Peter Ludlow

Wanted: A Global Partner

The description of the twentieth century as the American century was rarely if ever more appropriate than during the century's final decade. For seven bountiful years, the U.S. economy outperformed that of the European Union (EU) by a substantial margin. Even the productivity gap, which the continental European economies had done so much to narrow over the previous three decades, began to widen once again in the United States' favor. Militarily, the United States was even more obviously in a league of its own. To the bemusement of outside observers, the United States appeared determined to prepare for every imaginable contingency, not to mention some that, in European eyes at least, were scarcely imaginable. More mundanely, but still more significantly for those most immediately affected, the United States demonstrated in Bosnia, Dayton, and Kosovo that it can do things that even its most advanced allies cannot.

In this brave, new, unipolar world, rhetoric and reality easily intermingled. The United States ruled; the Anglo-Saxon model worked; Rhineland capitalism was doomed. Davos annually became the earthly tabernacle of a new cult whose high priests are English-speaking generators of wealth rather than the endearingly homespun prime ministers who come now to learn more than to guide. Guidance is something that, in the final analysis, only Alan Greenspan can claim to do. As for the EU, horror of horrors—its sluggish economy, its fumbling efforts to create a monetary union, its incurably rigid labor markets, its endless wrangling over arcane constitutional issues, its corrupt bureaucracy, its painfully slow expansion eastward, and its inability to police southeastern Europe have conspired to undermine the belief of all but the most faithful in a partnership of equals. Genuflection, it sometimes seems, has become the norm for Europeans, Japanese, and other erstwhile competitors

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wanting to make their way in Washington. Grovelling has become a profitable line of business for European journalists and broadcasters.

Although flattery may get the flatterer everywhere, it rarely gets the flattered anywhere. The economic lead that the United States enjoys over its nearest rivals is real enough. It is not, however, as big or as sustainable as it has often been made to appear. The rhetoric of success has in fact become a problem, inhibiting a balanced appreciation of the basis of the U.S. lead and thwarting any willingness to implement the changes in attitudes and practices that success itself entails.

Where Europe Stands

The U.S. gross domestic product (GDP) undoubtedly grew faster than the EU GDP in the mid- to late-1990s. In the long run, however, this trend will probably have little significance. The EU has grown faster during some periods and the United States has grown faster in others. The jury is still out on whether or not the new economy has created the basis for consistently higher growth rates in one jurisdiction or the other. Even if the foundation exists, nothing suggests that Europeans suffer from incurable defects permanently inhibiting them from tapping into its extra dynamism. On the contrary, evidence is growing that Europeans have already adjusted to the new economy further and faster than early estimates suggested. They start, after all, from a very high skill base. Productivity per employee per hour worked is now higher in France and some of the smaller EU economies than in the United States. Furthermore, notoriously low-productivity economies, such as the United Kingdom, have begun to show signs of catching up with their partners.

More importantly, the political revolution embodied in the European integration process has accelerated rather than slowed during the last ten years. The implementation of the Maastricht-based commitment to the Economic and Monetary Union has induced structural reforms of public finances and financial markets which might not have otherwise occurred as rapidly or effectively. Meanwhile, the single market program has continued to chip away at the vested interests and purblind mentality of protected national operators. Last, but by no means least, the European Council in March 2000 in Lisbon sanctioned a complex and extremely ambitious program of economic and social reform, reinforced by peer pressure and designed to eliminate obvious gaps between the EU and U.S. economies by 2010. The Lisbon conclusions contained a good deal of hyperbole, and some of the promises that the EU's heads of state or government made will almost certainly have to be redefined as the decade progresses. Doubts about detail should not, however, eclipse the overall significance of the event or the pro-

cess that it initiated. The EU must develop even further before it becomes a single economy in the fullest sense. Thanks, however, to reforms started or completed during the years of the United States' latest phase of economic leadership, the EU, and more particularly the euro-zone, is less exposed to the fallout from a U.S. recession than it would otherwise have been.

