



TURNING THE TIDE

**How to rescue
transatlantic relations**

Edited by

Simona R. Soare

With contributions from

Paul Bacon, Joe Burton, Andrea Charron, John R. Deni,
Florence Gaub, Katarina Kertysova, Elena Lazarou,
Gustav Lindstrom, Katariina Mustasilta, Clara
Portela, Corina Rebegea and Zoe Stanley-Lockman

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Simona R. Soare

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Executive Summary

The transatlantic partnership is in crisis (again!). Structural factors, political rhetoric and hostile foreign influence are in danger of pushing the two sides of the Atlantic even further apart. A sustained effort to rescue the transatlantic partnership is needed, especially in light of the new European Commission taking office, the US elections in November 2020, the disruptive impact of Brexit, and upcoming elections in key European countries, including in France and Germany. It is time that both sides of the Atlantic reaffirmed the strength and endurance of the transatlantic bond.

This book is an attempt to map out what lies beyond the divide and peer into the future of the transatlantic partnership. It explores how partners on both sides of the Atlantic can rejuvenate transatlantic relations as the 2020s unfold. The volume offers an overarching view of the major factors, trends, areas and issues that are likely to shape transatlantic relations in the next decade. Rather than focusing on how to defuse disagreements over topical and politically sensitive issues such as relations with China, Russia and Iran, the volume seeks to explore less researched, but equally consequential aspects of the transatlantic partnership. Collectively, these issues may create new space for compromise and cooperation between the two sides of the Atlantic.

The book is structured in three sections, each tackling key areas of transatlantic strategic adaptation. Part One – *Resetting the Transatlantic Partnership* – explores how to rejuvenate the cultural, military, security and democratic foundations of the transatlantic partnership and to restore a sense of shared political purpose and direction. Part Two – *The Next Transatlantic Level: Going Global* – explores how transatlantic cooperation could evolve to cover new areas of strategic interest, from the Indo-Pacific to the Arctic and from Africa to Latin America. The final section – *Transatlantic Relations: New Substance and Relevance* – focuses on the issues that transatlantic partners should include in their toolbox of cooperation and complementarity to be able to act efficiently, cover issues of strategic

substance, and maintain their strategic relevance to each other and, more broadly, in the international system.

The main conclusions of the book are as follows: first, the future is still transatlantic, but a sustained effort is needed to rebuild the democratic, security and economic foundations of the transatlantic partnership. Disagreements under the Trump administration have rocked the partnership to the core, but even a second Trump administration will not spell the end of transatlanticism.

Second, transatlanticism is not a default state, it needs to be built and constantly sustained. Grassroots initiatives, such as public diplomacy and efforts to rebuild transatlantic strategic culture, are needed to bring the transatlantic narrative to broader categories of stakeholders. Such efforts need to be complemented by the rekindling of meaningful strategic dialogue between both sides of the Atlantic in the spirit of complementarity and shared leadership.

Third, there needs to be more Europe in transatlantic leadership, not to replace American leadership, but to enhance and complement it in the good times and to prevent transatlantic relations from going into free-fall in less auspicious ones.

Fourth, while military cooperation will remain the cornerstone of transatlantic security and defence, our practice and understanding of transatlantic security and the stakeholders we include needs an update and an upgrade. Transatlantic partners need to reassess the contours of transatlantic security, including by taking stock of the dependencies between internal and external security, and at all levels of society.

Finally, as great power competition returns, and as Western interests and the rules-based international order are increasingly contested and undermined, the practice of transatlantic cooperation needs to expand its geographical reach. Transatlanticism should become better nested in a multilateral framework that attracts other like-minded partners from the Indo-Pacific, Africa and Latin America. Such efforts are vital in order to safeguard the rules-based international order and to stand up together to the rise of China, Russia's resurgence on the world stage and whatever other challenges the 2020s may hold.

Introduction

The fragile, unbreakable transatlantic bond

SIMONA R. SOARE

Nothing of great strategic importance ever comes easy – and this is especially true of the transatlantic partnership. There is nothing easy about keeping the better part of two continents together, agreeing on everything from top-level strategic challenges to the nitty-gritty minutiae of coordinating policy implementation and multinational operations. Building and holding together the transatlantic partnership was not an easy task in the aftermath of World War II, it is not easy today and it has not been easy at any point in-between. It takes great political commitment and tremendous financial investment on both sides of the Atlantic to keep it going.

This is not always reflected in international relations literature and the scores of articles, reports and books that paint transatlantic relations in broad brushstrokes – either as a ‘natural’ or ‘special’ friendship between nations who share culture, history, values *and* interests, or as a ‘troubled’ relationship almost always on the brink of collapse. Nevertheless, there is broad agreement that over the past four years the unbreakable transatlantic bond has been sorely tested and has become increasingly fragile. As a result, transatlantic relations have come to a strategic juncture. Will they continue to deteriorate to a point of irreconcilable difference, or can the partnership be renewed and rejuvenated?

Toxic transatlanticism

Although many Europeans dislike President Trump's brash approach to transatlantic relations, the transatlantic divide did not start with him. Both sides of the Atlantic have contributed to the division. The transatlantic partnership was undermined in the 1990s by Europe's paralysis in tackling security crises in the Western Balkans. In the 2000s, it was undermined by President George W. Bush's democratic ventures in the Middle East, often pursued in disregard of the interests of European allies. And it was further undermined by the European reluctance to use military force and a chronic underinvestment in defence, especially in the aftermath of the 2008 economic crisis. While President Obama was one of the most well-liked American presidents across Europe, he was not a strong transatlanticist. His announcement of an American rebalancing to the Asia-Pacific sparked serious concerns of abandonment and strategic disengagement in Europe that culminated in renewed European efforts towards strategic autonomy, including in security and defence.

No previous disagreements in transatlantic relations have been as toxic to trust and solidarity as President Trump's hostility towards the transatlantic partners.¹ His uniquely corrosive rhetoric towards NATO and the EU has severely undermined the foundations of the transatlantic partnership: military and economic cooperation and liberal values. President Trump has called NATO "obsolete", refused to unequivocally endorse America's commitment to article 5 of the Washington Treaty and even mooted leaving NATO altogether.² He did not just constantly press European allies to meet their commitment to spend 2% of GDP on defence, as agreed under the 2014 Wales Defence Investment Pledge, but attempted to put a price on

¹ Anne Applebaum, "Trump hates the international organizations that are the basis of U.S. wealth, prosperity and military power", *Washington Post*, July 2, 2018, <https://www.washingtonpost.com/news/global-opinions/wp/2018/07/02/trump-hates-the-international-organizations-that-are-the-basis-of-u-s-wealth-prosperity-and-military-power/>; Constanze Stelzenmüller, "Hostile ally: The Trump challenge and Europe's inadequate response", Brookings Institution, August 2019, <https://www.brookings.edu/research/hostile-ally-the-trump-challenge-and-europe-s-inadequate-response/>.

² Julian E. Barnes and Helene Cooper, "Trump Discussed Pulling U.S. From NATO, Aides Say Amid New Concerns Over Russia", *New York Times*, January 14, 2019, <https://www.nytimes.com/2019/01/14/us/politics/nato-president-trump.html>.

transatlantic solidarity by using US troops and security guarantees to European allies as bargaining chips to extract other concessions, including on military funding,³ trade, energy, 5G, and defence transfers.⁴ The president's warnings that the US might not come to the aid of certain allies who did not meet their obligations within the Alliance⁵ threatened to undermine NATO's principle of indivisible security and reduce it to security for the *deserving* European allies. Other American officials and institutions, notably the Secretaries of Defence and State and Congress, filled the void by reassuring European allies that the US stood firmly behind its article 5 commitments.⁶ But important cave-

ats applied: Washington expected European allies to spend more on defence and contribute more to burden-sharing in cash, capabilities and contributions to operational commitments.

Importantly, President Trump shifted the focus from an overmilitarised US foreign policy to one that overemphasized and conditioned strategic engagements on short-term economic gains⁷ (or at least their appearance). In doing so, he framed the transatlantic (particularly the

President Trump shifted the focus from an overmilitarised US foreign policy to one that conditioned strategic engagements on short-term economic gains.

EU-US) relationship as *competitive* and the EU as an *economic competitor*, almost on a par with China. Despite relatively similar levels

3 Ewen MacAskill and Pippa Crerar, "Donald Trump tells Nato allies to spend 4% of GDP on defence", *The Guardian*, July 11, 2018, <https://www.theguardian.com/world/2018/jul/11/donald-trump-tells-nato-allies-to-spend-4-of-gdp-on-defence>; Nick Wadham and Jennifer Jacobs, "President Trump Reportedly Wants Allies to Pay Full Cost of Hosting U.S. Troops Abroad 'Plus 50%'", *Time*, March 8, 2019, <https://time.com/5548013/trump-allies-pay-cost-plus-50-troops/>.

4 Mike Pence, Remarks by Vice President Pence at the 2019 Munich Security Conference, February 16, 2019, <https://www.whitehouse.gov/briefings-statements/remarks-vice-president-pence-2019-munich-security-conference-munich-germany/>.

5 Carol Morello and Adam Taylor, "Trump says U.S. won't rush to defend NATO countries if they don't spend more on military", *Washington Post*, July 21, 2016, https://www.washingtonpost.com/world/national-security/trump-says-us-wont-rush-to-defend-nato-countries-if-they-dont-spend-more-on-military/2016/07/21/76c48430-4f51-11e6-a7d8-13d06b37f256_story.html.

6 116th US Congress, *Bill H.R. 676 An Act to reiterate the support of the Congress of the United States for the North Atlantic Treaty Organization, and for other purposes*, January 22, 2019, <https://www.congress.gov/bill/116th-congress/house-bill/676/text>; Joe Gould, "Congress moves to block Trump's Germany troop withdrawal plans", *Defence News*, June 30, 2020, <https://www.defensenews.com/congress/2020/06/30/congress-moves-to-block-trumps-germany-troop-withdrawal-plans/>.

7 Richard Haas, "How a World Order Ends And What Comes in Its Wake", *Foreign Affairs*, January/February 2019, <https://www.foreignaffairs.com/articles/2018-12-11/how-world-order-ends>.

of US public support for the EU and NATO (generally over 50% over the past decade), US surveys reveal the largest partisan gap with regard to the EU in fifteen years⁸ and worrisome elite perceptions of the threat of European federalisation – implicit in some depictions of the post-Covid EU Economic Recovery Package as the EU’s ‘Hamiltonian moment.’⁹ This may indicate an underlying shift in American perceptions regarding economic competition with Europe that goes beyond the White House.

Corrosion and contestation

Unfortunately, defence and trade are not the only areas where transatlantic partners disagree. The list is growing longer: multilateralism, migration, climate change, the planned European ‘carbon tax’ and ‘digital tax’, arms control, development and digital technologies, relations with Russia, strategic competition with China, the Iran nuclear deal, the US-proposed Middle East Peace Plan, moving the US embassy to Jerusalem, the extraterritorial effects of US sanctions on Europe, Brexit, the response to the Covid-19 pandemic and membership of the World Health Organisation (WHO), to name just a few. The interests gap between Europe and America is widening in all these areas (see Figure 1).

European states are now less inclined to appease the White House, and European integration, including in security and defence, has been the only viable alternative. In June 2016, HR/VP Federica Mogherini launched the EU Global Strategy, calling for European strategic autonomy, in order to promote and defend Europe’s legitimate interests. President Macron warned that “America is turning its back on

⁸ Kat Devlin, “Attitudes toward EU are largely positive, both within Europe and outside it”, PEW Research Center, October 21, 2019, <https://www.pewresearch.org/fact-tank/2019/10/21/attitudes-toward-eu-are-largely-positive-both-within-europe-and-outside-it/>; Moira Fagan and Jacob Poushter, “NATO Seen Favorably Across Member States”, PEW Research Center, February 6, 2020, <https://www.pewresearch.org/global/2020/02/09/nato-seen-favorably-across-member-states/>.

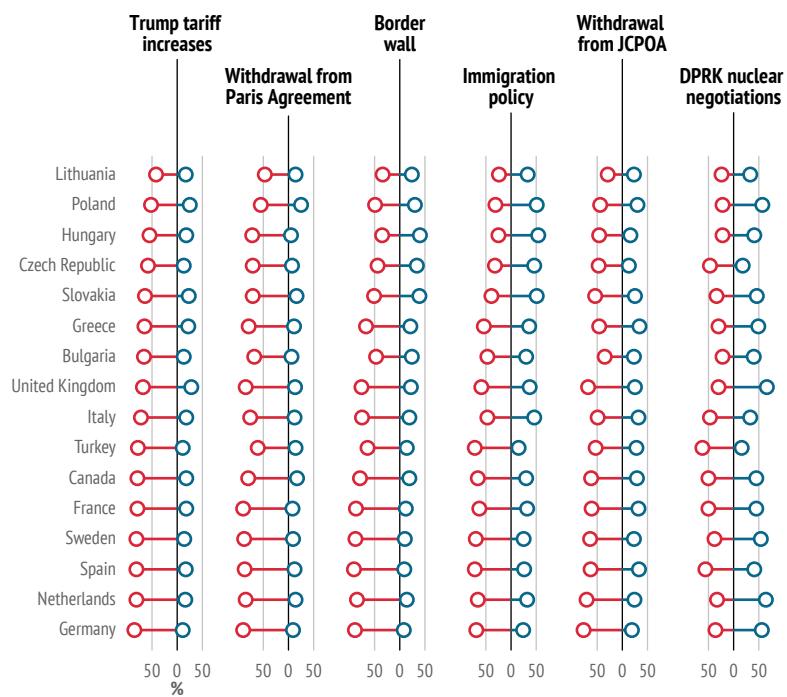
⁹ Niall Ferguson, “Europe’s ‘Hamilton Moment’ Is a Flop. That’s Fine”, Washington Post, July 20, 2020, https://www.washingtonpost.com/business/europe-hamilton-moment-is-a-flop-thats-fine/2020/07/19/9104808c-c9c0-11ea-99b0-8426e26d203b_story.html.

FIGURE 1 | European disapproval of major US policies

Rate of approval/disapproval, 2017–2019, %

Europeans strongly disapprove of the way the US has handled the Covid-19 crisis (85%), of American withdrawal from the Paris Agreement on climate change (75%) and of the imposition of US tariffs on Europe (69%). European majorities also disagree with American policies on immigration and the border wall as well as with the US withdrawal from the Iran nuclear deal.

—○— negative —○— positive



Data: PEW 2019, 2020; Dalia 2020

the European project”¹⁰ and that transatlantic relations were under strain due to diverging interests. Former Commission President Juncker and several European officials called for a ‘European Army’ and the establishment of a genuine European Defence Union. As they resisted the steel tariffs imposed by the US, European allies slowly responded to American pressure by steadily increasing defence spending.¹¹ Transatlantic acrimony over defence market access and the European defence initiatives – notably Permanent Structured Cooperation (PESCO) and the European Defence Fund (EDF) – as well as growing disagreements in the digital economy and emerging technology areas, led EU officials to call for European “technological sovereignty”¹² and analysts branded EU policies as a European “third way” in the making.¹³ Unsurprisingly, in Washington, these were interpreted as expressions of anti-American and narrow national interests that were as corrosive to the alliance as Trump was.¹⁴ While Trump was certainly to blame for much of the trouble in transatlantic relations, there were issues on both sides of the divide.

Left unaddressed, underlying structural factors will continue to erode transatlantic relations. They will inevitably shape the policy options of any White House and European administration and reduce the space for transatlantic dialogue and compromise. These disagreements have already created a divide in the transatlantic partnership. Naturally, the possible demise of the transatlantic relationship and

Left unaddressed,
lunderlying
structural factors
will continue to
erode transatlantic
relations.

¹⁰ Emmanuel Macron warns Europe: NATO is becoming brain-dead”, *The Economist*, November 7, 2019, <https://www.economist.com/europe/2019/11/07/emmanuel-macron-warns-europe-nato-is-becoming-brain-dead>.

¹¹ NATO, *The Secretary General's Annual Report 2019*, March 2020, p. 2, https://www.nato.int/nato_static_fl2014/assets/pdf/2020/3/pdf_publications/sgar19-en.pdf#page=8.

¹² European Commission, “Europe: The Keys To Sovereignty,” September 11, 2020, https://ec.europa.eu/commission/commissioners/2019-2024/breton/announcements/europe-keys-sovereignty_en.

¹³ Mathew J. Burrows and Julian Mueller-Kaler, “Europe’s third way”, Atlantic Council, March 14, 2020, <https://www.atlanticcouncil.org/content-series/smarter-partnerships/europees-third-way/>.

¹⁴ James Kirchick, “Europeans want to break up with America. They’d do so at their peril”, Brookings Institution, May 25, 2018, <https://www.brookings.edu/blog/order-from-chaos/2018/05/25/europeans-want-to-break-up-with-america-theyd-do-so-at-their-peril/>.

of the transatlantic alliance¹⁵ have come into sharper focus for the scholarly and policy communities. There are still expectations that in the aftermath of the November 2020 US presidential elections, especially under a different administration, transatlantic relations could return to a more cooperative and constructive footing. But there is also recognition that not all current obstacles will disappear regardless of who inhabits the White House. Waiting Trump out will not automatically mean returning to the pre-Trump *status quo* in transatlantic relations.¹⁶ It is high time the transatlantic partnership undertook a much-needed strategic adaptation.¹⁷ As the world around us changes, so must the transatlantic relationship. But all the evidence indicates that this change is already happening *by default* rather than *by design*.

Purpose of the book

In the context of these challenges, this book provides an overdue and timely reflection on how North America and Europe can rejuvenate the transatlantic partnership in the short and mid-term. It aims to contribute to the debate about the future of transatlantic relations at a time when there is a new European Commission in Brussels, a US presidential election, and elections in several important European states, including Germany in 2021 and France in 2022, that could shape the transatlantic partnership. In this context, there is growing interest in the major strategic and political trends that will shape the prospects of European relations with Washington as the 2020s unfold.

Instead of looking back at how the structural fracture in the transatlantic bond appeared, this book looks towards the future. It searches for the ways, tools and ideas to fix or bridge it. The book asks how

¹⁵ Federiga Bindi (ed), *Europe and America: The End of the Transatlantic Relationship?* (Washington D.C.: Brookings Institution Press, 2019).

¹⁶ Norbert Röttgen, “How to Save the Transatlantic Alliance: Waiting Out Trump Won’t Be Enough”, *Foreign Affairs*, June 17, 2019, <https://www.foreignaffairs.com/articles/europe/2019-06-17/how-save-transatlantic-alliance>.

¹⁷ Walter Russell Mead, “NATO Isn’t Dead, but It’s Ailing”, *Wall Street Journal*, November 12, 2019, <https://www.wsj.com/articles/nato-isnt-dead-but-its-ailing-11573516002>.

transatlantic partners can launch a process to revive the transatlantic partnership, what issues, channels and areas are considered critical in this process, and how they will contribute to shaping the future of transatlantic relations. In answering these questions, this book contributes to the debate about the future of transatlantic relations by mapping avenues for transatlantic partners to overcome their differences and chart a new transatlantic agenda for the 2020s.

The overarching argument in the book is that the key to rejuvenating the transatlantic partnership is to reignite the political and value-driven strategic dialogue between the two sides of the Atlantic and reaffirm the political will to (re-)engage in cooperation. The point of difference in this volume is that it is not focused on contentious strategic issues, such as relations with China, Russia and Iran. Instead, it explores less researched topics that may create a new space for constructive transatlantic dialogue and cooperation and, thus, help incentivise the rejuvenation of transatlanticism. The book is not a plea for a new transatlantic bargain, but rather for a pragmatic rescue-operation to salvage Europe and America's most important strategic relationship.

The unbreakable transatlantic bond is not spared in the age of turbulence and fragility we are currently experiencing. A new strategic environment and new power realities in Washington, Brussels and other European capitals require the transatlantic partnership to adapt and evolve. This entails a consolidation of traditional areas of cooperation – notably, defence cooperation and NATO – but, like all adaptations, it needs to challenge transatlantic partners to move their cooperation beyond their comfort zones, including trade, and beyond their geographical area of responsibility in Europe and North America.

Structure of the book

This book is structured in three sections, each examining one of the key areas in the adaptation of the transatlantic partnership. Part One – *Resetting the Transatlantic Partnership* – explores the prospects of rejuvenating the shared foundations of transatlantic relations. In the opening chapter, Florence Gaub investigates whether transatlantic partners (still) share the same perceptions and expectations about

the future and how their perceptions frame, inform and explain major policymaking trends on both sides of the Atlantic. In the second chapter, John R. Deni explores the military dimension of transatlantic relations. He outlines the impact of President Trump's 'bifurcated transatlanticism' and the concrete steps transatlantic partners need to take to rebuild political trust, reaffirm the political commitment to the transatlantic bond and renew European efforts in the area of burden-sharing. This is followed and complemented by the next chapter by Simona R. Soare, who explores the role EU-NATO cooperation plays in the broader context of transatlantic relations, the challenges it faces and the steps partners should take to rejuvenate the transatlantic partnership – specifically by elevating the political and strategic role of EU-NATO cooperation. In chapter four, Elena Lazarou delves into the realm of transatlantic parliamentary diplomacy, assessing the role it continues to play in the development of transatlantic relations by facilitating constructive dialogue, contributing to defusing misunderstandings and enhancing the democratic legitimacy of transatlantic policy choices. In the final chapter of this section, Joe Burton rounds up the discussion by arguing for rebuilding a common transatlantic strategic culture as a means to ensure the permanency of the transatlantic link.

