

THE UNITED STATES AND THE WORLD

Edited by Terhi Suominen and Eero Kytömaa

OCCASIONAL PAPERS - No. 4

ATLANTIC COUNCIL OF FINLAND

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**Contributions to the Conference on “The United States and the World”
organised by the Atlantic Council of Finland
in Helsinki on 21 November 2003**

SUOMEN ATLANTTI-SEURA RY
THE ATLANTIC COUNCIL OF FINLAND

HELSINKI 2004

The Atlantic Council of Finland

The Atlantic Council of Finland (ACF) was founded on 16 December 1999. The ACF became an Associate Member of the Atlantic Treaty Association (ATA) at the 46th General Assembly of the ATA, held in Budapest on 3 November 2000.

The purpose of the Atlantic Council of Finland is to promote discussion, research and information in Finland on Euro-Atlantic security and defence policy issues, with a special focus on NATO and the EU. The Council aims at strengthening respect for peace, stability, democracy and human rights in Europe. The Council is independent of all political parties. In order to promote its aims, the Council organises conferences and other events for its members, in addition to publishing and other educational activities.

Over and above its domestic activities, the Atlantic Council of Finland participates in the international ATA network and in the events organised by other Atlantic Councils. The Atlantic Council of Finland has especially close relations with the Nordic and the Baltic Atlantic Councils.

Further information on the Atlantic Council of Finland, and on all our publications, can be found on our web site www.atlanttiseura.org.

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PREFACE

It has become almost a cliché to argue that transatlantic relations are in crisis. Dynamic processes of change, including the parallel enlargement processes of the EU and NATO, are continuously exerting an influence on transatlantic relations. New forms of common challenges, such as international terrorism, have emerged. Changing security aspirations have created diplomatic rifts in transatlantic relations. Disagreement over the handling of the Iraq crisis has amplified these rifts and made them more noticeable on both sides of the Atlantic. However, changing political and economic circumstances make it essential for both partners to maintain the transatlantic relationship. Despite transformations, disagreements, fractures and criticisms, the transatlantic relationship continues to retain much of its essential foundation.

The European Union, the United States and NATO are undergoing profound changes. Within this framework, Finland is involved in these developments as a member state of the EU, through the NATO Partnership for Peace programme and also through its close bilateral relations with the US.

At the December 2003 EU Intergovernmental-Conference on the new Constitution, the Member States of the EU reached an agreement on proposals regarding foreign and security policy, specifically over the question of EU common security guarantees. This is an important step in EU security integration and transatlantic security architecture. However, proposals that imply integration towards a common EU defence policy pose challenges for the non-NATO EU members by raising questions about the compatibility of military non-alignment with such a policy. The results of the ICG are not, however, dealt with in this report.

On behalf of the conference organisers, we have the great pleasure of conveying our sincere thanks to the distinguished guest speakers, who have contributed articles to this publication, and to the chairpersons of the individual conference sessions. We are also grateful to all one hundred and seventy conference participants from various countries. In addition, we should like to thank Mr. Matthew Friar for a superb job in correcting our English.

We hereby cordially extend our thanks to the Board of the Atlantic Council and especially to the Chairman of the Atlantic Council of Finland, Minister, Ambassador Paavo Rantanen, who has been an essential link in integrating the Youth Network with the main organisation. We believe that this conference, "The United States and the World", was a very telling example of such co-operation.

The need for a thorough, open and analytical debate in Finland about transatlantic relations is a question of great importance, even though the theme has always been one of priority in Finnish foreign policy discussions. We hope that this publication will contribute new elements to the public debate and a better understanding of transatlantic relations.

Turku, 30 January 2004

Terhi Suominen and Eero Kytömaa
Editors, Members of the Atlantic Council of Finland

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WELCOMING ADDRESS

Paavo Rantanen

Excellencies, Ladies and Gentlemen,

It is a great pleasure for me to open this seminar under the heading “The United States and the World”. I wish you all a warm welcome, especially the speakers who have come from abroad to the land of Father Christmas. It is a bit dark here, but I dare predict that we shall see more light at the end of January.

One of the main missions of the Finnish Atlantic Council is to focus on transatlantic relations and to generate discussion on themes relating to NATO and the EU. We are very happy to have today’s speakers with us, helping us to attain our goals. I am convinced that we will experience many enriching moments, which will enable us to understand better the state of the world and the state of transatlantic relations.

Last year we organised an event dedicated to NATO after Prague. This gave us a good picture of the situation, but today it looks somewhat different. Indeed, the world never stands still; new events constantly change the set-up, challenging us to understand, to react, to act or to pause in order to find satisfactory solutions to the dilemmas that face us.

The theme we selected for this seminar is hardly a surprise to anyone, as so much has happened during this year. It is not necessary to give a complete list of events here. Let me instead highlight only a few features which weigh heavily today in discussions within various political forums, in the media, in institutes for political studies and among the general public: 1) developments within NATO itself – the enlargement, the on-going discussion about new missions, the need for new capabilities, structural change, relations with the UN, the EU and Russia; 2) all the disputes and rifts caused at various times by the situation in Iraq; 3) the evolution of the EU within the framework of the Inter-Governmental Conference (IGC) and above all the discussion concerning a European defence identity and the future of transatlantic relations. We are aware of deep differences of opinion, sometimes of bitter animosity. There are too many signs of crisis in the air.

Disagreement within NATO has been running high. In the heat of the debate it has often been asked whether we share “common values”. One prominent political commentator stated bluntly in the *Washington Post* that “we do not speak the same language” in America and Europe.

Here today we seek clarity about the burning issues in general. I hope also that we will gain information that could be useful in our national debate on security. We have divided the day into four sections, the first dealing with the US Global Vision, the second concentrating on the US Globalised Military posture and doctrine, the third focusing on US-European Relations, and in the

last section we shall try to find out how Finland is linked into this setting of international problems. I hope that our deliberations will contribute to a dialogue across the Atlantic and also produce building blocks for mutual understanding.

Two years ago a huge wave of sympathy after 9/11 was manifest in Europe. The threat of terrorism was recognised and pledges of support were given. Action followed. Exactly two years later the *New York Times* noted that foreign opinion on the United States was taking a turn for the worse. To quote from the article: "The war in Iraq has led to a vision of America as an imperial power that has defied world opinion through unilateral use of military force." While these are rather simplistic observations, they are linked to all of the themes discussed here today.

Europe was obviously divided during the process leading up to the war in Iraq. This division was also deeply felt in NATO. It became very clear that the war was widely disapproved by the majority of the general public. An extreme reflection of this is the astonishing result of a recent opinion poll taken by the EU Commission! A more serious study taken recently by the German Marshall Fund shows that, in the biggest EU member states (with the exception of the UK) disapproval of US foreign policy has clearly increased. Figures throughout Europe show a disapproval rate of 64%, eight percentage points higher than in 2002.

There has been understanding and support in Europe for the US, but much more frequently we have been witnessing mild, sometimes harsh criticism of our American partner. This US bashing has been answered in kind.

Just as the US has received a wide range of different signals from Europe, we have received the same from the American side. Some of the signals have been quite radical, while some indicate a willingness to understand. I present a few examples:

The well-known commentator Michael Novak often speaks about a European moral decline, about unwillingness to invest in military capabilities and about the growing gap between the US and Europe in this respect. He underlines the difficulties of the European social model, and accuses Europeans of double standards when referring to the Kyoto Accords. Happily enough, he also finds issues that unite Europe and America. Another scholar repeats how Europe has been "free riding" at the expense of the United States. We have also heard the famous metaphor referring to the United States as Mars and Europe as Venus – quite impressive stereotypes as such.

However, Robert Kagan has received responses from other experts, and there are also reassuring comments from high Bush Administration officials underlining NATO's continuing importance for US security, or that the US and Europe cannot allow differences to destroy their partnership. In September we read an article by Colin Powell published by the leading Finnish daily, where he presented US aims and values in a way completely familiar to the European way of thinking. He also underlined the importance of partnership rather than continuous confrontation.

My role today is not to find answers to these issues. We have eminent experts here for that purpose. Let me rather look to the past and find that different opinions in America and Europe are quite natural and intrinsically part of the web of transatlantic relations. A few days before this seminar I took a look at writings by a very famous Italian journalist, Luigi Barzini, who lived, studied and worked in New York in the 1930s, gaining a profound knowledge of the New World. In 1953 he wrote a book with the title *Americans are Alone in the World*. Thirty years later he wrote about "The Europeans". In this book he dedicates one long chapter to our transatlantic friends with the title "The Baffling Americans".

After noting that during the Cold War, the vast majority of Europeans, also those in the East, were on the side of the US ideology, he gives plenty of examples of mutual lack of understanding. He writes: "From the Americans' deep-seated awareness that they are entrusted with an experiment never before tried by man derive the national characteristics most baffling to Europeans." Barzini makes another point describing different styles of action. According to him: "Europeans are struck and puzzled by the Americans' alacrity and the eagerness with which they sometimes plunge far too soon into premature, untried, though almost always necessary, well-meaning and noble projects."

Barzini finishes the chapter with a few more observations: "What actually causes uneasiness and dismay among Europeans is not only the obvious fact that the United States is big, rich, powerful, and incredibly productive, or that Americans occasionally tend to shift preferences, political opinions, tastes, and hopes en masse at the same time, often unexpectedly..." He continues: "They (the Americans) occasionally underestimate the effect of their actions or words or they overestimate it optimistically with disappointing results. They do not seem always to be able to control, to harness, and direct their awesome power. The consequences of some of their moves are in fact as surprising and shocking to them as to the rest of the world."

We hope to gain both information and knowledge about how the US view of the world has developed, and what the impact of this on military thinking will be. Will we see the US presiding over this century, or will Americans tire of their country's burdensome role as global guardian? What would follow from the latter as such, and what would the impact be on US-European relations?

To conclude my statement I put forward two questions – is it really the case that we no longer have shared values? Is it really the case that we no longer speak the same language? I suspect that we do speak the same language; we are only having trouble understanding each others' dialects.

OPENING REMARKS

Bonnie McElveen-Hunter

Excellencies, ministers, colleagues, distinguished guests, and friends:

Thanks to you, Ambassador Rantanen, for your kind introduction. And thanks also to the Atlantic Council of Finland for leadership in organising today's conference. I am honoured and humbled to stand before this distinguished audience as a "citizen ambassador".

This year marks several important milestones in Finnish-American history: the 84th anniversary of diplomatic relations and the 60th anniversary of the founding of the Finnish-American Friendship Society, the largest friendship society in the world. It also marks the 53rd anniversary of the North Atlantic Alliance and the 50th anniversary of the Fulbright Alumni Association, which we celebrated last night at Finlandia Hall.

Today, however, if a flurry of public opinion polls is to be believed, all is not well in our relationship with Finland, or with the transatlantic relationship. Many are suggesting that the level of anti-Americanism in Finland has never been higher. A CNN/Time poll found in October that 71% of Finns polled believed the US only acted in its own interests, the highest negative rating by any EU country. Another poll, the Eurobarometer, found that a majority of Finns consider the US a greater threat to world peace than Iran or North Korea.

Perhaps we can call this a "troubled partnership". In fact, Dr. Henry Kissinger's book on the Atlantic alliance was indeed entitled *The Troubled Partnership*. Apparently Dr. Kissinger had second thoughts about the wisdom of that title when he found that some bookstores were placing it on the shelf reserved for books about marriage counselling. Indeed, as our Secretary of State has noted, with one or two of our European friends, we have been in marriage counselling for over 225 years. And it continues.

I would agree that America does act in its own interest. Which nation doesn't? But I disagree that America acts only in its own self-interest. Certainly, in Iraq, Afghanistan, Korea, Iran, we are working with our allies and friends to secure peace and regional security.

I was once told by one of my favourite career Foreign Service Officers that, in his diplomatic experience, our friends - and our enemies - are only unhappy when two things happen: first, when we do something; and secondly, when we do nothing. We do face common threats and common enemies, and we must act together. Doing nothing is not an option.

While we do not always agree on the course of action to be taken, we have a similar view of the threats. Indeed, what polling reports state is not all bad. A recent German Marshall Fund found that publics on both sides of the Atlantic,

including Finland, share the same concerns about the future: terrorism, WMD, Islamic fundamentalism, and the conflict in the Middle-East are perceived as the greatest threats. All believe that the UN and multilateral institutions are very important.

This apparent contradiction reminds me of something the famous American author and journalist E.B. White once said about opinion polls: "People are unpredictable by nature, and although you can take a nation's pulse, you can't be sure the nation hasn't just run up a flight of stairs."

I agree that some of these polls do reflect Finnish public opinion on policy differences; I disagree, however, that there is significant anti-Americanism in Finland. If there were, I believe I would have felt it or seen it in the more than 15 cities that I have visited since I arrived two years ago.

As the US Ambassador to Finland, I have come to believe that the values and interests that bind Finland and America - freedom, democracy, the rule of law, and respect for human rights - have proven stronger than the issues that divide us. More important, I believe that they will continue to do so.

After all, we share the experience of personal sacrifice by our fathers, mothers and grandparents, who taught us that freedom is never free:

- We share respect for the "greatest generation", our heroes of the Second World War, and your Winter War;
- We share a memory of the Cold War and its threat to what we hold dear: democracy and freedom around the world;
- We shared in the joy and celebration of the fall of the Berlin Wall and reunification of Europe as a strong, peaceful, and stable continent.

We also continue to share a commitment to addressing new threats and new challenges, requiring new commitments - commitments to reach out to "the least, the last, and the lost", those countries and those peoples who seem to have little hope for the future.

There are many commitments that America has made and continues to make to the world, but two US assistance programs have truly changed the lives of millions. The first is the Marshall Plan that helped rebuild a shattered Europe following the Second World War. The second - the Peace Corps - has helped impoverished lands reclaim their dignity, their hope, and their humanity and has connected America, through our young people in public service, to the rest of the world.

President Bush has now signalled a third great commitment - the Millennium Challenge Fund. To support democratic progress, President Bush has called for America to increase foreign assistance by \$15 billion over the next three years. He also launched a \$15 billion initiative against HIV/AIDS and other infectious diseases in Africa and the Caribbean Basin. With all of this said, we

are also mindful that both the US and the EU agree: in the long run, it will be investment and trade - not aid - that will break the cycle of poverty.

Most of you know that I come from the business world. As a "citizen Ambassador", I believe that business is the most important social, political and economic force in the world today. With proper government policies it has liberated millions of people from poverty, ushered in political and social reform, and improved the lives of men, women and children all over the world.

The good thing about financial numbers is that they are not emotional or political. Allow me to tell you about the health of the transatlantic relationship from a business perspective. A recent study by Joseph Quinlan of the Center for Transatlantic Relations provides a perfect illustration. For all the talk about NAFTA or the Asian century over the past eight years, American investment in the Netherlands alone was twice what it was in Mexico and 10 times what it was in China. There is more European investment in Texas than all the American investment in Japan.

While political turmoil over Iraq dominated headlines both in the US and Europe, US Foreign Direct Investment (FDI) in Europe for the first half of 2003 was \$40 billion - up 15% from the same period 2002.

European FDI in the US in the first 6 months of this year was \$36 billion - compared with \$24 billion for all of 2002. This represents an increase of 50%!

US FDI in France was \$4.3 billion for the first half of this year. France's FDI in the US was \$3.6 billion.

These figures do not exactly point toward a weakened relationship, or to one that risks becoming "irrelevant" any time soon. In fact, in many ways, the transatlantic relationship has never been more solid.

On a personal note, since I will be departing Finland very soon, I'd like to take this opportunity to say thank you for the privilege of working with so many of you - whom I am honoured to call friends - as the US Ambassador to Finland.

I have found that business and diplomacy are very similar - there are two ingredients to effective diplomacy and effective business:

- the first is integrity; if you don't have it, nothing else matters;
- the second is relationships: The relationship I have enjoyed with this fabulous country of Finland is one that I will cherish always.

I hope that, in some small way, I am able to leave our shared values, shared vision and shared friendship just a little bit stronger than I found them.

To return to the subject of polls, although some of them reflect differences between our countries, the relationship between Finland and America is one with deep historical roots. I believe that programs like today's - together with our common values - give us wings upon which to soar into the future.

We need programs and initiatives like today's conference. We must stay engaged. We must stay talking. And when necessary, we must also have the courage and will to take action.

May God bless Finland, and may God bless the United States of America.

THE US GLOBAL VISION

Chair: *Dr. Pauli Järvenpää*
Director General
Ministry of Defence of Finland

Presentations: *Dr. Jeffrey Gedmin*
Director
The Aspen Institute of Berlin

Dr. Michael Stürmer
Professor of Medieval and Modern History at the
University of Nürnberg,
Chief Correspondent
Die Welt

Dr. Christopher Coker
Professor of International Relations
London School of Economics and Political Science

Panel discussion: Summarised by *Mr. Eero Kytömaa*

SELLING AMERICA-SHORT

*Jeffrey Gedmin**

There were calls for an end to “US warmongering”. Washington had been overtaken by “a small clique of hate-mongers” claimed one speaker. American unilateralism was denounced. The United States itself had turned into “a state of holy terror” argued another speaker. The current administration was bent on a new “world war” contended still another.

No, these are not statements from a recent anti-war, anti-Bush rally. They are remarks given at a 1949 conference, convened to condemn US policies toward the Soviet Union. Prominent literary and artistic figures from the United States and Europe, including Aaron Copland, Norman Mailer and Dimitri Shostakovich, played an active role. So when a senior French minister today calls the American President a “serial killer” or when a counterpart in Germany compares the US leader to Adolph Hitler, it may be useful to remember that such strident expressions of anti-Americanism are hardly new.

The United States today is experiencing a public diplomacy crisis-not just in the Islamic world, but in the heart of Europe. America’s traditional allies-those who stood with it in the fight against communism-are turning against the United States in droves, and little is being done to stop or even slow this anti-American stampede. Instead of stumbling about trying to explain America to the world, the United States needs a serious campaign to open European minds to our positions. And, in order to determine what this campaign should entail, it may be useful to draw lessons from history.

After World War II, US officials were forced to think hard and creatively about how to respond to a vigorous Soviet-sponsored peace offensive. The American challenge was to win hearts and minds in Europe. The result was, among other things, the Congress for Cultural Freedom, counter-conferences over the next two decades, the political opinion magazine *Encounter* and crucial alliances with leading intellectuals like Melvin Lasky and Sidney Hook. The Ford Foundation and other charitable organisations were enlisted in a concerted effort to portray American culture in a fair and positive light. While it is true that some intellectuals abandoned their communist sympathies over time, they did not shed their cultural anti-Americanism. One Ford Foundation official noted in 1959 that Europeans “spent a lot of time worrying and stewing and griping about American domination, about the inferiority of our values and so on”. This campaign, now often maligned incorrectly as a “CIA front”, did not win over every European intellectual. It did, however, nurture a nucleus of thinkers and activists who were open to American ideas and willing to engage in serious discourse on the major issues of the day.

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As the Cold War entered its final decade, America's reputation struggled once again. In the early-1980s, one poll showed that half of West Germany's population was eager for more independence from the United States and nearly two-thirds opposed the stationing of new missiles on German soil. As the peace movement gathered steam across Western Europe, Kenneth L. Adelman lamented in a 1981 issue of *Foreign Affairs* that "a penny wise and pound foolish" strategy of public diplomacy had resulted in "America's disengagement" from its closest allies. Josef Joffe, writing that same year in those same pages, argued that "the few premises still shared by Europeans and Americans are dwarfed by the many disputes where they clash not only over tactics but over Weltanschauung". Perhaps not coincidentally, the successful public diplomacy of the 1950s and 1960s was abandoned in favour of softer, less controversial approaches like the Fulbright program. This was one of the more foolish errors of our time.

Some Americans and many Europeans would like to explain the rise of European anti-Americanism today simply as personal loathing of George W. Bush. But the current round of problems in US-European relations did not begin with Iraq. French Foreign Minister Hubert Vedrine was complaining about the American "hyper power" in 1997. Capital punishment, it was alleged in the 1990s, represented evidence of America's cultural inferiority, just as the Clinton Administration's rejection of the anti-landmine treaty was proof of America's unilateral tendencies and disdain for international agreements. Though the United States had a kinder, gentler Secretary of Defense in the 1990s, the German weekly *Der Spiegel* complained nonetheless: "Americans are acting, in the absence of limits put on them by anybody or anything, as if they own a blank check in their 'McWorld'."

Recognising that the United States was losing public support in Europe and elsewhere, Clinton, in the final year of his presidency, established the International Public Information Group. Part of its mission was "to address misinformation and incitement" about the United States and its foreign policy objectives. Today, the Bush Administration has followed suit, establishing a White House Office of Global Communications. "I'm amazed that there is such a misunderstanding of what our country is about", the President himself has remarked. "We've got to do a better job of making our case."

Maintaining the Atlantic Alliance today is arguably a more formidable task than ever. America and Europe have already grown apart in some ways, quite naturally. The September 11 attacks transformed the foreign policy debate in the United States and generated healthy arguments about America's global priorities, the relevance of Europe and the purpose of the Atlantic Alliance. For our west European allies, the end of the Cold War meant the end of Cold War dependence. "Old Europe" has sought to renegotiate its relationship with the United States ever since the Berlin Wall fell 14 years ago. It is important to think creatively about how the United States should engage Europe in the post-Cold War, post-9/11 world.

To address the fundamental source of this problem, both sides must recognise that the argument contained in Robert Kagan's *Policy Review* essay, "Power and Weakness", is right. In important respects, America and

Europe have parted ways. There are serious differences indeed, not only in tactics but Weltanschauung. In a recent survey of American and European public opinion, 79 percent of Europeans and 88 percent of Americans said that they believe major transatlantic cultural and social differences exist. On the necessity of war to deal with serious international problems, less than 50 percent of Europeans (as opposed to 88 percent of Americans) believed military force could be a means for achieving justice.

But there is some silver lining within this dark cloud of public antagonism toward the United States and its policies. Europe remains an important strategic partner of the United States, as evidenced by the European countries that supported America in the Iraq War. Great Britain retains its special relationship with the United States, and NATO has found a credible role in Afghanistan. Attorney General John Ashcroft and German Interior Minister Otto Schily have become close partners in crafting a common domestic counter-terrorism plan. European Union policy has shown signs of convergence with the United States on the containment of Iran's nuclear program. In promoting global free trade, moreover, despite fierce competition, there is still far more that unites America and the European Union than divides them.

Can this level of co-operation be sustained in the face of growing anti-Americanism in Europe? Will a future British or Spanish or Danish prime minister be willing to put his political life on the line if the United States does not make at least a modest effort to dampen public antipathy to American policy? Though winning hearts and minds in the Muslim world is undoubtedly necessary, remaining indifferent to those of our European allies is a terrible risk to run. After all, psychology is just as important as politics and ideology in understanding the current European milieu. Thomas Friedman has argued publicly that, in the context of the Muslim world, a feeling of humiliation is perhaps the most underrated factor in foreign policy. If this is so, then envy and resentment, especially in the case of our European partners, surely can be counted a close second.

Post-Cold War Europe has its ambitions. It yearns to be an equal partner to the United States while at the same time it knows its capabilities, especially in the military realm, continue to lag far behind. It is incumbent upon Europeans to address this imbalance of power by building themselves up and not tearing America down. Yet the United States must also do its part to make the disparity in capabilities more palatable by building a base of support for active engagement with America. Candidate George W. Bush once spoke of the need for a "humble" approach to the world. More than a hundred years after Teddy Roosevelt coined the phrase, Americans still have much to learn about speaking softly and carrying a big stick.

Revitalising Public Diplomacy

The United States should adopt four tactics to advance its strategy of stemming the loss of public support among Europe's elites and common citizenry. First, senior officials must accept that public diplomacy is an integral

part of US foreign policy. There should be a clear understanding of the need to address legitimate European concerns. The signal that such a campaign for public opinion is crucial must originate with the president.

Second, senior administration officials need to travel and be willing to engage in serious debate with America's critics abroad. This nation's allies complain that top US officials were conspicuously absent in major capitals during critical moments of the Iraq debate. In March 2003, the British magazine *The New Statesman* observed with disappointment that Secretary of State Colin Powell "rarely ventures out of the country". In addition to increased travel among administration principals, the US government must ensure that it has ambassadors in key countries who are willing and able to participate actively in local debates over US foreign policy. Delivering canned speeches and hosting ceremonial events are not enough; America's ambassadors must have the rhetorical skills to debate their nation's critics in all international public fora, including television.

Third, adequate financial resources must be made available. Adelman noted this problem in 1981: "Since 1954," he wrote, "the number of American information officers in Western Europe, individuals whose task it was to explain US policies there, had declined by 80 percent". Proponents of this draw-down argued that sufficient information about the United States was already available through private sources and independent media (the same arguments made nearly two decades later when the State Department finally subsumed the US Information Agency in 1999). Such arguments fail to convince. In 1994, Walter Laqueur wrote in *Foreign Affairs* that a single company like Philip Morris spent more on advertising in one year-\$2 billion-"than the combined budgets of all US agencies, official and semi-official, engaged in public diplomacy". Since then, resources have further dwindled as the need for public diplomacy has sharply increased.

Finally, the United States needs a renewed debate on what form effective public diplomacy should take. Unlike the marketing campaigns of Philip Morris, the primary goal of US public diplomacy cannot be merely "to sell" the product of American foreign policy; it must offer explanations and facilitate open debate about the ideas underpinning those policies. This kind of approach represents the United States at its best and gives Americans the best chance to persuade others of a particular policy's merits.

Failure to recognise this fact was reflected by the ill-fated appointment of Madison Avenue advertising executive Charlotte Beers immediately following the September 11 attacks to serve as the Bush Administration's top official for public diplomacy. Powell defended her appointment at the time by saying: "There is nothing wrong with getting someone who knows how to sell something. We are selling a product. We need someone who can re-brand American foreign policy, re-brand diplomacy." "Besides," he added, "she got me to buy Uncle Ben's rice." By the time Ms. Beers resigned last year, this slick new style of marketing America had made little headway with US allies and ambivalent Arabs.

Traditional diplomacy can only go so far. The United States must bring its case to European publics more effectively, both to advance their understanding of US policies and to support those European political leaders and intellectuals who are willing to take the increasingly unpopular stand of backing America. In each of the countries that supported the US position on Iraq, public opinion was mostly unified and strongly opposed to the US-led intervention. It may be that more effective public diplomacy, increased shuttle visits by top officials and clearer, more cogent explanations of US positions could at least mitigate the hostility that erupted recently against the United States. In the case of Iraq, a senior White House official conceded to one of us, "It was the American President versus Saddam Hussein, and the Iraqi dictator won in the court of world opinion".