At the same time, the EU has fostered fundamental changes in countries beyond its borders that in most cases had signaled their desire to join the EU immediately after the disappearance of their erstwhile Communist rulers. Citing the EU's management of eastward enlargement as yet another example of its inability to match the United States has become fashionable. Joining the North Atlantic Treaty Organization (NATO), however, is one thing; joining the EU quite another. NATO membership is a largely symbolic exercise, involving relatively painless changes in one significant, but nonetheless limited, segment of society. Entering the EU, by contrast, entails the total reorientation of legal codes, economic and social policies, and political as well as administrative systems toward European norms. Given the scale of the undertaking, entry before 2003 for the first group of candidates was never very likely.[1] The decision by the European Council in December 2000 in Nice to attempt incorporating the first entrants possibly in the first half of 2004 suggests that this highly ambitious undertaking is only slightly behind schedule. The increasing likelihood that the first group will include a majority of the 13 candidates puts this effort in a still more positive light.

The United States should be more committed to sound global governance.

The European Council virtually routinely reiterates the EU's determination to help Albania and the successor states of the former Yugoslavia to become members. At Nice, the council went further still, acknowledging Iceland, Norway, and Switzerland as prospective members.

The enlargement process is exceedingly complex and therefore difficult for outside observers to follow, much less get excited about it. Despite the progress that has been made, it will continue to run for years to come. Some of the prospective members may not enter for another 20–30 years. Others may fall by the wayside, either because their own domestic opinion will eventually veto entry, or because their governments will fail to deliver the economic, social, and political reforms on which the EU insists. In any transatlantic discussion of European security, however, it is impossible to ignore that, by moving toward a union of 35 members, the EU has begun to redraw the map of Europe, regardless of what the 2002 NATO summit may decide about NATO enlargement.

Even the hard security side of the story is not quite what it seems to be. Nobody can doubt U.S. military supremacy—least of all the Europeans—following events in Bosnia, Dayton, and Kosovo. The actual performance of the world's only superpower, however, has been distinctly patchy during the last 10 years, while Europe's contribution, both within and beyond its home continent, has been more impressive than commentators in Europe and the United States normally allow.

The precondition of leadership is that the leader accepts the rules.

The U.S. decision to commit troops to Bosnia in 1995 was undoubtedly of decisive significance. So too was the contribution of its air forces in Kosovo. Yet, the principal driving force behind the EU's current and unexpectedly determined attempt to create a rapid reaction force has undoubtedly been anxiety about the continued dependability of the EU's transatlantic ally in the future, coupled with skepticism about whether an alliance that can seemingly only function in combat above 15,000 feet can be said to be truly operational.

The role played by the United States beyond Europe is also in question. U.S. military capability is quantitatively and qualitatively beyond the reach of any other power on earth. In light of what has actually happened in the last decade, what is the practical significance of this overwhelming military force? A decade after the U.S.-led coalition's victory in the Persian Gulf War, Saddam Hussein remains in power and U.S. policy toward Iraq appears increasingly implausible to most, if not all, the allies who joined the coalition in 1990. In the Middle East, the new administration may succeed where the Clinton presidency failed, but the current picture at any rate is one of a policy in ruins.

Meanwhile, the Europeans have managed to make a difference, even militarily. Perhaps not surprisingly, the EU member states provide the great majority of troops currently on the ground in the former Yugoslavia. More noteworthy, EU members are involved in 15 United Nations (UN) peacekeeping operations at a time when the United States is engaged in none outside southeastern Europe, where NATO operates under a UN mandate. Most striking of all, the EU is now irreversibly committed to creating a rapid reaction force of 60,000 persons and a civilian police force of 5,000 which can together or separately perform crisis management roles wherever the European Council decides to send them. There is still some way to go before this aspiration becomes operational. The EU's collective determination to move ahead, however, has already enabled a majority of member states to halt the seemingly inexorable decline of their defense budgets in the current

year, prompted important organizational changes within Europe's political–military establishment, and built bridges between the EU's NATO members and their "neutral" partners.

Europeans should be the last group to resort to one-upmanship. The message is not therefore that Europe is better or stronger—which it quite clearly is not—but that claims such as those made by Secretary of State Colin Powell, at his confirmation hearing, that the United States has an interest "to lead, to guide, to help" in "every place on this earth" are simply not credible, whatever may have happened in the last seven years.[2] Nor are they relevant to the United States', let alone the world's, real needs.

The most important criticism of the extravagant rhetoric of the last few years is indeed not that it is unjustified by facts, but that it distracts those who indulge in it from a balanced appreciation of why the United States has flourished so conspicuously and what therefore are its own fundamental, long-term interests. As the major beneficiary to date of the new global economy, the United States should be more committed than any other player to sound global governance involving more rather than less multilateralism and to acknowledgement of the increasingly obvious fact that, in this interdependent world, international coalitions of nongovernmental actors have to be treated with a seriousness that governments have never before accorded them.