Part Two – *The Next Transatlantic Level: Going Global* – focuses on how transatlanticism can, and why it should, go global. In chapter six, Paul Bacon explores how the EU can strengthen the transatlantic partnership by expanding cooperation on connectivity in the Indo-Pacific with the US and like-minded regional countries, such as Japan. In the next chapter, Katariina Mustasilta compares transatlantic approaches to conflict prevention and cooperation in this domain. Conflict prevention is an area of increasing concern in the context of great power competition, changes in local governance, climate change and emerging technologies, which are negatively shaping the conflict landscape, especially in Africa. Clara Portela's chapter argues for a pragmatic transatlantic approach to sanctions policy cooperation in Latin America, which could increase security, help expand democracy and civil liberties and alleviate transatlantic disagreements over the extraterritorial effects of US sanctions on Europe. Moving up from the global South, in the final chapter of this section, Andrea Charron looks north at how transatlantic partners could cooperate and support coastal Arctic states in establishing a compulsory maritime code

of conduct in the Arctic Ocean, which would set rules of the road for access to the area and reduce the risk of unintended incidents between Russia, China and Western allies.

The third and final section of the book – *Transatlantic Relations: New Substance and Relevance* – looks at four critical topics expected to shape transatlantic relations into the 2020s. In the opening chapter of this section, Gustav Lindstrom explores the state of transatlantic relations in matters of outer space security and offers recommendations for how transatlantic partners can coordinate their approaches to increase security and solidarity. In chapter eleven, Zoe Stanley-Lockman explores the concrete steps transatlantic partners need to take to strengthen their cooperation in emerging technologies, particularly artificial intelligence, and the data-driven world, with implications for security and the economy alike. In her chapter, Corina Rebegea goes back to the political roots of the transatlantic link, notably democracy and the rule of law. She argues that hybrid threats and disinformation are undermining the core foundation of transatlantic relations and that partners on both sides of the Atlantic need to formulate a more strategic approach to tackling them, including by closely linking their internal and external security. Finally, Katarina Kertysova's chapter analyses the ups and downs in transatlantic co-operation on climate change and, in an acknowledgement of the partisan nature of climate change in US politics, offers recommendations on how to develop transatlantic leadership and cooperation in this area after the 2020 US elections.

Reflecting recent Commission calls for “a new transatlantic agenda”, this book concludes with a chapter that distils, summarises and gives an overview of the findings in the previous three sections and highlights the major trends and themes shaping the transatlantic partnership as Europe and North America face the challenges of the next decade.





RESETTING THE TRANSATLANTIC PARTNERSHIP



CHAPTER 1

Do you see what I see?

American and European
visions of the future

FLORENCE GAUB

Introduction

It is no coincidence that the North Atlantic Treaty was written in the future tense. After all, the document that institutionalised the transatlantic bond was not just an (admittedly vague) promise concerning future behaviour, it was embedded in a geopolitical competition for the future itself. Moreover, the Soviet Union was powered by an ideology that professed to know what the remainder of history was going to look like. In contrast, 1940s liberalism, democracy and capitalism knew only that the future would be the result of human choices – but probably better than the state of affairs prevailing at that time.¹ Unsurprisingly, Western democracies felt threatened by

¹ Geroid Tanquary Robinson, “Stalin’s Vision of Utopia: The Future Communist Society”, *Proceedings of the American Philosophical Society*, vol. 99, no. 1, (January 27, 1955), pp. 11–21; “Stalin’s warning for the future”, CNN, <https://edition.cnn.com/videos/international/2014/01/13/cold-war-stalin-speech.cnn>.

this deterministic view of things to come (perhaps also because it earmarked them as a dying species): Churchill's 'Iron curtain' speech, later credited with planting the seeds of NATO, was littered with future-related terminology such as 'anxiety' and 'danger' – but also 'prevention' and 'the power to save the future'.²

The future, and a joined understanding of what could threaten it, was therefore not just *one* ingredient of the transatlantic relationship: it was, in fact, its building block. The future has come a long way since then: the Soviet Union disappeared, NATO expanded, the European Economic Community (EEC) evolved to become the EU, and democracy, despite all its opponents, appeared to have marched on to become the dominant political system in the world. The communist understanding of human development as a predictable evolution of history appeared to be replaced by a new understanding of the future: that the end of history had been reached in the shape of liberal democracy.³ Or so it seemed.

Whether or not one agrees with the idea that time and therefore history is not, in fact, linear but circular, we are back in a time where the geopolitical struggle is fundamentally about the future.⁴ Only this time, the future space is littered not with deterministic understandings of history, but with competing visions of what the future should look like. Competing normative futures – the futures we want to see materialise for not just ourselves but the world – are what underlies the ongoing tensions.

When viewed this way, it is not clear that the essence of the transatlantic bond – a shared understanding of not just how Allies would behave in a certain set of circumstances, but what the space should be in which the future unfolds – is as strong as it used to be. Do Americans and Europeans still share a view of the future? And whatever the answer to this question is – what will it mean for the relationship? This chapter first looks at the systemic underpinnings that generally shape the perception of the future in both the United States

² International Churchill Society, "The Sinews of Peace ('Iron Curtain Speech')", March 5, 1946, <https://winstonchurchill.org/resources/speeches/1946-1963-elder-statesman/the-sinews-of-peace/>

³ Francis Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992).

⁴ Paul G. Kuntz, "Linear or cyclical order? Contrasting Confessions of Augustine, Vico, and Joyce", *Soundings: An Interdisciplinary Journal*, vol. 75, no. 4 (Winter 1992): pp. 517–36.

and Europe. It then compares them to competing visions of the future, notably those expounded by China and Russia. Then, a look at threat perceptions unveils what both sides of the Atlantic worry about when it comes to the future, and finally, what they do to get a hold on these fears.

The future: a matter of software

Although this might seem philosophical (and therefore irrelevant to some in the policy world), it is worth asking first in abstract terms how the two sides of the Atlantic conceptualise the future. Both are liberal democracies with capitalist systems, albeit to varying degrees both in terms of democratic and capitalist practice. But it is these two systems together that underpin how the future – a concept of a time to come – is generated. For both liberal democracy and capitalism fundamentally perceive the future as a space to be shaped rather than one that is a given. The only firm commitment democracy makes to the future is a pre-programmed possibility for change in the shape of elections; capitalism, in turn, sees the future as the result of competition which by definition – and in principle – knows no predetermined outcome. Taken together, these two systems explain an open, rather than closed, collective, rather than individual, understanding of the future which creates possibility rather than a known end result. This is precisely the reason why strategic foresight, a reflection methodology designed to inform policymaking amidst the vast array of possible future scenarios, started out in these political systems.

But both democracy and capitalism are, once again, in crisis, and by extension, so is the fundamental software on which the future runs.⁵ It is no coincidence that many of the key elements fuelling this sense of crisis are directly related to the future: whether climate change or the impact of a growing (and in some places ageing) population, the

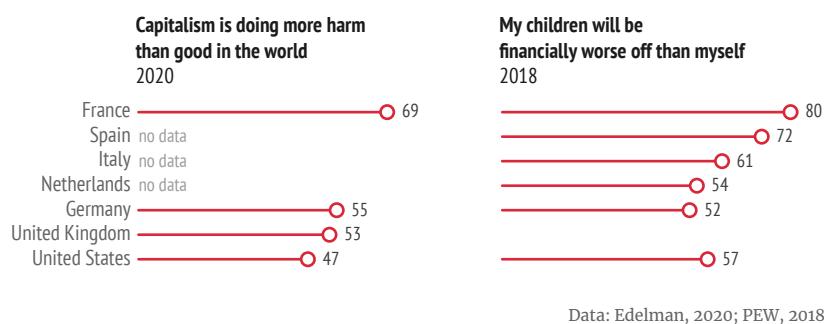
⁵ The 1970s saw an intense period of uncertainty with regard to the viability of democracy and the capitalist system. See also Michel Crozier, Samuel P. Huntington and Joji Watanuki, *The Crisis of Democracy: On the Governability of Democracies* (New York: New York University Press,, 1975); Prabhat Patnaik, “On the Economic Crisis of World Capitalism”, *Social Scientist*, vol. 10, no. 5, “The Economics of Capitalist Crisis: A Discussion” (May, 1982), pp. 19–41

impact of automation and other technological innovations, future economic prospects and geopolitical uncertainty all showcase the difficulty the twin systems have with each challenge. The open future market does not appear compelling in this context.

Trust in government has mirrored the ebbs and flow of how well each system was seen to manage the future: in the United States, a low in the 1960s and 1970s was followed by an increase in the 1980s and 1990s – but the early twenty-first century has seen a return to low levels of trust of around 30%, a number more or less stable across generations.⁶ And it is not the government alone that is seen as faulty, but the system on whose basis it operates: 68% of Italians and Spaniards, 59% of Americans, and 58% of French people are dissatisfied with the way democracy works in their country. (Things look brighter in Sweden, the Netherlands, Poland, Lithuania and Germany, where these rates are below 36%).⁷

FIGURE 1 | Brighter futures?

People who are dissatisfied, 2020 and 2018, %



Data: Edelman, 2020; PEW, 2018

Capitalism, too, is on the defensive, despite the substantial differences that exists in the way it is practised on either side of the Atlantic as these surveys above show. Nostalgia is making inroads in this general mood: 45% of Americans felt that they were financially worse off

⁶ Pew Research Center, "Trust in government: 1958–2015", November 23, 2015, <https://www.pewresearch.org/politics/2015/11/23/1-trust-in-government-1958-2015/>

⁷ Pew Research Center, "How people around the world see democracy in 8 charts", February 27, 2020, <https://www.pewresearch.org/fact-tank/2020/02/27/how-people-around-the-world-see-democracy-in-8-charts/>

than 20 years earlier, and 46% of Germans, 56% of French people, 62% of Spaniards, and 72% of Italians felt the same way.⁸ (The notable outlier being Poland, where optimism about the future is as strong as the perception that the present is better than the past.) Elites on both sides, too, shared this concern.⁹

The way democracy tackles the problems of today – particularly those pertaining to the future – is under fire.

Make no mistake: this dissatisfaction does not mean that Americans and Europeans are done with their systems. As French President Macron noted, “Indeed, in these difficult times, European democracy is our best chance... we see authoritarians all around us, and the answer is not authoritarian democracy, but the authority

of democracy.”¹⁰ But the way democracy tackles the problems of today – particularly those pertaining to the future – is under fire. While voter turnout has decreased steadily since the 1990s, political activism has increased, and with it, demonstrations.¹¹ What is more, dissatisfaction with democracy is far from evenly distributed: in those European states that transitioned from a communist system, between 70% and 85% of citizens agreed that they approved of democracy and the market economy.¹²

Capitalism has an even harder time than democracy: it is held responsible for climate change, ever-growing inequality and even the erosion of democracy as companies wield state-like power. It is therefore seen as no longer delivering on its own promise of a better future – it is in this light that the renewed appeal of socialism among

⁸ Pew Research Center, “Expectations for the future”, September 18, 2018, <https://www.pewresearch.org/global/2018/09/18/expectations-for-the-future/>

⁹ Pierangelo Isernia and Linda Basile, “To agree or Disagree? Elite opinion and Future prospects of the Transatlantic partnership”, IAI, Working Paper no. 34, June 2014, http://www.iai.it/sites/default/files/tw_wp_34.pdf.

¹⁰ Deutsche Welle, “France’s Emmanuel Macron calls for revival of EU democracy”, April 17, 2018, <https://www.dw.com/en/frances-emmanuel-macron-calls-for-revival-of-eu-democracy/a-43415579>.

¹¹ Abdurashid Solijonov, “Voter turnout trends around the world”, The International Institute for Democracy and Electoral Assistance (IDEA), 2016, <https://www.idea.int/es/publications/catalogue/voter-turnout-trends-around-world>.

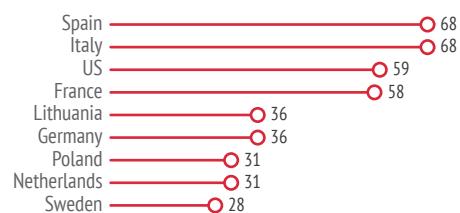
¹² Pew Research Center, “European Public Opinion Three Decades After the Fall of Communism”, October 15, 2019, <https://www.pewresearch.org/global/2019/10/15/european-public-opinion-three-decades-after-the-fall-of-communism/>

some strata of the public has to be seen.¹³ Unsurprisingly, this is stronger in Europe than in the US. Just 28% of Americans have a favourable view of socialism, and 65% view capitalism as positive.¹⁴ But even in Europe, socialism is not seen as a credible alternative to capitalism – perhaps also because many European systems blend the two, combining substantial social welfare with free market policies. Where the system does find most favour is in a particular age group, the Millennials. Born between 1981 and 1996, they are the ones who display a penchant towards socialism. Their successors, Generation Z, do not share this penchant.¹⁵

While the two sides of the Atlantic agree on this systemic crisis, they disagree on the issue of their own agency. Across Europe, more than half the population say that success in life is pretty much determined by forces outside their control (53% in Western Europe and 58% in Central and Eastern Europe).¹⁶ In the US, only 31% share this view. To be fair, this profound sense of agency when it comes to the future is almost unique to the US – only Venezuela ranked higher,

FIGURE 2 | Dissatisfaction with democracy

People who are dissatisfied with the way democracy is working in their country, 2020, %



Data: PEW, 2020

¹³ “Capitalism incompatible with climate action, survey suggests”, *Brussels Times*, June 14, 2020, <https://www.brusselstimes.com/news/116735/capitalism-incompatible-with-climate-action-survey-suggests/>

¹⁴ “Poll: Sanders Rises, But Socialism Isn’t Popular With Most Americans”, NDR, February 19, 2020, <https://www.npr.org/2020/02/19/807047941/poll-sanders-rises-but-socialism-isnt-popular-with-most-americans?t=1599720011109>; Pew Research Center, “In Their Own Words: Behind Americans’ Views of ‘Socialism’ and ‘Capitalism’”, October 7, 2019, <https://www.pewresearch.org/politics/2019/10/07/in-their-own-words-behind-americans-views-of-socialism-and-capitalism/>

¹⁵ YouGov, “British people keener on socialism than capitalism”, February 23, 2016, <https://yougov.co.uk/topics/politics/articles-reports/2016/02/23/british-people-view-socialism-more-favourably-capi>

¹⁶ Pew Research Center, “Where Americans and Europeans agree – and differ – in the values they see as important”, October 16, 2019, <https://www.pewresearch.org/fact-tank/2019/10/16/where-americans-and-europeans-agree-and-differ-in-the-values-they-see-as-important/>

reminding us of the fact that these numbers should not be misread as indicators on how well states actually will cope with the future.¹⁷ Instead, they give us a glimpse into how citizens in certain states *feel*

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about the future *today*. What we can conclude from this noticeable discomfort about the future, however, is that the very systems that serve as a conceptual grid for the future are in crisis, and both sides of the Atlantic agree on that.¹⁸ Where the very concept informing an understanding of the future appears imperilled, the future itself

is, too. But at the time of writing, no concrete proposals on how to change this had emerged East or West of the Atlantic.

Competing visions for the future

Enter the competitors. Here, the most vocal one when it comes to articulating its vision is China. It is worth noting that China's view of the future, despite its communist ideology, is not informed by a communist understanding of a 'natural' course of history. Instead, in an almost liberal fashion, China's President Xi Jinping has repeatedly formulated visions for China's future development and oriented the state and economy along those lines. While this might not be unusual – the EU for instance produces visions for different sectors on a regular basis – China was the first state to take this type of planning to the geopolitical level. In 2017, Xi announced that by 2050, China would have not only a "world-class military" but also, depending on translation, be a "leading power", "stand tall", or "take centre stage" in

¹⁷ Pew Research Center, "Emerging and Developing Economies Much More Optimistic than Rich Countries about the Future", October 2014, <https://www.pewresearch.org/global/2014/10/09/emerging-and-developing-economies-much-more-optimistic-than-rich-countries-about-the-future/>

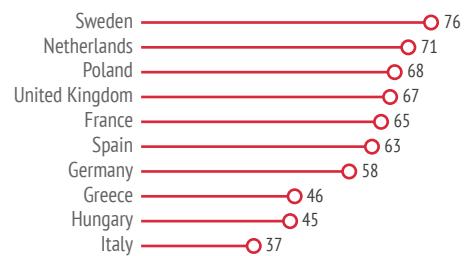
¹⁸ Pat O'Malley, "Uncertainty makes us free". Liberalism, risk and individual security", *Behemoth: A Journal on Civilisation*, 2009, vol. 2, no. 3, 2009, pp. 24–38.

the world.¹⁹ This “China Dream” puts Beijing, in the long-term, on a collision course with both the United States and Europe, as it has a world vision that differs from both, whether with regard to human rights, economic systems, conflict resolution or multilateralism. But it also puts it in direct competition for the future: whereas China offers a vision for itself *and the world* that promises a better and fairer tomorrow to those who subscribe to it, Europe and North America alike have yet to formulate a comprehensive goal that differs positively from today. In other words: the “China Dream” might serve as a geopolitical brand that states sign up for. Russia is the most important state yet to have signed up for this dream: although well ahead of China in geopolitical terms, Russia lacks the attractive power of a constructive vision (although Vladimir Putin mentioned the word ‘future’ 12 times in his January 2020 speech to the Duma, it was not a speech designed to transport the listener to a better tomorrow, but to assign tasks).²⁰ Together, the pair can promote their vision of not just their authoritarian societies, but also a multilateral system with an emphasis on non-interference in domestic affairs, a cavalier attitude to human rights, and a dislike of Western, particularly American, norm-setting. Simply put, with Russia by its side, China’s dream is likely to become a Global Dream.

In contrast, neither Americans nor Europeans have a clear vision for the future that goes beyond the features of today. True, most Americans and many Europeans still think it is best for the world if the US is the world leader, but 60% of Americans also think the US will be less important in

FIGURE 3 | American leadership?

People who think having the US (rather than China) as the world's leading power would be better for the world, 2019, %



Data: Edelman, 2020; PEW, 2018

¹⁹ “Xi Jinping’s 2050 vision: A China that stands tall in the world”, *The Straits Times*, October 19, 2017, <https://www.straitstimes.com/asia/east-asia/xi-jinping-s-2050-vision-a-china-that-stands-tall-in-the-world>.

²⁰ The Kremlin, “Presidential Address to the Federal Assembly”, January 15, 2020, <http://en.kremlin.ru/events/president/news/62582>.

2050 (although 31% think it will be more important).²¹ This view is shared by the US Office of National Intelligence, whose last three foresight reports anticipated a world in which American influence was going to be reduced (but without specifying when this would happen).²² More than half of Europeans feel the same way about themselves at member-state level, but they have ambitions for the European Union: 74% want it to play a more active role on the global stage, presumably to counter the perception of waning national influence.²³

With Russia by its side, China's dream is likely to become a Global Dream.

In part, this rather defeatist perception of one's own role in the future is mirrored also in the way leaderships in the US and Europe articulate their vision for the future. President Trump's vision, as his campaign slogan 'Make America Great Again' indicates, is not turned towards the future, but the past, not towards the world, but inwards.²⁴ As he stated in his speech at the United Nations General Assembly in 2019: "The future does not belong to globalists. The future belongs to patriots. The future belongs to sovereign and independent nations who protect their citizens, respect their neighbours, and honour the differences that make each country special and unique."²⁵ The emphasis on coal and steel, the use of emotionally-charged language such as 'bringing back', all echo well with a nostalgic audience – but miss out on offering a vision for the future that could generate enthusiasm.

Europe, too, is beginning to turn inwards and away from the future. For instance, while Ursula von der Leyen's agenda for Europe

²¹ Pew Research Center, "Looking to the Future, Public Sees an America in Decline on Many Fronts", March 21, 2019, <https://www.pewsocialtrends.org/2019/03/21/public-sees-an-america-in-decline-on-many-fronts/>. Pew Research Center, "U.S. Views of China Increasingly Negative Amid Coronavirus Outbreak", April 21, 2020, <https://www.pewresearch.org/global/2020/04/21/u-s-views-of-china-increasingly-negative-amid-coronavirus-outbreak/>

²² Office of the Director of National Intelligence, "Global Trends," <https://www.dni.gov/index.php/global-trends-home>.

²³ Pew Research Center, "Key findings on how Europeans see their place in the world", June 13, 2016, <https://www.pewresearch.org/fact-tank/2016/06/13/key-findings-europe/>

²⁴ Associated Press, "How the past informs Trump's vision of America's future", September 22, 2019, <https://apnews.com/b05a6a1daccd4bf4a5cd5a88349d6ad2>

²⁵ The White House, "Remarks by President Trump to the 74th Session of the United Nations General Assembly", September 24, 2019, <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-74th-session-united-nations-general-assembly/>

contained the word ‘future’ 14 times, it is nowhere mentioned in a geopolitical context.²⁶ Europe will be carbon-neutral by 2050, have acquired ‘tech sovereignty’ in the coming decade, and have moved to a post-modern economy. Indeed, the European project begins to stand in for an inclusive, compelling story about its future *in the world*.²⁷ The Conference on the Future of Europe, announced in late 2019, perhaps even the increased calls for European strategic sovereignty or autonomy, can be read in this way. This has, of course, to do with the no longer certain future of an organisation devised to make the future more predictable: NATO. With a White House openly questioning the utility of the relationship, not just the transatlantic bond appears to be in jeopardy, but a key element that helped both sides give an uncertain world more certainty. The fact that both sides of the Atlantic face the same predicament should be seized as an opportunity to jointly reinvigorate their narratives about the future of the world as they see it – but this is yet to happen.