This was not for lack of ammunition on the American side. The United States has undertaken many "Europe-friendly" initiatives, and communicating them during this same period would surely have helped win the struggle for European public opinion. President Bush conferred with the Europeans on Bosnia and Kosovo during his first year in office and refrained from withdrawing American troops. He followed Europe's advice again with regards to Russia, pursuing greater partnership and constructive dialogue with President Vladimir Putin. In addition, Bush has launched a major initiative to combat AIDS in Africa. He has called for a major increase in foreign assistance spending. He has worked assiduously to reach out to America's Muslim community, repeatedly declaring that the war on terror is not a conflict with Islam itself. The President has paid his country's UN arrears, announced the United States would rejoin UNESCO, tackled Afghanistan's problems with a multilateral coalition of ninety nations and sought, at least initially, to resolve the problem of Iraq at the UN Security Council. That little of this news has penetrated European debates was sorely evident when the Italian newspaper *La Repubblica* described President Bush as "Texas's 'eternal youngster'", arguing that he sees the world as "his family ranch, full of mustangs to tame with America's lasso".

If there is a need to get good news out, there is an equally pressing need to knock down slander of the United States in a comprehensive and timely fashion. Misled by their own media and mischievous politicians, many Europeans still believe Americans have tortured prisoners at the Guantanamo Bay facility. European outrage exploded after the Pentagon mistakenly released a photo showing prisoners shackled and blindfolded—reasonable precautions taken while the detainees were being transported. Everyone seemed to hear voices like those of Spain's *El Mundo*, which decried Guantanamo as reminiscent "of the torture centers in Eastern Europe during the Cold War". No one seemed to hear the voices of Red Cross workers and French and British representatives who had visited the detainees and found no evidence of mistreatment at all, as Joshua Muravchik noted in the December 2002 issue of the *American Enterprise*.

Even in influential European circles considerable misinformation persists about America and the looting of the Iraqi National Museum, about alleged US atrocities in Afghanistan and about America's role in Saddam Hussein's weapons of mass destruction program. When a *Vanity Fair* reporter

mischaracterised an interview conducted with Deputy Secretary of Defense Paul Wolfowitz in May 2003, headlines around the world proclaimed that a top US official had finally admitted the truth: the intervention in Iraq was really about American greed for oil. It should be the job of American public diplomacy to challenge such shoddy journalism before popular opinion on a given issue is allowed to solidify.

Traditional diplomacy is not quick and deft enough to address these challenges, Foreign Service Officers frequently lack the necessary skills for such tasks, and institutional constraints often inhibit “rapid reaction”. On a range of issues-such as the need for pre-emption, the development of international law, the prospect of reforming the UN Security Council and the idea of what precisely constitutes an “imminent” threat in the post-9/11 world-a substantive transatlantic debate is desperately needed and long overdue. These sorts of challenges require serious intellectual combatants. This means a critical mass of writers, thinkers and diplomats who can engage editorial boards, join the television talk-show circuits, participate in Internet chat-rooms, operate web sites - not to mention debate Europe’s scholars, business leaders and university students alike. Above all, it means developing a broader, non-partisan network of like-minded individuals on both sides of the Atlantic who are dedicated to the cause of keeping the idea of the West and its ever expanding community of liberal democracies alive. Though times have changed, and the context may be different, institutions like the Congress of Cultural Freedom once worked. Perhaps it is time to consider what additional lessons history can offer.

NATO: IN ALL BUT THE NAME A DIFFERENT ALLIANCE IN A DIFFERENT WORLD

Michael Stürmer

General de Gaulle once remarked, in his caustic fashion: "War brings things to light which otherwise remain obscured". The Iraq crisis, long before the shooting war began and long after it ended, is no exception to the grim rule. The transatlantic rift does not so much separate Europe and the US but runs right across Europe. Thus it endangers not only the Atlantic framework that European integration, from its inception in the late 1940s, has always needed. It also changes the rules of the game among European nations, renders them incalculable and unstable, and threatens paralysis and impotence.

What tends to be forgotten is the fact that the NATO of the past was not only about keeping the Iron Curtain where it was but also about providing a system of balance and reassurance for the Europeans. The US was - and still is - the balancer from beyond the sea without whom Europe loses its moorings. In fact what President Truman offered to the Europeans assembled for the signing of the North Atlantic Treaty on 4 April 1949 was a bargain for everybody, except the Soviets: The US would continue to help rebuilding the Western half of Europe, provide nuclear cover for European reconstruction and help to provide, through long-term patient and strategic containment of Soviet expansionist tendencies, the base for a European effort at integration different from any previous construction. The German danger - though it had in reality ceased to exist four years ago - would be taken care of through double containment. But the Europeans would have to do their own bit, put their economies together and admit the German Reich - so Truman said - to the Club. If ever there was a benevolent hegemon, it was the US during much of the post war years which provided the architectural foundations.

The Europeans, while being successful economically, failed in their efforts at common defence, nuclear and conventional. In consequence, they had to rely for their security almost entirely on NATO, with the British and the French, esp. after Suez 1956, securing a nuclear veto over alliance policy and General de Gaulle, *en revanche*, taking France's military out of NATO's military integration. The net result was that Europe, while rising to be an economic giant, remained a political dwarf unable ever to wield escalation dominance in any serious conflict outside the Cold War framework. Moreover, once the European Defence Community had been annulled by the French National Assembly and the German-French-Italian project for the nuclear option been cancelled by General de Gaulle - "*Le nucléaire se partage mal*".

Last year's rebellion by Germany and France was not based on an overall strategic concept of Europe's architecture and place in the world and it happened almost by accident: It was, for Schröder, a vote winning operation and, for France, a confirmation that the Spirit of general de Gaulle was still going strong. In the absence of a powerful effort at European defence it was legitimised by the impression, superficial and not based on fact, that no

serious danger would in the foreseeable future ever dare to come close to European shores and that US-security projection could safely be dispensed with. Overflight and landing rights for US forces? Maybe or maybe not. In the end it was “maybe”.

Throughout the 1990s the Europeans, apart from the Jugo-succession, created a dreamland for themselves, and even the US let deterrence slip and allowed the bad guys like Saddam Hussein or Osama Bin Laden to go about their business undisturbed. The Pentagon kept warning “The world is still a dangerous place” and reorganised US strategy in the name of the RMA. But by and large the politicians adapted the threat analysis to wishful thinking, to the fantasies over the peace dividend and to “end of history” syndrome. The kassandra was banned from the palaces.

The birth of the new post-Cold War Europe, though, had entailed a number of lessons which most Europeans were slow to accept. Lesson number one: Without US nuclear stewardship the final agonies of the Soviet Union might well have resulted in a bang and not in whimper. Nobody can tell where the Putin’s Russia is going, probably not even the men in the Kremlin themselves. Lesson number two concerns the unification of Germany. Lade T and Monsieur le President did their very best to stop it, mindful of past experience, but without sufficient awareness of what was at stake in the East-West context. Lesson number three: Without US leadership Europe East and West would have drifted into an existential crisis. Lesson number four: What you need is architecture, not makeshift alliances. Lesson number five: European integration is not enough. Its limits are coming into sight already at 15, let alone at 25, and even more so when the difficult countries of the Eastern and South-Eastern arc of crisis come knocking at the door. Lesson number six: NATO has to be reinvented, not the North Atlantic Treaty, which is perfectly suitable to the new environment and needs merely to be reinterpreted, away from classical area defence to defending the fabric of our societies, including information security, supply lines, strategic resources and political stability in neighbouring countries. This could be done through an additional protocol. But it will be a nightmare to negotiate future contingencies with governments who fear to look danger in the face until it is too late. Mere pragmatism through the NRF or MD will not be sufficient.

Washington, for more than four decades an unrelenting patron of European integration, feels the temptation of “divide and rule”, prefers allies to alliances and crisis-driven *ad hocery* to the patient and long term building of alliance structures, in fact security architecture. We are indeed at a critical juncture, and it is not through the grand rhetoric so prominent at NATO summits like the one in Budapest last November, when everybody subscribed to the “invisibility of security” throughout the alliance. Issues like MD and the NRF have a tendency to become a serious test whether the allies put their money and effort where their mouths are, in order to provide serious and agreed requirements. Lord Robertson’s DCI-experience is less than encouraging in this respect. He is on the record as saying about his situation: “Mid-Atlantic, cold, wet and very much alone.”

To start with, scarce resources and unity of purpose demand that no competition be installed between European defence efforts and NATO, but complementarity should be the guideline. Separable but not separate must be the principle. If the US is tempted to ignore NATO, as they did after September 11, it is bad enough. If the Europeans play with the same idea, it may well be hazardous to their health. France, forever the leader in this kind of one-upmanship, would be the first if ever there were too many converts, esp. Germany, to rally to the stars and stripes and ask forgiveness and protection. Why NATO has to remain the pre-eminent system of security:

- the global nature of the threats now over the horizon exceed European capacity to respond
- the need to maintain escalation dominance in any kind of conflict management - pre-war, war, or post-war - makes it imperative to secure US backing
- the scarcity of European resources persists and the near impossibility to commit financial resources to research, development and procurement forces the Europeans either to work “hand in glove” with the US or to forego any serious security configuration, let alone deterrence potential
- last and foremost: leadership through one of the major European powers or a *directoire* is even more divisive than leadership courtesy of the US

Of course, the last ten or more years have shown that it is no longer the Central Front, having first moved a 1000 km to the East and then all but gone, but threats of a new, unconventional kind. The hoof beat of the horsemen of the apocalypse could be heard in the early 1990s, but most countries decided to enjoy the peace dividend and celebrate the end of the Cold War: “Surrounded by friends”, the German chancellor joked at the Wehrkunde. It was the high tide of the “end of history” syndrome, when military power, intelligence services, strategic think tanks all looked very dispensable, and even more so as their bad news tended to spoil the “enjoy and forget” party. Deterrence was no longer needed - or so it seemed. The Saddam Husseins and the Osamas of this world could trick and threaten the West at practically no cost to themselves. Meanwhile, the Pentagon remained alone - Sweden is an exception - in pursuing what came to be called the RMA, now transformed into network centric warfare. I know of no NATO ally who could plug in, not the Brits, not the French, not the Germans. That is the end of interoperability, and this gap will be a serious, possibly fatal technology handicap on any future alliance operations.

Meanwhile, the horsemen of the apocalypse have come ever closer, and some are already inside the gates: 9/11 was a grim reminder that global terrorism is a potent force, omnipresent, spreading existential angst and paralysis far beyond its real dimension: the economic and moral fallout of the attack on New York and Washington goes well beyond the effects of a

medium-sized war. Add to this the demise of the NPT regime and the spread of WMD and missile technology and you face scenarios beyond imagination. The SCUDs now swamping the world market are so imprecise that nothing short of a nuclear payload will make them worthwhile – against all protestations from Iran and other places. None of the proliferators, whether North Korea, Pakistan, or China, would have been able to reach for WMD and the skies without much help from the US or from Western countries. But by now the genie is out of the bottle, and missile defence becomes a question of “to be or not to be” for the alliance. Cyberwar is slowly moving from science fiction to reality, blurring all borderlines between civil and military, war and peace, defence and pre-emption. Dealing with root causes must surely be a serious part of our defences, but it is the vastest of programmes, and something has to be done in the meantime.

THE UNITED STATES AND ITS GLOBAL VISION: EUROPE-US ALLIANCE POST IRAQ WAR

Christopher Coker

The German philosopher Martin Heidegger tells us that things only become real to us when they break, or fracture, or appear to belie their true nature. The world after September 11 has remained remarkably unchanged for the great majority of people. Most societies have remained largely untouched by the events of that day. But reality broke for the West, and the alliance which represents it in two critical respects: al Qaeda's attack challenged the great humanitarian project of the 1990s, and the war against terrorism that followed undermined the solidarity of the western alliance. What that alliance means and whether it is still sustainable is what the 9/11 crisis has thrown into stark relief. The alliance may not have broken but it has most certainly fractured. For the United States, there is little immediate prospect of the divisions being healed.

The changing transatlantic bargain

All alliances are in essence *exchange rate mechanisms* and as a mechanism NATO worked very well in the Cold War. The alliance utilised two currencies of power: military and economic, which were traded off in pursuance of a collective strategy. The best example is the Harmel Commission in 1967 which agreed that both deterrence and détente were important in the successful containment of the Soviet Union. Neither was intended to change the regime, only its behaviour.

The United States was largely responsible for the military containment of the USSR, Europe for the economic engagement – for the web of trade and financial agreements which, it was hoped, would bind it into a system of international agreements and norms.

Today, there is no agreement on the *exchange rate value* of the two currencies. Economically, the US and EU are partners: no reform of the WTO can be made without their mutual agreement. Militarily, the United States stands alone. If anything the Bush administration has tended to dismiss economic power as the 'small change' of international politics. It now spends less than 0.2% of its GDP on such economic instruments of influence as foreign aid.

The crisis in NATO over Iraq highlighted this particular problem. The continued importance which the US attaches to the Alliance will depend on that problem being addressed by the Europeans. And for that much, it will depend on how the Europeans view the role of military power. To be fair, Europe has already done much to catch up in 'the Revolution in Strategic Affairs'. There has indeed been a major transformation in its strategic view of the world. The withdrawal of Soviet forces from the heartland of Europe

prompted a significant restructuring of its armed forces from territorial defence to power projection, from conscript armies to expeditionary ones. The post-9/11 challenge has been taken up more slowly, as has the realisation that security policy must encompass the safety of the citizen as much, if not more, than the security of the state.

But here too there is recognition in the light of the air war in Afghanistan that the EU needs to invest more in battlespace management systems such as precision-strike assets and Revolution of Military Affairs (RMA) capable force structures. The objective must be to strike a better balance between investment in its own C4ISR and the use of NATO assets. The Europeans have also found that access to US assets improves if they deploy their own. The French believe the acquisition of a dedicated reconnaissance satellite system (Helios 1 in 1995) has enhanced Franco-US co-operation in strategic intelligence. And although they are far behind the United States, both the British and the French are now able to project joint, theatre-wide national command capabilities for less than a Corps sized operation.

As for RMA, Europe continues to lag even further behind the US in terms of intelligent weapons and brilliant munitions. Not a single European country possesses the equivalent of the JDAM which proved so decisive in Afghanistan. Stocks of laser-guided bombs and air-launched cruise missiles are grossly inadequate. None of these ground-breaking technologies are beyond Europe's technological capabilities, any more than they are beyond Japan's. One can only attribute the lack of RMA weapons systems to the inertia of vested interests, both commercial and military.

But it is precisely because the Revolution in Strategic Affairs is so advanced that the debate can now be conducted. The Europeans could introduce substantially more RMA relevant systems by changing the terms of the trade-off between shooters/force multipliers on the one hand, and guided munitions/platforms on the other. None of this obscures the fact that the EU will have to spend more on R&D to narrow the ever-widening gap with the US. Unfortunately, as the Bush administration contemplates the world, it sees no evidence of any European willingness to do so.

For its part, the Bush Administration may be at the point of recognising that although it has the power to dismantle an entire society like Iraq in only three weeks, post-war reconstruction requires more than military power. It requires a commitment that it has so far been reluctant to make. Indeed, it is to avoid casualties that Bush himself is averse to 'nation-building' even in Afghanistan, where its attitude towards the mandate of the 5000-strong NATO force is one of calculated ambiguity. Unfortunately, the country is not remotely close to becoming a functioning state with a viable infrastructure and control over its territory. And the US-led war against al Qaeda is not over, even though the world's attention has drifted elsewhere. There are probably several hundred Taliban and al Qaeda forces in Afghanistan and a larger number over the border ready to re-deploy soon.

All this is somewhat surprising, given that its enemies are more often than not what Martin van Creveld calls "bands of ruffians", like the West Side Boys, the

Somali 'Technicals', and Arkan's militias. If they are the true warriors of the 21st century we have little to fear. Indeed, whenever policing forces have intervened in strength in much of the world they have prevailed relatively easily with little attendant loss of life: the Americans in Haiti, the Australians in East Timor. For the most part, when defeated, today's warriors tend to 'go to ground', becoming criminal entrepreneurs whose activities, though dangerous for others, usually do not constitute a security problem for anyone else.

If there is a single, overriding lesson of the Iraq war, writes American General Wesley Clark, it must be this: "American military power, especially when buttressed by Britain's, is virtually unchallengeable today". And yet, despite the fact that the US has not faced warriors as formidable as those whose defeat British regiments still celebrate on their battle colours, the Zulus of Ndebele or the Sikhs or Mahrattas for instance, its follow-through of success on the battlefield has been lamentable. A post-modern military culture does not like taking risks or losing 18 soldiers in a single fire fight, though this is a problem not confined to the US. The Europeans are increasingly reluctant to hazard the lives of their own troops as well. In Bosnia, the Spanish withdrew when 17 of their soldiers were lost, greatly encouraging the Croat gangs in the cities they had been policing. In Rwanda, the loss of 10 of its troops in a single massacre prompted the government of Belgium to suspend its mission.

All of which raises the question that will still face them long after the Iraq mission is over: are the Europeans or the Americans able to do nation-building as opposed to pre-emptive strikes and regime change, both of which have been made the cornerstone of the 'war against terrorism'?

In other words, both currencies of power have been found wanting. And this should suggest the two sides need to *complement* their power much more; in other words, to arrive at a new exchange rate mechanism. Upon their success may depend the future of continued co-ordinated Western action, as opposed to Richard Haas' 'discretionary alignments', Paul Wolfowitz's 'shifting coalitions' or Donald Rumsfeld's 'floating coalitions of countries'.

And the United States may be learning another lesson, belatedly to be sure. What distinguished the Western alliance in the past was that it was a consensual, not a coercive one. Unfortunately, as the US diminishes its investment in the global public good by acting unilaterally ("You are either with us or against us"), others may feel the sting of American power more strongly. For primacy does not come cheaply and is measured not just in dollars and cents, but in the third currency of power: the currency of *obligation*. A truly 'great' power must do more than merely deny others the reason and opportunity to challenge or balance it. It must also provide essential services. Those who do, argues Joe Joffe, engage in systemic supply-side economics: they create a demand for their services, which translates into political profits, also known as 'leadership'. It is this leadership that Europe is now challenging, in part because the Bush administration seems disinclined to consult them on the management of global security.

Allies of a kind

Unfortunately, it is precisely at this point that the differences between the EU and US become apparent, for both are very different political cultures. As a political culture, Europe is what Francois Duchene called in 1972 a 'civilian power': short on weapons, long on economic power. The challenge it now faces is this: only by acquiring a Rapid Deployment Force (one that probably will not be fully operational until 2015) can it hope to be an effective civilian power in the new strategic environment in which it finds itself. 9/11 should have brought home to it the decline of strategic geography and the rise of invisible threats.

Since September 11 Europe faces a new security environment altogether – the local has global consequences. What happens in the Middle East has implications for all of us. Globalisation requires us to think strategically and to think of security in a different way. In short, the EU may still be a 'civilian power', but it is not the civilian power it was when Duchene first penned his article.

In the thirty years that have transpired since, Europe itself has also changed. It is no longer a culturally homogeneous, largely West European, social democratic society, but a multicultural community whose future will be determined by the new challenges globalisation puts forward: asylum seekers and migrants, many of them part of the 'de-territorialisation of the Islamic World' (40% of Muslims now live outside the traditional Islamic world, the majority in Europe).

'Civilian power' Europe is also a different entity in another respect too. It is now a normative organisation. In the 80,000 pages of the *acquis communautaire*, Europe has developed a normative regime covering everything from genetic engineering to human rights. This has allowed it to *syndicate* its legislation and values across the world. So far it has done so through the market – making access to its market conditional on compliance with its *mores*. Even US companies have been forced to follow EU regulations in at least three fields: Mergers and Acquisitions, GM foods, and data privacy.

Tony Blair's former foreign policy adviser, Robert Cooper, puts it humorously when he describes EU policy as 'Speak softly and carry a big carrot'. The stick, however, is implicit in the withholding of the carrot. One example is the requirement to further democracy and the rule of law, now to be found in all aid agreements, excluding emergency aid. Another is the public shaming of countries like Zimbabwe, particularly in diplomatic forums such as the UN and UNHCR.

This normative regime is one that redefines power not only in terms of the responsibility to prevent, but when prevention fails and war ensues, the responsibility to rebuild. And as Europe discovered in Kosovo (the EU's first war), this is where the military dimension is important. The cost of rebuilding a society after the cessation of hostilities may depend to a large extent on how a war is prosecuted. Hence, European antipathy for targeting the bridges over

the Danube, most of which have still not been repaired, has further complicated Serbia's economic recovery and its return to the European fold.

This brings us to the third Revolution in war, or what might be called the Revolution in Civil-Military relations. We see it in a much neglected provision of the OSCE Charter (1990) which mandates the signatories to give a 'human face' to security. Julia Lodge has called this 'the civilianisation of security', an attempt to introduce greater civility into warfare. What this means operationally is the ability to translate a decisive outcome on the battlefield into a decisive political outcome. The US, of course, has experience in this too with respect to the 1000 or so military contractors on which it depends increasingly to release more manpower not for logistics, but combat operations. Europe is working with NGOs in the military field too, and the military upshot of this relationship is only just beginning to become clear.

It involves holding soldiers accountable for their actions on the battlefield to the International Criminal Court. It involves suspending the use of certain weapons deemed 'uncivil' by NGO groups. Hence the moratorium on depleted uranium shells in Germany and Italy; the near total European ban on cluster bombs (Britain excepted); and the general ban on the use of landmines in the Ottawa Convention of 1997 (all NGO initiatives). We can expect further initiatives which may further cloud the US military's judgement of its potential European partners. One may be an increased need to positively identify targets before they are hit. Another may be a moratorium on targeting unarmed vehicles in which non-combatants may be present – two of the problems which have bedevilled actions in Iraq. These are matters that global civil society may push onto the militaries of the West, and none are prepared for them.

Conflicting cultures?

Many of the tensions between Europe and the US will continue to arise from the subjective analysis of objective factors; united as they are in their values, they will often be divided in the way they instrumentalise them. But it would be altogether too gloomy to conclude that this will necessarily bring the US and Europe into conflict.

First, cultures are not self-contained. They differ in a way which is much more like that of climatic regions or ecosystems than the frontiers drawn with a pen between nation states. Cultures are never coherent, never closed to the outside, and never uncontested from within or without. So when discussing a European preference in war or an American way of warfare we must think not only of the differences that divide political communities, but of the incoherencies and contests within them.

People relate to their cultural backgrounds differently. There are those in America who would identify much more with the European practice than their own. To identify a 'Western' world is to identify with something that transcends one's own political culture. Some Europeans (UK, Poland) identify with America much more than continental Europe; similarly, some Americans

identify much more with Europe – especially those Americans who, in the 1990s, were intent on introducing a new normative regime although the differences between the Clinton and Bush administrations should not be exaggerated any more than should the differences between ‘Old’ and ‘New’ Europe, which have more in common with each other than the United States.

Secondly, Europe and the US still believe their own values to be universal. In this regard, they find themselves both at risk from those who reject their universality, a case in point being al Qaeda. They are both at risk from those who target global governance institutions. We should be reminded that the first time global civil society came under military attack was in the mid-1990s in Europe, when UN observers were taken hostage in the Balkans. The absence from Iraq of the UN, UNDP, and most NGOs should be deeply worrying, especially to the Europeans, who have come to rely on them so much for their own efforts at national reconstruction.

In Bosnia and Kosovo, NGOs held out even at the worst moments in the conflict. It is one matter, however, for one’s personnel to be exposed to danger and quite another to be deliberately targeted, as have mine clearance workers (now mostly private military contractors) and UN commissioners in Iraq.

So, when historians look back at the Iraq war they may see it not as the low point in the history of the Western alliance, but the end of the high point in the global governance regime. Were this to be the case it would put the political dimension of globalisation in as much danger as it was in the 1930s, when it was challenged by the collective forces of communism, fascism and extreme nationalism, which changed the global landscape and led to war. The upshot of this was the uniting of Europe and the US together in a transatlantic alliance. It would be ironic, indeed, if the next large-scale challenge to globalisation splits them apart. The picture is not encouraging.

SUMMARY OF THE PANEL DISCUSSION: THE US GLOBAL VISION

Eero Kytömaa

The first session was followed by a lively debate on the roots of the transatlantic rift, the presentation of the Iraq case in the UN Security Council (UNSC) and the aftermath of the war in Iraq.

The discussion began with a question on the nature of the dispute between the United States and Europe over Iraq and on regional security mechanisms; given similar, shared security interests between the US and Europe, will the current transatlantic rift over Iraq heal rapidly or is this diplomatic crisis something more permanent? In response, it was pointed out that the current diplomatic crisis is deeply structural and therefore it will not disappear soon. While certain common values are shared by both the US and Europe, the existence of “value-based” coalitions, ones relying on the principle of consensus, only amplified the pre-Iraq war diplomatic crisis.

When analysing **the transatlantic rift**, attention was drawn to the very different and distinctive political cultures of the US and Europe. One panellist underlined that these two political cultures understand power very differently. The American understanding is a more old-fashioned, realistic, nation-state understanding than that of Europe. America still sees war more or less in Clausewitzian terms, as the continuation of politics by other means. Europe views war as the continuation of international law by other means. The Europeans generally seek to create and/or abide by the rules of a “normative regime”, such as the International Criminal Court (ICC), UNSC consensus and the Kyoto Protocol. In doing so, Europeans endeavour to co-ordinate international law with domestic law as much as possible. One panellist argued that, in order to mitigate or prevent future diplomatic disputes, US foreign policy towards Europe might concentrate on ad hoc, “interest-based” coalition building.

The topic switched from broad discussion on the nature of the transatlantic rift to the most divisive issue, the **Iraq war**. It was pointed out that in discussions concerning transatlantic co-operation the spectrum of opinion is very broad and all opinions should be taken into consideration, including opinions that oppose current US foreign policy. It was emphasised that, although the history of transatlantic co-operation has encountered very difficult moments, the administrations on both sides of the Atlantic have always tried to find a common approach. It should not be forgotten that, historically, Europeans and Americans have always shared the same principle of consensus.

One seminar participant argued that all the problems between Germany and France on one side, and the US on the other, originated when President George W. Bush visited the UN on September 12, 2002 to give a speech which included the now famous words: “You are either with us or against us”. In the case against Iraq, President Bush appealed to the UN, stating that the

organisation should not risk irrelevancy, but rather assist the US in ousting Saddam Hussein. It was mentioned that, in the UN, there was an uncomfortable feeling from the very beginning that Member States were being bullied into a situation where they did not agree on the facts as they were presented in **the UNSC**.

One participant's view was that Europe can indeed act unanimously in a crisis situation. Unfortunately, in the case of the pre-war diplomacy, the principle of consensus was dispensed with and replaced by the rapid assembly of a "coalition of the willing". This coalition split the Europeans, leading to a lack of coherence in European foreign policy. This was as much a mistake in transatlantic diplomacy as it was in the European community, since it strengthened the view that Europe could not present a unified foreign policy front.

