It would supplement the EU's limited efforts to provide increased market access and financial assistance to stave off the worst pains of economic reform in Central and Eastern

Europe and the former Soviet Union.

Our own domestic focus and our own financial constraints may of necessity limit our willingness and ability to pursue this kind of activist strategy. It is ironic that U.S. acceptance, and even insistence on a greater EU political and military role in Europe comes at a time when the Europeans themselves recognize that they cannot handle that role and do not want us to disengage. If we must disengage, we must know that we are leaving a power vacuum behind us, one which greatly threatens our longer-term interests.

HITCHING TO A RISING STAR: THE U.S. - EC DECLARATION

The United States has supported the process of European integration since its earliest days in the post-World War II period because we believed it essential to keeping the peace among the combatants of the two great wars of the century. While the goal of the integration process was a unified European power which could eventually threaten our world leadership role, European reliance on the American security guarantee gave us leverage to dominate the relationship with the evolving European Union throughout the Cold War.[2]

The U.S. - EC Declaration of November 1990 marked an attempt to rebalance the relationship to reflect the new realities of the disappearance of the Soviet threat and the limits on U.S. foreign activism imposed by our financial constraints. Above all, the Declaration recognized the growing cohesiveness and world clout of

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[2] William C. Cromwell, The United States and the European Pillar (New York: St. Martin's Press, 1992) 180.

an EC anticipating the benefits of the Single Market amd moving toward greater heights of supranationality in the Maastricht Treaty.[3]

The U.S.-EC Declaration commits both parties to a global partnership in which we should work to align policies worldwide, cooperate to promote world trade and growth, and tackle together the global challenges of the environment, terrorism, narcotics trafficking, and the promotion of democracy and human rights. The commitments of the Declaration are supported by an elaborate schedule of high-level meetings, including two Summits per year, and extensive working level contacts.

The Declaration described general principles to guide the U.S.-EU relationship but set no specific goals for substantive cooperation or joint action. More than three years after the Declaration, there has been a general respect for its high-level meeting commitments, a quantum leap in consultations at all levels and across an extremely broad range of issues, and in some cases agreement on general regional assessments and approaches.

However, there has been little in the way of concrete U.S.-EC joint action. Neither has the EU shown an ability or disposition to shoulder burdens alone - its effort in former Yugoslavia put an early end to such aspirations. Rather, differences over an eventual EU security role, the former Yugoslavia and the GATT agreement have dominated the headlines and the U.S.-EU relationship.

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[3] Cromwell 244.

The United States has often been accused of high-handed domination of the relationship, but the source of the frictions of recent years lies elsewhere. The Bush Administration followed through on its intention to hand over responsibilities to the EU by accepting EU leadership of the multilateral assistance effort for Central and Eastern Europe, and above all, by welcoming EU assumption of the effort to bring a negotiated settlement to the former Yugoslavia.[4] The Clinton Administration has gone even further toward acceptance of European independent action by accepting the "separable but not separate" option for European forces within NATO that make an EU defense identity a practical possibility.

The U.S. is willing, but the fact is that the scope for a truly global partnership does not exist in a significant set of mutually defined and prioritized interests. Most importantly, the EU is not willing or able to pursue the kind of cohesive foreign and defense policies necessary for either joint U.S.-EU actions or independent EU actions. Like the Maastricht Treaty, the U.S.-EC Declaration is likely to remain more of a road map than a reality. Worse, the structural nature of the EU's political and economic problems is grounds for some unease about the future solidity of the Union itself.

BUT NOT A FIXED STAR: THE EU'S WEAKENED FOUNDATIONS

The EC's aspirations to early superpower status have been

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[4] Michael J. Brenner, "Finding America's Place," Foreign Policy Summer 1990: 29.

shattered by the rough passage of the Maastricht Treaty, the collapse of the European Monetary System, continued high unemployment and demonstrated impotence in the former Yugoslavia. The EU has recovered from periods of economic stagnation and internal dissension in the past to move on to successive levels of integration. However, there is nothing inevitable or irreversible about the process of European integration. This time, the dynamics which empowered the integration movement since its beginnings have been all but destroyed by the profound changes in world political and economic power relationships of the past few years.