The United States that the European Union Needs

The United States that the EU needs is not a weak and sickly power. Nobody has gained from Japan's decline and fall. For the United States to follow a similar course would spell still more trouble, particularly for Europe. This situation is exactly the reverse of a zero-sum game. A strong United States is good for Europe, just as a strong EU is good for the United States. What is desired, therefore, is not a Lenten renunciation of wealth and power as much as a fundamental change of attitude toward the ways in which they are and should be deployed, grounded in a far reaching reappraisal of the nature of international politics at the beginning of the new millennium.

U.S. national security adviser Condoleezza Rice highlighted, from a European perspective, the true stakes in an article last year. U.S. foreign policy, she averred, should "proceed from the firm ground of the national interest, not from the interest of an illusory international community."[3] What is most disturbing in European eyes about Rice's statement is the assumption that a conflict between the pursuit of national interest and commitment to the interest of a far-from-illusory international community necessarily exists. The experience of the EU and its member states since the 1950s reveals the pos-

sibility of combining the robust defense of national interest with acquiescence in an international regime based on commonly agreed rules. Instead of destroying the nation-state, European integration has enhanced it by providing mechanisms through which every member, large and small, is better placed to safeguard its integrity. Individual member states have also acquired power and influence beyond its borders that they could not otherwise hope to have.

The European military capability is not, and need not be, a threat to NATO…

Lessons from European experience cannot, of course, be pushed too far. There are a lot of us, organized in a large number of states, occupying a territory much smaller than the United States. Europe is committed to "ever closer Union;" world government is by contrast a remote ideal. Analogies do exist, however, between the European microcosm and the global macrocosm in an era in which, thanks not least to the strength of the U.S. economy and the initiative of its entrepreneurs, globalization is a reality and no land on earth can escape its influence. The international community is not an illusion. Nor are the global challenges to the international economy, to the earth's ecological balance, and to the survival of free and democratic states figments of the imagination.

From this perspective, the pursuit of common interests and their encapsulation in common rules commonly administered are not luxuries, but necessities. Furthermore, these interests and rules are not incompatible with the exercise of leadership by the fit and the strong. On the contrary, France and Germany—to return for a moment to the European example—have exercised leadership in Europe more effectively through EU institutions than they could possibly have done outside them. The precondition of leadership within a multilateral regime founded on commonly formulated rules is, however, that the leader accepts the rules just as readily as the led. In addition, the effort to establish consensus with states that do not conform is only abandoned as a last resort and within the framework of the rules-based system.

Recasting the Transatlantic Dialogue

For the United States to become the kind of partner in global management that Europe and the rest of the world need, both the tone and the content of public debate and public policy must change. Composing a wish list of specific policy areas where a new approach is most urgently required would be rela-

tively easy, if somewhat tedious, but a piecemeal discussion of this sort would only illustrate what is at stake. It would not tackle the underlying causes of the present malaise, which has its source in a collective failure to appreciate how much the global agenda has changed, and how the unbridled belief in the leadership of the world's only superpower—and the narrow definition of national interest which is its corollary—have ceased to be relevant or productive, in hard and soft security terms. The world neither needs nor wants an international order designed and maintained in Washington.

Obviously, such a radical shift in attitudes will not occur overnight. As Warren Buffett comes back into favor and Bill Gates seems slightly less superhuman, one can presumably expect some of the brasher tones of the last few years to disappear. The illusions that need to be banished are not, however, simply a consequence of economic success. On the contrary, they derive much of their strength from the fact that they correspond to deeply ingrained traditions and prejudices, which have themselves been reinforced by more recent cultural developments. The triumph of English as the language of the international community and the corresponding dominance of the Anglo-Saxon media in shaping world opinion are just two examples.

> **...NATO will nevertheless be profoundly changed by it.**

Given the depth and sophistication of the U.S. domestic debate about foreign policy, the primary catalysts of change will presumably be homegrown. Outside players can assume a role by challenging and exposing illusions, but no country can match the United States. As Samuel Huntington has argued, however, a significant group of major regional powers exists which the United States ignores at its expense and which are capable of joint actions on their own account without prior consultation with Washington.[4]

First among these powers is the EU. To quote Huntington, "Healthy cooperation with Europe is the prime antidote for the loneliness of U.S. superpowerdom." If, however, the EU–U.S. relationship matures into the constructive partnership that it ought to be, it must undergo profound changes on both sides of the Atlantic.