Commenting on previous statements, a panellist pointed out that transatlantic relations are indeed in troubled waters. He perceived that, in the Iraq case, many options were open and all were being considered. In his view, the main problem was the debate over how to define legitimacy in military operations. Some European countries were determined that war against Iraq would not be legitimate unless consensus existed in the UNSC. Given the structure of the UNSC, consensus-based action is not always possible. As an example, the panellist pointed out that the NATO operation in Kosovo was carried out without a UNSC mandate. However, this mandate would have been impossible to attain, given that two permanent UNSC members were ready to veto any resolution advocating a military solution. The NATO operation was also viewed as illegal because the crisis in the Balkans did not involve an act of trans-border aggression and, therefore, did not violate the UN Charter. The panellist viewed consensus as the desirable outcome of every debate. However, sometimes consensus is simply not possible, and in some cases consensus leads to an undesirable outcome. As an example, the panellist noted that consensus within NATO to refrain from acting multilaterally in Bosnia in the early 1990s may not have been such a good idea, given the massive ethnic cleansing and irreversible spiralling of hostilities that occurred in the region.

One panellist pointed out that in order for a country to conduct effective crisis management, it must posture itself convincingly in order to persuade an adversary to comply with its wishes. In the case of Iraq, Saddam Hussein would be compelled to comply with UNSC resolutions only by a visible, concrete threat of force. The panellist also mentioned that the build-up of coalition forces in the Persian Gulf was necessary because some of Hussein's top officials had stated openly that they believed the US would be stopped in the UNSC since Russia and France were prepared to veto military action. The panellist also mentioned that UNSC Resolution 1441 reflected a consensus that Saddam Hussein had the obligation to disclose any information concerning any weapons of mass destruction programs between 1998 and 2001, the period when weapons inspectors were absent from Iraq. If Iraq did not comply with the resolution, then it was stated clearly that there would be "serious consequences". The panellist made it clear that, as far as the world knows, French Foreign Minister Villepin might have promised Colin Powell

that “serious consequences” would translate into military action.

The dialogue then turned to **the problematic split in Europe** and how this situation should be dealt with. It was reaffirmed that Europe is split along the middle, and trust among European states was currently very low. European foreign policy does not seem to be very resolute; politicians are not looking at the long-term consequences and the architecture of the Common Foreign and Security Policy. The panellist indicated that the worst way to conduct diplomatic relations was to be unpredictable, as many European countries had been. He stated that the current fault line severing Europe was not going to go away at any time in the near future and advocated a new European architectural plan centred on strengthening relations with the United States. He argued that the real problem is that Europe cannot simply “bake” the US according to its own tastes; instead of simply opposing the US, Europe needs to work with it in order to gain more influence in the formation of its foreign policy.

The discussion then turned to the **diplomatic position of Germany**. One panellist argued that Tony Blair and Jacques Chirac wanted, in a way, to contain the United States. He stated that Germany must think critically about how it wishes to respond in this environment. If Germany were to side with France, this would foster confrontation with the US, whereas if Germany sides with the UK, its relationship with the US is likely to be more amicable and co-operative. The panellist argued that siding with the British would also give Germany more influence on US foreign policy. Contrary to popular sentiment, he believed that the US could be influenced and was learning from mistakes made in Iraq.

Another panellist argued that, as the Iraq crisis has persisted, the German Chancellor and the President of France have continued to dig themselves into a deeper hole diplomatically, particularly in their refusal to fund reconstruction of Iraq or even to wish the mission well. The self-interested rhetoric that has continually flowed from Paris and Berlin is contributing to anti-Europeanism in the United States, which is as serious a threat to transatlantic relations as anti-Americanism is in Europe. The panellist concluded by affirming the historical closeness of the US-European alliance; when the US started to build the “coalition of the willing”, it turned first to Europe to recruit allies. As the current diplomatic crisis continues, it becomes very easy to overlook the fact that the US and Europe share common core values and visions concerning international security. It is differences in the execution of these visions, European “normative” aspirations versus US “interest-based” coalitions that cause temporary rifts in the alliance.

THE US GLOBALISED MILITARY

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THE US GLOBAL POSTURE REVIEW AND IMPLICATIONS FOR TRANSATLANTIC RELATIONS

*Leo Michel**

Last week, on his trip to Asia, Secretary of Defence Rumsfeld stated that:

- 1 The US has been systematically reviewing global force deployments and basing arrangements over the past two years;
- 2 The US has come to some “preliminary conclusions” and is ready to begin discussions with Allies and Congress; and
- 3 No final decisions have been made, and Washington would expect its preliminary ideas to be adjusted as the consultation process proceeds.

My presentation is in two parts. I will:

- 1 Outline some of the major factors shaping this global review; and
- 2 Offer perspectives on what this means for transatlantic security relations.

To understand the global view, it is useful to think of a simple formula: changed security environment plus transformed capabilities equals changed presence.

As of mid 2001, when this review began, the US global military posture had not fundamentally changed since the end of Cold War. In Europe, the US maintained roughly 118,000 military personnel with a force structure more suited toward static defence of NATO territory against the Soviet Union - a type of threat that thankfully no longer exists. In Asia, we maintained about 89,000 personnel in forward bases and deployed naval forces to deter, and if necessary, defend against any aggression aimed at Japan, the Republic of Korea (ROK), and other friends and allies in Pacific. US military planning centred on a National Military Strategy requirement to fight and win “near simultaneously” in two “Major Theatre Wars”. These were widely understood to mean potential conflicts in the Persian Gulf/Middle East and on the Korean Peninsula, and it was generally assumed that US would have sufficient strategic warning to mobilise, deploy, and engage its forces.

* The opinions, conclusions, and recommendations expressed or implied within are those of the author and do not necessarily reflect the views of the Department of Defence or any other agency of the U.S. Government.

However, as strategic planners began their review, they also recognised that the strategic environment had begun to change dramatically during the late 1990s. While the US still needed conventional and nuclear forces capable of deterring and defending against large armies, navies, and air forces, it was increasingly clear that some of the greatest demands on forces arose from other quarters. The Bosnia and Kosovo crisis response operations required a significant commitment of US forces for extended periods of time. And the US simultaneously faced growing concerns over “asymmetric threats” to US and Allied populations, infrastructures, and deployed forces, especially those posed by the intersection of global terrorist networks, proliferation of weapons of mass destruction, and so-called “rogue” states.

For the US, September 11 confirmed that asymmetric threats are real - not just theoretical - and could have catastrophic consequences. September 11 also confirmed how difficult it was to predict where such threats would originate. It is interesting to recall that during Mr. Rumsfeld’s confirmation hearings before the US Senate in early 2001, Afghanistan was never discussed. Indeed, prior to September 11, Afghanistan was low on the list of military’s planning contingencies.

In a new strategic environment characterised by uncertainty and surprise, US strategic planners concluded that our military forces needed to be:

- 1 more proactive - even ready, if necessary, to exercise an option to take pre-emptive action;
- 2 more familiar with a wide array of potential operating environments, as it was no longer evident that forces would essentially fight where they are based;
- 3 able to deploy the best-suited force packages quickly, and maintain or reinforce them at considerable distances;
- 4 less vulnerable to possible loss of access to key overseas staging areas as a result of either political reasons or possible pre-emptive attack by our adversaries;
- 5 able to work closely with allies and partners - especially Allies and Partners in Europe.

To this new strategic environment one must add a changing set of US capabilities. Specifically, new US technological capabilities - when combined with new doctrines, organisation, and training - have opened new options that allow fewer forces to create more powerful military effects. In the US, this process of developing asymmetric advantages in knowledge, speed, precision, and lethality is known today as “transformation”. (Of course, if you ask ten different defence officials and analysts for a definition of “transformation” you will likely receive 15 different answers!)

Let me offer just a few examples from recent operations. In Afghanistan, senior defence officials have often cited the battle for Mazar-e Sharif as an

example of transformational warfare. During that engagement, US Special Forces on horseback penetrated behind Taliban lines and, using Global Positioning System and satellite communications equipment, sent target coordinates to B-52 aircraft (an airframe designed in the late 1950s). Within a delay of less than three minutes, those aircraft used precision-guided bombs to destroy Taliban positions only hundreds of meters in front of a cavalry charge by Afghan coalition horsemen. Few people realise that, at the time Kabul fell, the US had less than 300 military - primarily Army and Air Force Special Forces, on the ground in Afghanistan.

In Operation Iraqi Freedom (OIF), military officials have cited many examples of the enormous boost in US capabilities since the 1991 Desert Storm operation. In OIF, US air-to-ground surveillance radar aircraft (JSTARS) gathered three times the information with one half the number of missions as in Desert Storm. In OIF, coalition forces deployed to the area of operations in less than three months, compared with the seven months needed to prepare Desert Storm. In OIF, the US used about one-seventh the ordnance used in Desert Storm, and over two-thirds were precision-guided munitions (PGMs). In Desert Storm, PGMs accounted for only about one-tenth of the ordnance dropped. In Desert Storm, four aircraft were needed on average to destroy one target; in OIF, one aircraft on average destroyed four targets.

Military officers have coined new terms to describe some of the features of this new type of warfare, such as “speed kills” and “precision decision making”. You may remember the incident when intelligence sources reported Saddam Hussein and his sons were gathering with advisers at an underground bunker. According to General Myers, Chairman of the Joint Chiefs of Staff, the whole process of receiving the real-time intelligence from Baghdad, validating the information, approving the mission at the highest levels, and finding the right aircraft with the right precision guided munitions took about 45 minutes. It struck the right target with relatively little damage to the surrounding neighbourhood although obviously the mission was, in that case, at least partially unsuccessful.

Having said this, let me quickly emphasise that I am not suggesting that war is now regarded as “easy” and therefore “more attractive” to US military planners. They certainly are not cavalier about the difficult and long term challenges posed by stabilisation operations in Iraq and Afghanistan and the sacrifices made by and strains placed upon our regular and reserve/national guard forces. Rather, I simply want to make the point that a change in threats and capabilities are both driving and allowing the US to consider what may emerge as the most significant changes in its global posture in the past decade.

So what might this mean in terms of changed presence? Again, Secretary Rumsfeld has stated that final decisions have not been made, but I can offer my personal assessment of where the US might be headed.

In Korea, the US and ROK are discussing ways to consolidate the 41 major US installations and 37,000 US military personnel scattered across the peninsula, to include a redeployment of US forces - about 15,000 of the total -

from the Demilitarised Zone (DMZ) to locations south of Seoul. Tying down that many US forces at the DMZ and thousands of others in the capital no longer makes sense. It makes them less flexible on the peninsula and less expeditionary, i.e., able to deploy off the peninsula, if needed elsewhere in Asia for the global war on terrorism. Moreover, the US is not talking about a pull-out. The presence of 75,000 American expatriates - most of who are in Seoul, within 30 miles of the DMZ and therefore within North Korean artillery range - is a pretty solid guarantee that US will not turn its back on the ROK.

Throughout South Asia, Central Asia, and the Greater Middle East, much depends of course on unfolding situations in Afghanistan and Iraq. The US currently has about 130,000 military personnel in Iraq, supported by a few thousand more in nearby states and offshore. And we have about 11,000 military personnel in Afghanistan. Senior US officials have stated that the US is not planning permanent military bases in either, and I would point out that the US already has withdrawn nearly all of its several thousand military personnel previously based in Saudi Arabia. In Central Asia, I believe the US will want to maintain access agreements that would allow US forces to deploy rapidly to the region, using relatively austere forward bases and airstrips in places such as Kyrgyzstan and Uzbekistan.

In Europe, there is no question that a strategic forward presence remains very important to the US, even with the disappearance of the existential Soviet threat. But as General Jones (NATO's Supreme Allied Commander Europe, SACEUR, and commander of US Forces in Europe, EUCOM) has suggested, the "center of gravity" of EUCOM is still in Western Europe, while the "center of activity" clearly is shifting eastward as result of NATO enlargement and the need to support US military involvement in the Greater Middle East and, to a lesser degree, along the southern rim of the Mediterranean and parts of Africa.

While any hint of change may be worrisome to some, the fact remains that there is less need today for heavy, garrisoned US ground forces in Western Europe. In my opinion, the US is unlikely to close certain large, costly "hub" installations in Europe - Ramstein Air Force Base in Germany comes to mind - but will be actively interested in downsizing some existing base structure and gaining access to "lighter" bases, ports, staging and training areas in Eastern and Southeastern Europe. We might see an increasing use of short troop rotations and training deployments - six months or so - at those "lighter" facilities rather than permanent stationing arrangements that bring along large US communities of dependents and other infrastructure to support them. My guess is that any Prague invitees expecting to see the US propose a "Ramstein clone" on their territory likely will be disappointed.

My key point here is that the purpose of realignments in US presence is not to "punish" some countries or "reward" others, but to maintain and, in fact, strengthen US ability to meet its security commitments by improving its capabilities to deploy rapidly, exploit our asymmetric advantages in technology and networking, and broaden training, experimentation, and security co-operation opportunities for all NATO members and Partners.

I now want to refer to challenges facing the transatlantic security relationship, which I will briefly describe in terms of threat assessments, strategy, capabilities, NATO-EU relations, and something I call “tone”.

There is something of a threat perception gap. While the US considers itself to be at war, it is not clear to what degree September 11 has fundamentally reshaped the threat assessment of a number of European governments, political elites, and general publics. Many seem still to consider the growing potential for catastrophic terrorism, possibly including weapons of mass destruction, as rather abstract and, in any event, aimed more at the US homeland and overseas interests and forces than at European territory and populations. To be blunt, depending on where one lives in Europe, catastrophic terrorism may seem less of a threat than renewed instability in the Balkans or lingering concerns about the future direction of a certain large neighbour to the East.

At the same time, threat perception divergences are not simply a transatlantic phenomenon; Europeans do not agree among themselves on the nature or priority of threats. For me, the clearest example over the past year was the split between the UK and France. At their Le Touquet summit on February 4, 2003, PM Blair and President Chirac issued a declaration stating that their countries “reaffirm the commitment made in 1995 that we cannot imagine a situation in which the vital interests of our of our two countries...could be threatened without the vital interests of the other also being threatened”. Yet, within few weeks, the UK had deployed some 40,000 military personnel to Persian Gulf, while France had announced intention to veto a UK-backed Security Council resolution to authorise the use of force against Iraq.

There also have been some positive developments in recent months. In May, the German Defence Minister issued defence policy guidelines that stated that, at present and in the foreseeable future, “there is no conventional threat to German territory”. Instead, he highlighted religiously-motivated fanaticism in combination with international terrorism and the proliferation of weapons of mass destruction as key threats to Germany and Europe. In August, the French Defence Ministry issued a strategy document that cited September 11 as “stunning proof” of the asymmetric approach used by the new breed of international terrorists who “benefit sometimes from state supporters”. Finally, the EU draft strategic assessment submitted by Javier Solana last June emphasises three key threats: international terrorist movements willing to use unlimited violence and cause massive casualties; the proliferation of weapons of mass destruction, including their possible acquisition by terrorists; and failed states and organised crime. In short, a greater convergence on the nature of threats to our Euro-Atlantic community may be taking shape.

Of course, even in instances where our threat assessments do not vary widely, Allies can still disagree over strategy to meet those threats. A few influential analysts have argued that Americans and Europeans no longer share a common strategic culture; the US, as the only military superpower, is more prone to unilateral pursuit of its security interests while Europeans, as a result of relative military weakness, are overly enthralled by multilateral institutions and international agreements to limit threats, and if necessary,

legitimise any military action. Some of the earlier speakers referred to these differing perspectives.

For my part, I think the depth of differences in American and European strategic cultures is debatable and can easily be overdrawn. Some of the European complaints of so-called US unilateralism have stemmed from a mixture of real, but sometimes highly emotional disagreements over non-defence issues, ranging from the Kyoto Protocol to the death penalty. More importantly, I believe that by and large, the US has worked hard at coalition-building with European Allies. I saw this from inside the Pentagon and at NATO meetings in Brussels; frankly, I do not accept the simplistic charge that the US is obsessed with military solutions. In my previous Pentagon position, I was part of Deputy Secretary Wolfowitz's delegation to the NATO defence ministers meeting in late September 2001. One of his major points was that terrorist organisations like al Qaeda would not be defeated only with cruise missiles or bombers, but that a multiyear effort would be required using all the tools of government - diplomatic, intelligence, economic, financial, law enforcement, and military. The other Allied defence ministers clearly understood, I believe, that NATO was not the place to run all those other efforts. They also understood the need to enlist the vast majority of Muslim states and populations who reject terrorism, and that building a coalition under a NATO flag risked sending a message that this was simply "NATO's war on terrorism," or even worse, "NATO's war against Islam".

Moreover, many Allies and Partners have participated, are participating today, and will likely participate in the future in important crisis management coalitions alongside the US - in the Balkans (where I commend Finland for its role, such as its recent command of a Multinational Brigade in Kosovo), in Afghanistan, and in Iraq. It is not true that only the US is prepared to put its military personnel at risk.

Yes, there are some transatlantic differences, and differences within Europe, on the role of the UN. Earlier this year, some European governments argued that with the exception of the inherent right self-defence in response to an armed attack, military action is illegitimate in the absence of a specific UN authorisation - a view that some of the very same governments did not take in the case of Kosovo. And let's be honest: the United States is certainly not the only country to reserve a right to act alone, or within a coalition of the willing, when its vital interests are at stake. Not long ago, one Allied leader stated that his country "wants to conserve the capability to act alone if its own interests and its bilateral commitments so dictate". That was not President Bush. It was Prime Minister Raffarin, speaking to France's National Assembly in July 2002, and similar statements are repeated in the August 2003 French Defence Ministry strategy paper.

Even on the controversial subject of pre-emption, European opinion may be evolving. I've started collecting a file of European commentators who argue that the nature of modern terrorism has put an end to the principle that only "defensive wars" are permissible, and the notion of pre-emption is creeping into official European documents as well. I will admit that I was surprised to find the following language in the French military program law of last January:

“Beyond our frontier, in the framework of prevention and force projection, we must be able to identify and prevent threats as early as possible. In this context, the possibility of a *pre-emptive action* (emphasis added) might be considered, in a situation where the threat is recognised to be explicit and confirmed.”

In the interest of time, I will be very brief on the subject of capabilities. From Bosnia and Kosovo to Afghanistan and Iraq, the disparities between US and Allied militaries have grown ever wider in key areas relevant to modern warfare, such as: strategic lift; aerial refuelling; sustainability and logistics; deployable command, control, communications, computers, intelligence, surveillance, reconnaissance (C4ISR); and precision strike weapons. Allied leaders agreed at Prague to a package of interrelated initiatives designed to reduce that gap and to establish the NATO Response Force, which would provide a capability to deploy an agile, technologically advanced multinational and joint force within 5-30 days of a decision by North Atlantic Council.

These efforts will be a real test for our European and Canadian Allies. The issue is not whether Europe should match US defence investments and capabilities - no one expects that. The issue is whether the disparity in capabilities will grow so large that it becomes even more difficult to undertake joint military actions in Europe or elsewhere.

Another panellist will survey defence spending trends in Europe, but the US is certainly not slowing down: Congress has approved an approximately \$400 billion defence budget for 2004. I will save further discussion of this point for the question period, but I do see an important challenge here. If Allies fail to back up their pledges in Prague, leading to a second “defeat” within three years for a new capabilities initiative, this would be a serious blow to US desires to operate effectively with Allies and could eventually call into question the underlying political cohesion of the Alliance.

As for NATO-EU relations, I have been struck by the fact that these institutions coexisted in Brussels for nearly 50 years with barely any contact between them - two institutions “in same city on different planets”. A solid foundation for NATO-EU links has taken shape, especially the “Berlin Plus” package setting forth co-operation in operational planning, defence capabilities planning, presumed EU access to NATO capabilities and common assets, and the potential use of NATO command structures for EU-led operations. NATO and the EU have worked together productively in the Balkans. For example, the transfer of NATO’s stability operation in Macedonia to the EU, using those Berlin Plus arrangements, has generally gone smoothly.

But there have been some irritations, too. For example, some Americans wondered why four EU members felt compelled in April to propose setting up an EU operational planning structure in Tervuren that would seem to duplicate NATO operational planning structures at SHAPE, which were already accessible to the EU through Berlin Plus. Some also wondered why certain countries thought it so important, in undertaking the EU-led operation in Bunia last summer, to stress the “autonomous” character of the operation and not

engage in discussions with NATO. Was this in part a political jab at NATO as well as an affirmation of the EU's potential?

Despite some recent frictions, personally I am cautiously optimistic about the future of the NATO-EU relationship. When the dual enlargement of both institutions is completed next spring, 19 of the 25 members of the EU will also be members of NATO. Each of those countries has only one set of forces and one defence budget, and I believe the overwhelming majority will come to understand - if they do not already - that our common security interests are best served by a co-operative, mutually beneficial, and transparent relationship between these two vital organisations.

But for this to work, it is also vital that both sides of the Atlantic continue to view each other as inseparable partners who are advancing common values and interests in and around the European space and globally as well.

This brings me to my last concern, which I call "tone". The vague notion that the EU should aspire to be a "counterweight" to the US is disquieting at best and poisonous at worst. More recently, some have tried to soften that notion by describing their vision of a "multipolar" versus "unipolar" world. Fortunately, a number of European leaders have themselves spoken out forcefully against these suggestions. I may be stepping into a minefield here, but this needs to be said: the tone of transatlantic dialogue needs to improve! Many Americans have become impatient or worse at hearing themselves described, even with elegant phrases, as essentially unilateralist cowboys. Many Europeans understandably react negatively to suggestions that they are timid, ungrateful, or simply not serious when it comes to defending Western values and interests.

Last month, *New York Times* commentator Thomas Friedman wrote an editorial entitled "On listening". He stated that:

"America faces real threats, and this administration, to its credit, has been serious about confronting them. But America also has many more friends, actual and potential, and nurturing them is also part of our national security. We cannot spend so much time talking about our enemies that we forget to listen to our friends, because without them, ultimately, we cannot win either a war of terrorism or a war of ideas."

When you think about it, Europeans as well as Americans should heed his words.

THE US GLOBALISED MILITARY

Ingemar Dörfer

Transformation

Following the end of the Cold War, the US armed forces have gone through four major reviews: President Bush's base force review of 1990, President Clinton's 1993 bottom up review, Secretary Cohen's 1997 Quadrennial Defence Review (QDR), and Secretary Rumsfeld's Quadrennial Defence Review of September 2001.

Throughout this period, the military plan *Joint Vision 2010* preached the dogma of revolution in military affairs. The transformation of the armed forces was to lead to full spectrum dominance and information superiority on the battlefield. But as Gregory Treverton pointed out, the factors usually leading to strategic innovation are woefully lacking in the current national security milieu: shortage of money, military defeats, a visionary military leadership with long tenure, and a clear and present danger¹.

Thus as Andrew Bacevic points out in *American Empire*², until last year old soldiery virtues prevailed and most of the touted reforms stayed on paper. The more modest view of transition to RMA is now defined as a clear vision of the future, an innovative organisation with officers who are ready to implement the vision, using new weapons acquisition processes to promote leapfrog technologies.

When it comes to the key elements of this reform in the geopolitical reality of the American Empire, Andy Marshall's buzz words say it (almost) all: China, missile defence, space, long range strike, asymmetric attack. Rumsfeld's QDR 2001 has maintained these priorities while failing to mention *Joint Vision 2010* at all. The American armed forces are to reassure, dissuade, deter, and when necessary, defeat any adversary. They are not intended to shape the international environment as under Clinton. Shaping was in tune with Clinton's view of foreign policy as social work³. The Bush administration has less time and patience for working with neutrals, although Afghanistan forced it upon them, as does nation-building in Iraq.

In the end, not much has changed since the bottom up review ten years ago. The American Empire still maintains 10 Army and 3 Marine divisions, 12 battle carrier groups and 20 fighter wings. It is to handle two major conflicts at a time, achieving one swift victory and keep the second conflict from escalating. It is to conduct several smaller conflicts at the same time. Indeed, it can

¹ Gregory Treverton and Marten van Heuven with Edward Manning: *Towards the 21st Century. Trends in the Post Cold War International Security*. Santa Monica: RAND, July 1998 p. 38.

² Harvard University Press, 2002.

³ Michael Mandelbaum: "Foreign Policy as Social Work", *Foreign Affairs*, January-February, 1996.

expect a long row of middle-sized and small conflicts over time, conducted by many different adversaries for many different reasons. We speak of multiple threats: terrorists and other non-state actors, failing states and ethnic conflict, regional rogues armed with asymmetrical strategies and WMD systems, but also big powers with newly assertive geopolitical agendas of their own.

Lessons of Iraq

“Never draw lessons from a war where the enemy has been too weak”, cautions Martin van Crefeld. And so it is with the war fighting in Iraq. General Wesley Clark offers his views in the *New York Review of Books*⁴, thereby showing how far even a US general will go to pass as a credible Democratic nominee for the presidency of the United States. “Well done with maybe too few troops”, observes Clark. The problem is now. The US Code directs the armed forces to train, organise and equip for “sustained land combat”. Nothing at all is mentioned about peacekeeping and nation-building in that code. Here, the US’s key European allies, notably the Brits and the French, have much better skills. But of the European allies, only the Brits, the Dutch and a few others are available. As Jim Kurth has pointed out, the American Empire, unlike the British Empire, lacks an international civil service⁵. Maybe it is time to start creating one.

Alliances or coalitions of the willing?

Richard Haass, Head of Policy Planning in Colin Powell’s State Department and now president of the Council on Foreign Relations stated in *The Reluctant Sheriff*⁶ six years ago:

Formal alliances may not be as central as they once were, but alignments and allies are. There is thus no substitute for regular and intimate consultations with other governments. The core justifications for pacts or coalitions of the willing – and one that outweighs the drawbacks – is that such an approach to international engagement reflects the basic personality and characteristics of a deregulated world...

What is needed is an inherently flexible approach to foreign policy that can respond to unforeseen situations in unprecedented ways. Coalitions bring with them some of the advantages that derive from collective efforts (resources, specialisation etc.) without the need of consensus or prearranged authority.

⁴ “Iraq: What went wrong? *New York Review of Books*, October 23, 2003.

⁵ James Kurth: “Migration and the Dynamics of Empire”. *The National Interest*, Spring 2003.

⁶ Council on Foreign Relations, 1997, p. 98.

Indeed, of the last four American wars, three have been conducted as posses: The Gulf War, Afghanistan, and the latest Iraq War. Only Kosovo was NATO's war, and as we know from General Clark's reflections, not an effective or smooth one⁷. Obviously the role of NATO gets complicated if some of its key members and major allies of the United States band together as a 'coalition of the unwilling'.