The driving political forces for the integration process from the early days of the European Coal and Steel Community to the negotiation of the Maastricht treaty were: 1) the relationships among the larger Western European states arising from Germany's defeat in World War II, in particular that between France and Germany; 2) the common Soviet threat; and 3) Europe's dependency on the U.S. for security against that threat. A divided Germany's diminished sovereignty gave it a powerful reason to seek international respectability and security through European cooperation. A France defeated in 1940 saw participation in a European arrangement with an artificially restrained Germany as a means of staving off the implications of diminished national power.

All understood the importance of insuring against a possible resurgence of German hegemonic ambitions by anchoring it in a network of relationships. The vibrant European economy believed achievable only through integration was considered necessary to

defeat the challenge of indigenous Communist parties. U.S. and Soviet dominance of the Cold War world brought the realization that the limited influence of individual European states on superpower actions could be leveraged by common approaches.[5]

With the end of the Cold War and German reunification, all of these motivations have disappeared or been radically altered, apart from a latent fear of Germany's rising power. It is still the case that a common European voice can leverage national power relative to the sole remaining superpower. However, the collective need is less now that the Cold War dependency relationship so corrosive of national self-esteem - European reliance on the U.S. security guarantee against the Soviet threat - is no more.

There is as yet no new political unifying force to replace the original ones. Without strong forces which continue to drive the countries of Western Europe together, there may be no limit to how far they may eventually move apart.

THE CENTER CANNOT HOLD: THE EU IN ECONOMIC DECLINE

These political motivations drove both economic and political integration efforts. However, economic integration had its own justification - the irrefutable gains in economic prosperity achievable through creation of a common market. While the dream of European unity was essentially political, it was economic success that made political cooperation a real possibility by providing the integration process a basis for public support throughout Europe.[6]

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[5] Cromwell 89.

[6] Brenner, "EC: Confidence Lost," 25-26.

More ominous for the future of integration than world political change, the Union appears to have lost its economic vocation. Despite the promise of the Single Market, the EU has been unable to produce economic growth rates sufficient to reduce unemployment or avert rising social tensions.

Some part of the European economic dilemma is cyclical - a response to restrictive German monetary policies - and some part of it is psychological - a nosedive in business confidence caused by the Maastricht Treaty's travails and the fiery demise of the EMS. Expectations of the early impact of the Single Market were probably too high, since it will take years for the new regulations to bring about a real change from a national to a Union-wide business culture.[7]

Yet a large part of the EU's problem is its declining ability to compete. The world revolution in producing and trading relationships driven by technological change and cheap labor - the Asian challenge - is calling into question the very existence of the welfare state. The dilemma for the EU and its member state governments is that the political scope for reforming the system is extremely limited.[8] In fact, the source of legitimacy of both European governments and the integration process has been their capacity not just to deliver prosperity, but to do so within the framework of the welfare state. Thus, even as Europe was battered by Asian competition, the architects of Maastricht created the

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[7] "Single-minded," The Economist 3 July 1993: 12-13.

[8] "Delorism or Darwinism?," The Economist 3 July 1993: 9-10.

Social Pillar to begin the process of establishing common social policies and to give labor unions increased powers on a Union-wide scale.

Popular and governmental awareness of the competitiveness problem is acute, but there is more of a reflex to protectionism than to internal reform. The public attachment to the welfare state remains fierce, as the French government's recent retraction of public enterprise layoffs, and a Europe wide movement for a four-day workweek attest.

If Europe continues to resist economic reforms it faces a long spiral of relative and perhaps absolute decline as a world economic power. The EU governments' inability to deliver on the economy has already led to public disaffection with the integration process and intense preoccupation with domestic issues across the EU.[9] As economic slump persists, public support for the Union, and in particular for any further development of it, will continue to recede.

THE BEST LACK ALL CONVICTION: FOREIGN AND DEFENSE POLICIES

While many vectors of integration may stall, the EU's foreign policy and defense roles will likely be most circumscribed by the political shifts and economic weakness of recent years. Whatever their aspirations toward an international role, the weak governments of Europe lack the support to undertake significant external responsibilities.

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[9] Stanley Hoffmann, "Goodbye to a United Europe?," The New York Review 27 May 1993: 27.

Yet prospects for unified foreign and defense policies were always clouded. The EU has had enormous difficulty over the years reaching consensus on foreign policy issues and its achievements have been limited.