As far as the United States is concerned, "changes" mean first and foremost accepting the EU as such as its most important partner in Europe. Given the structure of power in the EU, in which the European Council—the body that brings together the heads of state and government and the president of the commission—is the core of the EU executive, this realization does not mean that every dialogue must be routed via Brussels. On the contrary, as the Clinton administration demonstrated most effectively just

prior to the European Council's decision in Helsinki to place Turkey on the same footing as other candidates for accession, successful lobbying entails applying pressure in member state capitals as well as on EU institutions. The decision to give Turkey equal status, like almost every other major strategic decision concerning Europe's future in recent decades, was nevertheless a collective decision of the European Council.

The EU must itself assume a more significant global role.

As this episode revealed, many in Washington know how to deal with the EU on important issues. The kind of systemic shift required, however, is more far-reaching. President Bill Clinton's frustration with the semi-annual EU–U.S. summits was understandable, given the banality of many if not most of the agendas during his administration. The fact that the meetings were so often low-key, however, was more a reflection of the value which even he placed on the partnership than, as his lieutenants frequently implied, the necessary consequence of too many meetings. If the leaders of the United States and the EU cannot find anything useful about which to talk, the notion of global governance has indeed a long way to go.

Two other illustrations of the much-needed paradigm change are worth mentioning. The first example involves the U.S. national security adviser yet again. Notably, neither she nor her coauthor, in an otherwise excellent monograph written six years ago on German unification,[5] showed any interest in the active participation of the European Commission in the negotiation of the State Treaty. The European perspective on the unification issue, developed through the European Council, effectively neutralized the damage that British prime minister Margaret Thatcher and French president François Mitterand might have done if left to their own devices. To ignore the European dimension of decisionmaking deprives the story of much of its meaning.

The other illustration concerns the development of a European military capability. The project is now so well advanced that it is difficult to imagine it being abandoned, although it is not yet changing the way in which those most deeply involved think about NATO. Words of approval for the plan are linked with warnings that the Europeans should not attempt to build a caucus within the alliance structures. If the process is not about building a caucus capable in certain circumstances of acting autonomously, however, it is difficult to understand what its purpose is. It is not, and it need not be, a threat to NATO, even though it will profoundly change NATO. Unless that realization is acknowledged, we are indeed headed for trouble.

If the United States needs to work with the EU, it needs an effective EU with which to work. Jean-Marie Soutou, former secretary general of the Quai d'Orsay, rightly observed that "Europe tends to get the U.S. partner that it deserves." If the EU wants the United States to take it seriously, it must itself be serious. The record of achievement during the last 50 years is remarkable. Europe has been transformed. An enormous amount is yet to be done.

If the EU looks to the United States to embrace multilateralism and global governance, it must itself assume a more significant global role, the details for which lie beyond the scope of this article. Although its role as the regional hegemonist obviously constitutes a large element of its claim to be treated as an important partner, the EU's credibility and therefore its powers of persuasion will suffer unless and until it makes a constructive and, where necessary, independent contribution to the development of the global system, in crisis management as much as trade and in creative diplomacy as well as aid. The lonely superpower needs global partners for it to heed the limits of superpowerdom and to appreciate the advantages of global governance. By raising its ambitions and reaching out on its own terms to other regional actors, the EU is arguably better placed than any other international player to facilitate the emergence of the United States that it and the world needs: a strong U.S. partner in a multilateral world order.

Notes

1. Peter Ludlow, *Preparing for Membership. The Eastward and Southern Enlargement of the EU* (Brussels: Centre for European Policy Studies, 1996), 74.
2. General Colin Powell, testimony before the U.S. Senate Foreign Relations Committee, January 17, 2001.
3. Condoleezza Rice, "Promoting National Interest," *Foreign Affairs* 79, no. 1 (January/February 2000).
4. Samuel Huntington, "The Lonely Superpower," *Foreign Affairs* 78, no. 2 (March/April 1999).
5. Condoleezza Rice and Philip Zelikow, *Germany United: Europe Transformed* (Cambridge: Harvard University Press, 1995).