In areas where a clear and present danger exists, as in Korea, there is no substitute for a clear cut alliance. War planning, joint training and time constraints demand it. The same would apply to Taiwan, but the volatile diplomatic situation prevents it. Richard Haass foresees, maybe a little optimistically, a posse of the United States, India and European nations with projection capabilities in the event of Chinese aggression across the Taiwanese straits. Still the role model of all American alliances, NATO points to the advantage of alliances where alliance formation is possible: well-oiled machinery in place, staff resources, exercises, routines and traditions. In short, a joint NATO culture reflects the observation that it is better to be a willing and efficient ally than a willing struggler out of touch with the machinery. Small nations prefer alliances to coalitions of the willing, where they inevitably get marginalised.

Yet the form of co-operation has little impact on the fundamental problem facing the United States and its friends and allies: how to fight together.

Gone are the Cold War days when harmonisation, co-operation and interoperability were the NATO goals. Now the American Armed Forces are so far ahead that they most often do not even pretend that their goal is to fight and win wars. "We don't do windows" as a prominent expert put it when pondering post-war operations in the Balkans. What is the solution?

Maybe there is no problem. If US forces are best at war fighting and the allies best at everything that comes after maybe one should settle for this natural order of things. Other Empires in history have not been nearly as generous or used their satraps in a more forward fashion. Many nations honed in UN peacekeeping skills are proud to contribute to stability of post-war environments.

But former superpowers like the United Kingdom, France, Germany, and Russia will not be satisfied. Here two other methods are explored.

The most promising, invented by RAND analysts Gompert, Libicki, and Kugler, is "the grid"⁸. By connecting the command, control, communication, and intelligence systems of NATO allies and friends, respective countries' armed forces can fight together even if their force structures and strengths differ. What is needed is joint training in peace time. Although the solution smacks of the infamous "technological fix", it is essentially political and therefore promising.

⁷ Wesley K. Clark: *Waging Modern War*: New York: Public Affairs 2002.

⁸ David C. Gompert, Richard L. Kugler & Marin C Libicke: *Mind the Gap Promoting a Transatlantic Revolution in Military Affairs*, Washington DC: National Defense University 1999.

The other method is to transform European forces to reach the US level of proficiency. The champion of this effort is the NATO Response Force inaugurated at the Prague summit and implemented last month. In theory this may be a last effort to save the credibility of joint war fighting in NATO. There are two problems. Transformation of European forces presumes a massive infusion of money, response force or not. The response force is created in a Kaganesque universe of post-modern peace and harmony, the very place in the world where it is least needed. America's need for response forces is much greater when it comes to Australia, and were it politically feasible, Japan.

NATO

How does NATO fit into the American strategy? Fifty-eight years after WWII, more than half of US troops abroad are still based in the old axis powers Germany, Italy and Japan. This will change, but the United States will still keep 70,000 men, 5% of its armed forces, in Europe. The expansion of NATO is not designed to increase its defence capability against an extinct enemy, but to make Europe whole and free from the Atlantic to the Russian border. The role of NATO is to prevent the re-nationalisation of Europe's armed forces, and as a stable and peaceful zone, form a forward base for American operations elsewhere. Most of these conflicts will undoubtedly occur in the arch of instability stretching from Maghreb to the Far East. Within the armed forces, the US Navy will emerge as the preponderant power. These things do not change. In WWII, the Army fought the European War and the Navy the Pacific war. But in all this reorientation of American priorities and resources we Europeans should always remember one thing: NATO remains the *lingua franca* of Western security co-operation. Even the worst American relationship with any one European state is better than any American relationship with any other state in the world.

SOLDIERS AS POLITICAL ACTORS – THE CASE FOR WAR IN IRAQ

Aki-Mauri Huhtinen

Soldiers in the political arena

In American thinking, the use of military force is a way to initiate political measures. The conflict between American and European ways of thinking is both moral and real. The European states, believing in the authority of the United Nations, find the marching order of the US morally reprehensible. However, the fact remains that politically and militarily, the US is the world's strongest nation.

When the Iraq war began on 20 March 2003, the eyes of the media everywhere were turned to experts who could comment on the causes and the progress of the war. In Finland, Finnish officers received the most media attention during the war. A rather surprising fact, since one might have believed that experts in foreign policy administration could have commented on the current political situation.

The media is no longer interested only in politicians who make politics; officers have also come into the limelight as new makers of politics and international relations. This phenomenon is not new.

The 1990s and the end of the Cold War presented Finnish national defence and the structures of the defence system with completely new challenges. The political direction of officers and clear operational tasks were no longer so clear after all. A time of uncertainty began. This was evident in the structural changes that took place: the reorganisation of garrisons, the development of information-age armed forces and training and educational reforms at various levels.

One significant factor for the media and the public is a notable change in the feeling of general security. In the media, terrorism and weapons of mass destruction have been passed into the hands of security experts. At the same time the experts have involuntarily become politicised, in place of the traditional government officials. When General Tommy Franks handed over the command of UNCENTCOM to his successor, General John Abizaid, the key message of both men was that the war against terrorism was by no means over, nor would it be concentrated on Afghanistan, Iraq or the Horn of Africa. Mere military force is not enough to win this war. In the future political decision-making will come into increasingly close contact with military expertise.

In the US, unlike Europe, induction has provided an explanation for the events of September 11 because Americans experienced the events personally. If an individual experiences the collapse of a skyscraper, the explanation given is very inductive. Far from the core of the crisis it is possible to examine the causes of the crisis and the ways of the world in a more critical and analytical

manner. When your own life is at risk, the quickest explanations and the fastest ways of restoring security are usually accepted.

In early March 2003, UNCENCOM decided to create alongside Operation Enduring Freedom in Afghanistan another operation, Operation Iraq Freedom. Combining these two operations could have led to the break-up of the coalition and the withdrawal of several states, since the Iraq operation lacked a United Nations mandate. The American practice of granting a military headquarters the political power to put together a coalition that supports the military operation has become an operative challenge to the traditional mandate given by the United Nations Security Council.

Central to the coalition's activities are speedy and dynamic action. Funds for development co-operation, for example, can quickly be directed to crisis areas through military channels, because new concepts of humanitarian assistance have been created, one example being the PRT (provincial reconstruction team). Many voluntary organisations and UN actors simply cannot get to the scene fast enough, or the military situation is too complex to permit entry. Also, these organisations are unable to protect their activities in the threatening scenarios of terrorism. Terrorists use voluntary organisations as a cover-up or a shield, and these organisations therefore involuntarily present a threat to the people in need of assistance as well as to the soldiers of the coalition.

Afghanistan and Iraq are typical examples of conflict areas where the move to the so-called fourth phase, the reconstruction of the area, has been made. This does not, however, mean that such states have a constitution in force, a democratically elected government, not to mention a military force or police force controlled by public authorities. Nevertheless, people in these countries desperately need humanitarian assistance and the basic structures of society such as electricity, water supply, health care and general order.

Terrorism is a new threat that presents soldiers, as political actors (simultaneously working alongside politicians), with new challenges to know-how. Knowledge and information become more important. Diplomacy, rhetoric, information sources and social relationships form a new operational environment in place of the traditional weapon-centric battle space. Clear borderlines between "us" and "them" are blurred. Acquiring correct information becomes more complex and requires experts with better education. A move is being made from functionality to politics and diplomacy.

"Shock and awe" strategy as the new military politics

The "shock and awe" strategy had been launched in practice in March 2003. At this time we could follow the US attack on Iraq on the Internet in real-time. Essential to the strategy was, according to its creator Harlan Ullman, that the US should "deter and overpower an adversary through the adversary's perception and fear of his vulnerability and our own invincibility". The doctrine of pre-emptive strike is based on the "soft" elements and processes of information, warfare-like observations, intelligence and beliefs. Thus the

“shock and awe” strategy fits well into Paul Wolfowitz’s thinking on pre-emptive war.

The “shock and awe” strategy is based on the idea of influencing the mind. Ullman describes the theory: “This ability to impose massive shock and awe, in essence to be able to ‘turn the lights on and off’ of an adversary as we choose, will so overload the perception, knowledge and understanding of that adversary that there will be no choice except to cease and desist or risk complete and total destruction.” The background to this strategy includes the ideas of Chinese war theorist Sun Tzu on conquering the enemy without fighting a battle. One must create a frightening image of oneself for the enemy and a reality of observations that inspires fear with respect. Ullman compares strategy and the attack on Baghdad to Hiroshima and Nagasaki, where “shock and awe” inspiring bombs ended the war. The enemy was exhausted mentally.

Harlan admits that when it comes to strategy, it is easy to miss the target even with an atom bomb, but this is precisely the point. “Of course, there will always be intelligence gaps, and no solution is perfect.” In such a case, the will to surrender without fighting is greater than a state of fear is at its worst, according to Ullman.

The “shock and awe” strategy first became concrete in Operation Iraqi Freedom in the images of burning houses borrowed from the Al-Jazeera television channel. Western cameras, on the other hand, used footage from press conferences to create an image of surgical, clean strikes against the administrative buildings of Saddam Hussein. Still, no one seemed to know what the effect of the strikes was – regardless of the high tech. Evaluating the effects thus required time that was not available, because the next wave of bombers was already in the air.

The “shock and awe” strategy would have required footage of people, families, officials and leaders, so that the psychological effects could have been assessed. What would people’s faces look like? What kind of feelings would people have? Would they be ready to help the US overthrow Saddam Hussein? Technology did not deliver this; instead, it sanitised the footage of people. For example, reporters were not allowed to report on the possible horrors that the “shock and awe” strategy was aiming to achieve. Real-time bombing went on with magnificent images, but images that were not perfect, and were in some sense lacking in relation to the goal of the strategy.

As the US military and coalition moved with the “shock and awe” strategy from the Clausewitzian meeting of the enemy to mass bombings, they also sought to base their strength on psychological influence.

SUMMARY OF THE PANEL DISCUSSION: THE US GLOBALISED MILITARY

Eero Kytömaa

After the session the question of **how the US views European attempts to emphasise the normative regime in warfare**, such as the role of the International Criminal Court (ICC), was raised.

One of the panellists agreed that differences existed in US and European views of warfare, emphasising that there are also differences within Europe. For example, Finland continues to maintain a different position than other European countries concerning landmines. He assured the audience that the US remained committed to exploring alternatives. The panellist pointed out a few examples, underlining specific instances where measures of military preparedness were a necessity, such as the use of antipersonnel landmines in the Demilitarised Zone (DMZ) of the Korean peninsula. He also made it clear that many groups within the US are staunchly opposed to lowering the threshold for the use of nuclear weapons. Concerning the ICC, it was made known that the US has legitimate sovereignty issues, which has made ratification of the Rome Statute unacceptable at this time.

As proof of the US's openness to introducing elements of a normative regime, the panellist referred to the Pentagon's increasing use of legal expertise when planning and executing strategies for precision-bombing campaigns. In 1991 the Pentagon began to bring in lawyers to examine potential bomb targets and the trajectory of missiles in order to establish a code of acceptable legal standards for acceptable human casualty levels during military operations. However, a problematic trend exists; targeted militias are increasingly centring their command and control centres within vulnerable civilian population centres. For example, during the most recent Iraq war, schools and other civilian infrastructure were used by Iraqi soldiers.

The question was raised of whether the growing gaps between the US and Europe as regards military capabilities might lead to a division of labour, where the US, with its vast war-fighting capabilities, would be in charge of carrying out military operations while Europe would handle restructuring and peace-keeping operations.

In response, it was argued that while the currently non-aligned members of the European Union might be willing to accept this division of labour, the bigger countries (e.g. France, Germany, UK) would want to play a central role in the planning of any potential military operation. While current levels of inter-operability between the US and its European allies do not meet desired levels, the situation is by no means dire, as evidenced by assistance given by Norwegian Special Forces in Afghanistan. Norwegian participation demonstrated that, while improvements in inter-operability were needed, Norwegian assistance was in line with commitments. It was highlighted that being part of and fulfilling alliance commitments meant both sharing benefits

and also sharing risks.

An inquiry was made as to **whether pre-emption and pre-emptive military strikes were becoming part of US military doctrine** and, if so, how US strategists would ensure sustainable public support for such a policy.

In response, a panellist noted that he had only heard of the policy of pre-emption referred to by US officials as a potential option among many, and definitely not as an option of first choice.

US – EUROPEAN RELATIONS

Chair: *Dr. Ann-Sofie Dahl*
Associate Professor of Political Science
at the Lund University,
Founder and Vice President of the Swedish
Atlantic Council

Presentations: *Dr. John C. Hulsman*
Research Fellow
The Heritage Foundation Davis Institute for
International Policy Studies

Dr. Jean-Yves Haine
Research Fellow
The European Union Institute for Security Studies

Mr. Henrikki Heikka
Senior Researcher
Finnish Institute of International Affairs

Panel discussion: Summarised by *Ms. Terhi Suominen*

CHERRY PICKING IS THE FUTURE OF THE TRANSATLANTIC RELATIONSHIP

John C. Hulsman

As the fabulously successful twelve-step program pioneered by Alcoholics Anonymous has conclusively demonstrated, one cannot tackle a crisis until acknowledging the reality of a genuine problem. Throughout the 1990s, mutual exchanges of pleasantries and vague rhetoric of a 'Europe whole and free' obscured the fact that the transatlantic relationship was increasingly in crisis, with a significant portion of the European political elite viewing the United States as part of the problem in international politics, rather than as part of the solution to global problems. Representative of this trend is the typical anodyne statement that, "a stronger Europe is also more likely to be a reliable strategic partner with the US".⁹ Given the resurgence of a European-wide strain of Gaullism, this platitude is increasingly open to question.

In the past several years, genuine policy differences between the US and its European allies have emerged over: trade issues such as the 'banana war'; genetically modified foods; the American Federal Sales Corporation (FSC) tax; Europe's refusal to substantially reform the Common Agricultural Policy (CAP) and the repercussions this holds for the Doha global free trade round; the moral justness of the death penalty; whether Cuba, Libya, and Iran should be engaged or isolated; Iraq; the Israeli/Palestinian crisis; the role international institutions should play in the global arena; when states ought to be allowed to use military force; ideological divisions between American realists, neo-conservatives and European Wilsonians; the Kyoto Accord; the jurisdiction of the International Criminal Court (ICC); America's increase in steel tariffs; National Missile Defence (NMD) and the US abrogation of the ABM treaty; the military debate within NATO regarding burden-sharing and power-sharing; American unilateralism; Turkey's ultimate role in the West; widely varying global threat assessments; the doctrine of humanitarian intervention and the efficacy of nation-building; and, how to organise an economy for the best societal effect, to name a few. This incomplete list should make it crystal clear to the most complacent of analysts that drift in the transatlantic relationship is about far more than carping, black leather-clad, ineffectual Europeans glowering about American dominance from the safety of a Parisian café. It is a bitter truth that in the run-up to the Iraq war, consistent polling in Europe shows a majority of the public more worried about unfettered American power than about Saddam Hussein. Instead, the drift is at least partly centred on fundamental philosophical and structural differences held by people with a very different view of how the world should be ordered from that of the average American; it should be evaluated far more seriously than has been the case in Washington.

⁹ Ivo Daalder, "A US View of European Security and Defense Policy," lecture given at USAREUR Senior Leadership Forum, Grafenwohr, Germany, March 7-9, 2001, (Brookings Online), 3.

Those Europeans pushing for the creation of a more centralised, federal, coherent European Union (EU) political construct do so by increasingly defining themselves through their differences with Americans. European Gaullists see the emergence of a European pole of power as an effective foil to overwhelming American global power. The French position, predictably the most suspicious of America, could not have been clearer during the Jospin premiership. A more united Europe was necessary to 'build counterweights' to combat 'the risk of hegemony'. Any thought that classical balance of power thinking was no longer a relevant tool for today's global environment, ought to be put to rest by any vague scrutiny of the French government's rationale for a more coherent Europe. Across the continent, Gaullism was clearly on the rise at the end of the 1990s.

The reasons for this resurgence are structural, and are likely to endure. With the end of the Cold War, it was to be expected that America and Europe would drift. Without the unifying growl of the Soviet bear to subsume the reality that America and various European states had quite distinct international interests, there were bound to be divergences. The US has emerged as the sole superpower in the post-Cold War era, while European states, with the partial exception of France and the UK, are at best regional powers. This structural difference, unlikely to change in even the medium- to long-term, does much to explain the practical policy differences increasingly emerging on both sides of the Atlantic.

Not only has America gone from strength to strength in the new era, Europe has conspicuously failed to emerge as a coherent power in its own right. This sense of a resurgent and increasingly unfettered America, coupled with an introverted, increasingly marginalised Europe, does much to explain not only the differences in policy between the two poles, but also the increased virulence many Europeans feel toward American policies. In the end, such differences are less about philosophy and more about power; it is not that European Gaullists feel American international policies are merely wrong – increasingly they feel they have no power to affect them, even at the margins. This change in political psychology does much to explain both the rise of an anti-American Gaullism in Europe, as well as the increasing drift in the transatlantic relationship.

The example of European military weakness is instructive. Given anaemic European defence spending, it is little wonder that many politicians in Europe are implacably opposed to the military tool being used in international relations, that they don't want strength to matter in the international community, that they want to live in a world where international law and institutions predominate, that they want to forbid unilateral military action by powerful nations, and that they advocate all nations having equal rights that are protected by accepted international norms of behaviour – the Europeans are merely making a philosophical virtue of a very practical necessity.¹⁰

While attempting to limit through diplomacy what is a glaring weakness in their own power portfolio, European Gaullists are attempting one thing more – to

¹⁰ Robert Kagan, "Power and Weakness," *Policy Review* (online): 6.

balance the United States in a non-traditional manner, by harnessing overwhelming American power in multilateral institutions in such a way as to have a significant say in how such power is used. This reality explains France's implacable demand that all action against Saddam Hussein proceeded institutionally through the Security Council, where Paris has a veto. It is an effort by the Lilliputians to tie Gulliver up, and it is completely understandable, given the present power discrepancy between Europe and the US. It also structurally explains why relations are increasingly frayed between an American Gulliver that naturally wants to preserve its freedom of action as much as possible and European Lilliputians that, given their strategic weakness, want to constrain the American behemoth in multilateral institutions as much as possible. The rise of European Gaullism, the desire to create a countervailing pole defined by its very un-American nature, is a logical structural response to such a world. The possible rise of a coherent Paris-Berlin-Moscow alliance designed to permanently challenge American power in the wake of the Iraq crisis should be seen as a fledgling effort to tie the Gaullist impulse into a more unified political formation.

The reality of European weakness

Just as all is not well in the transatlantic relationship, rhetoric should not replace reality as to Europe's capabilities to emerge as a major power, even in the medium- to long-term. While the desire to successfully compete with America may be ensconced in many European chanceries, the ability to do so appears to be well beyond Europe's means. Militarily, despite a collective market that is slightly larger than that of the United States, Europe presently spends only two-thirds of what the US does on defence (with American defence increases, even this paltry amount is due to relatively decrease) and produces less than one quarter of America's deployable fighting strength.¹¹ German defence spending has dropped to a laughable 1.5 percent of GDP. Likewise, besides the UK and France, all other European countries are presently incapable of mounting an expeditionary force of any size anywhere in the world without resorting to borrowing American lift capabilities. Current US defence increases are greater than the entire defence budgets of any of the individual European allies.¹² As Richard Perle bluntly put it, Europe's armed forces have already "atrophied to the point of virtual irrelevance".¹³

Given the moribund state of the European economies and the proclivity of the European publics to eschew significant defence spending, there is absolutely no empirical evidence to suggest that this trend of relative military decline will change in the long-term. At best, the United States can expect a multi-tiered NATO, where, beyond the British and the French, individual European member states will, optimally, fill niche roles in the overall American strategic conception. American decision-makers used to positive spins on the Alliance must acknowledge that not all the allies are equal – that real differences exist

¹¹ John Hulsman, "A Grand Bargain With Europe," *The Georgetown Public Policy Review*, .6(1), (Fall 2000): 73.

¹² Gerard Baker, "NATO's welcome imbalance in military might," *Financial Times* (February 7, 2002).

¹³ "Transformation postponed," *The Economist* (February 16, 2002).

between European capitals over how often to militarily side with the US, and how much capability individual countries can bring to bear.

Economically, the latter part of the 1990s has not led Europe into the promised land, so confidently predicted by many. Rather, massive and largely ignored, structural problems – labour rigidities, a demographic/pensions time-bomb, a safety net that precludes significant cuts in unemployment, too large a state role in the economy stifling growth – have led Europe into a cul-de-sac. Staggeringly, according to the OECD, since 1970, the euro-zone area has not created any net private sector jobs.¹⁴

Germany is emblematic of this Western European problem. Its economy grew at a rate of only 0.2 percent in 2002. Germany's public deficit overshoot EU Stability Pact strictures at a rate of 3.7 percent this year and probably will next year as well. Efforts to lower unemployment remain stalled, with over 4.5 million Germans remaining out of work. This economic snapshot is also representative of Germany's longer-term economic performance. After an initial, post-reunification surge, over the past ten years, German GDP increased by a mere 1.5 percent a year on average.¹⁵ The reasons for this are as simple as they are politically intractable – Germany's non-wage labour costs are among the highest in the world, well over 42 percent of gross wages.¹⁶ This factor, combined with excessive labour rigidities, a virtually unfunded pensions system, and a looming demographic crisis means that the motor of Europe will continue to sputter. Whether Chancellor Schroeder's most recent effort to begin the reform process amounts to anything is certainly open to question. Structural economic problems common to Italy, France, and Germany, as well as the accompanying lack of political will to deal with them, signify that the only question facing Europe is whether it continues to limp along or falls into a Japan-style torpor.

In some ways, the euro has made this difficult economic situation even worse. Its one-size-fits-all macroeconomic policy has led interest rates to be set far too high for a sputtering German economy, while threatening a booming Ireland with the danger of inflation in the long-term. The euro zone is far from an optimal currency area. It remains to be seen whether the economies of Europe are sufficiently in-sync to make the project flourish in the medium-term.

The Stability Pact is emblematic of Europe's overly rigid macroeconomic approach. Ironically enacted to quell German fears about the long-term economic soundness of countries such as Greece, Italy, and Portugal, it is Berlin itself (as well as Lisbon) that has been most hamstrung by the new strictures – limiting budget deficits to 3 percent per year. Already in recession and faced with a certain warning from the EU and the possibility of massive fines amounting to 0.5 percent of the GDP if it fails to correct its budget imbalance, Germany has been forced to enact austerity measures at a time of

¹⁴ "New studies highlight higher taxation and unemployment in Euro zone," *Business for Sterling Bulletin*, (49), (June 29, 2000).

¹⁵ "Room to improve," *The Economist* (March 16, 2002).

¹⁶ "Gerhard Schroeder's rocky new start," *The Economist* (November 16, 2002).

economic decline – the worst short-term fiscal policy imaginable. Such a rigid economic approach seems politically doomed in the long-term; already, critics ranging from EU Commission President Prodi to the French and German governments are signalling the need to fundamentally reform the process. In the short run, the Stability Pact has proved to be just another unnecessary constraint on a German economy already caught in the doldrums. There is little sign that either Germany, or Europe as a whole, is likely to gain economically relative to the US in the medium- to long-term. Rather, the challenge is to avoid the permanent economic stagnation of the continent.

As with military matters, the overall view must be qualified. Over the past five to eight years, the British, Spanish, Dutch, and Irish economies have been growing at very respectable rates. Given their more open pensions systems, neither Dublin nor London face the same demographic crisis currently looming in Italy, France, or Germany. Great Britain remains the largest direct investor in the United States, as America does in the UK. Moving geographically around the traditional motor of EU integration – France, Germany and Italy – economic liberalism is found flourishing on the European periphery. It is hard to characterise a common European economic state of being, as the differences outweigh the economic commonalities.

This is even truer in the political realm. Contrary to any number of misleading commission communiqués, the Europeans are light years away from developing a Common Foreign and Security Policy (CFSP). One has only to look at the seminal issue of war and peace during the past year– what to do about Saddam Hussein's Iraq – to see a complete lack of co-ordination at the European level. Initially, the UK stood shoulder-to-shoulder with the US, Germany's militant pacifists were against any type of military involvement, be it sanctioned by the UN or not; with France holding a wary middle position, stressing that any military force must emanate from UN Security Council deliberations. It is hard to imagine starker and more disparate foreign policy positions being staked out by the three major powers of Europe.

Even on issues relating to trade, there are vast differences within the EU. The recent spat between President Chirac of France and British Prime Minister Blair was about far more than atmospherics. It was about whether northern European countries, such as the UK, would continue to countenance southern EU countries' (such as France) dogged desire to protect the wasteful Common Agricultural Policy (CAP), even though it may well prove to be a deal-breaker at the Doha global free trade round. On missile defence, relations with Turkey, and critically, the future course of the EU – with Germany for deepening and widening, the UK for widening primarily, and the French stressing deepening of EU institutions – one finds a cacophony of European voices, rather than everyone singing from the same hymnal.

Military weakness, economic stagnation and political disunity – this is the reality that confronts American decision-makers today when looking at Europe. Despite overly cheerful rhetoric and the hopes of many on the continent, Europe is not likely to challenge American primacy in the long-run. This is not due to any general, continental love of Washington or its policies. Rather, it is the result of European political, military and economic weakness.

Cherry-picking as the American answer to a weak, but Gaullist Europe

In separating rhetoric from reality there is a comforting final conclusion that needs to be drawn by American policy-makers – the very lack of European unity that hamstringing European Gaullist efforts to challenge the United States, presents America with a unique opportunity. If Europe is more about diversity than uniformity, if the concept of a unified ‘Europe’ has yet to really exist, then a general American transatlantic foreign policy based on cherry-picking – engaging coalitions of willing European allies on a case-by-case basis – becomes entirely possible. Such a stance is palpably in America’s interests, as it provides a method of managing transatlantic drift while remaining engaged with a continent that will rarely be wholly for, or wholly against, specific, American, foreign policy initiatives. Such a sensible middle course steers between the Scylla of not caring about bringing along allies, and the Charybdis of allowing a perpetually divided Europe to scupper all American diplomatic and military initiatives.

For such an approach to work, it is essential to view Europe as less than a monolithic entity. The differences in approach the Bush administration took regarding the Kyoto global warming treaty and the controversy over missile defence are instructive. By condemning out of hand the Kyoto agreement and offering no positive policy alternatives, the Bush administration found itself in a public relations disaster in its early days. By failing to engage the Europeans, the White House unwittingly succeeded in uniting them. Embracing the learning curve in the wake of Kyoto and refusing to believe reports that ‘Europe’ was implacably opposed to American desires to abrogate the ABM treaty and to begin constructing a missile defence system, the White House sent its representatives to the capitals of Europe where they found the ‘European’ stance on missile defence to be predictably far more fragmented than had appeared at first glance. Intensive diplomatic efforts led Spain, Italy, the UK, Poland, Hungary and ultimately, Russia, to embrace the administration’s initiative to one degree or another. By searching out potential European allies at the national level, Washington engaged in successful cherry-picking and avoided the kind of diplomatic and public relations disaster that had occurred in the wake of Kyoto.