One man’s threat, another man’s opportunity?

Lacking a concrete vision of the future should not be mistaken for lacking a sense for the future. Where most states engage with the future is in the shape of threats: worst-case scenarios that are to be avoided.

Here, Americans and Europeans display divergence but a move towards each other is noticeable. The first common concern is, of course, the role of China. As Secretary of State Pompeo has declared, China is working towards a future where “our children’s children may

²⁶ Ursula von der Leyen, “A Union that strives for more: My agenda for Europe. Political guidelines for the next European Commission 2019 – 2024”, https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf.

²⁷ European Commission, “Shaping Europe’s digital future: op-ed by Ursula von der Leyen, President of the European Commission”, February 19, 2020, https://ec.europa.eu/commission/presscorner/detail/en/ac_20_260; Susi Dennison, Mark Leonard and Adam Lury, “What Europeans really feel: the battle for the political system”, *Policy Brief*, European Council on Foreign Relations, May 2019, https://www.ecfr.eu/page/-/what_europeans_really_feel_the_battle_for_the_political_system_eu_election.pdf.

be at the mercy of the Chinese Communist Party.”²⁸ Although European leaders have been more circumspect in their rhetoric, a change in tone is noticeable.

Where most states engage with the future is in the shape of threats: worst-case scenarios that are to be avoided.

Secretary General Stoltenberg noted that “NATO has to address the consequences, the security consequences, of the rise of China.”²⁹ Following the EU-China summit in June 2020, Council President Michel and Commission

President von der Leyen issued a joint declaration that articulated a markedly more clearcut position than the previous one: “We have to recognise that we do not share the same values, political systems, or approach to multilateralism.”³⁰

Public surveys confirm Europe’s reticence *vis-à-vis* China: 48% of Europeans had unfavourable views versus 60% of Americans.³¹ In a different survey, 45% said that China was a competitor rather than a partner,³² and between 54 and 83% said that Europe should stay neutral should it come to a conflict between the US and China.

Terrorism, too – an area that used to be a concern more for Americans than Europeans – has become an area of agreement. In 2020, 73% of Americans saw it as a major threat; while European numbers are lower, they are still comparable ranging between 59% and 87%.³³ Of course, whereas terrorism ranked second for Americans behind pandemics, it ranked eighth in a list of challenges for Europe,

²⁸ Secretary of State Michael R. Pompeo, “Communist China and the Free World’s Future”, Speech, The Richard Nixon Presidential Library and Museum, Yorba Linda, California, July 23, 2020, <https://www.state.gov/communist-china-and-the-free-worlds-future/>

²⁹ NATO, “Remarks by NATO Secretary General Jens Stoltenberg on launching #NATO2030 – Strengthening the Alliance in an increasingly competitive world”, June 8, 2020, https://www.nato.int/cps/en/natohq/opinions_176197.htm.

³⁰ Council of the European Union, “EU-China summit via video conference, 22 June 2020”, June 22, 2020, <https://www.consilium.europa.eu/en/meetings/international-summit/2020/06/22/>

³¹ Pew Research Center, “People around the globe are divided in their opinions of China”, December 2019, <https://www.pewresearch.org/fact-tank/2019/12/05/people-around-the-globe-are-divided-in-their-opinions-of-china/>

³² Bertelsmann Stiftung, “Survey: Europe’s view of China and the US-Chinese conflict”, January 2020, https://www.bertelsmann-stiftung.de/fileadmin/files/BSt/Publikationen/GrauePublikationen/eupinions_China_DA_EN.pdf.

³³ Pew Research Center, “Americans See Spread of Disease as Top International Threat, Along With Terrorism, Nuclear Weapons, Cyberattacks”, April 113,2020, <https://www.pewresearch.org/global/2020/04/13/americans-see-spread-of-disease-as-top-international-threat-along-with-terrorism-nuclear-weapons-cyberattacks/>

behind climate change, healthcare, unemployment, political stability, migration, and more.³⁴

The one area where Europeans and Americans display the greatest difference in threat perception is climate change. Whereas 93% of Europeans said that climate change is a serious problem, 60% of Americans share this view – but it is a historical high, indicating a shift in American perceptions on the matter. More importantly, most Americans – both Democrats and Republicans – agree that the federal government should do more in this regard, and support measures such as planting trees, granting tax credits to businesses which develop carbon storage technology, imposing tougher restrictions on power plants, and even taxing corporations for their emissions while encouraging the development of renewable energy.³⁵

The one area where Europeans and Americans display the greatest difference in threat perception is climate change.

Taken together, we can conclude that Europeans and Americans broadly agree on the threats that exist. But do they agree on how to tackle them?

From vision to action

If Europeans and Americans agree on so much – that the very systems on which they rely to lend their futures a degree of predictability are in crisis, that competing geopolitical visions of the future are in the ascendant, and where the threats lie – why is there still tension? The problem must be at the tactical level.

Take China: confrontation has been the American choice under the Trump administration, diplomacy and dialogue the European choice – prompting the American Secretary of State to ask Europeans to

³⁴ European Investment Bank, “The EIB climate survey 2019 – 2020,” 2020, https://www.eib.org/attachments/thematic/the_eib_climate_survey_2019_2020_en.pdf

³⁵ Pew Research Center, “Two-Thirds of Americans Think Government Should Do More on Climate”, June 23, 2020, <https://www.pewresearch.org/science/2020/06/23/two-thirds-of-americans-think-government-should-do-more-on-climate/>

choose “between freedom and tyranny.”³⁶ (A choice not dissimilar to the one posed on the invasion of Iraq in 2003).

Americans and Europeans do not disagree on the future – they disagree on how to go about preparing for it.

Both Americans and Europeans agree that Russia is a threat – but American remarks about NATO, article 5 and troop withdrawal from Germany were interpreted by European leaders as punishment for non-compliance with defence spending commitments, and for continuing cooperation with Russia on gas. And on terrorism,

there is generalised disagreement – rather than a transatlantic divide – on how to tackle it. 52% of Poles and Italians, and 51% of Hungarians, think military force is the best way to solve the problem. In contrast, 66% of Dutch people, 64% of Germans and Greeks, 57% of British people, 55% of Spaniards and 51% of French people feel this creates only more hatred.³⁷ Whereas the former group prefers a military approach, the latter find a socio-economic approach more effective. The US, traditionally known for a military approach, sits in the middle: 47% find it useful, and 47% think it creates more hatred.³⁸ And lastly, climate change: where Europeans prefer a top-down, state-centric solution, (so far) Americans have chosen to delay state action and defer to the local and regional level. President Trump’s personal dismissal of climate change as the result of human activity certainly does not help.³⁹ This means that Americans and Europeans do not disagree on the future – they disagree on how to go about preparing for it.

³⁶ Michael R. Pompeo, “Europe and the China Challenge”, June 19, 2020, <https://www.state.gov/secretary-michael-r-pompeo-at-the-virtual-copenhagen-democracy-summit/>

³⁷ Pew Research Center, “Key findings on how Europeans see their place in the world”, June 13, 2016, <https://www.pewresearch.org/fact-tank/2016/06/13/key-findings-europe/>

³⁸ Pew Research Center, “U.S. military action against ISIS, policy toward terrorism”, May 5, 2016, <https://www.pewresearch.org/politics/2016/05/05/4-u-s-military-action-against-isis-policy-toward-terrorism/>

³⁹ “What does Trump actually believe on climate change?”, BBC News, January 23, 2020, <https://www.bbc.com/news/world-us-canada-51213003>.

Conclusion

Americans and Europeans mostly share a strategic vision of the future. They agree that the very principles that underpin their future conceptually – liberal democracy and capitalism – are in crisis; and they agree that others propose a different concept. They also agree mostly on the concrete threats that the future holds: from the potential shifts in global trade patterns to terrorism and cyberattacks, there is a broad convergence with the crucial exception of climate change – for now. Where both sides of the Atlantic disagree is not on what the future should be or what threats there are, but how to act in response. In other words, their differences are tactical rather than strategic in nature. This means that they do not have to agree on the prioritisation of future challenges or indeed that they have to name an enemy. But they have to agree broadly on what future there is, what threatens it, and *how to protect it*.

While this might sound hopeful, there is still ample scope for the relationship to run aground. After all, the very document that officialised the transatlantic relationship, the North Atlantic Treaty, is not just a strategic document, it contains very tactical elements too. For a shared vision to have a future, it needs to be both strategic and tactical.

Policymakers could consider an approach based on the following steps:

- > Emphasise that a common conceptual understanding of the future is what holds this relationship together;
- > Expand the EU-US dialogue from China and defence to other shared threats to find common approaches;
- > Hold these dialogues not just at strategic, but also working level;
- > Launch a strategic-level discussion on what threats to the future (rather than security or interests) there are;
- > Exchange views on how to address these threats;
- > Agree on a division of labour to achieve the identified goals;
- > Go beyond NATO: the transatlantic relationship is not about security only, but also about the systems that

underpin our understanding of the future, namely democracy and capitalism;

- Formulate a positive vision of the future as a competing brand to the “China Dream”.

CHAPTER 2

Rejuvenating transatlantic relations

The military dimension

JOHN R. DENI¹

Introduction

The next American administration will face daunting challenges in the realm of transatlantic relations. Among the most contentious issue areas will be trade relations, managing climate change, and the West's approach to China. But the military dimension will also require much attention. Often, the transatlantic military relationship appears to simply hum along on autopilot. This is due in part to the high degree of institutionalisation in transatlantic military relations. However, the last four years have provided another rare example – like the 2003 dispute over invading Iraq, or the

¹ The views expressed are those of the author alone and do not necessarily reflect those of the US Government, the US Department of Defense, or the US Army.

withdrawal of France from NATO's integrated military command in 1966 – or how even the transatlantic military relationship can fall on hard times.

For this reason, it will take more than a change in the US administration to reset transatlantic military cooperation. Repairing the deep distrust that now exists at the most senior political levels of the transatlantic community is a necessary first step, but it alone is insufficient to bring about a more stable military relationship. Instead, both Washington and its European counterparts will have to take specific steps to reinforce and strengthen the relationship after what has turned out to be a most trying period in transatlantic relations. This chapter will first examine the current state of transatlantic military cooperation, describing it as dangerously unstable thanks to Washington's bifurcated approach. The chapter will then outline what steps the United States and its European allies will need to take to place the transatlantic military relationship on a firmer footing as we face the 2020s.

Bifurcated transatlanticism

Early in President Trump's term, it was clear the United States had a bifurcated policy towards Russia, with the executive agencies of the US government pursuing one set of largely consistent, strategically competitive policies towards Moscow, and the White House frequently doing one thing and saying something very different.² More gradually, it has become clear that the same bifurcation also exists in the American approach towards Europe under the current administration, especially in the realm of military cooperation.

On the one hand, there is the president's relationship with NATO, which is mixed at best. Certainly, the most recent National Security Strategy (2017) declares NATO "an invaluable advantage" and the

² Karoun Demirjian, "Trump praises Putin's response to sanctions, calls Russian leader 'very smart!'," *The Washington Post*, December 30, 2016, <https://www.washingtonpost.com/news/powerpost/wp/2016/12/30/trump-praises-putins-response-to-sanctions-calls-russian-leader-very-smart/>; Amy Mackinnon, "Trump May Like Putin. His Administration Doesn't," *Foreign Policy*, April 29, 2019, <https://foreignpolicy.com/2019/04/29/trump-may-like-putin-his-administration-does-not-russia-policy-rapprochement/>.

president expressed support for the alliance at the December 2019 leaders' meeting in London.³ More broadly and more frequently though, the president has appeared to disdain NATO and America's military relationship with Europe, convinced that the US was giving more than it was getting. As a candidate in 2016 and again at the December 2019 meeting in London, Trump suggested the US might only defend those allies that met alliance-wide defence spending goals.⁴ Perhaps most significantly, in 2018, even in the face of clear evidence of European defence spending increases, the president expressed his desire for the US to withdraw from NATO over burden-sharing issues.⁵ The US came closest to leaving the alliance during the Brussels summit in June of that year. According to his national security advisor at the time, the president was prepared to threaten American withdrawal unless the European allies agreed on the spot to dramatically increase their defence spending and 'reimburse' the United States.⁶

On the other hand, below the level of the White House, the American military relationship with Europe appears in quite different and far more constructive terms. For example, the Pentagon has expanded the permanent forward-based US military presence in Europe in several ways, especially in terms of logistics, air defence, artillery, and long-range rockets.⁷ Additionally, the Defense Department has

3 The White House, *National Security Strategy of the United States of America*, December 2017, p.2, www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf; Carol D. Leonnig and Philip Rucker, "You're a bunch of dopes and babies": Inside Trump's stunning tirade against generals," *The Washington Post*, January 17, 2020, www.washingtonpost.com/politics/youre-a-bunch-of-dopes-and-babies-inside-trumps-stunning-tirade-against-generals/2020/01/16/d6dbb8a6-387e-11ea-bb7b-265f4554af6d_story.html.

4 Carol Morello and Adam Taylor, "Trump says U.S. won't rush to defend NATO countries if they don't spend more on military," *The Washington Post*, July 21, 2016, https://www.washingtonpost.com/world/national-security/trump-says-us-wont-rush-to-defend-nato-countries-if-they-dont-spend-more-on-military/2016/07/21/76c48430-4f51-11e6-a7d8-13d06b37f256_story.html; Bob Fredericks, "Donald Trump won't commit to defending 'delinquent' NATO allies," *The New York Post*, December 3, 2019, <https://nypost.com/2019/12/03/donald-trump-wont-commit-to-defending-delinquent-nato-allies/>.

5 Julian E. Barnes and Helene Cooper, "Trump Discussed Pulling U.S. From NATO, Aides Say Amid New Concerns Over Russia," *The New York Times*, January 14, 2019, nyti.ms/2HaZZrK; Michael Birnbaum and Philip Rucker, "At NATO, Trump claims allies make new defense spending commitments after he upends summit," *The Washington Post*, July 12, 2018, www.washingtonpost.com/world/europe/trump-upends-nato-summit-demanding-immediate-spending-increases-or-he-will-do-his-own-thing/2018/07/12/a3818cc6-7foa-11e8-a63f-7b5d2aba7ac5_story.html.

6 John Bolton, *The Room Where it Happened* (New York: Simon & Schuster, 2020), pp. 143–6.

7 "US Army Europe to activate, relocate units in Germany," US Army Europe press release, September 7, 2018, <https://www.eur.army.mil/ArticleViewNews/Article/1623062/us-army-europe-to-activate-relocate-units-in-germany/>.

turned intermittent rotational deployments of heavy armour forces across Eastern Europe into continuous, heel-to-toe deployments, and it has worked to significantly expand infrastructure for the hosting of US forces there.⁸

At the same time, the Pentagon has maintained an array of additional, periodic rotational deployments to locations such as the Baltic States.⁹ It has also expanded the scope of exercises in Europe, especially through the Defender Europe series – although curtailed due to the coronavirus, Defender Europe 2020 would have seen the largest temporary deployment of US forces to Europe in many years.¹⁰

Meanwhile, defence planning,¹¹ intelligence sharing,¹² and extant NATO operations¹³ all represented areas in which transatlantic cooperation continued and even strengthened over the last couple of years. And all this despite the reportedly difficult relationship at the level of heads and state and government.

There are several explanations for why working-level cooperation has rolled along despite disagreements at the most senior political level. In some instances, the aforementioned policies or activities were the result of decisions made before the current administration took office and for one reason or another have not been reversed. In other cases, senior-most political leaders are unaware of the nitty-gritty of transatlantic military cooperation. Finally, there is a certain inexorable quality to institutionalised military cooperation such as that between members of a 70-year old military alliance.

⁸ Meghann Myers, “Back to Europe: The Army is sending more troops, tanks and helicopters to deter Russia,” *Army Times*, March 19, 2017, <https://www.armytimes.com/news/your-army/2017/03/19/back-to-europe-the-army-is-sending-more-troops-tanks-and-helicopters-to-deter-russia/>; Oriana Pawlyk, “Air Force Slowly Building Up in Eastern Europe,” *Military.com*, July 16, 2018, <https://www.military.com/dobuzz/2018/07/16/air-force-slowly-building-eastern-europe-usafe-commander.html>.

⁹ Andrius Sytas, “U.S. to deploy 500 troops to Lithuania in fresh signal to Russia,” *Reuters*, September 25, 2019, <https://www.reuters.com/article/usa-russia-lithuania/us-to-deploy-500-troops-to-lithuania-in-fresh-signal-to-russia-idUSL5N26G2VC>.

¹⁰ Jen Judson, “Reforger redux? Defender 2020 to be 3rd largest exercise in Europe since Cold War,” *Defense News*, October 7, 2019, <https://www.defensenews.com/land/2019/10/07/reforger-redux-defender-2020-exercise-to-be-3rd-largest-exercise-in-europe-since-cold-war/>.

¹¹ John R. Deni, *The NATO Defence Planning Process* (Carlisle: US Army War College Press, 2020), <https://publications.armywarcollege.edu/pubs/3737.pdf>.

¹² Christopher Kojm, “Transatlantic Intelligence Ties Remain Strong: Insulated against Political Turmoil,” Center for Security Studies, Zurich, August 30, 2019, <https://isnblog.ethz.ch/intelligence/transatlantic-intelligence-ties-remain-strong-insulated-against-political-turmoil>.

¹³ NATO, “Resolute Support Mission in Afghanistan,” March 2, 2020, https://www.nato.int/cps/en/natohq/topics_113694.htm.

Bifurcation's dangers... And its demise?

Differences in tone or emphasis among senior American leaders or among executive branch departments and agencies is inevitable to some degree, and disagreements among the transatlantic allies is nothing new, as historians and political scientists have chronicled.¹⁴ However, the bifurcation presently obvious in America's military relationship with Europe is unprecedented and extraordinarily dangerous. Most importantly, there is also a qualitative difference under the current administration – never has the alliance's most important member indicated it was thinking of leaving.¹⁵

The extreme danger inherent in a bifurcated approach to Europe emerges through the creation of doubt in the minds of Kremlin leaders over whether and how the US would fulfil its obligations under the terms of NATO's treaty. Deterrence against Russia only works if Moscow understands the circumstances under which the US is willing to expend blood and treasure. Equivocation on this point – including through an approach toward NATO allies that appears bifurcated – essentially opens the door for Russia to engage in adventurism against Western interests. It is the opposite of deterrence insofar as it signals a willingness to tolerate Russian misbehaviour against *some* allies.

If the current administration is granted a second term by the voters, given President Trump's foreign policy tendencies and his lame duck status, it is conceivable he would pull the United States out of

¹⁴ Wallace Thies, *Why NATO Endures* (Cambridge University Press: 2009); Stanley R. Sloan, *Defense of the West: NATO, the European Union and the Transatlantic Bargain* (Manchester University Press, 2016).

¹⁵ It is true that in 1953, US Secretary of State John Foster Dulles told a closed session of the North Atlantic Council that if Europe could not engage in more 'self-help' when it came to national security – principally by ratifying the European Defence Community agreement and allowing West Germany to rearm – the United States would have to conduct an "agonizing reappraisal of its foreign policy." However, the 'reappraisal' then under consideration was not complete American withdrawal from NATO, but rather a 'peripheral' American approach to European defence, relying on bases in Britain, Spain, and Turkey instead of in Western Germany and the Benelux. Even then, most Europeans treated this as a bluff. See Kevin Ruane, "Agonizing Reappraisals: Anthony Eden, John Foster Dulles and the Crisis of European Defence, 1953–54," *Diplomacy and Statecraft*, vol. 13, no. 4, 2002, pp. 151–85.

NATO.¹⁶ This is a possibility that Europeans cannot ignore in a second term.¹⁷ Withdrawal could come about as part of a concerted, considered effort by the White House or, perhaps like the recent announcement of a cut in US troops forward-based in Germany, it could be a spur-of-the-moment reaction to a relatively minor policy difference or even a perceived personal slight.¹⁸ The White House's decision in mid-2020 to withdraw nearly 12,000 troops from Germany did not appear strategic nor was it reportedly the result of a well-developed plan.¹⁹ Impossible to implement before the 2020 election, the announcement was viewed as mostly political, perhaps meant to signal to voters that the administration was being tough on Europe regarding burden-sharing.²⁰ Given the nearly simultaneous *build-up* of US forces in Germany and elsewhere in Europe, this decision epitomises the bifurcated American approach under the current administration.