While there has undeniably been a trend to greater EU cooperation on foreign policy issues in the last twenty five years, the motivation in many cases was essentially reactive: to resist U.S. Cold War initiatives and define a position more reflective of European assumptions and interests than the American approach.[10] Individual European countries with reservations about U.S. policies were better able to resist by acting together.[11]

It was this motivation, and a common understanding of the common threat from the East, that allowed the EU states to overcome their own very frequent and deep divisions on the issues. European resistance to U.S. initiatives was often driven by a greater reluctance to take action, particularly military action, in any situation.[12]

The unifying force of U.S. pressure in the context of an unequal U.S. - European relationship is gone now. Moreover, member states' perceptions of interests in the post Cold War world have diverged dramatically. Most significantly, a unified Germany's attention has been drawn sharply to the East. Germany looks on

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[10] Cromwell 189.

[11] Cromwell 136.

[12] Cromwell 187.

Eastern Europe the way the U.S. looks at Latin America.[13] It wants to put resources there, and it wants to bring those countries into the EU - although its desire to do so in a hurry may be cooled given its own difficulties reintegrating East Germany.

Others, in particular France, are more preoccupied by the threat of economic competition from the Eastern states to ailing traditional industries such as textiles, steel and agriculture. The Mediterranean states of the present EU membership are likely to look on the Central and Eastern European states as rivals for scarce EU assistance funds.

Similarly, reflecting its geography, Germany is more preoccupied with the need to stabilize and establish good relations with Russia and other European FSU states than is the rest of the EU.[14] Other EU countries are more concerned than is Germany with the Maghreb states that have flooded them with immigrants.

The EU's experience with the former Yugoslavia is of course the ultimate testimony to its difficulties in establishing common policies and especially of coming up with joint actions. Intended as the opening effort of a new era of European management of European issues, the EU's handling of the war has in fact marked a retreat from common policies, as key states appear increasingly willing to break ranks. When the EU recognized Croatia and Slovenia (which some believe was the key factor unleashing eventual

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[13] Gregory F. Treverton, "The Year of European (Dis)Unification," Current History 568 (1992): 356.

[14] Thomas Kielinger and Max Otte, "Germany: The Pressured Power," Foreign Policy Summer 1993: 49-50.

war in Bosnia), Germany was thought extremely likely to go ahead on its own if it had not.

Exasperated with Greece's refusal to recognize Macedonia, several states went ahead anyway in December 1993, just in advance of Greece's assumption of the EU Presidency. France, apparently unable to secure EU consensus on a decision to threaten NATO bombing of Serb artillery positions around Sarajevo, convinced the U.S. to go along and pushed the proposal through NATO channels.

Another factor limiting the EU's foreign policy role is its cumbersome institutional machinery. Any decision requires deliberation and voting by all 12 member states, a process which encourages delay and tends to result in least common denominator solutions, not forceful action.

While in theory the weighted majority voting provided for in the Maastricht Treaty should allow stream-lined decision-making on foreign policy issues, it is extremely doubtful that the EU will agree to apply majority voting to any issue of any significance to any EU country. Rather, the principle of the "Luxembourg compromise" - that no state can be overruled in EU councils on any issue it considers critical to its national interest - will likely continue to prevail.

The enlargement of the EU to include the EFTA states and eventually Eastern European states will strain its institutional machinery even further. The new round of Intergovernmental Councils in 1996 is supposed to attack problems that, among other things, makes it hard to establish and advance a coherent EU

foreign policy agenda. However, any reform which would streamline the foreign policy decision-making process requires a new cession of sovereignty to EU institutions. It is doubtful that EU governments will feel empowered to agree to such a cession.

AND WHAT ROUGH BEAST: THE MILITARY ROLE

The EU has always been even more conflicted about the creation of an independent defense role than it has been divided about how much decision-making to transfer to the Union on political issues. As with its political role, the major factor influencing consideration of whether and when and how to establish an independent defense was Europe's ambivalence about its ultimate dependence on the U.S. for its security against the Soviet threat.[15]

Resentment of that dependence and unease at exclusion from deliberations between the two superpowers encouraged efforts towards defense independence. At the same time, fears of U.S. troop reductions or withdrawal and doubts about America's willingness to use its nuclear weapons to defend Europe did so as well.[16] Paradoxically, intermittent pressure from the U.S. for Europe to assume more of its own defense burden moved it in the same direction.

Yet the dominant theme throughout the Cold War period was a desire to keep the U.S. militarily engaged in Europe, and Europe's initiatives towards an independent defense were always shaped and

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[15] Cromwell 190-91.