Ironically, this realist policy actually calls for more diplomatic and political engagement with Europe at a national level, even if Brussels is to be generally taken less seriously. As the Kyoto episode makes abundantly clear, in order for cherry-picking to work for the US, it is vital to note divisions in ‘European’ opinion based on differing conceptions of national interest. America should be constantly engaged in evaluating differences within Europe in order to still be able to work with allies, bringing along a coalition of the willing on any given policy initiative. Europe, such as it presently exists, suits general American interests – its member states are capable of assisting the US when their interests coincide with America, yet it is feeble enough that it cannot easily block America over fundamental issues of national security. Cherry-picking as a general strategy ensures the endurance of this favourable *status quo*.

Militarily, such an approach explains present efforts at NATO reform. Beyond the sacrosanct Article V commitment, the future of NATO consists of coalitions-of-the-willing acting out-of-area. Here, a realist cherry-picking strategy confounds the impulses of both unilateralists and strict multilateralists. Disregarding unilateralist attitudes towards coalitions as often not worth the bother, this strategy calls for full NATO consultation on almost every significant military issue of the day. As was the case with Iraq, if full NATO support is not forthcoming, realists would doggedly continue the diplomatic dance, rather than seeing such a rebuff as the end of the process, as many strict multilateralists would counsel. A Combined Joint Task Force (CJTF) where a subset of the Alliance forms a coalition of the willing to carry out a specific mission using common NATO resources would be this strategy's second preference. If this too proved impossible, due to a general veto of such an initiative, a coalition of the willing outside of NATO – composed of states around the globe committed to a specific initiative based on shared immediate interests – would be the third best option. Only then, if fundamental national interests were at stake, should America act alone. Cherry-picking is a way around what has become a cartoonish debate, as very few decision-makers are either entirely unilateral or multilateral in orientation; the world is simply more complicated than this.

While agreeing with unilateralists that full, unqualified approval of specific missions may prove difficult to diplomatically achieve with NATO in the new era, cherry-pickers disagree with them about continuing to engage others at the broadest level. For, as the missile defence example illustrates, there are almost always some allies who will go along with any specific American policy initiative. That is, if they are genuinely asked. By championing initiatives such as the CJTF and the new NATO rapid deployment force, the Bush administration is fashioning NATO as a toolbox that can further American interests around the globe by constructing *ad hoc* coalitions of the willing that can bolster US efforts in specific cases.

Less developed than the NATO process, free trade coalitions of the willing hold out intriguing possibilities for a future that may well see the breakdown of the Doha free trade process. As with NATO, there is no doubt that a comprehensive, all-inclusive liberalising deal built around the Doha process (involving agricultural, services, and manufacturing liberalisation) would best suit both the world and the United States. However, given the great disparities in world opinion over the efficacy, and even the definition, of free trade, the United States must be prepared to enact free-trading coalitions of the willing if the Doha round stalls over European failures to respond to the developing world's demand for significant agricultural liberalisation. Certainly, the 'free trade by any means' mantra emanating from United States Trade Representative Bob Zoellick's office is an indication that the Bush administration is moving in this direction.

Beyond efforts to make the regional Free Trade Area of the Americas (FTAA) and bilateral deals with countries such as Singapore, Chile, and Australia viable, the Bush administration needs to embrace the idea of a Global Free Trade Association – a coalition of the willing determined to maximise trade

liberalisation throughout its member states.¹⁷ States around the globe that meet certain, predetermined, numerical criteria relating to trade policy, capital flows and foreign investment, property rights, and regulation would automatically qualify for the grouping. Members would, thus, select themselves based on their genuine commitment to a liberal trading order. Given the politico-economic commonalities such a grouping would share, it is to be hoped that the GFTA would allow for the freer movement of capital within the grouping, establish common accounting standards, set very low rates of subsidies across the board, and diminish overt and hidden tariffs. What must not happen to global trade if the Doha round stalls is that the US takes its ball and goes home; again a coalition of the willing, this time in trade, is the way forward.¹⁸

Politically, American policy-makers must ignore soothing EU communiqués and recognise that Europe speaks with many voices. For example, during the Iraqi crisis, while France, Germany, Russia, and Belgium led opposition to the war, Britain, Spain, Italy, Poland, and most Central and Eastern European governments ignored Paris and supported the American position. Indeed, there is a growing divide on issues of war and peace between more traditional European social democrats and the more modern, aggressive Blairite centrists on the continent. New Labour will remain available as a central ally in assembling coalitions of the willing in the future.

In addition, the cherry-picking strategy is the best way to combat French efforts to challenge American predominance. While it is certainly true that the Paris-Berlin-Moscow anti-war coalition resembled Dorothy's friends in the Wizard of Oz (each of the countries lacks something to be a great power on its own—Russia, a first-world economy; Germany, real military power; France, raw materials and an extensive industrial base), it is also true that such a coalition taken together has all the attributes of a balancing pole of power, with France providing the political and ideological leadership, Germany the economic power, and Russia the military wherewithal. While winning over Paris in a fundamental way is hopeless in the near term, both Germany and Russia remain at least as attuned to Washington as to Paris. By working together on a case-by-case basis, and not forcing Germany and Russia to choose between France and the US, Washington can effectively dilute the prospects of such a permanent coalition forming. Cherry-picking allows the Germans a way out of their self-inflicted diplomatic isolation, just as it allows Russia a chance to regain momentum in what has been a blossoming relationship with the US. I think National Security Adviser Rice was incorrect when she recently said: "Punish the French, ignore the Germans and forgive the Russians." A cherry-picking strategy would lead to a different conclusion. "Ignore the French (and work with them where possible), and engage the Germans and the Russians on a case-by-case basis." This is by far the best way to secure America's diplomatic advantage in the wake of the Iraq war.

¹⁷ John C. Hulsman and Sudabeh Koochekzadeh, "A Global Free Trade Association to Preserve and Expand the US-UK Special Relationship," *Orbis*, (Summer 2002).

¹⁸ Based on these criteria the following countries would be eligible: Australia, Botswana, Denmark, Estonia, Finland, Hong Kong, Iceland, Ireland, Luxembourg, New Zealand, Singapore, United Kingdom, United States.

Nor should America be seen to actively divide the European allies—such an approach would merely throw Germany into the arms of France. During a recent conference in Paris, when challenged by a member of the French foreign ministry that my plan was dividing Europe, I replied that I left that to President Chirac—that perhaps Chirac’s threats to keep pro-American Central and Eastern European states out of the EU if they did not tow the French line on Iraq might be more at fault than my policy proposals. I was merely trying to cobble together coalitions of the willing based on the fact that the most interesting diplomatic result of the war was a Europe versus Europe reality, not Europe as a whole standing against the United States. Cherry-picking forces no one to irrevocably choose between Paris and Washington; it engages countries on a case-by-case basis merely by dealing with Europe as we find it—divided, weak, but on a country-by-country basis more than available to participate in coalitions of the willing. More ham-fisted efforts to divide Europe would be entirely counterproductive.

A strategy of cherry-picking will preserve the *status quo*, where the transatlantic relationship, despite fraying a bit at the edges, continues to provide common goods to both sides of the Atlantic. As such, the Europe of today suits America’s long-term strategic interests. Cherry-picking will allow the US to make the appearance of a Gaullist, centralised, European rival far less likely, while distributing enough shared benefits that the overall transatlantic relationship will continue to provide Europeans, as well as Americans, with more benefits than problems. Such an accurate assessment, fitting the realities of the world we now live in – where the United States behaves multilaterally where possible and unilaterally where necessary – is likely to endure.

Overview

Too often foreign policy practitioners successfully manage problems while wholly missing out on creatively taking advantage of opportunities. The Continental Europe of today presents us with just such an opportunity: it remains divided into Gaullist and Atlanticist camps, with the anti-American grouping splintering and discredited because of American success in Iraq. A Europe of many voices, where the nation-state is again seen as the primary unit of foreign policy decision-making, will best suit American interests well into the future. In addition, helping to retard the perpetuation of a Franco-German-Russian alliance designed to balance against the US must be seen as a primary American national interest. In both cases, the general cherry-picking modus operandi would seem to be the template that American policymakers can best use to take advantage of the present situation in Europe. In the particular case of the anti-American coalition constructed over Iraq, there seems to be ample evidence that Germany (and to a lesser extent Russia) is amenable to such a strategy. Cherry-picking is an idea whose time has come.

TRANSATLANTIC COOPERATION: MORE PROMISING THAN IT MAY LOOK

Jean-Yves Haine

“There is only one thing worse than fighting with allies -- and that is fighting without them”.

- Winston S. Churchill

Parties involved in transatlantic discussions these days have developed a bad habit of exchanging insults rather than finding solutions. Atlantic conferences have acquired the unfortunate tendency to become disputes between the French and Americans. One may wonder what the neo-conservatives in Washington or the pundits on Fox TV would do without France. Equally, one may wonder what the most extreme French anti-American would do without Bush in office. French-bashing and Bush satire are the easy answers though. So, as an important disclaimer, I would like to stress the fact that despite my first name, I am not French, which in the current climate of Franco-American relations and even enmity for some well-known columnist of the *New York Times* is, alas, relevant. To be obliged to display your nationality as a credential for respectability (or lack of) is one of the worst effects of the Iraq crisis. The fact remains that public opinion on both sides of the Atlantic has continued to diverge: 12% in Germany support Bush's policies; 10% in France; and 19% in the UK. Anti-Europeanism in America is rising. The most deplorable characteristic detectable in this increasing gap is ignorance. Even sophisticated analysts tend to substitute ideology for rational analysis and bad-faith conclusions for healthy exchange of arguments. Rather, my point of view will be the one of a European saddened by the past crisis but resolutely optimistic about the future.

There is a not so new tendency to exaggerate differences amongst the transatlantic community. This tyranny of small differences may bring short-term political advantages to respective protagonists, but it cannot constitute a long-term strategy. We should remember that NATO in disarray means NATO in business. Even the creation of NATO was not the natural and easy endeavour that it may now seem in retrospect. At the time, prominent realists like G. Kennan at the NSC and C. Bohlen at the State Department fiercely opposed the Alliance. At the Pentagon, defence officials were against an alliance because they feared over-extension. It took T. Achilles, a strong supporter of European unity, and the prudent but sensible Republican A. Vandenberg to tip the balance in favour of the Treaty. From the 'bomb' in the Waldorf in September 1950 to the bombs in Kosovo nearly half a century later, disagreements in NATO have always been present and sometimes serious. The long list of premature obituaries for NATO, "where friends can fight and even agree" as Lord Ismay once put it, is nearly endless. Nonetheless, the crisis over Iraq was indeed serious.

The nature of the rift

As in every international relations crisis, the Iraqi conflict displayed a mix of contingent factors and deep forces. The first series largely explain the seriousness of the crisis, while the second set helps us to grasp the roots of this transatlantic dispute.

The optimist in me will say that the crisis was mainly due to contingent factors. Diplomatic errors, bad timing, and domestic politics were present on both sides of the Atlantic. If Vice President Cheney had launched his campaign against Iraq after the summer, Chancellor Schroeder would not have opened the Pandora's Box of anti-Americanism and pacifism in his election campaign. Hence, German isolation, so exceptional for a country which has based its foreign policy on multilateralism, could have been less severe. Schroeder's stance in turn offered an anchor for President Chirac when France decided to change its originally open stance to a definitive refusal to authorize the use of force. This partnership of circumstances, especially its ostentatious display at the occasion of the 40th anniversary of the Elysée Treaty, provoked a reaction from other European countries that refused to grant the Franco-German duopoly the right to speak in their name.

This European division was predictable from the start. In July, EU foreign ministers decided to formally hand over the Iraqi affair to the UN without addressing the strategic case at hand. By doing so, they gave a free hand to the permanent European members of the UN Security Council, France and Great Britain, the two countries with the most opposite views vis-à-vis the United States. Unsurprisingly, they decided to play the UN framework first and European solidarity second. In these conditions, the divide and rule tactics adopted by Rumsfeld were even more damaging. Last but not least, if the United States had chosen the UN path with a genuine willingness to seek compromise and without simultaneously proclaiming its eagerness to act unilaterally, then the UN would not have been caught in the impossible dilemma of "irrelevance". That Saddam Hussein has succeeded where forty years of Soviet communism had failed, i.e. the division of the West, was the real tragedy. This comedy of errors on every side largely explains the severity of the transatlantic dispute: at the peak, every international institution seemed in jeopardy. With less blindness, pride, or intransigence - to these diplomatic vices one may associate national virtues of their choice - the worst disagreement since Suez could have been avoided. For the first time, the rule of consensus was broken, three countries refused to assist Turkey, and the NAC was unable to resolve the dispute without deferring it to the DPC, where France does not have a seat. NATO was an unnecessary casualty of these diplomatic failures.

But the pessimist in me will agree that behind these contingent factors lie deep structural forces. The first series concern the Alliance itself. The end of the Cold War deprived the Alliance of one of its primary *raison d'être*. Without a clear and present danger, Atlantic solidarity was less urgent and automatic than before. The Bosnian and Kosovo wars demonstrated the difficulty of transforming NATO from collective defence to collective security. At 19, perception of interests - milieu, value and strategic goals - could not be the

same. Most importantly, the hegemon in the Alliance began a drastic revision of its utility and efficiency after the Kosovo war, even though NATO became a scapegoat for the strategic blunders of the conflict. With September 11th 2001, the US commitment to the Alliance was reassessed under the war on terror paradigm and the conclusion was blunt: NATO is useless. Moreover, with an administration that cultivates such a poor consideration for international institutions, NATO was in trouble well before the Iraqi crisis. Alliances have no meaning unless their members feel bound by obligation. They have no relevance if their members do not commit sufficient military capabilities to fulfil their objectives. On both accounts NATO suffered, the credibility gap associated with Washington and the capabilities gap associated with the Europeans.

The second series are related to certain Bush foreign policies and their relation to Europe. Before September 11th, there was a sense of fatigue in Washington regarding Europe. The reasoning of some neo-conservatives in Washington was simple enough: the Europeans were wrong about the German reunification process, they were equally mistaken in the Bosnian conflict, and they were gravely flawed in dealing with Milosevic in Kosovo. Europe was simply unable to get its military reforms right and incapable of seriously committing to do so. After 9/11, this fatigue turned into frustration and disinterest. Lord Robertson's call for the invocation of NATO's Article V was appreciated but not answered. Operation Enduring Freedom was an American war, not an Atlantic effort. The Alliance has simply disappeared from the Pentagon's radar screen. Most importantly, there is an absolute confidence in US power and its ability to settle new strategic challenges on its own terms. In that respect, the NSS document of September 2002 is crystal clear. The fall of the Twin Towers was a historical moment, a period of "tectonic shifts" as C. Rice put it, similar to the rise of the Soviet challenge at the end of the 1940s. This time, however, the new global challenge has to be addressed with a different assumption, one that makes all the difference between prudent realist policy *à la* Kissinger and pre-emptive doctrine *à la* Wolfowitz. The working hypothesis seems simple enough: US hegemony should be used to win, not to manage, the "war on terror" and the axis of evil that supports it. This unparalleled hegemonic position, once a source of questioning, if not a motive for inaction or withdrawal, is now a welcome reality that offers opportunities to shape the international arena. At its core, the NSS document calls for the United States to use its "unparalleled military strength and great economic and political influence" to establish "a balance of power that favors human freedom".¹⁹ A combination of unparalleled supremacy that should stay unchallenged and a global perception of new threats constitute the basis of the Bush doctrine. In this framework, allies have no real bargaining power.

The third structural factor is related to the position of the big players in the international system. From a broad perspective, a classic divide lies at the

¹⁹ The phrase "balance of power that promotes freedom" is repeated five times in the document. Its paternity belongs to C. Rice. Fitzgerald Frances, "Bush & the World", *The New York Review of Books*, September 26 2002.

core of the transatlantic community whose main characteristic today is the heterogeneity of its members. In the present circumstances, the US is clearly the *revisionist* power while Europe is a more *status quo* group.²⁰ European countries are by and large status quo oriented. They gradually absorbed the main result of the end of the Cold War, the peaceful reunification of Europe - certainly not a small achievement. In the process, they endeavoured to invent a new political body legitimate enough to represent 500 million people, but flexible enough to act effectively and efficiently. Their chief problem is currently one of organisation *among* them.²¹ By contrast, the United States has become the *revisionist* power in the world, mainly because after September 11th it cannot bear the status quo any more. Its perception of security has dramatically changed, as did the nature of the threat of transnational terrorism and "failed" or "rogue" states. Its chief concern lies in insecurity *inside* other states. This gap is as old as international politics, but raises nonetheless significant problems for an alliance, and NATO is no different in that respect. For the status quo powers, it raises the entrapment dilemma where they could be asked to participate in a war that they have not sanctioned. For the revisionist actor it is the opposite, the chain-gang dilemma, where the allies are seen as slowing factors and obstacles to its autonomy. Here lays the deepest force splitting NATO cohesion.

In that respect, Iraq was just the tip of the iceberg precisely because it was a war of choice, not a conflict of necessity, and because military victory was preordained. The debate evolved rapidly from the particular case to general principles: from Saddam's disarmament to Washington's use of force, from the opportunity for a second UNSC resolution to the relevance of the UN itself, from a specific demand of assistance by Turkey to NATO's *raison d'être*. In this confrontation of principles, room for constructive diplomatic manoeuvring simply disappeared. Contrary to a basic realist analysis, the White House tended to attribute to Saddam Hussein malicious intentions first and hypothetical capabilities second. Reversing this order of priorities, Europeans focused on current capabilities and disregarded past behaviour. Saddam may be a congenital liar, but he was not a danger. They were more or less ready to recognise the remote threat that a nuclear Iraq was likely to pose for the region in the future, but they did not support regime change by force, something that seemed to them too provocative a gesture in a country that had nothing to do with September 11th. Clearly, from a European point of view, NATO missed the right war, Afghanistan, and was called in the wrong one, Iraq.

Disagreement does not mean antagonism

Among the effects of September 11th 2001, the legitimate feeling of outrage in America did not allow for criticism of US foreign policies afterward. Those critical were often accused of misunderstanding, or worse, appeasement of

²⁰ This classic distinction was first formulated in 1946 by Hans Morgenthau, *Scientific Man vs. power Politics*, Chicago: University of Chicago Press, 1946. See also Wolfers Arnold, *Discord and Collaboration, Essays in International Politics*, Baltimore: The John Hopkins University Press, 1962.

²¹ As the failure of IGC has showed, this problem will stay for quite a while.

the new threat of international terrorism. Precisely because America was at war and Europe not disagreements about policies turned to antagonism. It should not have been that way. This tendency was reinforced by the respective asymmetry of power between the United States and Europe. Kagan's image of Mars and Venus has the merit of simplicity, but there is nothing fundamentally new there. Power asymmetry was in fact bigger in the 1950s and 1960s. Most importantly, military power has to be judged regarding the proportionality between ends and means. On that ground, US capabilities are less powerful and impressive than some neo-conservatives think. Regime change being one of the Washington's priorities, the US must develop capabilities to build the peace, not only wage the war. Condoleeza Rice once said the 82nd Airborne is not to "help kids to cross the streets". True enough, but the American problem is that there are not enough available troops to do that kind of job. For its part, the EU is not the military dwarf sometimes depicted by pundits. In 2003, more than 100,000 soldiers from EU members were deployed abroad, from Kabul to the Democratic Republic of Congo. The problem is qualitative, not quantitative: Europe has nearly 2 millions men under arms, but less than 10% are deployable – that is Europe's weakness. On the other hand, the Union has managed to build professional peace-keeping units with police, civilian administrators, and home and justice affairs officials. There are complementarities here, not reasons for antagonism.

Points of divergence were real however. The first basic dichotomy was related to the unilateralist versus multilateralist approach to world politics. Clearly, the Bush administration has displayed an ideological aversion towards multinational frameworks that goes well beyond the instrumental view of institutions usually chosen by Washington. The Bush team displayed a Jacksonian conviction that merged vigilance and modesty abroad, superiority of US values, and suspicion of international institutions.²² September 11th gave them a mission embraced with the zeal of crusaders. President Bush's beliefs amounted to a populist commitment to American liberties, a distrust of the federal government, and a deep patriotic feeling expressed in his attachment to the US Armed Forces. His journey from modesty to activism on the world scene was as impressive as was the conversion of C. Rice from great power balancer to regime change enforcer. Hence, the specific feature of Bush's grand strategy was based on the "coalition of the willing" mantra. After September 11th, Washington did not build on the sympathy expressed throughout the world for American victims; what the White House wanted was total freedom of action. The Kosovo precedent reinforced this unilateralist preference. On the other hand, the emphasis and commitment of the European Union to multilateralism is a genuine preference shared by a huge majority of citizens. It is an essential part of the new European security strategy, whose key concept rests in an "effective multilateralism" that will bring legitimacy and efficiency to international action.²³ True, some Europeans

²² "Jacksonians approach foreign policy in a very different spirit, one in which honor, concern for reputation and faith in military institutions play a much greater role. Of all of the major currents in American society, Jacksonians have the least regard for international law and international practice". Mead Walter Russell, *Special Providence, American Foreign Policy and How it Changed the World*, Alfred A. Knopf, 2001, p. 246.

²³ See the Solana Paper of June 2003, and updated in December 2003.

tend to take institutions for granted. An institution like NATO cannot live if free-riding is the norm. But in the Union, there is a rising consciousness about this imbalance, and defence remains one of the most promising issues where deepening of the Union could lead to real improvements in capabilities. A stronger Europe will ultimately lead to a stronger NATO.

The second divergence was a product of the first. Once institutions were disregarded, a coalition of the willing formed. From there, two basic attitudes were possible. One was a policy of bandwagoning with the revisionist power to gain influence. That was the path chosen by a number of European countries including Spain, Italy, and most importantly, Britain. The other option was balancing the United States. This is a far more delicate act given the power of the hegemon and the weaknesses of the balancers, France and Germany. Not surprisingly, this strategy invites other players to join the group, like Russia. Between these two stances Europe was torn apart. The important point, however, is the following: if influence is the criteria by which to assess the respective success of these strategies, both failed. What should guide European policies is not relative position vis-à-vis Washington, but the intrinsic merit of an interest. On that ground, it is not in the interests of the Union that the US regime change in Iraq becomes a failure. Regional instability, civil war in Iraq, and a worsening of the Israeli-Palestinian conflict could have serious strategic consequences for Europe, especially if the United States rapidly withdraws from its occupational duties.

The “divide and rule” tactic of the “New versus Old” Europe was not necessary either, since the seeds of division had already been spread in Europe. But by adding oil to the fire, Washington actually weakened NATO further. This is not in the long-term interest of the United States. As ISAF demonstrates everyday in Kabul, NATO has still a crucial role to play. Hence, the cherry-picking strategy is in fact a very fragile one for Washington, especially when it is played with European countries. Firstly, it runs the risk of pushing European countries into the balancing camp, thereby fuelling the self-fulfilling prophecy of a balancing Europe. Secondly, this strategy makes no sense against the threat of international terrorism where global intelligence is needed to prevent and tackle the problem. Lastly, there is no cherry-picking possible in economics, where the EU as a whole is concerned. Punishing some means punishing everyone.

The third disagreement is related to the degree of autonomy and responsibility of Europe. As noted before, the revisionism of the United States vis-à-vis the international system is obvious, but vis-à-vis Europe Washington is extremely reluctant to accept changes. The discussion about a European Security and Defence Policy draws out Washington’s schizophrenia in this respect. The recent dispute about a possible headquarters for the EU is the best example. On one hand, Washington ridiculed the April 29th meeting between France, Germany, Belgium and Luxembourg as a “praline” summit. On the other hand, this new headquarters is considered as “the most important threat” to NATO. Since the EU already has autonomous operations, it should be able to plan them. We are talking about a small center to plan operations, mostly humanitarian, in places where the US will not go: Moldova, Congo, etc... For bigger operations, the Berlin-Plus agreement remains the cornerstone of

European security. NATO provides a unique framework for multilateral exercise of power. This is why the NATO Response Force is so crucial; NRF shows that the US is re-engaged in alliance politics and it will allow for and help transform European forces. The NRF will probably be the most crucial military reform engaged in by European countries. The current political malaise should be cleared as soon as possible. Since NRF forces are all European, they should be answerable to the EU. The key point, however, remains military transformation. Again, a stronger Europe means a stronger NATO.

Together by necessity

Strategy will bring Europe and the United States back together. The United States has underestimated the value of allies in its “war on terror”; the EU has undervalued the danger of international terrorism. Both are moving in the right direction.

In June 2003, the European Union approved a major document, *A Secure Europe in a Better World*, which represents the first draft of a genuine security strategy for the Union. This was historic. For the first time, an organisation of 25 independent countries has agreed to set up common foreign and security policies objectives. An inward-looking Europe is no longer possible when America is engaged in a global agenda that has serious direct or indirect consequences for the Union. First, it is a threat-driven document, a dimension never addressed by the Union before. The Solana document identified three major threats: international terrorism, WMD proliferation, and failed states. In such an environment, the Union recognised that the traditional form of defence - territorial line in a Cold War fashion - is a thing of the past. The first line of defence now lies abroad. Although this analysis may sound familiar in comparison to the NSS of September 2002, the message to Washington is more nuanced. First, Europe is at peace, not at war. Even if the possibility of an al Qaeda attack against the territory of the Union is duly underlined, the document is not a call to arms or an appeal for increased homeland defence. Second, if the security threats are similar, their management is not. In the Union’s view, addressing these threats cannot be limited to military force. While not excluding it, the Union intends to take a broader approach, combining the political and the economic with the civil and the military. Regarding terrorism, there will be no effective solution that is not global. Regarding WMD proliferation, strengthening international regimes and progressive conditionality remain the best toll to counter proliferation. Without excluding the use of force, the Union clearly rejects a strategy of pre-emptive strike.²⁴ Lastly, while the Union recognises that “failed” or “failing” states - not

²⁴ In a declaration agreed in May, the Union has set up its strategy vis-à-vis WMD proliferation: “Political and diplomatic preventative measures (multilateral treaties and export control regimes) and resort to the competent international organizations (IAEA, OPCW, etc.) form the first line of defence. When these measures (including political dialogue and diplomatic pressure) have failed, coercive measures under Chapter VII of the UN Charter and international law (sanctions, selective or global, interceptions of shipments and, as appropriate, the use of force) could be envisioned. The UN Security Council should play a central role”. Available at <http://ue.eu.int/pressdata/EN/reports/76328.pdf>

“rogue”, a category that does not exist in EU terminology - are a major source of instability, it advocates the extension of good governance rather than regime change. From a similar analysis of the post-9/11 environment stems a more diversified and comprehensive strategy. Briefly put, for the Union, the world is indeed more dangerous, but it is also more complex. Washington should nonetheless welcome the “Soft Power Plus” message delivered by the Solana document. Europe has changed, I will argue, for the better. It is beginning to think strategically.