If the current administration is defeated on 3 November, then it is possible, perhaps even probable considering the challenger's known

16 The US Congress has grown so concerned over this possibility that it voted in 2019 to prohibit the use of funds for withdrawal. The US Constitution is silent on treaty withdrawal, and it is unclear whether Congress's actions are sufficient. See Joe Gould, "Would Trump drive NATO exit? Congress works on roadblocks," *Defense News*, December 16, 2019, www.defensenews.com/congress/2019/12/16/would-trump-drive-nato-exit-congress-works-on-roadblocks/; and Curtis Bradley and Jack Goldsmith, "Constitutional Issues Relating to the NATO Support Act," (blog), *Lawfare*, January 28, 2019, www.lawfareblog.com/constitutional-issues-relating-nato-support-act. On the potential for Trump to withdraw from NATO in a second term, see Stephanie Ruhle and Carol E. Lee, "In private speech, Bolton suggests some of Trump's foreign policy decisions are guided by personal interest," *NBC News*, November 12, 2019, www.nbcnews.com/politics/donald-trump/private-speech-bolton-suggests-some-trump-s-foreign-policy-decisions-n1080651 and Michael Anton, "The Trump Doctrine," (blog), *Foreign Policy*, April 20, 2019, foreignpolicy.com/2019/04/20/the-trump-doctrine-big-think-america-first-nationalism/.

17 Susanne Koelbl and René Pfister, "Interview with John Bolton: 'Trump Is Capable of Almost Anything,'" *Der Spiegel (International)*, July 17, 2020, <https://www.spiegel.de/international/world/interview-with-john-bolton-trump-is-capable-of-almost-anything-a-90c5452e-53f3-4e72-a788-fd7ac74317a1>.

18 Jonathan Landay, Andrea Shalal and Arshad Mohammed, "Trump's troop cut in Germany blindsided senior U.S. officials, sources say," *Reuters*, June 8, 2020, <https://www.reuters.com/article/us-usa-germany-military-trump/trumps-troop-cut-in-germany-blindsided-senior-us-officials-sources-say-idUSKBN23G0BE>.

19 David M. Herszenhorn, "After blindsiding allies, U.S. gives no details on Trump's plan for troops in Germany," *Politico*, June 16, 2020, <https://www.politico.com/news/2020/06/16/after-blindsiding-allies-us-gives-no-details-on-trumps-troop-plan-323143>.

20 Michael Crowley and Julian E. Barnes, "Trump Plans to Withdraw Some U.S. Troops From Germany, a Key NATO Ally," *The New York Times*, June 5, 2020, <https://nyti.ms/2UfoipU>; "Donald Trump's baffling proposal to withdraw troops from Germany," *The Economist*, June 27, 2020, [@realDonaldTrump, "Germany pays Russia billions of dollars a year for Energy, and we are supposed to protect Germany from Russia. What's that all about? Also, Germany is very delinquent in their 2% fee to NATO. We are therefore moving some troops out of Germany!" Twitter, July 29, 2020, 7:39 p.m., <https://twitter.comrealDonaldTrump/status/1288620254130626561>.](https://www.economist.com/europe/2020/06/27/donald-trumps-baffling-proposal-to-withdraw-troops-from-germany)

views towards NATO, that the US may end its seemingly bifurcated approach to Europe and thereby reinforce deterrence. This could spark a reset in transatlantic defence policy, although it would be unlikely to result in a successful reinforcement of transatlantic security on its own. The next two sections of this chapter will address the necessary elements of a reset in transatlantic military cooperation, first from Europe's perspective and then from Washington's.

What Europeans need Americans to do

As suggested above, the most serious challenges to transatlantic military cooperation at present are at the strategic and political levels. Issues surrounding the questionable commitment to NATO's Article 5 and withdrawal from the alliance are primarily the purview of heads of state and government. Ongoing, routine cooperation at the operational and tactical level – for instance, between the US Department of Defense and ministries of defence throughout Europe, or between American military commands in Europe and their host nation counterparts – remain constructive and close.

For these reasons, and from Europe's vantage point, a reset in transatlantic military cooperation would need to begin with a great deal of restorative rhetoric, reiterating and reflecting the enduring, bipartisan American commitment to the security of its closest, most important allies on the planet. Emphasis would need to be placed on the commitment to Article 5 and its promise of mutual defence among *all* signatories. Beyond that, and given the twin challenges of Russia and China, Washington would need to emphasise shared values in the face of authoritarianism, allied solidarity in countering hybrid warfare conducted by Moscow and Beijing, and a deepening transatlantic economic relationship to parry China's economic statecraft, all with an eye towards keeping Europe from becoming a contested space in great power competition.

This kind of political repair work would function as far more than mere hot air. Most importantly, it would reestablish deterrence *vis-à-vis* Russia, realigning American strategy and vision with departmental

and military policy. It would reinforce the security order that most Europeans remain comfortable with, obviating the need for any kind of divisive, fraught transfer of additional sovereignty to Brussels in the realms of foreign and security policy. It would strengthen reassurance across Eastern Europe, where the American commitment is most highly valued. And it would lay the groundwork for the development of a long overdue, multifaceted transatlantic community approach toward China.

The modalities for this initial step in resetting the transatlantic military relationship rest in the realm of public diplomacy, high-level summity, and multilateral ministerials. A well-coordinated, well-considered plan of engagement crafted by the National Security Council (NSC) with active interagency participation and support, is a precondition for a successful implementation.

What Americans need Europeans to do

Given peer competition with a revisionist Russia in the short run and a systemically challenging China in the long run, the US needs allies more than ever. Moscow and Beijing are only occasionally in alignment, but together they represent the most significant challenge to the global order and ultimately to Western prosperity and security since the end of the Cold War. Re-establishing constructive, positive transatlantic military cooperation is a critical step on the path to successfully and iteratively countering their efforts to undermine the global order and bend it toward their own objectives.

**A s the US focuses
more on great
power competition
with Russia and with
China, Europeans
should assume greater
responsibility for
dealing with security
threats in more
limited contexts.**

In response to its reaffirmation of the importance of the transatlantic relationship in the hierarchy of American security interests, Washington will be looking to Europeans to maintain and build upon their commitment to burden-sharing through the so-called three Cs – cash, capabilities

and contributions.²¹ The first C – cash – refers to the amount of funding devoted to defence and national security. Since Russia’s invasion of Ukraine in 2014, European defence spending has rebounded across the board. However, the recession induced by the Covid-19 pandemic will place significant downward pressure on defence budgets on both sides of the Atlantic. It will be incumbent on European leaders to resist the appeal of cutting defence in the name of social safety net programmes, particularly at a time when military demands are on the rise – more on this below.

The second C refers to military capabilities. During NATO’s nearly decade-long mission in Afghanistan, most European allies lacked the fiscal wherewithal to simultaneously fund *both* their operational commitments *and* investments in modern defence equipment. This procurement holiday of sorts was magnified by the sovereign debt crisis of the late 2000s. In 2014, when Russia invaded Ukraine, most of European NATO found itself flatfooted. In short, Europe was ill-prepared – and ill-equipped – to counter Russian aggression in both large-scale conventional and hybrid conflict. A crash course in increasing readiness and acquiring the right capabilities ensued. Progress on the part of European militaries in building new, necessary capabilities was initially slow. More recently though, as increased defence budgets have enabled capability targets and defence plans to become actual acquisition programmes of record, capability development in Europe has begun moving in the right direction in some instances.²² Nonetheless, much remains to be done, particularly in terms of semi-autonomous aerial, sea, and ground vehicles; fifth generation fighter aircraft; C4ISR; air and missile defence; and electronic warfare capabilities.

The third C – contributions – refers primarily to operational commitments, such as in Operation *Resolute Support* in Afghanistan or NATO’s training mission in Iraq. Contributions such as these

²¹ Jens Stoltenberg, remarks made at a press conference following the meeting of the North Atlantic Council at the level of Heads of State and Government (NATO Summit Brussels), July 11, 2018, https://www.nato.int/cps/en/natohq/opinions_156733.htm?selectedLocale=en.

²² Email correspondence with a senior defence planner on the NATO International Staff, February 5, 2018; Claudia Major, “The Role of Capabilities in the Transatlantic Defense Relationship,” Carnegie Europe (blog), October 30, 2019, <https://carnegieeurope.eu/2019/10/30/role-of-capabilities-in-transatlantic-defense-relationship-pub-80221>; Dick Zandee, “No more shortfalls? European military capabilities 20 years on,” in Daniel Fioott (ed.), *The CSDP in 2020: The EU’s Legacy and Ambition in Security and Defence* (Paris: EUISS, 2020), pp. 50–58.

represent tangible *risk-sharing*, which is just as important as burden-sharing as far as Washington is concerned. The conception of contributions ought to expand though, primarily through a more clear-cut division of transatlantic labour. As the United States focuses more on great power competition with Russia across Eastern Europe and with China in the Indo-Pacific theatre, Europeans should assume greater responsibility for dealing with security threats in more limited contexts.²³ For instance, France and Italy should lead on developing a common, alliance-wide strategy and related policy responses to security threats emerging from Africa and the Greater Middle East. Meanwhile, the United Kingdom should lead NATO's northern members – plus Sweden and Finland – in formulating strategy and plans for countering Moscow's efforts to turn the Arctic into a Russian lake. And Poland and Romania ought to lead alliance efforts in turning the anti-access/area denial (A2/AD) tables on Russia in northeastern Europe and in the Black Sea through a robust multinational investment effort in hypersonic cruise missile technology, electronic warfare, air defence including counter-hypersonic systems, coastal artillery and rockets, and other indirect artillery and rocket systems. If Europe is seen to have maintained and perhaps expanded its 'contributions' – as well as the other two 'Cs' – despite the pandemic-induced recession, Washington will know its allies are willing to maintain their part of the transatlantic bargain and that a reset is worth the effort.

Conclusion

Transatlantic military cooperation has both suffered and prospered over the last several years. At the political level, it is difficult to recall a more challenging period, particularly given President Trump's early unwillingness to fully embrace the Article 5 pledge of mutual defence. Yet at a more operational level, the degree of military

²³ John R. Deni, *Coalition of the unWilling and unAble: European Realignment and the Future of American Geopolitics* (Ann Arbor, Michigan: University of Michigan Press, forthcoming).

cooperation between Europe and the United States has progressed constructively in the last several years.

This tale of two transatlanticisms is mostly the result of a bifurcated American approach to Europe, one that unintentionally but fundamentally undermines deterrence. It places a great deal of faith in Vladimir Putin's willingness to maintain the *status quo*, something the Kremlin has not been particularly well known for in recent years.

A reset in transatlantic relations at the political level seems not merely possible but also likely under a Biden presidency. However, for a reset to occur, allies on both sides of the Atlantic will need to make a strong effort. For Washington, it can best contribute to the reset through restorative rhetoric, carefully crafted public and private diplomacy, and bipartisan reaffirmation of America's security interest in and commitment to Europe and NATO. For Europe, progress to date in terms of cash, capabilities and contributions needs to be maintained and, if possible, expanded. Through these and other supporting steps, transatlantic military cooperation can find a firmer footing as the 2020s unfold.

This tale of two transatlanticisms is mostly the result of a bifurcated American approach to Europe.

CHAPTER 3

Partners *in need* or partners *in deed*?

How EU–NATO cooperation
shapes transatlantic relations

SIMONA R. SOARE

Introduction

EU–NATO cooperation has made a comeback to the top of the transatlantic security and defence agenda. The 2016 and 2018 EU–NATO Joint Declarations renewed the strategic partnership and established regular inter-institutional dialogue and broader cooperation, including through the implementation of 74 common actions. Progress is described as “unprecedented” by both EU and NATO officials, although it has not transitioned from the meeting room to the frontlines of European security and defence.

Conceptualised as a tool to strengthen the transatlantic bond by enabling substantial European contributions to security and defence¹ and burden-sharing, EU-NATO relations have made only a modest contribution to the overdue strategic adaptation of the transatlantic partnership. Arguably, the last four years have been the most testing period in transatlantic relations since World War II. The 2020 US elections may provide a much-needed opportunity to rejuvenate transatlantic relations, especially under a different administration.

However, the challenge of shaping EU-NATO cooperation and using it more strategically to consolidate the transatlantic bond also rests with Europe. European success in placing EU-NATO cooperation on a firmer footing in the 2020s will be a measure of Europe's agility in adapting the transatlantic partnership to new strategic realities and its ability to assert its role as a credible security actor.

This chapter explores how transatlantic partners can use EU-NATO cooperation more strategically to revitalise the transatlantic partnership. It proceeds in five sections. The first section explores the state of EU-NATO cooperation and its mixed impact on transatlantic relations since 2016. Sections two to four explore the roadblocks in the way of EU-NATO cooperation, notably fractured transatlanticism on both sides of the Atlantic and a potential return of EU-NATO competition. The final section reflects on the future of EU-NATO cooperation and considers steps transatlantic partners need to take to use EU-NATO relations more strategically to rejuvenate the transatlantic partnership as the 2020s unfold.

Arguably, the
A last four years
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¹ NATO and EU, *Joint Declaration by the President of the European Council, the President of the European Commission, and the Secretary General of the North Atlantic Treaty Organization*, July 8, 2016, <https://www.consilium.europa.eu/media/21481/nato-eu-declaration-8-july-en-final.pdf>.

EU-NATO cooperation: steady, slow, stalling?

As the third pillar of the 2016 European defence package – alongside PESCO and the EDF – the relaunch of EU-NATO cooperation signalled the European (and EU) commitment to strengthening the transatlantic bond and, as HR/VP Borrell has argued, they remain crucial to European security and defence. The framework was intended to enable Europeans to contribute more to burden-sharing through sustainable defence investment, force generation and capability development, and to enhance the EU's credibility as a security actor through strategic autonomy.

While the political and legal foundations of EU-NATO relations and underlying structural challenges² persist, the renewal of their partnership in the 2016 and 2018 Joint Declarations has been successful on at least two counts. First, it established the practice of regular inter-institutional technical consultations and political dialogue, which led to a situation where EU-NATO “cooperation has never been so close.”³ Second, it expanded the focus on crisis management and capabilities development of the 2000s to seven areas of cooperation – hybrid, cyber, (maritime) operations, coordinated exercises, defence capabilities, defence industry and research, and partner capacity building. In 2018, further emphasis was placed on military mobility, counterterrorism, resilience against chemical, biological, radiological and nuclear risks and the women, peace and security agenda.

In contrast with the sense of urgency in the EU-NATO Joint Declarations and the pressing American calls for fairer burden-sharing, progress in EU-NATO relations remains slow, uneven across the seven areas and lacking adequate public accountability as it is measured retroactively. Based on the five progress reports published so far, on a majority of common actions progress

² The legal framework of EU-NATO relations consists of the 2002 EU-NATO Strategic Partnership and the Berlin Plus Agreements (2003), whereas the main structural challenge refers to the ‘participation issue’ between Turkey (NATO) and Cyprus (EU).

³ NATO, *London Declaration 2019*, December 3–4, 2019, https://www.nato.int/cps/en/natohq/official_texts_171584.htm

is a long-term, process-driven, gradual undertaking, measured in staff-to-staff contacts, meetings, briefings and workshops rather than capabilities, defence budgets, generated forces and interoperability. Consequently, EU-NATO cooperation is simultaneously portrayed as “the lowest common denominator” of technical dialogue and an increasingly “indispensable” part of “an emerging framework for contemporary threat management.”⁴

A broader strategic adaptation of the EU-NATO partnership towards deterrence and defence is inhibited by the legacy of an “obsolete” conceptual and legal framework focused on crisis management and an *ad hoc* division of labour, the lack of an integrated European perspective on defence,⁵ and a predilection for tactical cooperation⁶ driven by institutional requirements.⁷ As a result, inter-institutional exchanges and EU-NATO complementarity are often focused on ‘deconflicting’ rather than building genuine synergies between EU and NATO actions and easily fall victim to different national and intra-institutional interests. Consequently, in EU-NATO relations burden-sharing has become the hallmark of a functional and geographic division of labour between the two organisations. Notable exceptions seem to be military mobility, cyber and hybrid. However, despite significant overlap between the NATO Defence Planning Process (NDPP) and the EU’s Capability Development Plan (CDP) – through the 2003-established NATO-EU Capability Group – in the last fifteen years the EU and NATO have not closed *any* of nearly two dozen European capability gaps.⁸ Other factors holding EU-NATO relations

⁴ Gustav Lindstrom and Thierry Tardy (eds.), *The EU and NATO: The Essential Partners* (Paris: EUISS, July 2019), pp. 9–10, <https://www.iss.europa.eu/sites/default/files/EUISSfiles/EU%20and%20NATO.pdf>.

⁵ Luis Simón, “EU-NATO Cooperation in An Era Of Great-Power Competition”, GMF, November 26, 2019, <https://www.gmfus.org/publications/eu-nato-cooperation-era-great-power-competition>.

⁶ NATO Parliamentary Assembly, “The NATO-EU Partnership in a Changing Global Context”, Draft Report, July 2020, p. 1, <https://www.nato-pa.int/download-file?filename=%2Fsites%2Fdefault%2Ffiles%2F2020-08%2F037%20PCNP%2020%20E%20-%20THE%20NATO-EU%20PARTNERSHIP%20IN%20A%20CHANGING%20GLOBAL%20CONTEXT.pdf>.

⁷ Lucie Béraud-Sudreau, “The burden-sharing debate: From spending to capabilities in the EU and NATO” in Friends of Europe, “EU-NATO Cooperation: A secure vision for Europe”, *Discussion Paper*, June 3, 2019, <https://www.friendsofeurope.org/insights/eu-nato-cooperation-a-secure-vision-for-europe/>.

⁸ NATO, *Fifth progress report on the implementation of the common set of proposals endorsed by EU and NATO Councils on 6 December 2016 and 5 December 2017*, June 16, 2020, p. 7, https://www.nato.int/nato_static_fl2014/assets/pdf/2020/6/pdf/200615-progress-report-nr5-EU-NATO-eng.pdf.

back are a fractured transatlanticism in both Europe and America and a return of intra-institutional rivalry, which will be discussed next.

Europe's fractured transatlanticism

EU progress in security and defence has been held back by European member states' difficulty in reconciling their Eurocentrism and transatlanticism. Fearful of steady and irreversible American disengagement from Europe, Europeans have called for European (and EU) strategic autonomy, namely the ability to act autonomously in security and defence. Under an unpredictable Trump presidency, President Macron has warned "now we Europeans are on our own,"⁹ Chancellor Merkel has called for Europe "to take our fate into our own hands",¹⁰ HR/VP Borrell has urged the EU to relearn "the language of power"¹¹ and German Foreign Minister Heiko Maas has called for a European "counterweight where the US crosses red lines",¹² including in relation to the Iran nuclear deal and trade.

EU member states are still reluctant to pursue an ambitious CSDP for fear of duplicating NATO and weakening the transatlantic bond.

However, a majority of EU member states are still reluctant to pursue an ambitious common security and defence policy (CSDP) for fear of duplicating NATO and weakening the transatlantic bond on which their defence still depends.¹³ Commission President von der Leyen reflected this

⁹ Emmanuel Macron, "Europe holds its destiny in its own hands", *Financial Times*, January 24, 2017, <https://www.ft.com/content/3d0cc856-e187-11e6-9645-c9357a75844a>.

¹⁰ Giulia Paravicini, "Angela Merkel: Europe must take 'our fate' into own hands", *Politico*, May 28, 2017, <https://www.politico.eu/article/angela-merkel-europe-cdu-must-take-its-fate-into-its-own-hands-elections-2017/>.

¹¹ Josep Borrell, "Embracing Europe's Power", *Project Syndicate*, February 8, 2020, <https://www.project-syndicate.org/commentary/embracing-europe-s-power-by-josep-borrell-2020-02>.

¹² Esther King, "German foreign minister calls for revamp of EU-US ties", August 22, 2018, <https://www.politico.eu/article/heiko-maas-german-foreign-minister-revamp-eu-us-ties/>.

¹³ Hans-Peter Bartels, Anna Maria Kellner and Uwe Optenöhgel (eds.), *Strategic Autonomy and the Defence of Europe: On the Road to a European Army?* (Berlin: Dietz Publishing, May 2017), p.22.

scepticism when she declared: “We will stay transatlantic and we have to become more European.”¹⁴ Repeated calls for ‘more Europe in NATO’, strengthening the ‘European pillar in NATO’ and the EU becoming ‘a better partner’ to the US are markers of the same narrative.

Simultaneously, Europeans are unable to let go of their Eurocentrism or to compromise among national interests to uphold a set of European strategic interests. As evidenced by the strategic autonomy and sovereignty narrative, there is preoccupation with the EU’s position and role as a great power in a world of geopolitical giants, especially the US and China. The European Council President, Charles Michel, recently signalled that the transatlantic alliance remains vital, but it does not substitute European autonomy and “the European Union is an autonomous force.”¹⁵

As a result of their Eurocentrism, Europeans do just enough in security and defence to keep the US engaged in Europe, but because of their transatlanticism, they constantly stop short of broader autonomy in defence. Germany has agreed that American calls for fairer burden-sharing are legitimate but refused to increase its defence budget to 2% of GDP before 2031 and, for now, remains sceptical of an active leadership in European defence. Berlin is also reluctant to appease Washington’s brash diplomacy on 5G and Huawei or NordStream2. Paris is intent on restricting non-EU participation in PESCO and EDF to safeguard its defence market and aims to build a common European strategic culture, through the French-led European Intervention Initiative (EI2), which sits outside both the EU and NATO. These dynamics explain why misaligned national interests also complicate the path to EU-NATO complementarity. The EU’s upcoming Strategic Compass is an opportunity to bridge some of these European strategic differences. But it will come too late to influence the PESCO 2020

The EU’s upcoming Strategic Compass is an opportunity to bridge some of these European strategic differences.