[16] Cromwell 60-62.

limited by the overarching concern not to precipitate American withdrawal.[17] The U.S., dominant in NATO, opposed any European construction which appeared to threaten NATO's primacy, from the 1984 attempt to define a meaningful role for the WEU to the initial conception of the Franco-German corps. Apprehensions that the Maastricht Treaty would again threaten to create a defense identity apart from NATO were assuaged by treaty and WEU communique language establishing linkages between WEU and NATO.[18]

However, the WEU has remained largely a vestigial organization for reasons other than U.S. opposition, although some Europeans, and particularly the French, have tended to blame American dividing tactics. The WEU did not attempt to forge common positions apart from the Alliance because such attempts would have exposed Europe's own deep differences over security issues, differences due to factors such as different geographical exposure to the Soviet threat, nuclear status, arms control, views on tactical escalation, and positions towards NATO.[19]

The WEU demonstrated its irrelevance as recently as the Gulf War, during which the Europeans remained divided on military responses and the WEU's role was limited.[20] Its major operation

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[17] Cromwell 97-98.

[18] Joseph S. Nye and Robert O. Keohane, "The United States and International Institutions," After the Cold War: International Institutions and State Strategies in Europe, 1990-91, eds. Robert O. Keohane, Joseph S. Nye and Stanley Hoffman (Cambridge: Harvard University Press, 1993) 119-20.

[19] Cromwell 191.

[20] Cromwell 217.

in the former Yugoslavia has been a sanctions-patrolling effort.

The long debate leading up to Maastricht about the establishment of a security and defense identity was so contentious that the treaty language that finally emerged is remarkably meager. The traditional concern among the more Atlanticist members of the EU not to alienate the U.S. certainly played a role, but a particularly strong resistance to turning over national authority to the EU on security issues also seemed evident.

U.S. agreement to a "separate but not separable" option for European force components in NATO gives the EU the green light to build a defense role without having to either retract or duplicate costly forces assigned to NATO. With the Soviet threat gone, U.S. forces declining, war under way in the former Yugoslavia and instability elsewhere the incentives for the EU to move forward and operationalize a common defense should be great. Indeed, concern about the strength of the American commitment to Europe has prompted even Britain, the most Atlanticist of the Atlanticists, to move closer to France, the traditional drumbeater for European independence.

Nevertheless, prospects for an operational European defense role in the near future are dim. All of the factors which limit a European political role apply, in spades, to an eventual defense role. Nations with widely differing perceptions of interests will not have common assessments of threats related to those interests. The generalized weakness of EU governments is particularly limiting: if you can't ask your publics for expenditure of

national treasure you will be even less able to ask for national blood.

Stanley Hoffmann suggests that this governmental weakness reflects not just an inability to deliver the economic goods but is inherent in the nature of the structure of the European Union: nations have traded visible and distinctive power for diffuse collective influence. For him, the EU remains a purely economic and bureaucratic construction with few signs of becoming a nation.[21] The institutional limitations that often paralyze foreign policy-making are likely to be even more prohibitive of timely decision-making and planning of military responses.

One question thus far unanswered is what the future relation of the French and British nuclear arsenals to the European defense identity will be. While a truly unified defense would seem to preclude independent nuclear responses by any member, both France and Britain have created and clung to their nuclear capabilities as a way of leveraging a national power severely diminished in this century. By joining in the recent agreement to disarm the Ukraine, they have both demonstrated their continued interest in acting as independent powers on the world stage.

The central question, however, is about Germany: will the German public agree to give its government a mandate for anything other than purely defensive operations? German reluctance reflects the same domestic focus of other European publics but is still compounded by memories of its own dark history. Without a sizeable

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[21] Hoffmann 31.

German active and financial participation, any European military role is likely to remain largely fictional.[22] Thus far, Kohl's government has not mobilized support for a European military role, and there is a danger that pressure from other EU governments could turn the Germans even further inward.[23]

European, and particularly French, realization of the limits of European military capabilities and activism have probably played a role in generating pressures for U.S. military involvement in the former Yugoslavia. EU discord about the decision to call for a threat of NATO bombing there is probably a good augur of things to come. Any conceivable future conflict in Europe, short of a new Russian grab for NATO territory, is likely to provoke the same disputes about culpability, relevance, and the implications of any action for widening the conflict.