For its part, the United States should, given the difficulty of stabilising Iraq and the need for foreign assistance, rediscover the relative merit of allies. A unilateralist policy is not sustainable when ambitious goals, such as democratisation of the greater Middle East, are pursued and when global campaigns like combating international terrorism are at stake. Past failures in Afghanistan and current difficulties in Iraq underscore the limits of US power in stabilising post-war countries. They also represent real domestic political risks for the Bush administration. Post-war Iraq turning into a Lebanese nightmare could give new impetus to a renewed pleading for a more isolationist America. Moreover, the Iraqi preventative war has increased US isolation in the world and led to the deterioration of the US’s image abroad. The US may indeed enjoy the luxury and hubris of its dominant position in the world. However, its grand strategy is doomed to fail without international legitimacy. On these grounds, the US needs Europe more than it thinks.

Moreover, from an economic point of view, the basic reality of transatlantic economics, as Sir Quinlan has demonstrated, is one of intertwined economies and rising cross-investments.²⁵ The US has invested more than \$40 billion in old Europe (France and Germany) in the first half of 2003 (15% more than last year). For their part, Paris and Berlin have invested more than \$36 billion in the US in the first half of 2003, a 50% increase compared to last year. Meanwhile, the White House has acknowledged a deficit of \$455bn in this current fiscal year and has predicted a \$475bn deficit for next year, which amounts to 4.2% of gross domestic product. Coupled with jobless economic growth, this puts the White House on the defensive.²⁶ The non-partisan Congressional Budget Office forecasts that America’s federal budget deficit could total up to \$5 trillion over the next 10 years, and this could be a moderate estimate if the trend continues. Foreign investors now hold about two-fifths of the federal debt, doubling the proportion they held 10 years ago. This state of dependency contrasts heavily with the unilateralist assertion that Washington can “go it alone” where and when it deems necessary. These unilateral assertions are highly questionable in economic terms.²⁷ In any case,

²⁵ Joseph P. Quinlan, “Drifting Apart or Growing Together? The Primacy of the Transatlantic Economy”, Washington, D.C.: Center for Transatlantic Relations, 2003.

²⁶ Deborah McGregor, “Democrats take aim at soaring budget deficits”, *Financial Times*, July 16 2003.

²⁷ Some have tried to evaluate the cost of the going alone policy. “The extra cost of unilateralism could be very roughly \$100bn. In other words, America would have saved that much money by finding a strategy that elicited broader support. Thus, unilateralism has a price: about \$1,000 for each American household. Of course, these are only the direct financial costs of the Bush administration’s decision to go it alone, notwithstanding Britain’s contribution. Iraq is just the starkest example of unilateralism costing America dear”. See Brainard Lael and Michael O’Hanlon, “The heavy price of the US going it alone”, *Financial Times*, August 5 2003.

a unilateralist policy will narrow President Bush's room for manoeuvre domestically and economically. As he must realize from his father's experience, the real story of American politics is not the primacy of foreign politics, but rather the primacy of domestic economics. Over-stretched was an adjective pretty much in vogue in the 1980s. It will come back to haunt the "city on the hill" when the vertigo of its budget deficit calls for modesty in foreign policy.

A more responsible Europe should remember the lessons of Locarno: excessive legalism in collective security and inadequate armaments are a lethal combination. Defining common interests, assessing collectively the nature of the threats, and correcting defence budgets constitute the first necessary steps forward. This, however, will take time. For this reason, Europe needs America more than it thinks. Recognition of mutual deficiencies calls for a rapid end to the NATO crisis. Cold assessment of common self-interests across the Atlantic demands a renewed and stronger transatlantic partnership. In the current context of international terrorism, turmoil in Middle East, and instability in the Caucasus, the worst scenario would be an isolationist America and a weak Europe.

FROM CONTAINMENT TO N-GAGEMENT: ATLANTICISM IN A NETWORK-CENTRIC WORLD

Henrikki Heikka

The anti-imperial empire

A few months ago, I was able to ask Henry Kissinger some questions related to American hegemony and European security. Dr Kissinger's answers, which can be perused in detail in *Ulkopolitiikka 2/2003*, set me thinking about an aspect of transatlantic relations which often seems to be submerged beneath the daily wrangling on specific policies and institutional questions: the question of the grand strategic mission of the transatlantic alliance.

Since Dr Kissinger is often ranked on a par with Metternich, Talleyrand, Bismarck and other legendary grand strategists, I asked him whether he regarded American primacy as sustainable in the long term. This is what he had to say:

“I do not believe that it is in the interest of the United States to try to dominate the world by military force because that means that the only way we can prevail is through power and not through consensus.

Secondly, I believe that if you try to conduct yourself in that manner, it exhausts society psychologically over an extended period of time, and this is why most empires have collapsed internally before they were pushed from the outside.”

While Kissinger's premise is hardly a novel one, and many classics about the rise and fall of empires have dwelt excessively on the burdens that ruling through the use of force impose on the civic virtues of society, it nevertheless represents, in my view, a useful starting point for reflecting on the future of transatlantic relations. More to the point, it reflects one of the key challenges of our times: how to maintain the exceptionalist, anti-imperial nature of the West in the age of terror.

The real war: Jefferson vs. Bin Laden

In one of his many books, Henry Kissinger outlines the problematique that American grand strategists have faced since the early days of the Republic: Could the country nurture the ambitions of a great power without resorting to traditional superpower means in pursuing those ambitions?

Jeffersonian ideas of liberty as the principal aim of government led America to pursue – consciously – a different road from European great powers at the time. Whereas European states were characterised by the rule of the few,

defined the national interest in terms of power, saw war as an extension of politics, and built colonial empires based on fear and force, Jefferson's empire – based on the experience of being a subject of rule by a distant metropolitan power – was built on republicanism, limited government, commercial diplomacy, and a grand strategy of restraint.

The tension created by America's exceptional route and the realities of international politics was always an extremely difficult one to manage. The more powerful the Republic became, the more difficult it became to be exceptionalist. The growth of US power led to the temptation to either impose its image on others, or to use its power and its secure geopolitical location to isolate itself from the rest of the world.

As the Republic turned into a world power, it had to manoeuvre its exceptionalist mission in relation to four potential hegemonies – the Kaiserreich, Nazi Germany, Imperial Japan, and the Soviet Union – all with distinctly anti-republican missions. Two world wars taught America's grand strategists that occasionally one had no option but to unsheathe one's sword to defend republican values. The credibility established in two world wars ensured that the war of attrition against the Soviets never turned into a hot war.

With the collapse of the Soviet Union and the liberation of Eastern Europe, it looked like America could finally return to its Jeffersonian roots. The title of Henry Kissinger's 2001 book on American foreign policy, *Does America Need a Foreign Policy?*, neatly summed up the challenge of American foreign policy-makers at the time. The question lost its relevance the second that the first plane hit the World Trade Center on September 11th, and the temptation to solve all the world's problems with overwhelming force reappeared.

The global war against terrorism is putting the virtuous, anti-imperial nature of American political culture under immense pressure. Nowhere is this more evident than in neo-conservatism, the nexus where American exceptionalism meets the realities of the age of terror. And where the light is brightest, the shadows seem darkest. The fact that no one doubts that America can go it alone on the military front only makes the neo-cons' task more challenging, since it lowers the threshold of using military force unilaterally, which in turn can lead – as Kissinger warned – to a process that can, in the long haul, be psychologically exhausting to a point where the virtuous founding idea of the Republic becomes threatened and America's image as an anti-imperial power tarnished.

The Republic of Europe

For four centuries, from Westphalia to the end of World War II, the countries of Europe sought to find their own exceptionalism. The European project failed to prevent major wars, but in another way it was a unique success. Unlike the Orthodox world, the Islamic World, or China, European international society from Westphalia onwards did not invariably disintegrate from a Republic of separate nation states into imperial power structures.

While the instruments used to defend a republican system of governance in Europe were practices associated with *realpolitik* – the defence of sovereignty and the national interest (introduced in Westphalia in the 17th century), maintaining a balance of power through continuously shifting alliances (introduced in Utrecht at the beginning of the 18th century), and agreements on the spheres of interests and tacit rules of behaviour (introduced in Vienna in the early 19th century) – their use by European statesmen was guided by a shared acceptance of a *raison de système*, which sought to prevent a hegemonic order from appearing in Europe.

The evolution of the Republic of Europe was temporarily interrupted during the first half of the 20th century when one power grew so strong that its leaders succumbed twice to the temptation to solve their security dilemma through a bid for hegemony. Germany's socialisation into the Republic of Europe was followed by half a century of preventing an external aggressor with hegemonic intentions, the Soviet Union, from doing to Western Europe what it had already done to Eastern Europe. In all of these cases, the Republic of Europe would not have survived and its exceptionalism would not have thrived, had it not been for the political, economic, and military presence of the American Republic.

The roots of the transatlantic crisis

Having been so successful in dealing with revolutionary agitators and revisionist dictators, why have the liberal democracies of the West now failed to come up with a common strategy in the global war against terrorist networks and WMD-seeking rogue states? Why is it that Europe and America no longer share a common vision even when it comes to the principles of international order?

Numerous explanations have been put forward. Americans are from Mars, Europeans from Venus, says Robert Kagan. Americans are good at war, Europeans excel at making chocolate, hints Rumsfeld. Conspiracy theorists in Europe blame the neo-cons, while conspiracy theorists in America blame the Gaullists, both citing each other in order to prove their point and to increase their clout in domestic politics. Deeper thinkers, like Charles Kupchan, have argued that many of the problems that the transatlantic relationship is experiencing have to do with American anxieties about the rise of the European Union as a security political actor.

Let me briefly discuss yet another explanation, the supposedly different values of Europeans and Americans, since it relates to the topic of Western exceptionalism and probably poses the most serious challenge to the whole transatlantic project.

According to advocates of this argument, the problem of diverging values has been a long time in the making, encased in the political straitjacket that the Soviet threat forced upon the West. Europeans, so the argument goes, have always preferred secular, rational, and individualist values, presuming the

existence of a comprehensive social safety net, while Americans have increasingly turned to religion, family and socially conservative values, with hard work and virtue replacing the need for European-style social safety nets. European conservatives, by American standards, look like social democrats that are simply looking at the welfare state from the perspective of net payers. American neo-conservatives, for many Europeans - including some conservatives - seem like fundamentalists who are substituting social security with religious sermons.

If this argument is valid, the bad news stemming from it is that the traditional elitist solutions for maintaining the transatlantic relationship no longer work. During the Cold War, Fulbright scholars flocked to Ivy League colleges, while Rhodes scholars from America came to Oxbridge. The transatlantic elite read the same newspapers, spoke the same language of Anglo-Saxon liberalism, shared the same threat perception of Soviet communism, and upheld the same faith in the security solution, NATO.

For those who believe in the value-gap argument, these traditional solutions no longer work. European and American elites may still understand and respect each other, but their respective publics do not, and with the communist threat gone, the elites have no excuse not to listen to them. Gaullists exist in Europe, and Euro-bashers in the US because there is a political niche for such people and because the traditional reasons cited to dismiss their views no longer exist.

Just faking it?

The good news, however, is that everything might not be quite as it seems. One might argue that the gap in values appears wider than it really is, because values serve a function in political rhetoric and political identification.

For example, public opinion polls might suggest that Europeans want a multilateral, rule-based international system, but when Europeans discover that some international treaties are not in their interest they are quite happy to act unilaterally. Finnish politicians have had no difficulty in explaining Finnish unilateralism regarding the Ottawa land-mine treaty or, more recently, in expressing doubts about the Kyoto protocol. Indeed, Finnish non-alignment, at least in the past few years, can be seen as a grand strategy of unilateralism.

Similar anomalies can be found throughout Europe, such as the recent violations of the stability pact by the large member states of the EU. The self-appointed champions of multilateralism in Paris seem to regard themselves as operating above European law. As the French rave on about the virtues of the European project, they rank alongside Italy as the least effective in actually implementing EU directives. When someone does not agree with the French version of multilateralism, they are told to hold their tongue.

Likewise, the feature of American political rhetoric that most worries Europeans often seems to be equally detached from reality – and consciously

so – because it serves in part the function of maintaining delusions. American neocons might say they want to be tough on all dictators, but that does not mean they could actually muster support for overthrowing regimes whose behaviour does not threaten American interests. Maybe identifying with the neocons means that you would like to overthrow all dictators, just like identifying with social democrats means you would like to eradicate poverty from the world.

George W. Bush may have baffled listeners with his recent declaration that Russia is a country “in which democracy and freedom and rule of law thrive” (the country is ranked between Mozambique and Algeria by Transparency International, and has recently been downgraded by Freedom House from “partially free” to “not free”) but few people believe that he is speaking in earnest. The point is simply that it is in the American interest to do business with Russia in the war on terror as well as in the scramble for Russian oil and gas companies, and therefore it is necessary to profess that Putin is a nice guy.

One could go on quoting examples of similar rhetoric on both sides of the Atlantic, but the point is that if we become more conscious of the self-serving nature of such rhetoric and do not draw too far-reaching conclusions from it, we can see what really matters: delusions aside, Europeans and Americans still believe in liberal democracy, republican institutions and free markets. What is lacking is not common values as such, but a common grand strategy on how to defend and promote them in a globalised world.

Let me turn next to the Finnish foreign policy debate and say a few words about two of its main discourses, which I refer to as closet-Atlanticism and moomin-lateralism. Both reflect the self-inflicted nature of the transatlantic crisis in an interesting way.

The closet-Atlanticists

One can identify Finnish closet-Atlanticists from rhetoric describing Finland as a “normal” Western country, quickly appended by a long list of exceptional security arrangements ranging from non-alignment to the maintenance of a half-a-million-strong conscript army and a territorial defence doctrine.

Peel away the rhetorical veneer, and the worldview of the closet-Atlanticists reveals its true nature, which is composed of four assumptions. The first assumption is that Russia is still a potential threat to Finland and that this threat might manifest itself in a military form in the long-term future.

The second assumption is that since defending Finland is not in the vital security interest of any Western country, Finland should rely on its own defence capabilities as much as possible. Closet-Atlanticists have convinced themselves that conscription is the most cost-effective instrument for achieving this aim.

The third assumption is that, should external help be needed, the American military is the only one capable of actually providing the whole package required in the unlikely, yet not entirely impossible, contingency of major war in the Nordic-Baltic region sometime in the future.

Fourth, closet-Atlanticists believe that Finland should eventually formalise its close relationship to NATO, but only after there is a broad political consensus in the country on the issue.

Underlying these beliefs is a worldview that sees a continuity between Finland's Cold War position (at least as it existed in the minds of the Atlanticists) and the country's current position. According to the closet-Atlanticists, Finland was, and remains, the northernmost link in the chain of law-abiding Western countries bordering Russia. Closet-Atlanticists regard Finland's 50-decade Cold War struggle as a footnote to a five-century long struggle, essentially one long Cold War, interrupted by only 14 hot wars, all against Russia.

The closet-Atlanticists remain in the closet for several reasons, the most important being that the general public is quite happy with military non-alignment.²⁸ As long as this is the case, Atlanticism in Finland will remain an elitist phenomenon.

The main weakness of Finnish Atlanticism is that it is an ad-hoc compromise among the elites of the main parties, and will probably not last for long. Conservatives and Lipponen-loyalists go along with it because they accept the basic logic: the Russian threat offset by the solution of EU membership plus American security guarantees – even if the conservatives are not all that happy about remaining in the closet.

Pacifist left-wingers are attracted to closet-Atlanticism because it makes it possible to keep more pressing hard-security questions – such as European defence - off the public political agenda. Closet-Atlanticism allows the left to cling to the idea of Europe as a soft-security project, an idea which is essentially a nostalgic update of their former EEC policy. For the left, Atlanticism will probably lose some of its appeal as soon as it is no longer a covert agenda.

The Centre can live with closet-Atlanticism because the party wants to hang on to the so-called credible independent defence posture, which in practice translates into military bases or weapon depots in the electoral districts where Centre Party MPs come from (although recent parliamentary debate about streamlining the command structure of the defence forces suggests that the

²⁸ One can speculate on the reasons behind Finnish reservations towards NATO – although high on any list should be general ignorance of the Alliance, anti-Americanism (cleverly exploited by some politicians), and the historical experience of involuntary military alliances with the Soviet Union and Nazi Germany, still something of a taboo in the Finnish political debate. At a deeper level, the anti-hegemonic role that Sweden-Finland played in defending Europe's republican security order for centuries, first against the Habsburg bid for hegemony and then Russian expansionism, could also be construed as an aversion to hegemony in general.

desire to keep a military base in one's electoral districts is by no means limited to the Centre Party).

Taken together, these three very different reasons for supporting closet-Atlanticism suggest that the school is, above all, a temporary excuse for the elites of the main political groups to stay in their Cold War trenches, in effect putting a fresh slant on the transatlantic project.

The moomin-lateralists

Moomin-lateralism is the main alternative to closet-Atlanticism in contemporary Finnish foreign-policy discourse.²⁹ Moomin-lateralists are fellow wayfarers who, at some stage in their life, realised that socialism is not the road to truth and decided to question the existence of truth. Forced to choose between reality and the socialist Moominland of their dreams, they chose to live in their fairy tale. While few people in the foreign-policy elite subscribe to it, moomin-lateralism is phenomenally popular among the Finnish public.

The moomin-lateralist worldview defies any simple definition – it is more a state of mind than a theory of world politics – but the school is based on an idealist view of the perfectibility of man and the need to create institutions that make social progress possible. The virtuous side of moomin-lateralism consists of a genuine will to support human rights. Many moomin-lateralists in the foreign policy establishment are veterans of the Helsinki OSCE process (which, according to them, played a key role in bringing an end to the Cold War), and can point to a long track record of being on the side of oppressed peoples around the world. Likewise, the moomin-lateralists' commitment to multilateralism and arms control, as well as their patience in building a world based on rules, norms, and institutions, is noble.

The dark side of moomin-lateralism arises from their stubborn anti-Americanism and anti-capitalism, which forms the emotional and ideological foundation of their worldview. Moomin-lateralists are convinced that developing dense social safety networks and erecting barriers to the free movement of capital and goods around the world would bring about social progress and harmony.

As far as moomin-lateralists are concerned, a supposedly aggressive, capitalist, and imperial America is the reason why their economic policies (one might refer to them as moominomics) do not work in real life. The possibility that some degree of desire for personal welfare might, instead of being made in the USA, be part of the human condition is shrugged off by moomin-lateralists as false consciousness. Emancipation from the imperial authority of capitalism, moomin-lateralists say, will solve the problem – and anyone who tries to wax psychological on their views is greeted with pre-Oedipal rage.

²⁹ I owe this concept in part to Thomas Ries, who has invented the concept “moomin-Finns” to refer to broadly the same people. (The moomins are characters in children's stories by Tove Jansson. They are usually associated with being sympathetic, kind, and somewhat naïve.)

In the Finnish debate, the moomin-lateralists' anti-Americanism often translates into anti-NATO sentiments. Most moomin-lateralist were, for the better part of the 1990s, convinced that NATO enlargement was the most evil idea ever dreamt up by humankind, and spent their time and political capital in advising the Balts not to join the Alliance, since doing so would, according to moomin-lateralist logic, bring instability to the Baltic Sea region.

At the current time, moomin-lateralists are firmly opposed to Finnish NATO membership. NATO, according to their way of thinking, is bad because it is dominated by America, a unilateralist power. That non-alignment might itself be a form of unilateralism, and acting through NATO a form of multi-lateralism, seems to have escaped the attention of the moomin-lateralists.

The problem with moomin-lateralism from the perspective of Atlanticism arises directly from their inability to break with their long tradition of anti-Americanism. For half a century, the grand mission of the Moomin-lateralists was to minimise American influence everywhere in the world, and in Europe in particular. As long as the moomin-lateralists seem to have no major regrets about that mission, their credibility in the project of rethinking Atlanticism remains close to zero.

Back to basics

Is there a politically relevant, morally defensible third way beyond closet-Atlanticism and moomin-lateralism, beyond America-first unilateralism and Paris-first Gaullism, that could give fresh momentum to the transatlantic project? I would like to suggest that there most certainly is, and that we are already well on our way towards realising it. To sketch the outlines of the project from a Finnish perspective let me first backtrack to the exceptional roots of the transatlantic project.

Unlike any other military alliance in world history, NATO was born out of the need to defend and promote liberal democracy, republican governance and free trade. It reflected the common values between two exceptionalist political cultures, those of America and Western Europe.

After World War II, the transatlantic project translated temporarily, and only temporarily, into "keeping the Americans in, the Germans down, and the Russians out". Keeping the Americans in was essentially about "connecting people", whereas keeping the Russians out was about "disconnecting people". The collapse of the Soviet Union, the enlargement of NATO into Eastern Europe, and the gradually expanding co-operation between Russia and NATO accomplished the mission so aptly summed up in Lord Ismay's words.

The debate invites one to go back to basics and ask what defending liberal democracy and free trade means in the contemporary world, which is something that closet-Atlanticists and moomin-lateralists seldom do, and which the Gaullists and the neo-cons seldom think of from a genuinely transatlantic perspective.

The not so clear but still present threat

The nature of today's threat perceptions can be summarised – to borrow another slogan from a certain multinational company – in the slogan “Anyone, Anywhere”.³⁰ We live in a globalised, networked world. We are networking our societies. We are networking our economies. We are networking our critical infrastructures. We are networking our defences.

Modern technology means that borders, territory and defensive depth have lost much – though not all – of their significance. The reliance on information networks for basic services, such as the supply of electricity, means that a single computer virus can inflict more damage on a country's economy than a naval blockade could in the past. The massive daily movement of people, goods and finances, combined with the opportunities that modern communications technology provides for co-ordinating activities on a global scale, is useful not only for creating wealth but also for the purposes of terrorists.

Globalisation and the emergence of the network society have not been welcomed by everyone. Elites relying on tradition and coercion, especially in the Islamic world, have resorted to deflecting anger away from their corrupt practices of governance towards symbols of free trade, such as the Twin Towers. For these elites, globalisation and networks provide instruments to attack the core values of Atlanticism: liberty and free trade. In a networked world, “Meet nice people and destroy them” is not only a slogan for selling mobile game decks, it is unfortunately also the slogan of WMD terrorists, cyberterrorists, and rogue states.

N-gagement: Four imperatives

The question of rethinking the transatlantic project has a lot to do with creating strategies for maximising the positive, liberating aspects of globalisation and the advent of network societies, while minimising the threats created by the same phenomena. While not all of the threats facing the transatlantic community fall into this category – Russia's increasing authoritarianism and the rise of China pose some rather conventional threats – much of the confusion about the future direction of the transatlantic project seems to relate to an inability to decide what Atlanticism means in a networked global society. Let me hint at four challenges that the transatlantic community has to tackle in the coming decades and how a strategy based on networking and high-tech solutions could help even small countries like Finland to play an active role in the game.

³⁰ So that rallying moomin-lateralists don't get the wrong idea, I hasten to stress that this slogan is from an ad for a recent technological gadget, and has nothing to do with what such a slogan would have referred to when moomin-lateralists were in their youth.

Develop network-centric defences

The ongoing revolution in military affairs has revolutionary political implications for the transatlantic security community. For the last two hundred years, wars have been won by large mass armies supported by heavy weaponry made by a large military industrial complex. Warfare has been about destruction. The advent of network-centric warfare (or network-based defence, as the Nordics call it) means that this is no longer the case. Wars will be won not by the one with the larger army or heavier weaponry, but by the side that has information dominance. You no longer need destruction; disruption can be a more effective way to continue politics by other means.

In short, what net-centric warfare signifies is the comprehensive integration of surveillance, command-and-control systems and firepower into one net. Tiny groups of special forces, working together with other services, especially the air force, can deliver more firepower more accurately and faster than massive formations of ground forces in previous eras. The destruction of the enemy via conscript-based mass armies and heavy weaponry will be replaced by disruption of the enemy's critical networks, through small professional units and precision-guided weapons.

Integrating net-centric warfare ideas into grand strategy should be a priority for tech-savvy countries like Finland. One could argue that, considering how much an R&D-based, export-driven, economy like the Finnish one benefits from Pax Americana and the global free-trade regime maintained by American hegemony, preparing forces for net-centric operations should be seen not only as an option for us, but also as our responsibility.

Producing troops for peace-keeping operations should be a niche for countries with a comparative advantage in low-wage manpower. If Finns are as good at peacekeeping as they think they are – and their record and reputation suggests that they might well be – the brand could be used for consulting purposes in comprehensive peace-keeping solutions for those countries where producing the actual peace-keepers makes more economic sense. For Finns as well as other fellow Nordics, a capital-intensive approach to security would seem to be a natural extension of their more general role in the global system.

Develop European defence

Our future net-centric forces should be designed in the context of European Defence and a two-pillar transatlantic security community. The promise of European defence is that it allows us to spend money more wisely by taking advantage of the economies of scale of European-wide military planning, procurement, base infrastructure and actual deployments. A wisely planned network of military bases (including “virtual” ones which would leave a less offensive footprint in places such as the Baltic rimland) would also solve many of the problems of EU homeland defence along the Eastern reaches of the continent. Many of the problems arising from Finland's geostrategic isolation could be solved, for example, by locating a major European military training

facility in the country, signalling the permanent commitment of the large EU member states to the region.

While steps like this might still seem to be in the distant future, the European project has showed its capability of maintaining its momentum in the long term. As the continent already has a common currency, a common parliament, and will soon have its own constitution and the figureheads for its executive branch of government, it is reasonable to expect that it will probably sooner or later have a functioning common defence as well. As several observers have pointed out, it is rather strange that Europe, with a population of some 450 million, has to rely so heavily on the 280 million Americans for its homeland defence.

Convince Washington that a strong Europe is good for America

For a healthy transatlantic relationship to emerge, we need to adjust Atlanticism to the realities of a post-Atlanticist world. There should be no need to cry “multipolarity” every time someone mentions the ESDP. European defence can be safely embedded in a transatlantic security community, as long as Europe and America foster strategic cultures that are close enough to each other. The crux of the matter should be grand strategic principles, not small institutional issues, such as military planning cells.

The usefulness of the process of drafting Europe’s first grand strategy under Javier Solana is that it demonstrates that a European strategic culture, though vague and unsophisticated compared to the American one, really exists and that it has very little to do with the kind of Gaullist strategic culture that some observers inevitably see wherever they choose to look. Gaullists do exist, but the momentum of the European project, including the ESDP, has for quite some time been way out of their control, as even the Gaullists themselves are beginning to realise. Europeans should strive to make this reality common knowledge in the American debate as well.