¹⁴ Ursula von der Leyen, Opening Statement in the European Parliament Plenary Session, July 16, 2019, https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_19_4230.

¹⁵ Charles Michel, “A stronger and more autonomous European Union powering a fairer world”, Speech at the UN General Assembly, September 25, 2020, <https://www.consilium.europa.eu/en/press/press-releases/2020/09/25/a-stronger-and-more-autonomous-european-union-powering-a-fairer-world-speech-by-president-charles-michel-at-the-un-general-assembly/>.

Strategic Review in matters relevant to EU-NATO cooperation and it is unclear how it will shape different European assumptions about the relationship between the transatlantic link and an autonomous European defence.

The US wall of Cs and Ds

The relaunch of the EU-NATO strategic partnership was cautiously and conditionally welcomed in Washington. Central to US support was compliance with two sets of principles: the first consists of the so-called 3Ds, first outlined in 1998 by then US Secretary of State, Madeleine Albright: *non-duplication* of NATO structures and capabilities, *non-discrimination* against non-EU NATO allies and avoiding *decoupling* of EU defence initiatives and structures from NATO or diverting European allies' strategic attention and defence funding away from the alliance. The second refers to the 3Cs of burden-sharing, particularly European contributions in *cash*, *capabilities* and *operational commitments*. This veritable American wall of Cs and Ds reveals Washington does not have a strategy to adapt the transatlantic partnership. American conditionality – which imperfectly replaces a genuine US transatlantic strategy – has been an irritant rather than a constructive approach in EU-NATO relations in three main respects.

PESCO grief in brief

American (and other non-EU allies') suspicions about third country participation in PESCO and EDF projects have been repeatedly addressed since 2016, including during informal meetings between the North Atlantic Council and the EU's Political and Security Committee (PSC), in technical EU-NATO briefings, and in EU-US bilateral and parliamentary formats. A 2018 study concluded that EU-NATO

relations had been successful in allaying American concerns about European defence initiatives,¹⁶ but this conclusion seems premature.

The US continues to harbour deep suspicions of European protectionism, discrimination against non-EU allies and risks of EU-NATO decoupling.¹⁷ European – notably German – assurances that the criteria for PESCO third country participation will be finalised in 2020 and ongoing American participation in EDF projects¹⁸ have fallen on deaf ears in Washington where the Department of Defense (DoD) is conducting seven case studies to substantiate its rebuttal of the EU's position.¹⁹ By contrast, Europeans argue that it is only legitimate that the European defence market benefits from increased European defence investment in the context of burden-sharing and point to the lack of US reciprocity in defence industrial affairs. The problem is strategic – it originates in the decoupling between EU industrial and defence policies and the unclear end goals of EU-NATO cooperation on defence industry and capability development.²⁰

Defence deficits

American attitudes towards European defence initiatives – not just the ‘European Army’ – reflect their lack of credibility in Washington and NATO HQ.²¹ The lack of clarity around how these initiatives (PESCO, EDF) contribute to transatlantic burden-sharing has been an irritant

¹⁶ Nicole Koenig, “EU-NATO Cooperation: Distinguishing Narrative from Substance”, Institut Jacques Delors, July 20, 2018, p. 8, <https://euagenda.eu/upload/publications/untitled-196987-ea.pdf>.

¹⁷ Paul McLeary, “State, DoD Letter Warns European Union to Open Defense Contracts, Or Else”, Defense News, May 17, 2019, <https://breakingdefense.com/2019/05/state-dod-letter-warns-european-union-to-open-defense-contracts-or-else/>.

¹⁸ European Commission, “European Defence Fund: €205 million to boost the EU’s strategic autonomy and industrial competitiveness”, Press Release, June 15, 2020, https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1053.

¹⁹ Sebastian Sprenger, “Germany tries to forge a deal on who can play ball in Europe”, Defense News, September 21, 2020, <https://www.defensenews.com/global/europe/2020/09/21/germany-tries-to-forge-a-deal-on-who-can-play-ball-in-europe/>.

²⁰ Daniel Fiott, “The Poison Pill: EU defence on US terms?” EUISS Brief no. 7, June 2019, <https://www.iss.europa.eu/sites/default/files/EUISSFiles/7%20US-EU%20defence%20industries.pdf>; Erik Brattberg and Tomáš Valášek, “EU Defense Cooperation: Progress Amid Transatlantic Concerns”, Carnegie Endowment for International Peace, November 21, 2019, p. 15, <https://carnegieendowment.org/2019/11/21/eu-defense-cooperation-progress-amid-transatlantic-concerns-pub-80381>.

²¹ Thierry Tardy, “European defence: what impact for NATO?”, NATO Defence College, NDC Policy Brief no 5, 2018, p. 2; Op.Cit., “EU Defense Cooperation: Progress Amid Transatlantic Concerns.”

in EU–NATO relations. The first two rounds of PESCO projects lacked a sense of strategic priority, were poorly aligned with core capability gaps, and lacked ambitious delivery deadlines.²² The PESCO 2020 Strategic Review should address these shortcomings, building on positive examples of PESCO and NATO projects that leverage European access to PESCO and EDF to coordinate capability outputs with NATO. One such example is the Belgian-led PESCO project on Mine Counter Measures (MCM) and NATO's MCM Center of Excellence.

For Washington, an important aspect of any EU defence initiative is funding. Since 2016, the US has welcomed the steady increase of European defence spending and the PESCO binding commitments to increase defence budgets to meet agreed objectives.²³ However, in the aftermath of a Covid-induced recession, sustaining this trend will be challenging. Europeans might revert to prioritising economic interests over security ones and pursuing uncoordinated and *ad hoc* defence budget cuts.²⁴ Should this happen, it would undermine progress

For Washington, an important aspect of any EU defence initiative is funding.

within NATO, the transatlantic partnership and in European defence initiatives. The agreement reached by the Council in July 2020 on the future EU budget is already a sign this is a possibility. Reflecting on the EU defence budget cuts for 2021–2027, for-

mer US Army Europe Commanding General Ben Hodges concluded that Europe is still not serious about defence, though the Union's annual EDF and military mobility budget will be approximately €1.21 billion, not far behind NATO's common military budget of €1.55 billion.

Nevertheless, these European defence deficits undercut the credibility of Europe's role as a security provider. In a September 2020 *Wall Street Journal* op-ed, Walter Russell Mead voiced these perceptions in saying that “the EU is not built for speed” or leadership. Therefore, Brussels' strategic relevance is limited because “even when the EU

²² Lucie Béraud-Sudreau *et al*, “Keeping the momentum in European defence collaboration: An early assessment of PESCO implementation”, IISS Research Paper, May 14, 2019, <https://www.iiss.org/blogs/research-paper/2019/05/pesco>.

²³ Jonathan Dunn, “The European Union's Permanent Structured Cooperation: Implications for Transatlantic Security”, *National Defence University*, January 2020, <https://ndupress.ndu.edu/Portals/68/Documents/stratforum/SF-302.pdf>.

²⁴ Jiří Šedivý, “Now, more than ever”, *European Defence Matters*, issue 19, 2020, https://eda.europa.eu/docs/default-source/eda-magazine/edm19_web.pdf.

speaks with one voice, its message often goes unheard,” including by top-tier powers the US, Russia and China and middle powers Iran, Turkey and Israel.²⁵ To change this trend, Europeans need to demonstrate the political will and the financial commitment to match the strength of their political convictions.

Diminish, divest, disengage

Europe’s new level of ambition in defence has exposed an internal US division on how to respond to European defence efforts. One camp of scholars like Barry Posen, John Mearsheimer and Andrew Bacevich see the perfect opportunity for the US to gradually *divest* European defence responsibilities towards the EU and strategically *disengage* from the old continent.²⁶ The other two camps advocate a *diminished* US footprint in Europe. Some experts argue the US should use this opportunity to rebalance the transatlantic partnership by what Andrew A. Michta recently called “burden-transferring” towards the Europeans. During the EU Defence Forum 2020, Kelly Magsamen argued this involves “thinking creatively about how we effectuate collective defence in a transatlantic context: through NATO or through the cooperation with the EU?”, while in a July 2020 Atlantic Council debate on the relevance of NATO, Sara Moeller favoured a redrawing of EU-NATO division of labour to *offload* NATO’s crisis management and stability projection tasks onto the EU. A third camp argues EU-NATO complementarity is strategically important to extend US influence in Europe while addressing vulnerabilities created by great power competition with China. Unsurprisingly, some American officials have reconsidered the usefulness of EU-NATO cooperation. As such, the American executive and Congress can and should use

Unsurprisingly, some American officials have reconsidered the usefulness of EU-NATO cooperation.

²⁵ Walter Russell Mead, “The EU isn’t built to lead”, *Wall Street Journal*, September 28, 2020, <https://www.wsj.com/articles/the-eu-isnt-built-to-lead-11601333473>.

²⁶ Barry R. Posen, *Restraint: A New Foundation for a U.S. Grand Strategy* (Ithaca: Cornell University Press, 2014).

EU-NATO relations for political purposes, particularly when it comes to pressing Europeans on burden-sharing, foreign (i.e. Chinese) investment in critical infrastructure and 5G, the security of supply chains, and allowing American companies unencumbered access to the European defence market.²⁷ While no camp outrightly rejects European defence initiatives, all three American narratives raise significant European concerns about US burden-shifting and disengagement, rather than burden-sharing – a sticking point in European attitudes as discussed in the previous section.

The return of EU-NATO competition?

Another stumbling block on the road of EU-NATO cooperation has been inter-institutional rivalry, fed by fractured transatlanticism in both Europe and America. Since 2016, under the guise of regular interaction, inter-institutional rivalry appears to have resurfaced and EU-NATO public narratives

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have shifted from competition to cooperation, from rivalry to complementarity, and from division of labour to synergy. There are encouraging signs that the two organi-

sations are building synergies on emerging technologies ahead of expected EU regulation of artificial intelligence (AI) and data in 2021, and on climate change, particularly through exchanges on NATO's new agenda on security and climate change and the EU's ambitious Green Deal. Such positive momentum is worth the transatlantic partners' efforts to keep it going.

However, there are also early signs of renewed EU-NATO competition over status and priorities in setting the transatlantic security agenda. Repeated NATO warnings that the "EU cannot replace

²⁷ See US officials' statements during the EU Defence Forum 2020, July 8–9, 2020.

NATO”²⁸ and duplication concerns over the unclear relationship between article 5 of the Washington Treaty and article 42(7) of the Treaty on the European Union (i.e. mutual defence clause) suggest NATO harbours perceptions of EU mission creep which could reactivate inter-institutional rivalry. As NATO’s James Appathurai acknowledged during the EU Defence Forum 2020, some duplication may be inevitable between two organisations with similar memberships. Although NATO remains the cornerstone of collective defence for those European states that are also allies, there is concern over the lack of political clarity around which one *article* and *institution* takes precedence in a crisis situation.

This dynamic is amplified by a perceived shift in the respective role of each organisation in shaping the transatlantic security agenda. The view from NATO and Washington is that the Alliance is the ‘broader shoulders’ of the transatlantic relation, carrying the heavy burden of deterrence and defence across *all* the North Atlantic area.²⁹ By contrast, European analysts argue the EU and the US are the main political actors of the transatlantic partnership. By virtue of its policymaking and consensus-building powers, the EU has become an “indispensable” – and irreplaceable – partner in the transatlantic partnership,³⁰ suggesting Brussels is no longer content with a subordinate political role³¹ in EU-NATO and in transatlantic relations.

The parallel reflection processes – NATO 2030 and the EU’s Strategic Compass – through which both institutions are seeking to define their future strategic relevance and trajectory, offer ample opportunities for enhanced synergy, complementarity and cooperation. They could also provide an opportunity for the EU and

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Strategic Compass.**

²⁸ Jens Stoltenberg, “Remarks on launching #NATO2030: Strengthening the Alliance in an increasingly competitive world”, June 8, 2020, https://www.nato.int/cps/en/natohq/opinions_176197.htm.

²⁹ Op.Cit., “EU Defense Cooperation: Progress Amid Transatlantic Concerns.”

³⁰ Sven Biscop, “The Future of the Transatlantic Alliance: Not Without the European Union”, *Strategic Studies Quarterly*, Fall 2020.

³¹ Jolyon Howorth, “Strategic autonomy and EU-NATO cooperation: threat or opportunity for transatlantic defence relations?” *Journal of European Integration*, vol. 40, no. 5 (2018), pp. 523-37.

NATO to avoid the return of institutional competition. However, the NATO-EU partnership is conspicuously absent from the NATO 2030 narrative which seeks to enhance NATO's political role as the *main* forum for transatlantic consultations on all strategic challenges, including China and Russia. This contrasts with EU efforts to shift the centre of gravity in the transatlantic strategic dialogue towards EU-US formats, such as the EU-US High Level Dialogue on China. Moreover, it is still unclear how transatlantic interests and EU-NATO relations will be reflected in the Strategic Compass.

How EU and NATO leaders manage these two parallel processes will determine whether ongoing limited EU-NATO competition intensifies or not. For example, shrinking defence budgets in Europe could intensify competition over whose initiatives offer more bang for the buck. The 2019 NATO Annual Report already highlights the 45% cost-saving under the Air-to-Ground Precision Guided Munition initiative in 2018. Similarly, the outcome of these processes will shape EU-NATO relations more broadly, including Europe's challenging relationship with Turkey. EU-NATO cooperation will be influenced by the two organisations' roles in defusing European-Turkish tensions, particularly in the absence of strong American leadership on the matter. One test case is to establish cooperation between the EU's new Operation *Irini* (successor to Operation *Sophia*) and NATO Operation *Sea Guardian* in the Eastern Mediterranean, where Europeans and Turkey have diverging strategic interests. If the two organisations cannot coordinate to defuse these regional disputes, as well as broader issues concerning Turkey, relations with Ankara will continue to be a sticking point in the development of the relationship beyond *ad hoc*, case-by-case operational cooperation.

EU-NATO relations and the future of transatlantic relations?

Commission President von der Leyen called for “new beginnings with old friends” and US Secretary of State Pompeo welcomed a “new transatlantic dialogue” in 2020. Much hope for a renewed

transatlantic partnership rests with the November 2020 US elections as the event that could (re)make or break transatlantic relations.

A second mandate for President Trump could be the end of NATO, set transatlantic relations on the path of geo-economic competition and accelerate US disengagement from Europe. This scenario entails two critical dilemmas for the EU with direct implications for the future and substance of EU-NATO and transatlantic relations. The first is what kind of strategic relationship

to cultivate with the US after a withdrawal and how to avoid it becoming competitive? The second is whether to keep NATO or not, for what purpose and in what conditions? Much will depend on the context of such decisions, but there are both push-and-pull factors to consider, including an increasingly acrimonious Brexit, a growing divergence of interests and values with Turkey, an intra-EU ‘tug of war’ between Eurocentrism and broader strategic approaches, and a perception of growing economic competition with the US.

On the other hand, a Biden administration would present a chance to renew strategic dialogue and cooperation between Washington and Brussels and reaffirm the ironclad US commitment to European security at the most senior US political levels. However, rebuilding trust alone will not be sufficient if it is limited to public statements and photo ops. Substantive progress on rebalancing the transatlantic partnership will be a continuing challenge. US pressure on Europeans to deliver faster on fairer burden-sharing will not abate and Europe will have to compete harder for Washington’s attention and resources in the context of an intensifying Sino-American strategic competition.

This means that the future of EU-NATO relations in the next decade will also rest with Europe. Key to how Europeans reconcile their Eurocentrism and transatlanticism are France, Germany (and their bilateral relations), and the UK. The 2021 German federal elections and the 2022 French presidential elections may be as consequential in shaping transatlantic relations as the 2020 US elections. France’s return to the integrated military structures of NATO in the mid-2000s alleviated US concerns over CSDP. But a Eurocentric administration in Paris might once again leave the integrated military structures of the

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Alliance, reigniting fears of an EU-NATO decoupling. Equally, Germany's determination to maintain the transatlantic link has been a mainstay of European security policy, but a Eurocentric Berlin could accelerate the transatlantic rift. Equally important is Brexit and the space it leaves for a significant defence relationship between the UK and Europe. A hard Brexit will decouple the UK from Europe and firmly push London into the US-led Anglosphere of the Five Eyes alliance, with grave strategic consequences for European defence.

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To address the vulnerabilities in the current EU-NATO framework, transatlantic partners should consider elevating the strategic and political role of EU-NATO relations in shaping and steering the transatlantic partnership and better equipping it with the tools needed to deliver. For example, Europeans could consider organising informal and recurring EU-NATO Leaders' Meetings as well as support the establishment of an EU-NATO Partnership Council. Such formats would contribute to the strategic adaptation of the transatlantic partnership in a number of ways. First, they would provide a forum for transatlantic political dialogue and coordination on strategic challenges, including on China, Russia and Iran, hybrid and cyber threats, critical infrastructure and supply chains, emerging technologies and the future of democracy. This would reaffirm transatlantic solidarity, create a unity of purpose and narrative and strengthen collective deterrence and defence. Second, it would elevate the role of the EU as a security actor and create more opportunities for Brussels to exercise leadership in transatlantic relations. Rather than place limits on European strategic autonomy, these formats could amplify its relevance and diminish the negative influence of the roadblocks discussed above. To avoid such obstacles, participation in these formats should be flexible, including the participation of NATO and EU members and strategic partners and, on a case-by-case basis, involve invited stakeholders. In the spirit of a more global exercise of transatlanticism and a reflection of Europe's expanding strategic ambitions, an EU-NATO Partnership Council could provide a strategic venue to engage with like-minded partners from around the world to project stability and strengthen security through a rejuvenation of multilateralism.

Conclusion

EU-NATO cooperation is increasingly important and central to European security and defence and the future of the transatlantic partnership. Over the past four years it has achieved limited but steady progress, although much work remains to be done to translate technical progress into sustainable European defence spending, modern military capabilities, increased readiness and interoperability with American allies. To make a more substantial and enduring contribution to the rebalancing and adaptation of transatlantic relations in the next decade, EU-NATO cooperation on a practical level has to be complemented and enhanced by a sustained strategic dialogue that is able to address and deliver on core requirements, from burden-sharing to refocusing on the challenges of great power competition. Only this way can transatlantic partners signal that while the EU and NATO remain partners *in need*, they are ready to become genuine partners *in deed*.

CHAPTER 4

Transatlantic parliamentary diplomacy

Contributing to the future
of transatlantic relations

ELENA LAZAROU¹

Introduction

In August 2020, in the face of a second wave of the coronavirus pandemic and the democratic uprising in Belarus, the European Parliament (EP) and the United States Congress issued two joint statements in support of transatlantic responses to these crises. The extensive statement on the pandemic used the opportunity to call for transatlantic solidarity in a changing geopolitical environment

¹ The author is a policy analyst in the European Parliamentary Research Service (EPRS). She is writing here in a personal capacity and any views expressed do not represent an official position of the European Parliament. The author would like to thank Alexandros Karides for his comments and review of this chapter.

particularly by reinvigorating multilateralism, countering authoritarianism and disinformation, bolstering transatlantic defence and fighting climate and nuclear threats. The signatories emphasised that, while transatlantic relations on the executive level had been problematic in recent years, the legislative track would remain “an open channel of cooperation and trust.”

President Trump’s ‘America First’ foreign policy has challenged some of the fundamental assumptions that underpin the transatlantic alliance in recent years. His scepticism towards NATO and criticisms of multilateral security arrangements have created a sense of a widening gap across the Atlantic. These recent divergences on the executive level have brought to the fore the relevance of relations among legislators as a second level of diplomacy. The wording of joint statements between the two parliaments, issued approximately twice a year as part of the Transatlantic Legislators’ Dialogue (TLD), suggests that legislators have been quick to assume their role safeguarding the centrality of a values-based transatlantic bond and highlighting transatlantic commitment to common values and a shared approach to global issues.

In this context, this chapter looks at how parliamentary diplomacy could help shape transatlantic relations in security and defence as the world moves into a new decade of geopolitics. The chapter takes as its point of departure the intensification of transatlantic parliamentary diplomacy in recent years to illustrate that the parliamentary level can build long-term political trust; help defuse crises; dismantle false preconceptions and add democratic accountability to transatlantic policies. This is particularly the case in an environment where diplomacy and foreign policy are no longer the sole prerogative of unitary state actors, but include a diverse set of stakeholders and issues. The chapter begins by discussing the nature of parliamentary diplomacy and its development in the transatlantic context. It then focuses on the TLD as its key manifestation at the EU level. It concludes by outlining proposals which could improve the effectiveness of transatlantic parliamentary diplomacy in security and defence.