On balance, it is difficult to envisage a purely EU role in future European peacekeeping operations unless they are small. Rather, decisions on military participation on a large scale will probably continue to be made on a national basis. France has traditionally been the EU state most disposed to military responses, and this will likely continue to be the case, although its position on particular issues will of course be shaped by its reading of its own interests. While France has also traditionally been the most ardent supporter of European independence from the United States, the realities of the limitations on European

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[22] Kielinger and Otte 53-54.

[23] Brenner, "EC: Confidence Lost" 37.

resolve, institutions and capabilities should, ironically, continue to nudge it closer to NATO and the U.S. for approaches to European problems.

TURNING AND TURNING IN THE WIDENING GYRE: THE U.S. AND THE EU

While the United States has consistently supported the process of European integration, its relationship with the EU has always been a difficult and sometimes a stormy one. With common values and institutions to defend our broad interests and approaches are generally similar. However, our respective definition of those interests and preferred approach have often diverged widely.

As previously noted, European resentment of U.S. domination of the relationship and a tendency to exclude Europe from direct discussions with the Soviet Union[24] was the major impulse for the development of an EU foreign policy and security and defense identity. On European questions, there were profound differences about the pace and content of arms control and the pace and timing of detente. In what was perhaps the most dramatic dispute, the U.S.-European battle over the Soviet Gas pipeline, European concern for its own relationship with the East was combined with determination to preserve lucrative contracts, a reminder that, on economic issues, the U.S. and the EU are competitors.[25] In all of these disputes, however, resolution was eventually achieved based on mutual recognition of the importance of the overall security relationship.

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[24] Cromwell 77, 166.

[25] Cromwell 118-22.

The end of Europe's clear cut security dependency on the U.S., and indications that the Clinton Administration is willing to accept a more balanced relationship, should remove a whole class of conflict from the U.S.- EC agenda. The problem is that there is now no dynamic to replace that lop-sided dependency as a means of forcing accommodation between us.

Outside Europe, U.S.-European disputes have been legion. From the 1973 Mideast War, when Europe complained of superpower domination of a situation directly affecting its interests, to Afghanistan, for which the EU was reluctant to risk detente, to Libya, which the EU feared to rile to greater terrorism, to Grenada and Nicaragua, where the EU considered U.S. actions reckless and unnecessary adventurism, to the Gulf War, where British and French participation substituted for full European cooperation, the themes were often the same.

The pattern was one in which the U.S. would define regional issues in the context of East-West rivalry, and call for Alliance unity. The pattern was also generally one in which the U.S. would devise initiatives which it expected Europe to follow. The European response was often to resist definition of an issue as falling under the purview of the Alliance, because such definition tended to concede U.S. leadership.

The European assessment of situations often differed sharply from that of the United States. The EU tended to discount the ideological factor much more than we. Thus Europe did not see the Soviet invasion of Afghanistan as the precursor of a new wave of

world expansionism, and tended to see insurgencies in Latin America as national events, not surrogate battles in the East-West conflict.

In two cases in which the EU uncharacteristically took initiatives, it was again with the purpose of diverging from U.S. approaches. The Euro-Arab dialogue was established to reflect the EU's greater receptivity to Arab, and in particular Palestinian positions, and the EU's dialogue with Latin America was intended to pursue a kinder, gentler approach than the Reagan Administration's militant anti-Communism.[26]

The history of the U.S.-EU relationship since the end of the Cold suggests that U.S.-EU interests which might lead to joint policies, and in particular to joint actions, are likely to coincide even less than in the past. To the extent they coincide, it is more likely to be in Europe than in the past. There is little scope for a true global partnership; the U.S.-EU relationship is evolving into more of a limited European regional vehicle. The emerging pattern is rather one of division of interests by region outside of Europe, within a context of reduced activism by both the U.S. and the EU.

Within Europe, the U.S. has taken the lead on a political approach to the former Soviet Union in an extension of the old superpower relationship, with the EU participating in the U.S.-led assistance effort, again a la the Cold War. A sign of the times however: Germany is providing the bulk of assistance, bilaterally

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[26] Cromwell 86-166.

and for national reasons.