If Europe were to shoulder a larger part of the burden of combating terrorism and promoting liberty and free trade around the globe, some of the psychological pressure exerted on America in the war against terror would be alleviated. In turn, Europe would be in a much better bargaining position to cut the unilateralist excesses of American policy and to ensure that the elites in Washington listen to Europeans on issues that really matter to them. What is needed is what Solana’s adviser, Robert Cooper, has alluded to in his recent book as the synchronisation of the grand strategies of the EU and the US.

For that to happen, one needs bridge-builders that can credibly claim to be Atlanticist and Europeanist at the same time. In theory, Finland should be at the top of the rather short list of such countries, if only the closet-Atlanticists would come out of their closet and the moomin-lateralists would grow up.

N-gage civil society

One of the basic lessons of network-centric thinking is that a network can only be defeated by another network. Networks, in turn, can be efficient only when there is a common mission, a common grand strategy to unite the nodes of the network. A case in point is Al Qaeda itself, a loose, self-organising network, which is so deadly because all of its members are united by the same mission – to defeat the values that the transatlantic project stands for.

What the transatlantic community desperately lacks is a sense of common mission – not only because there is a lack of grand-strategy proposals in the public debate but also because the ideas that exist in the larger member states, whatever they may be, are often poorly articulated, rather contradictory, and often confined to elite circles. Cases in point are the different ideas that the elites in France, Germany, Britain, and the US have about the future of the transatlantic security community, as well as the view of the Finnish closet-Atlanticists and moomin-lateralists.

The more we rely on networks, rather than formal institutions, the greater the need for social networks based on a common mission. We must now rethink how to engage the networks of civil society on both sides of the Atlantic to oppose the networks of uncivil society created by terrorists and their rogue-state supporters. Unless the civil societies of Europe and America can come up with a common mission, there is only so much that political elites can do to keep the transatlantic relationship intact under the terrorist threat. If politicians do not respond to the signals coming from civil society, they will be replaced in the next election.

Few countries have thought, developed and tested ideas on how to use technology to create a “network society” as thoroughly as Finland. Few such countries can boast a record of combining economic competitiveness, advanced technology, and a well-functioning public sector to the extent that Finns can.³¹ Maybe the Finnish example provides some lessons on using technology to strengthen the social fabric of a community, lessons that could be applied to the transatlantic community as a whole.

Conclusion

In sum, I would like to argue that the answer to the question of whether the transatlantic community will survive the exceptional challenges of the age of terror will depend, to a large extent, on whether we can rethink the exceptionalist cause behind the transatlantic project to meet the challenges of a globalised, networked world.

The United States is the only anti-imperial empire in history, and it is very much in everyone’s interests – including and especially the European interest

³¹ See, for example, Manuel Castells & Pekka Himanen: *The Information Society and the Welfare State: The Finnish Model* (Oxford: Oxford University Press, 2002).

– that it remains so. Likewise, the European project has created an exceptionalist political culture in Europe that has no parallels in history – and it was the American security umbrella that made the project possible. It is as much in American interests as it is in European interests that the European project continues to go forward and to do so in close co-ordination with America.

Much of the current disagreements in the transatlantic relationship, I believe, are self-inflicted and can be solved by becoming conscious of the exceptional political and strategic culture that unites Europe and America. The transatlantic project has always relied on a shared commitment to liberal democracy, free trade, and republican governance, and to maintain the momentum of the project all we need to do is apply these principles to the security challenges of today rather than those of yesterday, and to embrace the growing coherence and independence of the EU as the other pillar of the transatlantic project.

A country like Finland, with an exceptional record of defending the core values of Atlanticism throughout its history, and a reputation as a Federalist country in EU circles, should be a key player in the project to retain the exceptionalist drive behind the transatlantic project in a post-Atlanticist world.

SUMMARY OF THE PANEL DISCUSSION: US – EUROPEAN RELATIONS

Terhi Suominen

The debate concentrated primarily on the current and future state of transatlantic relations. Other major themes discussed were NATO, European security and defence, Russia, Finland's bilateral relationship with the US and the respective roles of the EU, NATO and the UN in the world.

The panellists made it clear that **the transatlantic relationship** has been of vital importance for both Europe and the United States since the 1940s. Transatlantic relations have historically and are at present based on common interests in economic, political and security affairs. Despite current disagreements, rifts and criticisms on both sides of the Atlantic, there was a clear consensus amongst panellists that maintaining a strong transatlantic link made sense.

On a more general level, it was predicted that a new world order is to come and that this is going to affect the transatlantic link. It was stated that we, both Europeans and Americans alike, have underestimated the challenges and changes of the world post-1990. Europe has experienced disaster in Bosnia, while America has experienced disaster in Somalia and at present with difficulties in Iraq. In Kosovo, both Europeans and Americans were able to work together.

There was speculation about what would happen if there was a total break-up – a divorce – in the EU-US relationship. Firstly, it was emphasised that Americans would continue to “cherry-pick” alliances, as they are doing now. Secondly, it was believed that there would not be a total divorce; obviously, co-operation would continue on a bilateral level and the US would seek alliances on an issue-by-issue or case-by-case basis. Terrorism was taken up as an example. It is in the interest of individual European countries to co-operate when dealing with al Qaeda because Osama Bin-Laden, it was argued, does not seem to understand the possible disagreements between Europe and the US. One panellist deduced that Mr. Bin-Laden finds Europeans even worse than Americans because Europeans are more godless. Americans are simply misguided, whereas Europeans seem to unsettle him. Thirdly, a total break-up in EU-US relations would lead to an increase in European defence spending as European governments would be forced to improve their own capabilities to make up for those that are currently provided through NATO. The fourth point mentioned was that there would be an increase in protectionist measures and more regionalisation of free trade, which might lead to accusations of a “fortress Europe”. This would cause disastrous consequences for countries like Finland. In addition to this, more power would be shifted into the hands of the bigger powers in Europe and they would gain a much better bargaining position compared to the current situation.

Despite speculation about a divorce in transatlantic relations, it was assumed that **NATO** would continue exist as a multinational organisation. One panellist termed NATO a “talking shop” and argued that, however historically significant NATO may be, it runs the danger of irrelevancy.

It was then agreed that dispensing with NATO would lead, possibly, to the worst scenario imaginable: an increase in nationalism in the US, leading to an increase in unilateralism and decreasing willingness to co-operate via international organisations. This type of behaviour, evidenced already in Iraq, would leave the EU considerably weaker and more insecure and may possible lead to a situation closely resembling that found in the 1930s.

The panellists asserted that, at present, Europeans and Americans view every problem that spans the scope of international relations through their own particular prism. Thus, it was emphasised that this ill-timed combination of tunnel-vision and divisiveness over issues could lead to the political unravelling of the transatlantic alliance if proper attention was not given to its maintenance by both sides.

As the debate continued, two problems were mentioned concerning the transatlantic relationship from an American point of view. First, following the Prague Summit, the US no longer resorts to the argument that “Europe is not spending enough on defence”. In its place, the Americans are using the more effectual argument that “Europe spends roughly two-thirds of what the US spends on defence, yet retains only 50% of American capability”. This is considered a real problem. Secondly, the Americans still have much to learn from Europeans. Americans do not have a tradition of civil-military organisations such as the Italian *carabinieri*. Some synergy is needed. Other transatlantic concerns were also mentioned. One panellist pointed out that it is essential for Europe to have some “real” soldiers in action, as there is a growing risk that the role of Europeans and Americans in the world is becoming rather like a caricature: Americans as the mercenaries and Europeans as the social workers.

One major theme in the discussion was the question of the present and future state of **European defence**. It was stated that escalation dominance cannot come from the Europeans because of the relatively small number of deployable soldiers (50,000). European defence, it was judged, is more or less a question of motivation in Europe. Berlin Plus was a good example of this.

Views diverged over the question of whether Europeans are living in a dream world or not. One commentator stated that Europeans do not understand what has happened or what is happening in the world, and are therefore living in a dream world. As an example, the speaker cited Kosovo as an operation that could not have been started without massive American back-up. On the other hand, other voices in the debate offered Bosnia as evidence that Europeans are not living in a dream world.

The question of Russia’s future was also brought up in the discussion. It was stated that Russia, in economic terms, is less than ten times smaller,

even in purchasing power parity, than Europe. Russia has a long border with China, with Central-Asia, and the fact remains that Russia cannot even control a small piece of territory in Chechnya.

Some panellists wondered exactly why Europe was having such difficulty in forming a European defence arrangement that would be credible against the potential Russian threat. According to certain participants it should, hypothetically, be very easy, as Europeans share a common parliament, common currency, and common foreign and security policy. It is only the lack of political will that stands in the way.

The issue of **Finland and the United States** was raised next. It was stated that, although Finland is considered a self-proclaimed Atlanticist country, thanks to the political elite, the country has not taken the final step towards genuine Atlanticism – formal NATO membership. Finland is, however, a member of NATO's Partnership for Peace (PfP) program. It was mentioned that, as a PfP member that is not actively courting NATO membership, Finland is in a rather ambiguous security-political position. When asked whether Finland was at present on the mental map of the American security elite, one panellist responded that during the Cold War Finns had many friends in Washington. However, during the Cold War the situation was very different. At the present time, the average American is only vaguely aware of events in Finland. In conclusion, it was affirmed that Americans perceive Finland as an Atlanticist country and that most Americans would be very happy to see Finland as a full NATO partner.

On a more general level, **the roles of the EU, NATO and the UN in the world** were discussed. As far as **NATO** capabilities and initiative are concerned, everything seems to be on the right track. However, the US is concerned over the drop in frequency of EU-US consultations from bi-annually to annually.

The **UN**, with all its deficiencies and weaknesses, remains the sole multilateral body of thought that believes we must cope with global challenges. It was acknowledged that the US uses the UN readily enough when it is deemed beneficial to do so. It was emphasised that we should respond in a stronger manner to the appeals of Secretary General Kofi Annan by working together to reform the UN.

It was further emphasised that, from the point of view of structural realism, the UN never worked very well. History has taught us that many ideas that work well in theory never quite transpire in practice. From an American point of view, for example, the military capability gap between the US and Europe is a problem. Political will, money, and creativity are needed if American views towards an equal-partner Europe are to be effectively cultivated.

The necessity of adopting a realist perspective was emphasised. A panellist stated that we live neither in a strictly uni-polar nor in a multi-polar world.

A genuine reform of the decision-making process, based on power structures, is needed. Unfortunately, there is always a risk that these “reforms” will become mere phrases on paper, unaccompanied by important organisational restructuring.

FINLAND AND THE WORLD

Chair: *Ambassador Jaakko Laajava*
Under-Secretary of State for Political Affairs
Ministry for Foreign Affairs of Finland

Presentations: *Mr. Paavo Lipponen*
Speaker of the Finnish Parliament

Dr. Risto E.J. Penttilä
Director
Finnish Business and Policy Forum EVA

Dr. Michael Mihalka
Professor of East European Studies
George C. Marshall Center for Security Studies

Panel discussion: Summarised by *Ms. Terhi Suominen*

FINLAND IN THE NEW EUROPE

Paavo Lipponen

Since the beginning of written history Finland has been a part of the western world, although this country's journey into the West has been full of paradoxes. We have been lucky, with three lucky strikes in our history.

Firstly, becoming part of Sweden, which in the 12th century was part of the Roman Christian culture, was fundamental. The second lucky strike was being joined to Russia in 1809, thereby gaining national identity as an autonomous Grand Duchy, emerging from the Scandinavian periphery and developing our own national institutions. Had Finland remained a part of Sweden, I am afraid our independence might have been delayed, or at least we would have taken much longer to develop our national institutions, particularly the national culture and economy. The third lucky strike occurred in 1917, when Finland achieved independence from Russia. We escaped the turmoil of the Russian revolution just in time.

Finland survived the Second World War, but not exactly because of a similar lucky strike, although we did have luck in managing to withdraw from the war before the collapse of Germany. Our survival was the result, first and foremost, of national reconciliation after the civil war, unification of the major political forces in defence of democracy and, subsequently, the war effort.

In terms of adopting, and actually developing western values of democracy, Finland has been in the forefront, from the establishment of our national parliament in 1906 with universal suffrage, to the struggle against the enemies of democracy, both on the extreme Left and the extreme Right between the wars. It really struck me that in a book on the history of European peoples written by the French professor Jacques Duroselle at the end of the 1980s, published in eight languages and financed by the European Union, Finland is not mentioned once in the text. But there is a map from the 1930s showing European countries by their degree of democracy: Finland was, at the end of the 1930s, among the few European countries with an untarnished democracy. I forgave Professor Duroselle and the financiers of the book largely because, for him, Peter the Great did not exist either, not to mention Charles XII of Sweden. This only shows that it made sense to join the European Union.

Since the Second World War, Finland has consistently pursued integration with Western structures, beginning with the Bretton Woods System in the 1940s, Nordic integration since the 1950s, EFTA free trade from the 1960s, EEC free trade since the beginning of the 1970s, and finally membership of the European Union in 1995.

The policy of neutrality during the Cold War years was actually geared to allow Finland to be integrated economically and culturally into the West. Finland had two policies: one for bilateral relations with the Soviet Union and

another, the policy of neutrality, for all other relations. Of course it was very important that we managed to remain outside international conflicts and not to be drawn into the Soviet sphere. I was involved – in a modest way – in some tough negotiations with the Soviet Communist party on this point.

Neutrality was never an ideological concept to the Finns. It was a means to an end, a pragmatic approach. We were not preaching neutrality to others, nor was neutrality something that was forced on us. Compared with the other so-called neutral countries it was really a genuine policy designed for survival in the Cold War system. It was not an ideological issue, and therefore we managed to change it quite smoothly into non-alignment at the great turning point of 1991.

Today, the question is what is the relevance of non-alignment for a country that is a member of European Union and facing global challenges? European Union membership alone necessitates a deep-going commitment to the Union, its common foreign and security policy and a commitment to mutual solidarity between Member States. I wonder if this has been fully understood in this country. As a small country, Finland has a great interest in strengthening the CFSP, including its defence dimension, and supporting the *finalité* of common defence.

Today Finland is ranked by the World Economic Forum as the most competitive country in the world. We hold top positions in practically all fields. As an advanced country with global industries we depend very much on peace and stability, particularly in Europe, but also increasingly in Asia. We very much depend on the smooth functioning and growth of world trade. We also live in an environmentally sensitive part of the globe. All these points emphasise the need for effective instruments to influence and control European and world developments. The major instruments for this are the European Union, regional organisations, partnership with NATO and last but not least, the United Nations. The only way for us is to deepen our relationship with all of these organisations.

Increasingly we also define our position in terms of the European Northern dimension and, again, the neighbourhood of Russia after the turning point of the 1990s. The geographically peripheral position of Finland becomes – it can and should become – more central. Strengthening the infrastructure in this region and enhancing co-operation with Russia are among the major goals of Finnish external relations. We should make the number one position a brand that works for us. But we should also be aware of the geographical handicaps. Thus it is really important now that we can be part of the Northern Dimension of the European Union, including its major plans to improve the infrastructure. We will be more visible on the European map through these projects, which are already in the preparation stages.

Finland is a small country in terms of population. We are well aware of being one of the smaller members of the European Union. But on the other hand – and this is the spirit I would like to see inspiring this country – we should not let the founding members control developments in the European Union. We should not allow a core to emerge in the EU that does not include us as

participants. Why is this? Because we have a greater interest precisely because of our geographical situation - as Russia's neighbour - and interests in globally competitive industries. Participating in the core has to be part of making European policies.

And by being competent and also showing solidarity with the European Union – by being the good pupil – we can gain a stronger voice in this community.

We are at a crossroads in the European Union. Are we going to emerge from the intergovernmental conference more united and stronger, or are we going to be more divided and weaker? There is a connection. As a small country we must be both assertive and constructive.

Defining our relationship with the rest of the world we have, as a small country, very much at stake in transatlantic relations. The Finnish Parliament is actively engaged in contacts with Congress and other American institutions. Three committees have recently visited Washington, D.C., including our Foreign Affairs Committee. This activity reflects an intensive effort to find a more solid ground for our foreign policy in the post-September 11th world. This is an effort that is now on-going among the Finnish political elite.

The programme of Prime Minister Vanhanen's government on foreign policy includes a new approach in a statement made on Finland's general orientation. "Finland is an active member of the European Union and promotes strengthening of the Common Foreign and Security Policy and transatlantic co-operation." This statement reflects a serious concern in Finland about the future of transatlantic relations. Recent European Union and American disputes over trade, environmental policies and defence are serious enough. The differences over Iraq have amounted to a major conflict, particularly between the United States and some European Union Member States.

We feel uneasy about these developments. Our security and economic development depends on the continued presence of the United States in Europe and further liberalisation of world trade. It is an urgent task to work out a positive transatlantic agenda between governments. Parliaments, too, should be involved. In our meeting in August 2003, we agreed, among the Nordic and Baltic parliaments, that we will take the initiative among European parliaments to seek forums where members – Senators, members of Congress and European parliamentarians – could meet and conduct an open exchange of opinion.

I believe that concrete opportunities will emerge. Several reports are coming out in the near future on transatlantic relations, one by SITRA, another in the United States by the Council on Foreign Relations. I therefore look forward to finding relevant research institutions that could play a role in arranging meetings with American parliamentarians to facilitate the dialogue. It has been rather unfortunate that – at such a critical point as that surrounding Iraq – there has been less dialogue than in the past few years. What we need then is more meetings similar, for example, to the President of the United States' participation in the meeting of the European Council – President Bush's

appearance in Gothenburg was very successful. Not that we should dramatise every such meeting. They should become regular so that less drama will develop around them. I believe that in this question of developing a transatlantic dialogue, the Finnish Government and Finnish Parliament can play a constructive role.

Mr. Chairman, thank you very much for this opportunity to address this distinguished audience.

FINLAND IN THE WORLD: NEO-NEUTRALITY OR MEMBERSHIP IN NATO?

Risto E.J. Penttilä

Ladies and Gentlemen,

Finland's place in the world has changed dramatically over the past 15 years – and the change is not over. In this talk, I will look at the most important new parameters of Finland's international position and make a policy recommendation regarding Finland's relationship with NATO.

However, I would like to begin with a story from the end of the Second World War:

The Finnish-Soviet war is over and a Peace Treaty has been signed. A Border Commission is sent to the new Finnish-Russian border. The task of the commission is to make sure that new border posts are placed exactly where they are marked on the map.

The group spends days hiking through forests and wilderness with a map in one hand and a compass in the other. All of the sudden they see a house, a wood cabin, right in the middle of where the new border is supposed to run. They have no idea how this house has survived the war. What's more, there is a man outside the house going about his chores with no apparent knowledge of what is going on around him.

The Border Commission stops and ponders the situation for a while. Their job is almost done and they feel like making a nice gesture. They conclude that they will let the man decide for himself on which side of the border he would like to live.

Upon hearing the choices the man pauses to think. After a while he says: "I would like to live on the Finnish side of the border."

"Ok, you may, but can you tell us why?"

"The Russian winters are so awfully cold," the man responds.

I tell this joke for two reasons. First, it is a good story and conveys the matter-of-fact style of Finnish-Russian relations. Secondly, and more importantly, it reminds us of the fact that for centuries the Finnish-Russian (or the Finnish-Soviet) border was the issue that defined Finland's international position. At times Finland was on this side of the border, at times it was on the other side. At times, *part* of Finland was on this side and *part* on the other side of the border. And most of the time there was uncertainty concerning the relations between the two countries. This is no longer so.

The Finnish-Russian border no longer defines Finland's international position. It is, of course, a very important part of Finland's international position, but it no longer defines our place in the map. Our place in the map is defined by our membership in the European Union. All the more, through our membership in the EU, we are an integral part of the transatlantic security community.

1. I will argue that Finland's stable international position is, and has been for a long time, dependent on the existence of a strong transatlantic relationship.
2. I will further argue that the transatlantic relationship is weakening. Europe and the United States are increasingly going their separate ways. In my view, this development threatens Finland's vital interests.
3. Finally, I will argue that Finland should do what it can to maintain a close Euro-Atlantic partnership. The question is whether it is more efficient to promote a close transatlantic relationship from within NATO or from the position of military non-alignment.

Finland and NATO – a look at history

The first three decades of Finland's independence (1917-47) were not particularly successful from the point of the young nation's foreign policy. The government sought all plausible (and some implausible) ways of securing the country's international position. The results were not impressive. The country's place in the world remained precarious.

The consolidation of Finland's international position began only with the founding of NATO. This, of course, was not the interpretation at the time. Indeed, the creation of the North Atlantic Alliance was seen as threatening Finland's international position.

In hindsight, it is clear that NATO - as a counterweight to the Soviet power – provided the environment in which Finland was able to develop a policy of neutrality. This was quite an achievement.

After the collapse of the Soviet Union, Finland was quick to reorient its foreign policy from Moscow to Brussels. Finland dropped the old FCMA Treaty and applied for membership in the EU. Why did Finland not apply for membership in NATO at the same go?

Two reasons: Psychologically, it might have been too much. Indeed, most security policy experts thought that after joining the EU, it would be relatively easy to take the next step into NATO at a later stage – how wrong they, or should I say we, were!

Secondly, there was no need to join NATO. There was no need because US presence in Europe secured the stability of the Continent; it functioned as an insurance policy against an unpredictable Russia. It also kept European great

powers in check; German unification did not threaten the European balance of power as long as the United States maintained its presence.

In other words, Finland was able to assume the position of a free rider: We benefited from NATO without assuming the responsibilities of membership.

Yet Finland was an acceptable free rider, a free rider with a sense of right and wrong. We took the defence of our own country seriously: a case in point was the procurement of 64 F/A-18 Hornets that took place in the middle of a very severe economic depression in the beginning of the 1990s.

We also took our international responsibilities seriously. We participated in peacekeeping operations and contributed, through President Martti Ahtisaari, to the ending of the Kosovo war. That was a victory of a new transatlantic relationship, a relationship that included the US, EU and Russia. Presently this relationship looks very different.

Europe and the US

My second argument is that Europe and the United States are growing apart.

They are growing apart because of three reasons: First, they do not share a common threat perception. For the United States the threat is the combination of terrorism, tyrannies, and WMD. Europeans are not convinced. With the exception of Prime Minister Blair they regard 9/11 as a one-off freak accident that is unlikely to be repeated – at least not in Europe. Besides, Europeans have lived with terrorists and do not quite see what the big deal is.

Second, their ability to use force is dramatically different. The European Union spends half of what the US spends on defence and our force structures remain a relic from the Cold War era. More importantly, there is very little willingness to use force – with the exception of France and the UK.

Thirdly, every intergovernmental conference of the EU takes a small step away from a close transatlantic link. The pattern is familiar to all of us. France manages to get a radical proposal on the table with the support of Belgium and Germany. The United States reacts and the UK saves the day. The transatlantic relationship is saved, but it is also weakened by every step towards an independent European defence.

In my view, there are only two alternatives for the transatlantic relationship of the future. The first is a total break up. The second is a looser partnership.

I have argued before that Finland's security is dependent on the existence of NATO. And Finland is not alone. Most of the new EU member states share the perception that NATO is needed in the future. Indeed, one can argue that NATO remains the most important insurance policy against the re-nationalisation of defence in Europe. Without NATO there are two threat scenarios: a weak EU that gives European great powers (France, UK, Germany) a prominent role in making decisions concerning European

security, or a strong EU that may lead to a competitive relationship with Russia. Both would be bad for Finland.

The question is: what should Finland do to safeguard and promote a close transatlantic relationship?

This general question can be broken down into two specific questions. First, is it easier for Finland to promote a closer transatlantic relationship from within NATO or from outside of the Alliance? Secondly, is it easier for Finland to promote a closer transatlantic relationship from within the core of European defence co-operation or from the position of military non-alignment?

My answer to both questions is that it is easier and more efficient to promote a close transatlantic relationship from inside than from outside.

The problem is, of course, that 80 percent of Finns do not agree with this view.

Could this view be changed? Yes, it could.

In questions of national security Finns are loyal to their leaders. If the President of the Republic were to speak favourably of NATO membership, we would quickly reach the same 50-50 situation that one gets with regard to most difficult questions, whether they have to do with the EMU or nuclear power.

But what argument could a president with a strong pacifist tradition use to sell NATO to the Finns? The argument would be: Finland has always supported multilateralism. We think that international relations should be governed by strong international organisations and joint policy forums. It is time that we applied this principle to defence and join NATO.

EXCEPTIONALISM AND DIVERGENCE: VALUES AND ATTITUDES IN EUROPE AND AMERICA

Michael Mihalka

Being asked to give a European perspective on the United States poses particular challenges for an American. To be sure, as Professor of East European studies at the Marshall Center, I am quite sensitive to the concerns of Central and East European countries, especially to the latest bout of transatlantic tensions. Moreover, I have just come from a conference in Sofia, Bulgaria where I delivered a presentation on new and old challenges to security in Southeast Europe. High on their list of concerns was the transatlantic rift.

Nevertheless, although my American bias will be difficult to disguise, I will try as much as possible to talk about Europe and America with the voice of the Europeans. Of course, as we know the Europeans do not speak with one voice. The second Gulf War revealed sharp differences among the Europeans themselves and brings into question much that is being mooted about a European common security and defence policy. And this difference is not simply between old and new Europe as Donald Rumsfeld would have it. Instead, it shows divisions within and across countries in Europe between Atlanticists and “Europe firsters” that may be more difficult to bridge than those across the Atlantic. These tensions were seen in the failure to come to an agreement on the European constitution.

In my talk I would like to first look at the different orientations that the United States, the EU and Russia have taken on the war on terrorism. Then we will critically examine whether the US and the EU really do have common values and how they approach the use of force and whether to resort to the United Nations. We will then address the question of European defence – whether the public as well as elite support such a move. Moreover, we will move beyond the rhetoric of common action to actual tangible support. Are European governments more interested in continuing to talk about new institutional ways to organise themselves for defence, or are they actually willing to spend scarce resources to improve their capabilities? In my view the Europeans spend quite a bit on defence – they only look weak relative to the US - but they do tend to spend on the wrong things. I will then show that the US and EU strategic concepts are really quite similar, so much so that the some in the European anti-globalisation movement believe that the EU has even copied the worst aspects of the US National Security Strategy. (However, the strategic concept that was finally agreed in December 2003 was considerably watered down from the June version). Finally, I show why Europe is unlikely to spend more on defence. Not only will an ageing population place increasing pressure on government expenditures, but I think in light of the security that the United States provides to members of NATO, it is not even rational for European countries to spend more.