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Transatlantic parliamentary diplomacy

While legislative bodies have varying degrees of power to conduct foreign and security policy, the primacy of the executive in this area is relatively undisputed. This is particularly the case in the EU, given the intergovernmental nature of EU foreign policy. Whereas the legislative branches of the EU member states hold diverging, and often important, roles in the foreign, security and defence policies of their countries, the role of the EP has only gradually and recently been reinforced in this domain, arguably since the Lisbon Treaty (2009). In the area of security and defence, in particular, the EP, unlike other parliaments, lacks the ‘power of the purse’ given the absence of a common EU defence budget (with the notable exception of the recently launched European Defence Fund and its predecessor programmes, PADR and EDIDP). In spite of this shortcoming – or perhaps because of it – the identity of the EP in security and defence policy has been moulded through the other tools available to legislators, not least its active parliamentary diplomacy.

Parliamentary diplomacy refers to activities undertaken by parliaments and their members to increase mutual understanding between countries. It can refer to engagement between parliamentarians or with other actors (eg. executive, local government, civil society) in a third country. Its main objective is twofold: to promote interests and values in relations with third countries and to exercise additional influence on the executive’s foreign policy decisions. It also adds transparency and democratic legitimacy to foreign policy. In essence, it is a feature of an expanded foreign policy paradigm where a diversity of actors and stakeholders becomes relevant in diplomacy.

Compared to traditional diplomacy, the added value of parliamentary diplomacy may lie in the increased flexibility to establish contacts with various local stakeholders and in the ability to communicate with fewer constraints as elected politicians rather than

technocrats and bureaucrats.² However, its impact often depends on the relationship between the legislative and the executive and on the scope for autonomous parliamentary action.

The TLD: structured parliamentary diplomacy par excellence

In the transatlantic context, parliamentary diplomacy is carried out on several levels. Congressional delegations visit EU countries and vice-versa and engage with a variety of stakeholders. While inter-parliamentary exchanges between the US and member states are, as a rule, carried out in an *ad hoc* manner, what is notable about US-EU interparliamentary relations is the degree of institutionalisation and of the establishment of a coordinated process.

Interparliamentary relations between the US and the EU (formerly the EEC) go back several decades and have since evolved to an institutionalised dialogue. In this structured context, parliamentary diplomacy across the Atlantic has repeatedly produced joint support or criticisms of executive action across several policy domains. Given the longstanding EU-US strategic partnership, foreign and security policy is a prominent topic of exchange. Members of the EP and the Congress have been meeting on a regular basis since 1972, making this the longest interparliamentary relationship in EP history.

As part of the 1995 New Transatlantic Agenda (NTA), the EU and US committed to enhancing their parliamentary ties. The NTA aimed to transform the transatlantic relationship to one of joint action; given the link between action and legislation, the rationale for the inclusion of the parliamentary dimension seems evident. Subsequently, in 1999 the EP and the US House of Representatives agreed to launch the Transatlantic Legislators' Dialogue (TLD). Nowadays, TLD activities

² Ionel Zamfir, "Connecting parliamentary and executive diplomacy at EU and Member State level," European Parliament Research Service (EPRS), Brussels, 2019.

include two interparliamentary meetings (IPMs) per year, video conferences and direct exchanges between legislative committees.³

The TLD is co-chaired by the two bodies. On the EP side the co-Chair is always the Chair of the Delegation for Relations with the US (D-US), currently Radoslaw Sikorski (EPP, PL), for the first time ever a former minister of defence and foreign affairs. Within the EP, D-US is one of the oldest and, with 63 members and 63 substitutes, the largest delegation. Members of the delegation meet on average nine times a year to discuss transatlantic issues with visiting US politicians, senior diplomats, experts, and officials from the EU executive.

The TLD Co-Chair on the US side is appointed by the Speaker of the House. On the EU side, the delegates to the interparliamentary meetings are drawn from the US delegation with the addition of relevant members depending on the agenda, which is set by the co-chairs. The US delegation is more *ad hoc*, essentially chosen by the co-Chair and on a volunteer basis, but it is usually bipartisan and based on the agenda. Representative Jim Costa (D- CA), the current co-Chair, has sponsored legislation to establish a more permanent membership for the TLD delegation and to include representatives from the Senate.⁴ Such an upgrade could provide the biggest boost to the dialogue in years in material and symbolical terms. Transatlantic parliamentary diplomacy is also conducted during visits of *ad hoc* parliamentary or congressional delegations to the capitals.

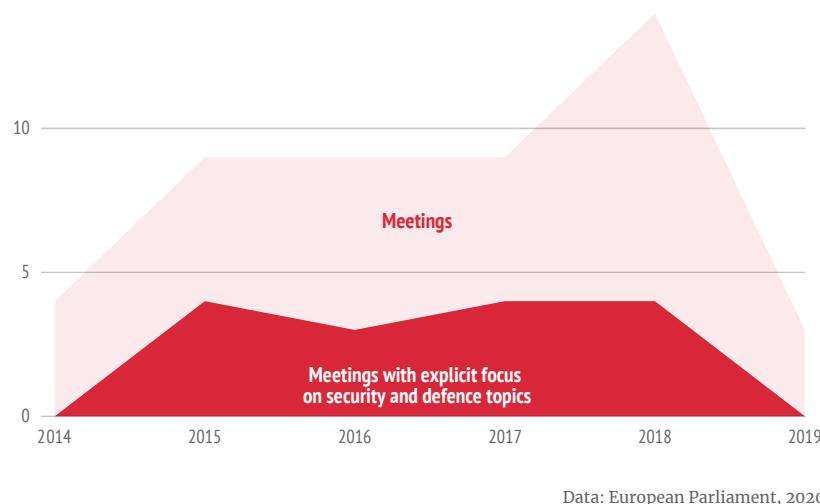
While the TLD focuses on areas where the two parliamentary bodies have legislative power, in the previous parliamentary term security and defence issues often featured in its meetings (see Figure 1), although less so than trade-related issues where the EU has full competence. In defence, parliamentary diplomacy should be seen in the context of the EU's ongoing efforts to build its identity as an international actor and as part of the EP's quest for an empowered role and institutional autonomy.

3 Information provided by the Secretariat of the Delegation for Relations with the US, European Parliament.

4 US Congress, "H.R.4105 – Transatlantic Legislators' Dialogue Enhancement Act (116th Congress)," July 2019, <https://www.congress.gov/bill/116th-congress/house-bill/4105/text?r=5&s=1>.

FIGURE 1 | Meetings of the EP Delegation for Relations with the US

2014–2019



The US Congress undoubtedly carries great power in foreign, security and defence policy. Unlike the EU, the US is a unitary federal actor in this area. Congress approves the US defence budget (the largest in the world) which allows it to limit executive power and to impose preferences. Congress oversees foreign policy and can act as “a counterweight to the dominant executive when pursuing national interests”.⁵ For example, in the summer of 2020 Congress moved to block President Trump’s decision to move troops out of Germany, unless proven that this is in the US national interest. Congressional formal powers also include declaring war, ratifying international agreements, approving arms sales and confirming ambassadorial appointments. In addition, Congress holds hearings and

Much like the European Parliament, Congress perceives its mission as that of promoting a democratically accountable foreign policy through oversight.

⁵ Peter Bajtay, *Shaping and Controlling Foreign Policy – Parliamentary Diplomacy and Oversight, and the Role of the European Parliament*, European Parliament, Brussels, 2015, https://www.europarl.europa.eu/RegData/etudes/STUD/2015/549045/EXPO_STU%282015%29549045_EN.pdf

often expresses its opinion on foreign affairs and international security by debating and adopting resolutions (so-called ‘sense of the House’ or ‘sense of the Senate’). Sense of the House resolutions, introduced or passed during the Trump presidency, indicate strong support for transatlantic security, including for NATO, Eastern European security and cooperation in the Western Balkans. Like the EP’s own initiative reports, these are followed by international and national media and public opinion and can indirectly impact the administration. Overall, much like the EP, Congress perceives its mission as that of promoting a democratically accountable foreign policy through oversight.⁶

Congressional diplomatic activities date back to the mid-twentieth century. However, Congress holds a tradition of being very selective in the establishment of formal and institutionalised long-term cooperation with other parliamentary bodies. Transatlantic relations are a notable exception, with Congress participating in the NATO and OSCE parliamentary assemblies and holding formalised dialogue with the EP.⁷

Parliamentary diplomacy in a time of geopolitical uncertainty

Faced with the unconventional approach of the US administration to international affairs and a perceived dismantling of bilateral trust, parliamentarians have stepped up to support the transatlantic agenda. The Delegation for relations with the US has assumed the mission of reinforcing ties with Congress, clarifying and explaining decisions and policies made on the EU level such as the new European defence initiatives (especially PESCO and the EDF), demonstrating the added value of cooperation and reacting to US policy when required. Intensified parliamentary diplomacy is also illustrated by the

6 Ibid.

7 Zlato Sabic, “Parliamentary Diplomacy and the US Congress: The case of the NATO Parliamentary Assembly,” *The Hague Journal of Diplomacy*, vol.11,no. 2–3, March 2016, pp. 235–52.

FIGURE 2 | The 8th parliamentary term

Selected EP resolutions directly or indirectly related to security and defence, 2014–2019

- **Transatlantic data flows**
26 May 2016
- **US-EU Agreement on the protection of personal information relating to criminal offences**
01 Dec 2016
- **Adequacy of the protection afforded by the EU-US Privacy Shield**
06 Apr 2017
- **EU-USA Bilateral Agreement on prudential measures regarding insurance and reinsurance**
01 Mar 2018
- **EU-NATO relations**
13 Jun 2018
- **Extension of the EU-US Agreement for scientific and technological cooperation**
03 Jul 2018
- **Adequacy of the protection afforded by the EU-US Privacy Shield**
05 Jul 2018
- **The state of EU-US relations**
12 Sep 2018
- **Annual report on the implementation of the Common Foreign and Security Policy**
12 Dec 2018
- **The future of the INF Treaty and the impact on the EU**
14 Feb 2019

Data: European Parliament, 2020

numerous letters written to Congress on behalf of the EP, by written public declarations and by the number of resolutions relevant to transatlantic relations adopted, many of which on security aspects (see Figure 2).

In Congress, bipartisan support for EU-US relations continues to be strong. House and Senate Members have sought to reassure EU officials and member states of US commitment; this has included intensified parliamentary diplomacy, for example through visits to Brussels and key EU capitals, and the reestablishment of the EU Caucus in the House. In 2017 approximately five Congressional delegations visited the EP, up from zero in preceding years.⁸ When in 2018 President Trump moved to downgrade the diplomatic status of the EU Ambassador to Washington, MEPs and several Members of Congress urged the administration to reinstate

⁸ Information provided by the European Parliament Secretariat.

the EU diplomatic mission's initial status, a process that had a positive outcome.⁹

Preceding the coronavirus pandemic, yet reinforced by it, the quest for America First in DC, and for strategic autonomy in Brussels, has raised concerns about the state of transatlanticism. Parliaments on both sides perform their respective budgetary and legislative roles in security and defence in the context of these visions. But beyond their formal roles, own initiative reports on the EU side and Sense of resolutions in Congress indicate that legislators are concerned about influencing the strategic direction of security and defence policy, including the future of partnerships and alliances.

Expressing support for NATO is one of the clearest examples. Following statements by the US President that caused concern about his commitment to the alliance, in 2019 the House passed the NATO Support Act,¹⁰ which constrains the president's ability to unilaterally withdraw from the alliance, as does the FY2020 National Defense Authorization Act. In 2019, Congress dedicated a number of hearings to the future of the alliance, coinciding with NATO's 70th anniversary.¹¹ Proceedings and joint statements suggest that, among other things, those concerns had been raised in the interactions with the EP. Experts have viewed this emphasis, including the bipartisan House–Senate invitation to NATO Secretary General Jens Stoltenberg to address a joint session of Congress in April 2019, as a demonstration of Congressional commitment to NATO and an effort to reassure concerned allies. Support for NATO has been continuous in the TLD which in August 2020 emphasised the need to ensure that "the economic downturn does not lead to serious cuts in our defense budgets and our commitments towards the NATO Wales Pledge [...] We have no choice but to spend more strategically and more efficiently to meet the challenges by our adversaries."¹² Support for transatlanticism was

⁹ Kristin Archick et al., "Transatlantic Relations: U.S. Interests and Key Issues," CRS Report, Congressional Research Service, 2020, <https://fas.org/sgp/crs/row/R45745.pdf>.

¹⁰ US Congress, "H.R.676 – NATO Support Act," January 2019, <https://www.congress.gov/bill/116th-congress/house-bill/676/text>

¹¹ Kristin Archick, "U.S.-European Relations in the 116th Congress," CRS Report, Congressional Research Service, 2020, <https://fas.org/sgp/crs/row/IF11094.pdf>.

¹² TLD Joint Statement, August 24, 2020, <https://www.europarl.europa.eu/cmsdata/210904/20200824-tld-jointstatement-final.pdf>.

reiterated in the Munich Security Conference 2019, which featured an unprecedented number of Congress members. The NATO Parliamentary Assembly (PA), where US members engage with representatives from EU/NATO member states' legislatures, has also served as a forum for declaration of commitment to transatlantism.¹³ Members of the assembly were instrumental in the passing of the NATO Support Act in Congress, while the Speaker of the House, Nancy Pelosi, addressed its members twice (in 2019 and 2020) as part of the “reassurance drive.”¹⁴

While Trump's stance towards NATO has alarmed Europeans, the development of EU defence cooperation through initiatives such as the European Defence Fund (EDF) and Permanent Structured Cooperation (PESCO) has been met with scepticism in Washington. Here, too, interparliamentary contacts aim to disperse misunderstandings. Following several exchanges, in 2019 transatlantic legislators jointly recognised the importance of European defence efforts and their complementarity with NATO as a contribution to transatlantic burden sharing and to enhancing their common security.¹⁵

While Trump's stance towards NATO has alarmed Europeans, the development of EU defence cooperation has been met with scepticism in Washington.

Cybersecurity is another area of convergence, with successive TLD statements promoting cooperation on cyber diplomacy, on countering online disinformation and on influencing international norms of responsible state behaviour in cyberspace. TLD members acknowledged the passage of the Cyber Diplomacy Act in the House as a demonstration of “commitment to cyber cooperation with Europe” in a clear expression of the direct impact of transatlantic parliamentary contact.¹⁶ In 2019, the TLD expanded cooperation on cyberspace

¹³ NATO Parliamentary Assembly, “NATO Parliamentarians Explore the State of Transatlantic Relations at Annual Forum in Washington D.C.”, NATO PA Website, December 2019, <https://www.nato-pa.int/news/nato-parliamentarians-explore-state-transatlantic-relations-annual-forum-washington-dc>.

¹⁴ Exchange with NATO PA Secretariat.

¹⁵ TLD, Joint Statement, February 27, 2019, <https://www.europarl.europa.eu/cmsdata/161320/83rd-TLD-Washington-Joint-Statement-Signed-27-February-2019.pdf>.

¹⁶ TLD, Joint Statement, June 30, 2018, <https://www.europarl.europa.eu/cmsdata/150392/joint-statement-82nd-tld-30-june-2018-signed.pdf>.

issues to include “a common approach to the accountability of digital platforms to ensure they are not misused by hostile actors”.¹⁷

The need for joint efforts is identified in a range of areas, including climate change, nuclear proliferation, European energy dependence, 5G and Huawei, the security risks of Chinese acquisition of critical infrastructure and technology, and alignment on regional and global crises (see Figure 3). Where positions diverge, as on the Joint Comprehensive Plan of Action (JCPOA), parliamentary diplomacy has been leveraged to identify a positive agenda for collaboration. In 2018, TLD members acknowledged their differences, but identified Iran’s ballistic missile programme, regional activities and human rights violations as areas for a joint approach. However, the JCPOA is notably absent from subsequent statements, as the reimposition of US sanctions on Iran

FIGURE 3 | Transatlantic Legislators’ Dialogue

Security and defence issues included in the inter-parliamentary meetings of the Dialogue, 2014–2019

- **76th IPM/TLD meeting**
Riga, Latvia | 28 Jun 2015
Energy security, and reinforcing security and defence cooperation
Joint visit to Adaži NATO military base; Latvian and US weapons, vehicles and equipment display
- **77th IPM/TLD meeting**
Washington, DC | 05 Nov 2015
Russia, Syria and refugees.
- **78th IPM/TLD meeting**
The Hague, | 28 Jun 2016
Counter-terrorism, cybersecurity and radicalisation
Russia, Syria, the refugee crisis and Brexit
Visit and briefings at Europol, including the European Counter Terrorism Centre, the European Cybercrime Centre
- **79th IPM/TLD meeting**
Washington, DC | 29 Nov 2016
Foreign policy and security and defence policy (ISIS, Iran, Turkey, Russia)
NATO and the Eastern Flank
- **80th IPM/TLD meeting**
Valletta, Malta | 03 Jun 2017
Security in the Mediterranean (counter-terrorism, migration, sea operations, Libya)
EU-US cooperation in foreign policy
CSDP EUNAVFOR Mediterranean (Operation Sophia)
- **81st IPM/TLD meeting**
Washington, DC | 06 Dec 2017
Democratic People's Republic of Korea, Iran and Venezuela
- **82nd IPM/TLD meeting**
Sofia, Bulgaria | 30 Jun 2018
Western Balkans, cybersecurity and safeguarding the integrity of democratic systems from outside interference
Field visit to Graf Ignatievo Bulgarian-American Joint Military Facilities
- **83rd IPM/TLD meeting**
Washington, DC | 28 Feb 2019
Working session on election interference
Russia, Venezuela, Afghanistan and the INF Treaty

Data: European Parliament, 2020

¹⁷ TLD, Joint Statement, February 27, 2019.

threatened the EU with secondary sanctions and the EP called for the EU to “be prepared to adopt countermeasures against any country that harms the EU’s legitimate interests through the means of secondary sanctions.”¹⁸

Parliaments are spaces of convergence among political views, so the impact of exchanges is highest when there is both convergence between the EP and Congress and a high level of bipartisan support for a position. The cases of support for NATO and cybersecurity, which are largely non-partisan issues in Congress, serve as examples. This also explains the limited effects of parliamentary diplomacy on the JCPOA, where Congress tends to align with the scepticism of the executive. It is worth noting that the NATO Support Act was passed in the House following the 2018 midterm elections, when the House came under Democrat control. This suggests that, even when bipartisan support exists, politics plays a role in determining when and if parliaments speak up to contradict executive rhetoric. In turn, this can facilitate or impede the impact of parliamentary diplomacy.

The future of transatlantic parliamentary diplomacy

The impact of parliamentary diplomacy is hard to assess as the ideas exchanged may or may not find their way into legislation, oversight and scrutiny functions. For many of its members, the TLD’s value lies in the mutual comprehension of positions and in the opportunities for socialisation that it affords. Rather than function as spaces for persuasion and bargaining, meetings serve more as debates which dispel stereotypes and misperceptions occurring at the executive level. From the EP’s perspective, the TLD also serves as a mechanism to help counterparts better understand the nature of the EU, its

¹⁸ European Parliament, “Resolution of 15 January 2020 on the implementation of the common foreign and security policy – annual report (2019/2136(INI)),” Strasbourg, January 15, 2020, https://www.europarl.europa.eu/doceo/document/TA-9-2020-0008_EN.html.

competences and its role in security and defence policy – often found perplexing in Washington.¹⁹

Looking forward, while diplomacy remains the prerogative of the executive, transatlantic parliamentary diplomacy in foreign, security and defence policy could play a bigger role, as the demand for more democratic legitimacy, transparency and accountability grows in the face of challenges to democracy. In the EU, Parliament's role has been reinforced by the introduction of defence industrial issues (EDIDP, EDF) in the co-decision agenda and the expected greater EP involvement in external policies under the new Commission and the potential for more EP agenda-setting power in international security.

Congressional commitment to transatlanticism should continue to play an important role in influencing foreign policy.

The 2020 US elections will clarify many unknowns on the US side, but congressional commitment to transatlanticism should continue to play an important role in influencing foreign policy. The bipartisan consensus on the threat posed by China and the EP's emerging strategic outlook on China, reinforced by human rights and privacy concerns, could continue to push US and

EU legislators closer. A common agenda on standards for strategic technology transfers as part of multilateral export controls, currently on both legislative agendas, could be envisioned as an initiative that both a Republican and Democrat administration would welcome. Yet, even in these issues of convergence, politics will always play a role. Radoslaw Sikorski acknowledges that the fact that his counterpart in Congress is a Democrat, at a time when there is a Republican administration in the White House, “does not make for an easy interface with the administration and with the Pentagon.”²⁰

A new administration could offer a new perspective in the debate about European defence. Here, the TLD could serve to further communicate to Washington that initiatives such as PESCO could lessen the burden for the US and that, according to Radoslaw Sikorski, an EU

¹⁹ Emmanuelle Blanc, “The EU in Quest for the Recognition of its Institutional identity: The case of the EU-US dialogues,” Ph.D. thesis submitted to the Department of International Relations, The London School of Economics, March 2018, http://etheses.lse.ac.uk/3784/1/Blanc_the-EU-in-quest--redacted.pdf.

²⁰ Radoslaw Sikorski, interview with the author, September 2020.

which is “more serious” about defence could procure more, including from US defence companies.