As previously noted, U.S. acceptance of EU leadership in coordinating multilateral assistance to Eastern and Central Europe marked a recognition of the EU's then ascendant power. It is a process which works reasonably well, probably because, unlike most foreign policy activities, it is run by the EU Commission and is largely technical in nature. The countries of Central and Eastern Europe are being drawn into the EU's orbit, politically and economically, by the terms of association agreements envisaging eventual EU membership.

The 1990's began with the expectation that the EU would assume leadership on European issues. The bottom line on the EU's role in the former Yugoslavia is that, for all the reasons discussed above - domestic focus, internal divisions, cumbersome institutions - the EU has not shown itself prepared to compensate for a reduced U.S. engagement in Europe. There is no power now at the helm in Europe.

U.S. - EU tensions on many regional issues outside of Europe have eased or disappeared with the demise of the ideological factor.[27] At the same time, and as with European issues, there is now no mechanism to replace fear of damaging the Alliance as a tool for moderating differences and bringing about a common approach.

In the Middle East, following years of deep differences centered on the role of the Palestinians, the EU has de facto accepted U.S. leadership in the peace process although it is a valued partner in that process. In North Africa, European

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[27] Cromwell 190.

interests and diplomatic activity predominate, albeit via approaches with which we can generally live.

The U.S. and the EU have both adopted policies which emphasize the promotion of democracy, human rights and sound economic policies in sub-Saharan Africa. However, beyond agreement on general approach, there has been little outright cooperation. The EU's relations with Africa tend to be greatly influenced by the views of the former colonial powers, and we have our own special relationships.

The U.S., on the other hand, continues to play a more active role in Latin America and the Caribbean. For the most part, hostility has left the U.S.-EU relationship since the end of the Reagan interventionist era. However, two recent issues brought it roaring back, albeit temporarily: the EU's refusal to join the embargo on Haiti until a UN resolution was in effect, and the EU's adoption of a new banana import regime which penalizes Central American producers in favor of France's Caribbean overseas territory and Britain's former colonial dependencies.

In Asia, the U.S. continues to dominate relations with the area using the leverage of its Cold War era forward presence. The U.S. and Europe are competitors for economic access to the region. Although our respective economies face the same challenge from Japan, the U.S. and EU have not undertaken joint efforts to open Japan's markets.

Europe and the U.S. share common values of democracy, respect for human rights, and concern for the environment, and we face

common threats to our societies from drug trafficking and terrorism. That being said, these issues are prioritized differently in Europe and the U.S. In general, the U.S. takes a more activist approach on democratization and human rights issues; Europe is more likely to consider them in the context of its overall interests in a particular country.

On global environmental issues such as climate change, the U.S. position has tended to be more shaped by economic concerns than that of the EU. On the other hand, we have been more ready to impose penalties for certain environmentally damaging practices on our trading partners via legislation, to EU protests. U.S. and EU attitudes are likely to align on nuclear non-proliferation, although the U.S. will likely continue to take the lead in pursuing goals.

IMPLICATIONS FOR THE UNITED STATES

The U.S. has looked to the European Union to act as a force for the promotion of stability within a democratic, market- based system, first in Western Europe itself and now in Eastern and Central Europe and the FSU as well. We need its large market. We hoped to leverage our own power by shedding our Cold War European responsibilities onto the EU and undertaking joint approaches elsewhere. We saw the EU as a natural partner in promoting our "value agenda."

Yet the EU's ability to fulfill the roles we expect of it is increasingly in doubt. While we rely on Europe's markets and could use support around the world, the EU's role as an influence for

stability in Europe is critical to our own security. It may be trite but it is true: the U.S. has fought three major wars in this century - the last being the Cold War - for the defense of Europe.

It is of course much too early to count the EU out as a meaningful security actor in the longer term, either as a model for others and a foreign policy and military actor. In the medium term, however, the most likely evolution of the EU, given the rupture of its foundations and its inability to deliver the economic well-being that is the basis for its popular support, is toward a "multi-speed" looser economic grouping with a limited political and security voice.

Disunity could go further, however, to threaten the cohesiveness of the current Union and thus the stability of Western Europe. German reunification and the emergence of the new states in Central and Eastern Europe and the former Soviet Union open up the possibility of wholly new condominiums of interests. Some possible developments - privileged German-Russian ties, for example, might produce profound unease elsewhere on the continent.

All of the frantic diplomatic activity of the past two years does not obscure one central fact: the EU's policy toward the former Yugoslavia amounts to containment of the conflict, and no more. The message to restive nationalities elsewhere in Eastern and Central Europe should also be clear: war works.