	Consensus-based multilateralism	Non consensus-based multilateralism
<i>Terrorism as national security problem</i>	Russia	US
<i>Terrorism as law enforcement problem</i>	EU	

CHART 1. Perspectives on terrorism and consensus-based multilateralism

Chart 1 shows how the United States, the European Union and Russia approach the so-called global war on terrorism. Some countries view terrorism as a national security problem while others view it as a form of organised crime. After 9/11 the United States views terrorism as a national security problem especially when transnational terrorism is combined with weapons of mass destruction. I remember waiting on 9/11 for a nuclear weapon to go off in Washington or New York. Fortunately that never happened, but in my view this is simply a matter of time. Russia of course views terrorism as a national security problem as well. In the last two years, hundreds of people have died in terrorist attacks in Russia. The EU, in contrast, continues to view terrorism as a form of organised crime and the respective governments lack the sense of urgency in Moscow and Washington to deal with this threat. Unfortunately, this rather causal attitude will change only if there is a mass casualty attack on European soil.

The other dimension is also critical. Many Europeans consider the current US approach to be unilateral. For example, a recent WEU parliamentary assembly assessment contended “that multilateral commitment on the part of the Union also reflects the desire to overcome the consequences of the unilateral action taken by the United States and its allies against Iraq”.³² It is perhaps more appropriate to talk about a willingness to use consensus-based multilateral institutions such as the UN as opposed to a preference for coalitions of the willing. The United States proudly cites the fact that there are 33 different countries with forces in Iraq and denies that it works unilaterally. So the key difference here is that the EU and the Russia, at least for now, prefer to work through the UN and the US does not. I say at least for now, since the US and its European partners ignored the UN when they intervened against Serbia over Kosovo in 1999.

To a certain extent, the preference for working through the UN reflects popular preferences. As we can see on chart 2, over sixty percent of Americans agree strongly or somewhat strongly that, “When vital interests of our country are involved, it is justified to bypass the UN.” This is also true for about 55% of the British. In contrast, only about 42% of the rest of Europe agree with this position with less than 40% of the publics in France and Germany. So there is a clear difference in attitudes toward the UN in America as contrasted to continental Europe.³³

³² WEU Parliamentary Assembly, DOCUMENT C/1841, 4 November 2003, “A European strategic concept - defence aspects”

³³ www.transatlantictrends.org

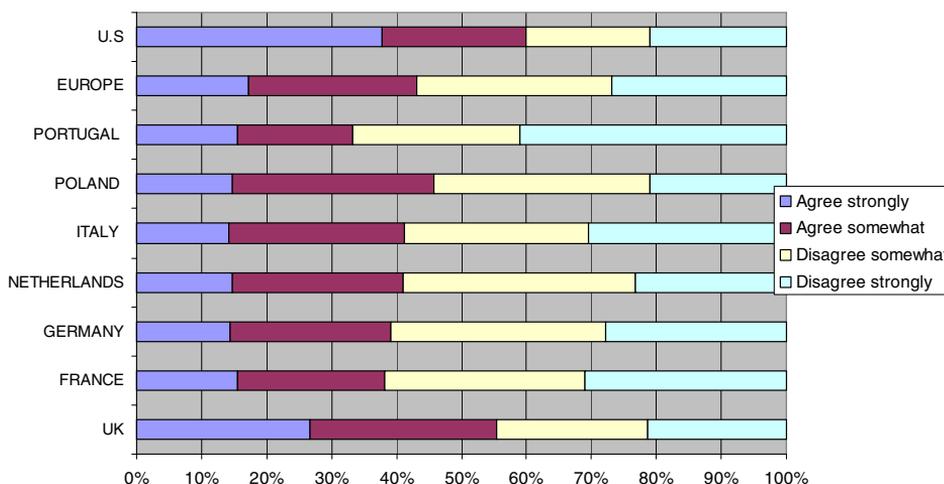


CHART 2. When vital interests of our country are involved, it is justified to bypass the UN (If needed: “vital interest means when stakes are high”)

Many people argue that the United States and the Europeans share common goals when these are expressed in a general manner. The June 2003 EU strategic concept argues, “The best protection for our security is a world of well-governed democratic states. Spreading good governance, dealing with corruption and abuse of power, establishing the rule of law and protecting human rights are the best means of strengthening the international order.”³⁴ With reference to China and Russia, the US National Security Strategy (NSS) maintains, “America will encourage the advancement of democracy and economic openness in both nations, because these are the best foundations for domestic stability and international order.”³⁵

However, scholars since de Tocqueville have noticed that Americans have values different from Europeans and have remarked on this American exceptionalism. Such a distinctiveness also appears in the major survey of world values. Chart 3 shows the distribution of countries according to two major dimensions of values.³⁶ The horizontal dimension reflects a continuum from concerns about survival to concerns about fulfilment through self-expression in a post-modern society. Along this dimension the United States

³⁴ Javier Solana, “A SECURE EUROPE IN A BETTER WORLD”, EUROPEAN COUNCIL Thessaloniki, 20/06/2003.

³⁵ US National Security Strategy, <http://www.whitehouse.gov/nsc/print/nssall.html> accessed 11/18/2003.

³⁶ See particularly Figure 3.2 in Ronald Inglehart, *Modernization and Postmodernization: Culture, Economic and Political Change in 43 Societies* (Princeton: Princeton U Press, 1997), p. 82; Economist, *Living with a superpower*, January 2, 2003. for an earlier chart comparing the results of the first two surveys see, <http://wvs.isr.umich.edu/fig.shtml> accessed October 15, 2003.

scores similarly to West European states. Along the other dimension countries range from traditional to secular-rational authority. Here the United States has much more in common with traditional countries than the thoroughly secularised countries of Northern Europe. The United States is among the most religious of modern liberal democracies.³⁷

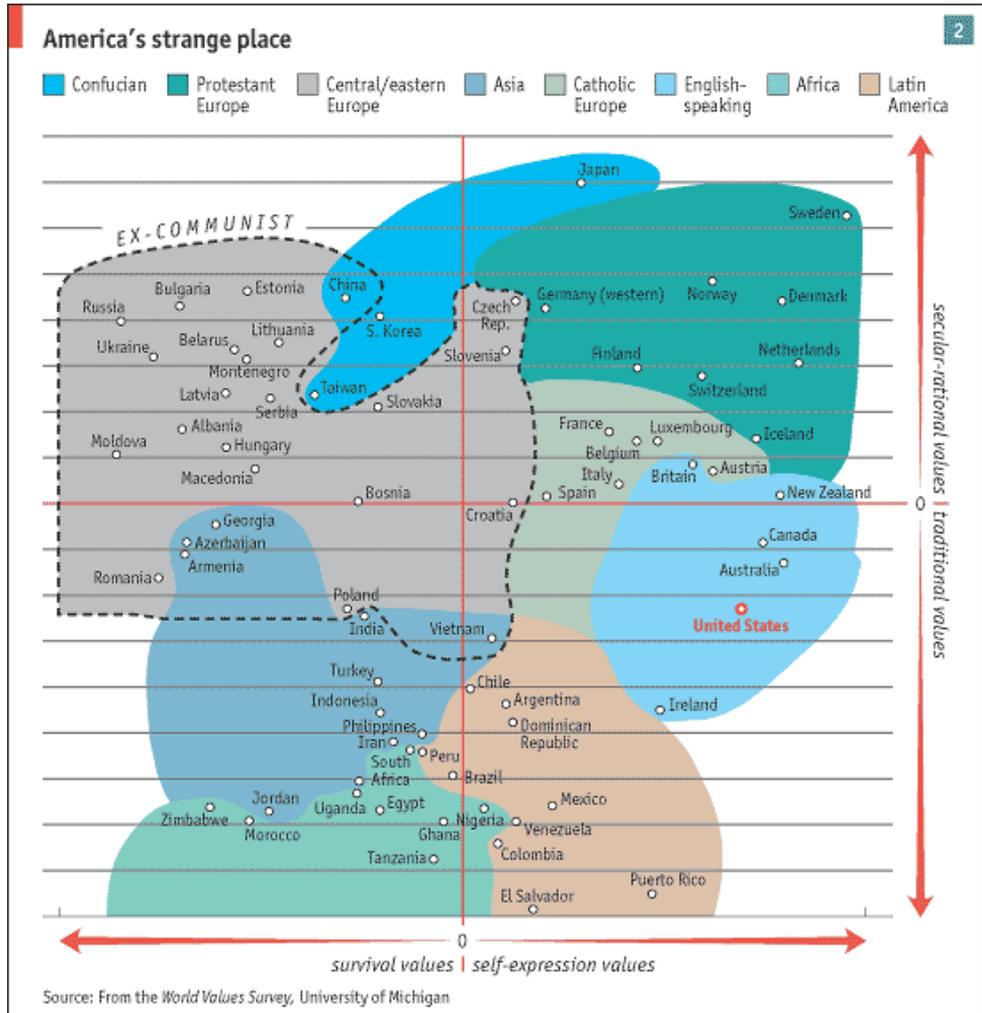


CHART 3. The global distribution of values

This American exceptionalism also shows itself in other ways. When asked the question, “what’s more important in (survey country) society - that

³⁷ Pew Research Center for the People and the Press, “Among Wealthy Nations ... U.S. Stands Alone in its Embrace of Religion”, December 19, 2002, <http://peoplepress.org/reports/display.php3?ReportID=167> accessed November 18, 2003

everyone be free to pursue their life's goals without interference from the (state or government) OR that the (state or government) play an active role in society so as to guarantee that nobody is in need”, Americans strongly opt for the freedom to act without interference from the government while Europeans prefer that the government guarantee that no one is in need. Interestingly, over the 1990s the Americans became more in favour of less interference while the Europeans wanted greater protection for the needy.³⁸

Much of this discussion about the divergence of values emerged from a piece by Robert Kagan in which he maintained that Americans are from Mars and Europeans are from Venus, that basically Europeans are much less likely today to use military force.³⁹ He presented no surveys to support his argument but subsequently several did appear to provide credence to his contention. For example, Chart 4 shows the results when the public is asked whether under certain conditions war may be considered necessary to obtain justice.⁴⁰ A full 55% of Americans agree strongly with that statement contrasted with only 12% in Germany and France.

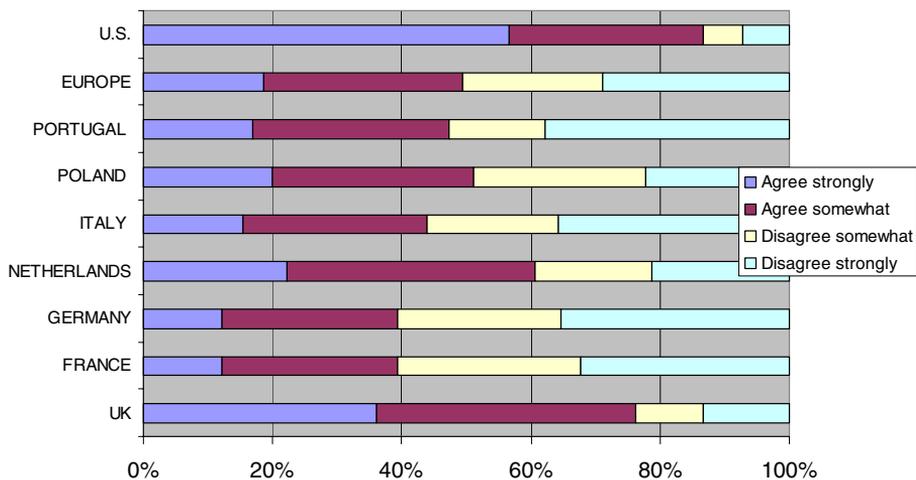


CHART 4. Under some conditions, war is necessary to obtain justice

In Chart 5 the question was asked in a slightly different way: “Do you think that using military force against countries that may seriously threaten our country, but have not attacked us, can often be justified, sometimes be justified, rarely be justified, or never be justified?” Again Americans strongly endorse the use of force in contrast to continental Europeans.⁴¹ So Americans

³⁸ The Pew Research Center for the People and the Press, “Views of a Changing World 2003,” June 3, 2003, <http://people-press.org/reports/display.php3?ReportID=185> accessed November 18, 2003.

³⁹ Robert Kagan, Power and Weakness, Policy Review June & July 2002 Number 113.

⁴⁰ www.transatlantictrends.org

⁴¹ <http://people-press.org/reports/pdf/185topline.pdf>

clearly are different from the Europeans in the choice of institutions and in the propensity to use force.

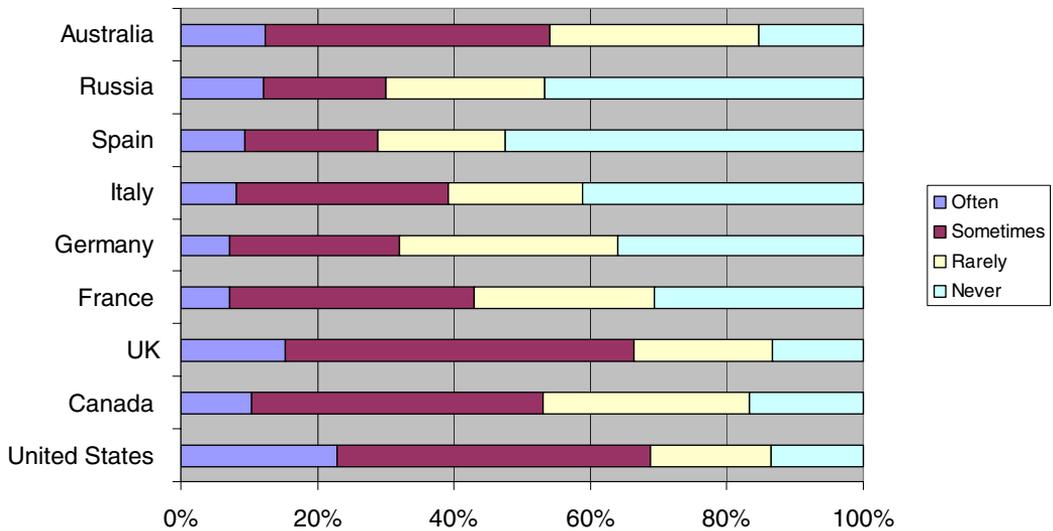


CHART 5. Do you think that using military force against countries that may seriously threaten our country, but have not attacked us, can often be justified, sometimes be justified, rarely be justified, or never be justified?

Not only do most Europeans want to work through the United Nations, they also would prefer common decision-making on defence. A recent candidate country poll run by Eurobarometer shows that most candidate countries, with the significant exceptions of Turkey and Malta, show a strong preference for the EU to make decisions on defence over national preferences or NATO.⁴² Hence, Germany and France were surprised by the Letter of Eight and the Vilnius 10, but perhaps this should be read as Germany and France being out of step with the rest of the countries in Europe over how to deal with the United States.

There are also some real questions about the extent to which European countries are willing to invest to deal with the “new” security problems. An assessment by the WEU parliamentary assembly found: “There has been a tendency among European governments to concentrate more on the EU’s institutional priorities in the development of a European security and defence identity than on the creation of the military capabilities relevant to today’s dramatically altered security environment.”⁴³ This is not surprising when we view the record of commitment to defence improvements over the last fifteen

⁴² http://europa.eu.int/comm/public_opinion/archives/cceb/2003/CCEB_2003.3_candidates.pdf

⁴³ WEU Parliamentary Assembly -- European military capabilities in the context of the fight against international terrorism. DOCUMENT A/1783 3 June 2002

years. Every time there was a crisis, European forces were found wanting and every time Europeans vowed to improve – nothing happened. Only now does this seem to be changing with the agreement to set up a European armaments agency.

Europeans and indeed the rest of the world are far behind the United States in defence expenditures. In 2000, the US spent roughly 38% of the global total, more than the rest of NATO, Russia, China and Japan combined. The US dominance is even greater today. In 2000, European countries spent roughly 60% of the US total, in 2004 the figure is 50% and falling.

Not only are Europeans spending less on defence than the US, they are also spending it on the wrong things, as Chart 6 indicates. A good rule of thumb to use in assessing a balanced military is 40% on personnel, 30% on procurement and 30% on operations and maintenance. Very few countries in NATO have personnel costs as low as 40% and most in fact have costs around 60% and more. Portugal, for example, has personnel costs of 80%. This means that many of the European militaries are little better than social welfare programs with outmoded equipment and relatively little activity. Europeans appear to spend too little and on the wrong things.

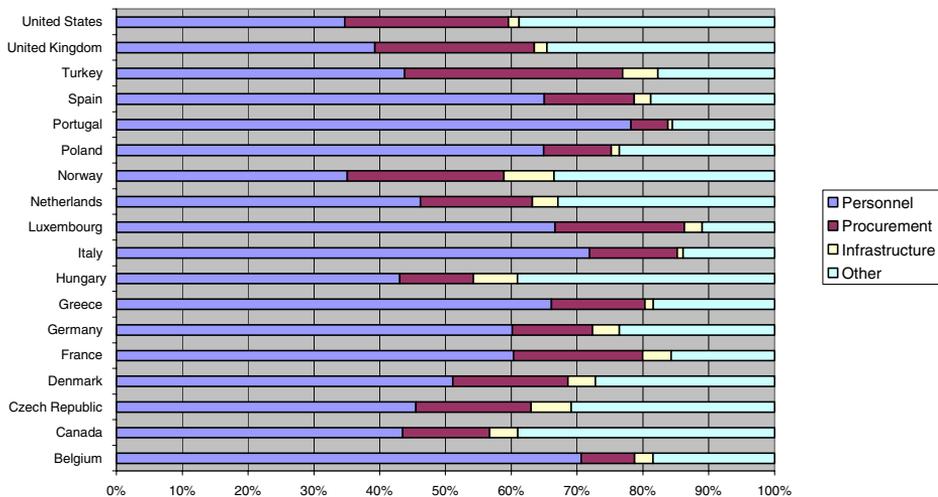


CHART 6. Distribution of Defence Expenditure by category 2003 – NATO

What should they spend their money on and how should they restructure their militaries? Retired admiral Cebrowski from the Office of Defence Transformation in the Pentagon looked at this problem.⁴⁴ He wanted to know

⁴⁴ Arthur Cebrowski, Planning a Revolution: Mapping the Pentagon's Transformation, lecture given at the Heritage Foundation, June 12, 2003.

<http://www.heritage.org/Research/NationalSecurity/wm292.cfm> accessed December 23, 2003.

where the problems of the future might be and decided to find out by looking at where military force was used since the end of the Cold War. He found there was a functioning core of countries that benefited from globalisation and another area that he called the non-integrating gap that was not keeping pace. The threats – terrorism, WMD, failed states – were to found in this gap. The gap was a band of countries around the equator and in the Middle East. All countries in the core should work together to deal with problems in the gap. Over 80% of the world's oil reserves can be found in the gap. So both threats and the resources necessary to fuel economic growth come from the gap.

The June 2003 EU strategic concept articulated by Solana had a vision very similar to the one articulated by Cebrowski. The main threats of transnational terrorism and weapons of mass destruction emerge from the failed and failing states in the gap. But what to do about them?

Apparently, European publics do not feel the same immediacy of the threat as Americans and many would even cut defence budgets. There are several reasons for this. For one, Europe is facing an ageing crisis and pensions will become an increasingly larger proportion of the governmental budget. This money must come from somewhere and the defence budget has been a good candidate over the last 15 years as European countries have reaped the "peace dividend". Europeans want their states to guarantee that the social needs of all people are met.

Another important reason is the free rider problem. The United States provides global security especially against the kind threats specified by Solana for its alliance partners without them having to make a significant contribution. The US is like a rich merchant who builds a lighthouse to protect his fleet. The other smaller ships of course benefit from the lighthouse, but do not have to pay anything for its upkeep. For private reasons the rich merchant provides what is called a public good. And such is the case with global security against the kind of threats mentioned by the US NSS and the Solana's strategic concept for the EU. This is similar to nuclear deterrence during the Cold War. The smaller countries benefited without having to pay – they were free riders. And such is the case today. Europeans do not pay more for this kind of thing because it would be irrational for them to do so.

Finally, we draw some conclusions. Commenting on the June 2003 strategic concept, the WEU parliamentary assembly said: "The EU's ambition of becoming a major player on the world stage is thwarted by the action of its own member states."⁴⁵ The EU is divided on how to proceed with defence and the actions of the Letter of Eight and the Vilnius 10 make that clear. Despite all the best sentiments to the contrary this difference of opinion is likely to continue. Indeed the latest brouhaha could have had quite a different character with different governments. A center-right government in Germany

⁴⁵ Assembly of the Western European Union, "A European strategic concept - defence aspects", DOCUMENT A/1841, 1 December 2003. http://www.assembly-weu.org/en/documents/sessions_ordinaires/rpt/2003/1841.html accessed December 23, 2003.

would have likely supported the US and not France and center-left governments in Italy and Spain would have supported France and not the US.

The US and the Europeans do have quite different attitudes concerning the use of force and the preference to work through the UN. This is not likely to change and will continue to be a source of tension in the future. Nevertheless, the goals are the same and allow for a division of labour along areas of comparative advantage with the EU doing say, development assistance and post-conflict peacekeeping, while the US intervenes militarily to deny transnational terrorists territory from which to operate. Thus the EU is unlikely to develop its own autonomous defence capability comparable to that of the US. But it will continue to play with institutional arrangements.

SUMMARY OF THE PANEL DISCUSSION: FINLAND AND THE WORLD

Terhi Suominen

The fourth and final session of the conference focused on Finland and its role in the world. The presentations were followed by lively discussion. The debate revolved mainly around five major themes: Russia, the Northern Dimension, the future of Finnish-Swedish co-operation on foreign and security policy, the NATO debate in Finland, and the future of the EU's CFSP and its implications for the transatlantic link.

Finnish security is unavoidably linked with the **question of Russia's future development**. During the past twenty years, Russia has changed profoundly. To start with, **Russia has re-emerged as a full partner and actor in world politics**. Russia also wants to become a full partner and major player in the world, as the United States and the European Union currently are.

Secondly, **Russia's economy is growing**. Economically, the importance of this progress for Finland is considerable. The political elite in Russia want to be assured that this positive development will continue. The panellists confirmed that, in order to ensure prosperity, it is necessary to diversify Russia's economy and it is imperative that a favourable environment for foreign investments be nurtured. The panellists were confident that the situation would stabilise in Russia and that Europeans and Americans alike could look forward to positive economic development there.

Lastly, **relations between Russia and the Baltic States** were discussed. The Russian government is concerned about the fate of Russian-speaking minorities in the Baltic States after the enlargement of the European Union. It was stressed that Finland – as a moderating factor – is needed to make sure that, after enlargement, relations between Russia and the Baltic States quickly normalise. As the EU expands to 25 Member States, this normalisation is an obvious precondition for good relations between Russia and the European Union in general.

The Northern Dimension has consolidated its place in the European Union and the overall outlook is very positive in this region. The Northern Dimension is working to create partnerships in health and social policy affairs. The United States has also presented its Northern European Initiative in a revised form including the new Baltic neighbours.

The future of Finnish-Swedish co-operation on foreign and security policy and **Swedish defence reform** were discussed. These themes were also linked to the question of the EU's defence dimension. Finland and Sweden have almost identical approaches to the security and defence dimension of the EU. They both participate in PfP, crisis management operations and the Nordic brigade. It was noted that there have been significant developments in relations between Finland and Sweden on

security and defence policies. Finland and Sweden have engaged in common planning and joint activities at borders, for example, in co-ordinated activity in the Gulf of Bothnia. The integration of defence industries has also been important, as it has helped the Finnish and Swedish defence industries to grow and expand into new markets. Defence industry integration has also led to a more efficient division of labour and allocation of resources.

The debate focused temporarily on the high level of interest surrounding the EU defence dimension and the upcoming Inter-Governmental Conference (IGC). It was pointed out that Finland has an interest in joining a defence core if such a concept solidifies as a result of the IGC. It was predicted that this theoretical core would be a sort of avant-garde unit led by Germany, France and Britain.

It was pointed out that the Swedish defence reform – the reform to be included in the defence decision of 2004 – is quite a dramatic one. It will significantly reduce troop numbers and levels of defence expenditure. At the same time, Sweden will increasingly concentrate on international Petersberg-scale operations and on network-centric or network-based warfare (as it is called in Sweden). The question was then raised as to whether Finland, like Sweden, should concentrate on an information technology-based defence system. The panellists admitted that, to a certain extent, Finland would be wise to follow the example of Sweden. Finland is now living with two armies and defence systems, a traditional territorial defence system and a net-centric or mobile international force. While Finland needs to shift resources towards a more technologically-based mobile defence system, this shift need not be as rapid as it has been in Sweden.

On the other hand, it was pointed out that the linkage between Finland and Sweden, which in the past was rather strong, has since weakened. For example, Finland joined the EMU while Sweden opted out. The belief was shared, however, that Finnish and Swedish policy goals continue to progress in the same broad direction.

While the **NATO debate in Finland** has recently become livelier, there still exists a serious need for analytical debate and further information about the possibility of Finland's membership in the Alliance. The fact that open debate is often one of the best ways of spreading necessary information was underscored during the discussion.

One participant marvelled at Finnish parliamentarians' continued resistance to raising the issue of NATO membership. It was pointed out that few Members of Parliament have actually taken a clear position on NATO. It was stressed, however, that at present there is no need to consider who is for and who is against NATO membership. It was then reaffirmed that Finland has time to consider its options, as the progress and stature of European defence is a more pressing issue than the NATO question.

The importance of addressing all possible issues and concerns revolving around NATO membership was stressed. For instance: what would formal NATO membership demand of Finland? Would Finland be compelled to raise

defence spending? The debate highlighted that while NATO is the only organisation that could currently provide real security guarantees, membership was not a “one-way street”. To become a member, a country must meet quality criteria that are not merely mechanical in nature.

Finland’s reputation for building a strong and cost-effective defence system was underlined. From this perspective, it was presumed that Finland would not have to raise its defence spending if it decided to join NATO. One participant remarked that Finland would not need to raise its defence spending because it is already spending so much on procurement and conscription-based territorial defence. It was remarked that if increased defence spending were a precondition for NATO membership then Finland should not join NATO. In conclusion, debaters agreed that the situation was not simply black or white, but rather a matter of dialogue within Finland, with allies, and with the NATO organisation.

The last theme of the discussion was **the future of the EU’s Common Foreign and Security Policy (CFSP) and its implications for the transatlantic link**. It was agreed that European Union plans concerning a common defence may be difficult to reconcile with desires for smooth transatlantic relations, but not impossible. It was stressed that Europe should pursue and develop its defence capabilities with ambition and vigour.

There were, however, some dissenting voices arguing that the EU will not be able to effectively develop an autonomous defence capability. In this sense, the EU’s common defence will be quite compatible with amiable transatlantic relations. Participants admitted that, at the moment, the transatlantic dialogue was not flowing smoothly. The discussion concluded with debaters drawing attention to the internal differences of opinion that Europe was facing. While interests on both sides of the Atlantic are often quite diverse, it is important not to forget that Europe is a very diverse area with very diverse interests.

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