For parliamentary diplomacy to deliver on security and defence, longstanding issues between the executive and legislative need to be addressed. More access to classified information is demanded by both Congress and the EP as vital for parliamentarians to formulate their positions. Expert knowledge, including on artificial intelligence (AI), energy and cyberspace, must be available to legislators on both sides as they establish specialised bodies in these new areas (e.g. the Congress-mandated National Security Commission on AI and the EP Special Committee on AI).²¹ The development of in-house expertise and the exchanges between in-house support services is paramount. Finally, enhancing TLD, through permanent membership on the US side and through additional resources, would benefit the process and its results.

More synergies between TLD and the NATO PA would ensure continuity rather than duplication. In the context of closer EU-NATO relations, a parliamentary dimension makes more sense today than ever before. Within the EU, further strengthening parliamentary links between the national and EU levels, notably through the CFSP/CSDP interparliamentary conference, would furthermore ensure that when the EP speaks to Congress, it also carries the voice of national parliamentarians, given that security and defence issues remain largely in the hands of member states. Going further, a potential move towards Qualified Majority Voting (QMV) in areas of security policy (e.g. sanctions), would enhance the EP’s position as the legislative branch of a more cohesive foreign policy actor.

As foreign policy becomes the playing field of ever more diverse actors, so will parliamentary diplomacy. The recent efforts by Congress to block the withdrawal of US troops from Germany was, by

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²¹ Daniel Fiott, “The Scrutiny of the European Defence Fund by the European Parliament and national parliaments,” Study requested by the SEDE Subcommittee, European Parliament, Brussels, April 2019.

some accounts, motivated by German officials' appeals to Congress.²² Looking to the future, parliamentarians could focus more on links between subnational and parliamentary diplomacy. In the case of a second Trump administration, climate security would be an area in which the EP could engage directly with the US state level (including state legislatures).

Conclusion

While the military power asymmetries between the US and the EU persist, the changing nature of power and security threats are fundamentally altering security and defence policy in ways that require more parliamentary input. Growing demand for accountability also creates more space for parliaments. In this context, the possibilities to leverage transatlantic parliamentary diplomacy in security and defence are expanding and more thought is needed on the ways forward. Resources, expertise and a recalibration of executive-legislative relations should be the main pillars in this pursuit.

22 "German states appeal to U.S. Congress not to withdraw troops," Reuters, July 19, 2020.

CHAPTER 5

Rejuvenating transatlantic strategic culture

Towards a new Atlanticism

JOE BURTON¹

Introduction

In the midst of the Covid-19 pandemic new questions are being raised about how the transatlantic alliance can survive, adapt and evolve to meet the challenges of an increasingly turbulent century. NATO has initiated the NATO2030 process, a timely re-evaluation of its role in international affairs, and the European Union is implementing a range of new defence initiatives (EDF, PESCO, CARD) as well as developing a ‘Strategic Compass’, which aims to forge

¹ Research for this chapter received funding from the European Union’s Horizon 2020 research and innovation programme under the Marie Skłodowska-Curie grant agreement No 844129.

a common threat perception across the EU membership. A renewed focus on strategic culture undergirds these new initiatives. In 2017, President Emmanuel Macron urged Europe to develop a common strategic culture underpinned by new capabilities.² More recently, HR/VP Josep Borrell has called for a “shared strategic culture and empathy to understand the different points of view” of EU member states,³ and European Commission President Ursula von der Leyen said, “I believe we also need a PESCO in foreign policy – and a common strategic culture. There is no military short-cut to a sustainable order of peace.”⁴ In the 2020 Annual Report on CSDP, the European Parliament (EP) argued that, in order to achieve strategic autonomy, the EU needed to forge “a genuine strategic culture” by developing “adaptable, modular instruments which help bring strategic cultures closer together.”⁵

Despite the declarative political will to build a more cohesive European strategic culture, there are some difficult questions to be answered. What is the current state of European strategic culture? What purposes will a new strategic culture serve? Will it translate into more effective political action in the field of security? And how will it be fostered and measured? The recent statements by EU leaders suggest different understandings of the concept. Throughout Europe’s history, it has been a difficult task to develop a strategic culture from the top down in a complex and diverse continent.⁶ If European strategic culture becomes more culturally distinct, and resultantly, different from the United States, this could adversely affect transatlantic relations. Despite a shared desire for enhanced European strategic autonomy, embedding cultural differences does not seem to

2 M. Emmanuel Macron, President of France, Speech at the Sorbonne, September 29, 2017, <http://international.blogs.ouest-france.fr/archive/2017/09/29/macron-sorbonne-verbatim-europe-18583.html>.

3 European Parliament, Hearing with High Representative/Vice President designate Josep Borrell, October 7, 2019, <https://www.europarl.europa.eu/news/en/press-room/20190926IPR62260/hearing-with-high-representative-vice-president-designate-josep-borrell>.

4 Sumi Somaskanda, “Sounding the Alarm Bells”, *Berlin Policy Journal*, February 16, 2018, <https://berlinpolicyjournal.com/sounding-the-alarm-bells/>

5 European Parliament, Annual report on the implementation of the Common Security and Defence Policy, (Rapporteur: Arnaud Danjean), 2020.

6 Asle Toje, *America, the EU and Strategic Culture: Renegotiating the Transatlantic Bargain* (London: Routledge, 2008).

be a constructive way to forge a closer alliance to meet the myriad challenges Europe and America will have to face together in the decades ahead.

In addressing these questions this chapter advances an argument for a transatlanticist strategic culture rather than a Eurocentric one. This would involve Europe working together with the US and Canada to embed common ideas, behaviours and practices within and between its defence and security establishments, and a conscious attempt to bridge ideational and behavioural divides that currently exist between the US and Europe. In outlining the benefits of such an approach, the chapter proceeds in three parts. The first part defines and introduces strategic culture as an analytical tool for understanding nation states, alliances and international organisations. The second part outlines some of the historical problems experienced in building a European strategic culture and makes the argument that a transatlantic strategic culture is both possible and preferable. The last section outlines how transatlantic strategic culture could be rejuvenated in a more concerted and collective way between the US and European allies, including through EU and NATO channels, military education, public diplomacy, and transatlantic strategic-cultural exchanges.

Why strategic culture matters

Strategic culture can be defined as the “sum total of ideals, conditional emotional responses, and patterns of habitual behaviour that members of the national strategic community have acquired through instruction or imitation and share with each other with regard to strategy.”⁷ Strategic culture scholarship emerged in the late 1970s as a response to the tendency to view Cold War foreign policy as a product of systemic structural characteristics (including the balance of power and material capabilities) and rational decision-making. These approaches failed to explain anomalies in how the great powers acted, including instances in which they seemed to act irrationally, and/or

⁷ Jack L. Snyder, *The Soviet Strategic Culture: Implications for Nuclear Options*, R-2154-AF (Santa Monica, CA.: Rand Corporation, 1977), p. 9.

contrary to their national interests. In Vietnam, for example, a conflict that Europeans resisted becoming involved in, the long-held belief that America could win any war inhibited the US government from seeing the reality of their situation: that they were losing. In Cuba, in 1962, Khrushchev failed to recognise an idea and principle embedded in US political culture for centuries: the Monroe Doctrine; a deeply held aversion to any foreign involvement in the western hemisphere. Understanding strategic culture was therefore integral to avoiding crises, entangling conflicts and even nuclear war.

Strategic culture also helps explain differences in threat perception among the allies.

Fast forward to the post-Cold War era, and strategic culture can help to explain a number of issues that are pertinent to European and transatlantic security. The disagreement between the US and European states over the Iraq War (2003), for example, pointed to their broader behavioural and ideational differences.⁸ These included a long-held American focus on war, power politics, punitive sanctions, and interventions (especially pertinent in the context of the George W. Bush presidency), and a preference in some European states (France and Germany in particular) for patient diplomacy, rules and regulations, as well as crisis management based on persuasion and incentives rather than the use of force.⁹ Strategic culture also helps explain differences in threat perception among the allies. Nations view threats through cultural and historical lenses, coloured by previous social interactions with both friends and adversaries, and according to preconceived ideas. As recent research has highlighted, there are big differences in threat perception within Europe,¹⁰ and indeed in the transatlantic area. According to the strategic culture approach, these differences result as much from ideas as from variations in geography and material capabilities.

⁸ Robert Kagan, *Of Paradise and Power: America and Europe in the New World Order* (New York: Alfred J. Knopf, 2003).

⁹ Bernard E. Brown, “Are Americans from Mars, Europeans from Venus?”, *American Foreign Policy Interests*, no. 24, 2002, pp. 481–89, p. 481.

¹⁰ Daniel Fiott, “Uncharted territory? Towards a common threat analysis and a Strategic Compass for EU security and defence”, *EUISS Brief* no. 16, July 2020, <https://www.iss.europa.eu/content/uncharted-territory-towards-common-threat-analysis-and-strategic-compass-eu-security-and>.

The latest US cybersecurity strategy, for example, is based on the idea of “defending forward” through “persistent engagement” with US adversaries.¹¹ The US is committed to using offensive operations to disrupt adversaries beyond US borders, projecting power through cyberspace, and establishing a forward operating presence in adversary networks to deter cyber-attacks so that the US does not have to fight a cyber war ‘at home’. If this sounds familiar, these types of ideas have been a constant feature of US defence policy throughout much of its history. In this sense, US cybersecurity strategy is not only a reaction to the cybersecurity threats at hand, but the confluence of a powerful stream of historical behaviours. The same could be said of the EU’s approach to cyber. The EU’s cybersecurity strategy is more defensive, more regulatory and legalistic, more oriented towards economic markets, based on resilience rather than deterrence and disruption, and much more normative, including encouraging responsible state behaviour. While some states in Europe are developing offensive capabilities, the overarching EU approach to cyber security is informed by and a product of history, political cultures and ideas and behaviours embedded in its institutions.

These examples show that strategic culture is more than just the way threats are perceived and includes the way actors behave. The antimilitarism that continues to exert a strong influence in German foreign policy, for example, is a result of a political culture accumulated over seven decades after World War II. This helps to explain the constancy of Germany’s international behaviour in the post-Cold War era and how long-established patterns are not easy to change or disrupt. However, strategic culture can also form an exogenous context in which actors’ interests are shaped. This approach suggests that international organisations such as the EU and NATO *can* and *do* create a political/cultural context that shapes their members’ behaviours, beliefs (and even their interests). This aspect of how strategic cultures evolve is important because forging or instrumentalising strategic culture is exactly what European leaders are now proposing to do.

¹¹ Jeff Kosseff, “The Contours of ‘Defend Forward’ Under International Law,” in Thomas Minárik, Slim Alatalu, Stefano Biondi et al (eds.) 2019 *11th International Conference on Cyber Conflict: Silent Battle* (Tallin: NATO CCD COE Publications, 2019).

The US and Europe – A world apart?

In recent references to European strategic culture, there has been a lack of attention to the seemingly obvious question: do we not have a strategic culture already? In fact, references to European strategic culture stretch back through much of Europe's post-Cold War history. In 2003, Javier Solana talked about the EU needing a European strategic culture that "fosters early, rapid, and when necessary, robust intervention".¹² This begs other questions: what has happened since then? If the new European leadership are arguing for a new strategic culture now, how will it be different from what Solana was proposing? What has happened to European strategic culture in the intervening years that makes such a change necessary?

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dustrial investment, dedicated defence budgets (notably through EDF), and even its own military command. These processes are viewed by some on the continent as the antithesis of what the EU was set up to do – to preserve peace – and by others as unnecessarily duplicative of NATO. These historical dynamics help explain why there has been resistance to reforming CSDP to give it a more robust role in security

Perhaps the first reason for a lack of progress has been a broad resistance to militarising and securitising the EU's role in the world. In other words, the EU has a culture, but it is not particularly strategic. As the EU seeks greater strategic autonomy, the ability to act militarily independent of the US and pursues a more robust role in security alongside NATO, this will necessarily involve new military capabilities (PESCO/EDF), increased defence-in-

¹² Paul Cornish and Geoffrey Edwards, "The Strategic Culture of the European Union: A Progress Report, *International Affairs*, vol. 81, no. 4, Royal Institute of International Affairs, July 2005.

and why the EU Battlegroups have never been deployed.¹³ As analysts have pointed out as far back as 2005, a European strategic culture without the requisite military capabilities to draw on, will ring hollow.¹⁴

Another aspect to clarify about European strategic culture is that it has sometimes been used to serve national interests rather than collective ones. Such an approach can of course erode solidarity. NATO historically has embodied multiple strategic cultures, but through consensus-based decision-making and inclusivity of smaller powers,¹⁵ these cultural divides have been reconciled. In this context, there are already some recent attempts to establish a European strategic culture, but it is questionable whether they are a good fit for a more transatlantic or indeed Europe-wide agenda for security and defence. Perhaps the most prominent example is the European Intervention Initiative (EI2),¹⁶ a grouping of 14 states¹⁷ which aims to build a strategic culture on which military operations could be based.¹⁸ While a strategic culture based on conducting more autonomous military operations is consistent with the EU's level of ambition in the EU Global Strategy, limiting European strategic culture to a purely operational approach would seem to be an overly narrow application of the concept. The initiative appears to be based around the idea of prioritising effectiveness over inclusiveness and remains outside both NATO and EU structures and by invitation only. If the initiative is a vehicle that mainly serves French priorities in the Sahel and the

A European strategic culture without the requisite military capabilities to draw on, will ring hollow.

¹³ Michael Vincent, "EU Battlegroups: The European 'army' that politicians can't agree how to use", ABC News, November 16, 2018, <https://www.abc.net.au/news/2018-11-17/the-european-army-that-has-never-been-in-a-fight/10506466>.

¹⁴ Op. Cit., "The Strategic Culture of the European Union: A Progress Report", p. 802.

¹⁵ *The Harmel Review* (1966) was perhaps the most famous example.

¹⁶ Christian Malling and Claudia Major, "Why Joining France's European Intervention Initiative is the Right Decision for Germany," Egmont Institute, June 15, 2018, <http://www.egmontinstitute.be/why-joining-frances-european-intervention-initiative-is-the-right-decision-for-germany/#:-:text= Claudia%20Major%20is%20senior%20associate,franco%20german%20relations%20and%20Nato>.

¹⁷ Belgium, Denmark, Estonia, Finland, France, Germany, Netherlands, Norway, Portugal, Spain, the United Kingdom, Sweden, Italy, Romania.

¹⁸ It is useful to distinguish between strategic culture and military culture here. The latter refers to the values, ideas and behaviours developed in militaries themselves. Strategic culture is a bigger concept, involving nations, international organisations, and wider policymaking processes.

Mediterranean, then it is unlikely to overcome ideational and behavioural divides within Europe which are among the reasons why European strategic culture remains underdeveloped. These include differences over European integration itself, the extent of EU defence cooperation in light of NATO's role and prominence, the nature and scope of strategic/humanitarian interventions, the threat from and response to terrorism, and different ideas around sovereignty, borders, migration, and democracy promotion.¹⁹

The Strategic Compass initiative could lead to duplications and turf wars instead of aligning perceptions on security issues.

The EU's recent Strategic Compass initiative may help bridge the gaps in threat perception that exist on the continent, but, as analysts have pointed out, its meaning remains unclear and it is driven by Brussels rather than the member states.²⁰ The relationship this process would have with existing EU security policies is also undetermined, and identifying and analysing threats is not the same as developing common positions and policies to address them. As others have argued, the Strategic Compass initiative could lead to duplications and turf wars instead of aligning perceptions on security issues.²¹

A bridge to the US?

Given the inherent and historical problems in developing a European strategic culture, could a more transatlantic-focused approach be possible, even in the context of seemingly unprecedented tensions between the US and Europe? An important point in favour of such an argument is that the strategic cultures of the EU and US have already coexisted and overlapped for decades and have led to sustained security cooperation. These underlying foundations have not disappeared

¹⁹ For a comprehensive view see: Heiko Biehl, Bastian Giegerich and Alexandra Jonas (eds.) *Strategic Cultures in Europe Security and Defence Policies Across the Continent* (Springer, 2013).

²⁰ Sven Biscop, "From Global Strategy to Strategic Compass: Where Is the EU Heading?", *Egmont Security Brief*, no. 121, December 2019, <https://www.jstor.org/stable/pdf/resrep21401.pdf>.

²¹ Nicole Koenig, "The EU's strategic compass for security and defence: Just another paper?", *Policy Paper*, Hertie School, Jacques Delors Centre, July 2020.

as a result of Trump's efforts to disrupt them. In fact, the idea of Atlanticism has helped hold the alliance together during the Trump administration. The bipartisan resolution introduced in the US House of Representatives prohibiting appropriation or use of funds to withdraw from NATO, and a resolution prohibiting withdrawal without the approval of two-thirds of the Senate, were prominent examples.²² 87% of Republican and 94% of Democrat foreign policy leaders and experts supported either the increase or the maintenance of the US commitment to NATO.²³

It is also crucial to note that strategic cultures are not monolithic national constructs that are inflexible and unable to adapt and change. One of the more important developments in strategic culture theory has been the development of a literature on strategic subcultures.²⁴ This work recognises there are different cultural streams within a country, not one monolithic set of behaviour and ideas. While there may be a great deal of concern and consternation in Europe due to the Trump presidency, a culturally informed reading of Trump's foreign policy suggests that it is not unprecedented, but symptomatic and reflective of deeper trends in American political culture, including wanting to be free of 'entangling alliances', US exceptionalism, and long-established Jacksonian²⁵ impulses in US foreign policy, including populism, white nationalism and the assertive defence of US interests.²⁶ Trump is representative of one subculture in US politics that does not always (or indeed often) dominate the political landscape. If former Vice President Biden secures the presidency in November 2020, there could be a swift change in US foreign and security policy. Biden has committed to healing the divide in the transatlantic alliance, implementing a new partnership for democracy, forging ahead with multilateral solutions to security issues, and being consciously and

²² Jordan Tama, Joshua Busby et al., "Congress has NATO's back, despite Trump's unilateralism", *Washington Post*, April 3, 2019, <https://www.washingtonpost.com/politics/2019/04/03/congress-has-natos-back-despite-trumps-unilateralism/>

²³ Ibid.

²⁴ Alan Bloomfield, "Time to Move On: Reconceptualizing the Strategic Culture Debate", *Contemporary Security Policy*, vol. 33, no. 3, 2012, pp. 437–61.

²⁵ Related to the policies of Andrew Jackson, 7th president of the United States.

²⁶ Anna Dimitrova, "Trump's 'America First' Foreign Policy: The Resurgence of the Jacksonian Tradition?", *L'Europe en Formation*, no. 382, 2017, pp. 33–46.

purposively internationalist as opposed to isolationist and protectionist.²⁷ These ideas are not just the policies of a Democrat presidential candidate, but the reflection of a more Atlanticist subculture that includes many Republicans, and which also exists as a subculture in many European countries, and indeed in Canada.²⁸

Crucially, countries that exhibit Atlanticism contribute more to NATO burden sharing.

It may feel like Europe and the United States are far apart at the moment, but, if strategic culture is about how decision-makers or elites view and perceive strategic affairs (ideas), there is actually a great deal of convergence across the Atlantic. There is already an Atlanticist

culture at play in Europe based on “a shared normative understanding of a Western-led international order; a belief in the importance of the US in European security; and a preference for NATO as a platform for coordinating force planning and operational deployment.”²⁹

Crucially, countries that exhibit Atlanticism contribute more to NATO burden sharing.³⁰ Perhaps more importantly, US leadership has been essential to European peace and security for over a century. In Bosnia, Kosovo, in fighting the war on terror in Afghanistan, and more recently, in opposing Chinese expansion and Russian aggression, the US has been a galvanising influence as often as a divisive one. With the exception of President Trump, US presidents have invariably been committed to European integration and cooperation, and people-to-people links between communities on the two continents are as important and strong as any other factor of transatlantic politics.³¹ This history suggests that the US, under a different administration,

²⁷ Joseph R. Biden, jnr, “Why America Must Lead Again: Rescuing US Foreign Policy After Trump,” *Foreign Affairs*, March/April 2020, <https://www.foreignaffairs.com/articles/united-states/2020-01-23/why-america-must-lead-again>.

²⁸ Ronald D. Asmus and Alexandr Vondra, “The Origins of Atlanticism in Central and Eastern Europe”, *Review of International Affairs*, vol. 18, no. 2, 2005.

²⁹ Jordan Becker and Edmund J. Malesky, “The Continent or the ‘Grand Large?’ Strategic Culture and Operational Burden Sharing in NATO,” *International Studies Quarterly*, vol. 61, no. 1 (2017): pp. 163–80.

³⁰ Bryan Frizzelle, “What makes a reliable ally? a fresh perspective on NATO, strategic culture and collective defense,” *War on Rocks*, January 19, 2018, <https://warontherocks.com/2018/01/makes-reliable-ally-fresh-perspective-nato-strategic-culture-collective-defense/>

³¹ Rachel Rizzo, “The Transatlantic Relationship: A Call to the Next Generation,” Heinrich Boll Foundation, July 30, 2020, <https://eu.boell.org/en/2020/07/30/transatlantic-relationship-call-next-generation>.

could again play a decisive leadership role in building a stronger transatlantic strategic culture and overcoming some of the fragmentation and barriers inherent in Europe-centric approaches.

Transatlantic strategic culture: pitfalls and opportunities

How, then, do we rejuvenate and instrumentalise a common transatlantic strategic culture to better serve transatlantic defence and security? And what frameworks, mechanisms, and cultural milieu are best suited for the task?