One of the many bitter ironies arising from the situation in former Yugoslavia is that regional conflicts which may be encouraged by the West's failure to act there are likely to

increase the EU's own divisions, thereby weakening it. The EU may find that its success at keeping the war at bay will prove its own undoing.

The EU's own deep economic malaise and rising social tensions are making it less of a model for the countries to the East at a time when those countries, with the early optimism and elation of the immediate post-Cold War period now dashed, are living the hard reality of painful reform.[28] The spectacle of the EU's growing inability to deliver the good life to its citizens, and willingness to limit access to its own markets, will weaken the forces for democratic and economic reform. In the future, continued economic stagnation or decline in Western Europe is likely to translate into reduced willingness to provide financial assistance in Central and Eastern Europe or the states of the former Soviet Union.

The EU's unwillingness to take decisive action in its own backyard suggests that it is highly improbable that it would join as a unified entity in any large-scale, U.S.-led military response elsewhere in the world. As in the Gulf War, Britain and particularly France are most likely to participate; the Mideast is the most likely area in which they would.

The major implication for the U.S. of the EU's internal weakness and limited world role is increased pressure to remain involved, financially and militarily, around the world, but particularly in Europe, a more dangerous Europe. We can expect direct pressure from European states, as in the case of the former

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[28] Brenner, "Confidence Lost," 28-29.

Yugoslavia, and from our own calculations of interests as evidence of a security vacuum mounts.

AS WE RIDE INTO THE SUNSET

What can the U.S. do to protect its economic, political and security interests from the implications of the EU's weakness? The harsh reality is that, as we watch the fault lines course across the landscape of Europe, we can do very little.

To insist, as some Europeans tend to do, that the U.S. should somehow intensify its support for the integration process is to mistake the nature of the process. The force for integration has always been an understanding among European publics and their leadership of the advantages of mutual action. If the integration process is to regain momentum, the Europeans themselves must find new motivations.

Absent a cohesive, purposeful European Union, the U.S. has little choice but to work its bilateral relationships with individual European states, as we have in the past. In particular, it would be foolish to insist on the formality of dealing only with the EU Presidency country when direct dealings with an activist country such as France offer the only real hope of getting things done.

With limited scope for direct encouragement of a stronger EU, a best approach for the U.S., other things being equal, would be to increase our own diplomatic, financial and military presence in Europe, and our activism in international organizations, to compensate for the EU's limited power. We would try to

reinvigorate the G-7 Finance Ministers and Summit processes to promote the rapid structural reform of our respective economies to adapt to the new world economic order. We would try to restrain the EU's protectionism by demonstrating our own respect for the letter and spirit of the GATT.

The task within Europe would be to intensify efforts already under way to forge unbreakable political, economic and cultural links between the West and the countries of Central and Eastern Europe, and to extend those efforts to the states of the former Soviet Union. We have created a structure in the "Partnership for Peace" to draw the states to the East toward our security arrangements. We should now give that structure life by devoting enough resources to relationships with the Eastern countries so that some of their security concerns may be allayed.

Recognizing their own limitations, European countries are eager for continued U.S. involvement on the continent. We should not stand back from any future potential conflict, as we did in former Yugoslavia, until diplomatic options are largely exhausted.

We should realize, however, that what the EU countries want us to do is to assume responsibilities they collectively are not willing to take. We should not expect that the EU will accept U.S. direction any more easily than it did in the past.

As a sound investment for the future. we should promote the institutional development of the CSCE to deal with conflict resolution, in the hope that countries more directly threatened than the EU by potential unrest will eventually assume more

responsibility for problems in and among their neighbors. To the extent possible, we should increase our own financial assistance to the former Communist countries. While it is true that massive amounts of aid will not fix the economic problems of those countries, it is also true that properly designed programs can help promote reform by cushioning the worst pain of it for the poor.

Our own financial limits and domestic focus will necessarily limit our ability and above all our willingness to implement such an agenda for Europe. Our preoccupation with Europe has waned since the end of the Cold War because the threats to our interests there, while real and critically important, are not immediate or precise but lurk in the great potential for a deterioration in stability in coming years.

An American withdrawal from the affairs of Europe amounts to a bet that events in Europe will sort themselves out in such a way that we will not be harmed. If we do pull back, we must recognize that there is no entity to act for us if we are wrong.