The first pathway forward is to have serious and sustained discussions about the threats the alliance faces, with a view to building common threat perceptions. Issues to focus on must include China, Russia, terrorism, cyber threats, emerging technologies, climate and energy security, and the spaces and interconnections between them. NATO needs to lead this effort, especially as it has historically acted as an agent in strategic culture building, by emphasising collective defence of the transatlantic area over national defence (itself an anti-populist and anti-nationalist message), and through socialising new members to the norms, practices and ideas of the alliance.³² Teaching and persuasion were an integral part of the NATO enlargement process, and helped to embed liberal democratic ideas and behaviours (the key elements of strategic culture) in the post-communist states.³³ NATO could be doing the same thing again.

More specifically, the NATO2030 process, and the mutual construction of a new Strategic Concept, are prime avenues through which this could be achieved. NATO2030 could take a strategic approach to developing a transatlantic strategic culture and assess where and how ideas about security currently diverge and converge. This could involve a deeper debate around the meaning of transatlantic solidarity

³² Alexandra Gherciu, “Security Institutions as Agents of Socialization? NATO and the ‘New Europe’”, *International Organization*, vol. 59, no. 4, 2005, pp. 973–1012.

³³ Ibid, p. 977.

and the virtues of alliances themselves and even be linked to the EU's Strategic Compass Initiative.³⁴ If EU-NATO cooperation is a serious process then working towards complementary strategic cultures through these mechanisms should also be possible.

The advent of new high-level strategic dialogues is also a promising avenue for forging common ideas and behaviour, including the EU-US High-Level Dialogue on China.³⁵ These should not be seen as a short-term solution but part of an ongoing process of strategic culture rejuvenation. At the non-governmental level, if a strategic culture is going to be built that helps to align ideas and behaviours, the network of defence universities and colleges throughout the transatlantic area are also a vehicle for change. The role education plays as an avenue for instrumentalising strategic culture is vital and these organisations have important effects, including shaping ideas and beliefs, as well as the practices of military officers, including interaction with non-military security actors.³⁶

Public diplomacy gets less attention in transatlantic policy than it should, but it presents clear opportunities and advantages.

Recognising the challenges of building a strategic culture from the top down, there are also public diplomacy channels that could be used to extend and reinforce common ideas, behaviours and practices across the transatlantic space. Public diplomacy gets less attention in transatlantic policy than it should, but it presents clear opportunities and advantages, despite the pressure on the public diplomacy budgets and institutional capacities of the US Department of State, NATO's Public Diplomacy Division and the new European External Action Service public diplomacy unit.

Identifying opinion formers and shapers at the national level, in academia, and civil society, who are positively disposed to NATO and the Atlantic alliance, has proved an effective way to promote the value of

³⁴ Thierry Tardy, "The internal nature of the Alliance's cohesion", NDC Policy Brief no. 1, October 2018, <http://www.ndc.nato.int/news/news.php?icode=1204>.

³⁵ US Secretary of State Michael Pompeo, "A New Transatlantic Dialogue", Speech at the German Marshall Fund's Brussels Forum, June 25, 2020, <https://www.state.gov/a-new-transatlantic-dialogue/>

³⁶ Tamir Libel, "From the sociology of the (military) profession to the sociology of (security) expertise: The case of European national defence universities.", *Defence Studies*, vol. 19, no. 1, 2019, pp. 62-84.

Atlanticism before, not least through Atlantic associations and young leaders' fora.

Moving this process beyond conventional governmental channels will be important. Emerging Atlantic leaders could be travelling to the Trump supporters' heartlands to engage in dialogue with Americans – this could help break perceptions that Europeans are elitist, technocrats and free riders, and facilitate a dialogue on how NATO has advanced security and protected their countries from very real threats. The process could be reciprocated, and instrumentalised in a new EU-NATO public diplomacy programme that is based on building allied solidarity beyond the halls of power of Brussels and Washington. The people who are most sceptical, and prone to accept free riding narratives, or depictions of NATO as an aggressive and militaristic organisation, need to be persuaded of its positive impact. Malicious narratives need to be countered from the bottom up, especially in an era of social media subversion. If anyone doubts the relevance of the internet in shaping ideas about NATO, then one only needs to look at the propaganda website, the Strategic Culture Foundation, to realise the importance of vigorous public diplomacy to defend how the alliance is framed by its adversaries. Russia and China are clearly fuelling anti-EU, US and NATO narratives, and in doing so are building and sustaining anti-Atlanticist subcultures within Europe.³⁷

NATO's own institutions and affiliated bodies could also do more to align ideas and threat perceptions around security issues. There are the centres of excellence, which already host officials on secondment from across the transatlantic area, and which could be used more strategically to discuss areas of convergence and divergence between Europe and North America. NATO's Allied Command Transformation processes also constitute a potentially useful avenue. The Strategic Foresight Analysis process, which identifies threats to the alliance across a longer timeline to 2025, the Future Alliance Operations Process (FFAO) and NATO Defence Planning Process could

Russia and China are clearly fuelling anti-EU, US and NATO narratives.

³⁷ Alliance for Securing Democracy, "Hamilton 2.0 Dashboard," 2020, <https://securingdemocracy.gmfus.org/hamilton-dashboard/>

be instrumentalised more strategically to build common ideas, including involving other institutions such as the EU.³⁸

Finally, strategic culture building needs to go beyond national militaries, or operations, and include conversations with civil society, the tech and defence industries, and the general public. Strategy itself involves a broader range of actors and has moved beyond the use of military force and coercion. Strategic culture building must do the same.

Conclusion

To many supporters of the transatlantic alliance the future of transatlantic relations looks bleak. If President Trump wins another term in November 2020, we could be talking about the end of NATO. But it will not be the end of Atlanticism. A clear reading of history reveals there has been a tendency to characterise the alliance as in crisis throughout its existence, while ignoring dynamics that keep the alliance strong, including its self-healing tendencies,³⁹ strong support for it across the Atlantic at both the elite and public levels, and the enduring strength and relevance of its members' common identity, values and interests.⁴⁰ This analysis has suggested that one pathway towards keeping the transatlantic partnership strong is to focus on instrumentalising an Atlanticist strategic culture. This is an ambitious task, and one prone to volatile electoral politics and the forces of populism and nationalism. But there is a path forward for the community of people who believe the US, Canada and Europe can continue to shape the international environment in ways that will enhance our collective security and increase the levels of peace and prosperity in the international system.

³⁸ Murielle Delaporte, "NATO's Backstage: Working the "3 Cs" Rules at Allied Command Transformation", *Defense.info*, April 21, 2018, <https://defense.info/featured-story/2018/04/natos-backstage-working-the-3-cs-rules-at-allied-command-transformation/>

³⁹ Wallace J. Thies, *Why NATO Endures* (Cambridge: Cambridge University Press, 2009).

⁴⁰ Joe Burton, *NATO's Durability in a Post-Cold War World* (New York: SUNY Press, 2018).

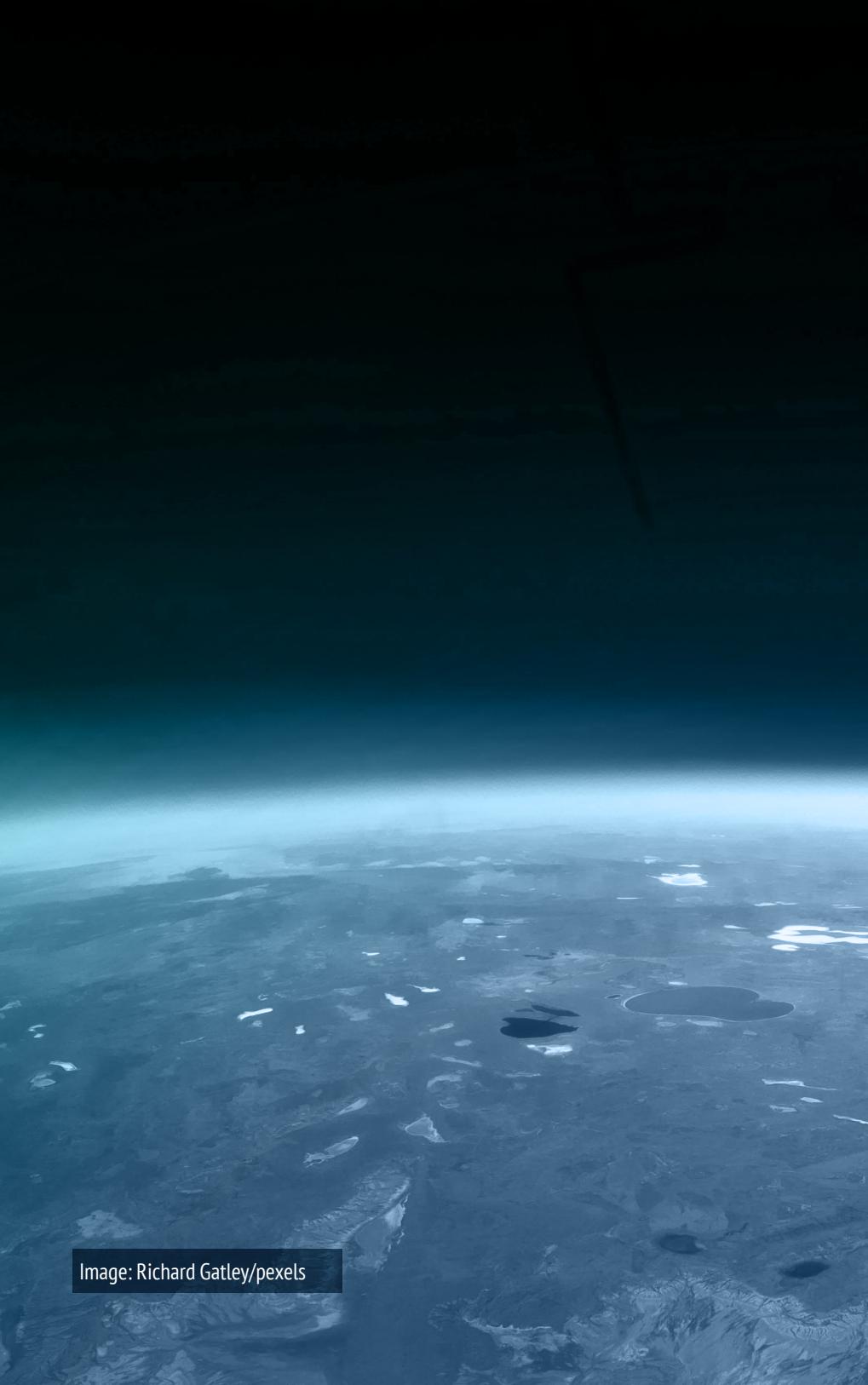


Image: Richard Gately/pexels



THE NEXT TRANSATLANTIC LEVEL: GOING GLOBAL

CHAPTER 6

Competition, cooperation, and connectivity

How the Indo-Pacific can
shape transatlantic relations

PAUL BACON

Introduction

This chapter argues that the EU should consider pursuing a more comprehensive and substantial alignment with the US in the Indo-Pacific, as this would add significant value to the transatlantic relationship. Pursuing such an alignment would also address the potentially serious downside risk of not supporting the US more in the region. In what follows the elements of a proactive EU geopolitical vision for the Indo-Pacific are outlined – one that would more fully complement the US posture, and which if implemented would serve to rejuvenate the transatlantic relationship.

The argument proceeds through the following stages. The first section argues that the geopolitical centre of gravity has shifted to the Indo-Pacific, and that this region is now the most important in the world for the US, as a result of emerging great power competition with China. The EU needs to recognise and adapt to this shift, and the fact that the transatlantic relationship itself is potentially at stake in Asia as a result. The second section identifies the hardening of both the US and EU positions on China, and argues that the need for substantial cooperation in the Indo-Pacific is unlikely to be altered by the outcome of the presidential elections, as both Trump and Biden would be likely to pursue a similar, more competitive US strategy towards China in the medium-term. The third section identifies the structural obstacles to the multilateralisation of the concept of a Free and Open Indo-Pacific (FOIP). The term ‘Indo-Pacific’ recently made its way into official foreign policy rhetoric through Japan’s 2017 Foreign Policy Strategy, and the US 2017 National Security Strategy, as well as its 2018 Defence Strategy.¹ The core tenets of the FOIP concept include freedom of navigation, the rule of law, freedom from coercion, respect for sovereignty, private enterprise, and open markets, and the freedom and independence of all nations. Within this framework, the US is proposing a potential security arrangement among the four large democracies of India, Australia, Japan and the United States. However, structural constraints still need to be overcome for regional states to make a stronger commitment to FOIP.

Is there a way in which we could move beyond this structural impasse? How, if at all, is the EU relevant to this conversation about Indo-Pacific geopolitics? How is EU-US cooperation in the Indo-Pacific likely to influence the future of the transatlantic partnership? To mitigate these structural constraints, it is necessary to incorporate additional economic instruments to the spectrum of foreign policy options. FOIP states can then signal to each other, and to China, their greater solidarity, short of moving to a hard security commitment. The fourth section identifies a tentative agenda for a broadened, multilateralised FOIP which incorporates a range of economic instruments, including connectivity, trade and regulatory mechanisms and

¹ Eva Pejsova, “The Indo-Pacific: A Passage to Europe?,” EUISS Brief no.3, March 2018, https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief%203%20The%20Indo-Pacific_0.pdf.

objectives, into the greater institutionalisation of FOIP commitments. The fifth section offers a brief overview of the EU-Japan connectivity partnership, to show how Japan could be a significant future partner, and as an example of the forms that future EU institutionalisation of its commitment to the FOIP agenda could take. A greater EU economic, political and diplomatic commitment would be well received by FOIP states in the region, and in particular by the US, as constructive engagement that shapes the transatlantic partnership for the better as the 2020s unfold.

The significance of the Indo-Pacific for the US and Europe

Christopher Layne has observed the “shifting of the world’s economic and geopolitical centres of gravity from the Euro-Atlantic world to Asia.”² The US has clearly and consistently identified the Indo-Pacific as the most important region in the world, given the emergence of great power competition in the region with China; the 2017 US National Security Strategy claims that the most consequential challenge to US and partner interests is the growing competition between free and repressive visions of the future international order, and identifies China as a “revisionist power.”³ According to the 2019 US Department of Defense FOIP Report, the Indo-Pacific is the “single most consequential region” for America’s future, and is identified as the “priority theater.”⁴

The EU needs to recognise the priority that the US accords the Indo-Pacific, and tailor its strategy accordingly. Nicolas Regaud, former French Special Representative for the Indo-Pacific, notes that if there was a serious military incident between the US and China, the

2 Christopher Layne, “The US–Chinese power shift and the end of the Pax Americana”, *International Affairs*, vol. 94, no. 1 (2018): pp. 89–111.

3 Donald J. Trump, *National Security Strategy of the United States of America*, Executive Office of The President, Washington D.C., 2017.

4 United States Department of Defense, *Indo-Pacific Strategy Report: Preparedness, Partnerships and Promoting a Networked Region*, June 2019.

US would expect unwavering political and diplomatic solidarity, putting huge pressure on Europe to choose sides. A European refusal to do so could have “immense consequences for the alliance”. For Regaud, this is a key question: Europeans who are reluctant to turn their eyes to the Indo-Pacific “should consider that the transatlantic link [...] is at stake, and probably increasingly, in Asia.”⁵

The EU has recognised the growing significance of the Indo-Pacific for the US, dating back to the pivot/re-balance to Asia, as acknowledged in the 2016 EU Global Strategy (EUGS). However, it has yet to develop its own Indo-Pacific doctrine. Furthermore, the EU has been reluctant to fully and actively position itself against China, either diplomatically or politically, until very recently. The EU has striven to find a third way, to not align itself too closely to the US (i.e. the Trump administration) in Asia, to focus on ‘convergence through trade’ with China, and perhaps also to prioritise trade over other political and human rights-based considerations. The EU has also viewed the region through the cognitive prism of strategic partnerships and region-to-region relations, and not through a power-political or geopolitical lens.

As the EU adopts a more ‘geopolitical’ approach to its foreign and security policy, other possibilities for EU external relations in the region quickly come into sharper focus. The EU has recognised the need to adopt a more competitive position of its own *vis-à-vis* China and has recognised a convergence of positions with the US in this regard. But it is clear that the EU also needs to implement a more consistent, proactive and substantial FOIP grand vision that would more fully align it with the US and serve to rejuvenate the transatlantic relationship. The Indo-Pacific region is mentioned very briefly in the 2016 EUGS, but the concept is not used in any meaningful way to structure EU priorities and approaches. There are no mentions of the FOIP concept in more recent EU foreign policy documents, and the concept

The EU has come to recognise the need to adopt a more competitive position of its own *vis-à-vis* China and has recognised a convergence of positions with the US in this regard.

⁵ Nicolas Regaud, “Europe and the New Sino-American Cold War”, *The Diplomat*, July 25, 2020, <https://thediplomat.com/2020/07/europe-and-the-new-sino-american-cold-war/>

is not elaborated in bilateral summit documents or other bilateral statements produced by the EU and FOIP countries.

European and American convergence on China

A promising recent development is the June 2020 conference between HR/VP Josep Borrell and US Secretary of State Michael Pompeo, which reiterated that “the transatlantic partnership is one of the key pillars of world order.”⁶ In light of China’s “growing assertiveness on many fronts”, the EU foreign policy chief recognised that there were “issues that we face together in the relationship with China and where our close cooperation is very important to address them jointly.” To better coordinate policy on China, the HR/VP suggested launching a “distinct, bilateral dialogue focusing on China and the challenges its actions and ambitions mean for us – the US and the EU,”⁷ a proposal accepted by Secretary Pompeo. HR/VP Borrell subsequently emphasised that the EU should not be equidistant between the US and China, that the US and the EU are “products of the Enlightenment”, and “political cousins”, and that given “the rise in authoritarian powers, it is important to have strong cooperation with like-minded democracies”. The EU and US should “be at the heart of this effort, but also be working closely with Japan, India, Australia and others.”⁸

Whatever the outcome of the US presidential election in November 2020, the fundamental trajectory of US foreign policy towards China is unlikely to change. The 2018 US National Defense Strategy describes a future environment of great power competition, with the US pitted against China and Russia in a long-term race for

⁶ Remarks by High Representative Josep Borrell, video conference of foreign affairs ministers, June 6, 2020, https://eeas.europa.eu/headquarters/headquarters-homepage/80898/video-conference-foreign-affairs-ministers-remarks-high-representative-vice-president-josep_en.

⁷ Ibid.

⁸ Josep Borrell, “China, the United States and us”, European External Action Service, July 31, 2020, https://eeas.europa.eu/headquarters/headquarters-homepage_en/83644/China,%20the%20United%20States%20and%20us.

innovation, influence, and advantage.⁹ Furthermore, American and European narratives on competition with China are converging in a substantial way. There will be considerable scope for EU cooperation on China under either a Trump or Biden presidency. We are familiar with Trump's position on China, but what would Washington's China policy look like under a Biden administration? Analysts argue that "US foreign-policy makers now face a world in which power is increasingly measured and exercised in economic terms" and in which competing effectively with China will require a careful husbanding of the US economy in key sectors, including industrial policy, antitrust efforts, and the blending of foreign and economic policy. Although military issues remain important, "the emerging great-power competition between the US and China will ultimately turn on how effectively each country stewards its national economy and shapes the global economy."¹⁰

The closest Joe Biden has come to officially setting out his position is a *Foreign Affairs* article, in which he notes that "the US national security community is rightly beginning to insist on the investments in infrastructure, technology, innovation, and education that will determine the United States' long-term competitiveness *vis-à-vis* China." Biden believes it is necessary "to fortify collective capabilities with democratic friends beyond North America and Europe by reinvesting in treaty alliances with Australia, Japan, and South Korea and deepening partnerships from India to Indonesia to advance shared values in a region that will determine the United States' future." When the US joins together with fellow democracies, its strength more than doubles, and "China can't afford to ignore more than half the global economy." Together, democratic countries have "substantial leverage to shape the rules of the road on everything from the environment to labour, trade, technology, and transparency, so they continue to reflect democratic interests and values." The answer to the threat from China is, for Biden, "more openness, not less: more friendships,

⁹ Patrick Tucker, "How Biden would wage great power competition", *DefenseOne*, July 1, 2020 <https://www.defenseone.com/technology/2020/07/how-biden-will-wage-great-power-competition/166570/>

¹⁰ Jennifer Harris and Jake Sullivan, "America Needs a New Economic Philosophy. Foreign Policy Experts Can Help", *Foreign Policy*, February 7, 2020, <https://foreignpolicy.com/2020/02/07/america-needs-a-new-economic-philosophy-foreign-policy-experts-can-help/>

more cooperation, more alliances, more democracy.”¹¹ Both Biden and Borrell have, therefore, recently recognised the need for greater multilateral cooperation in the Indo-Pacific with regard to China.

The EU has been reaching similar conclusions on China, resulting in a significant convergence of positions with the US. The changing regulatory and strategic environment has pushed the EU to adopt a more “geopolitical perspective.”¹² A 2019 Commission Communication on EU-China relations announced a significant reset in the relationship whereby the EU referred to China as a “systemic rival promoting alternative models of governance”, and an “economic competitor in the pursuit of technological leadership.”¹³ The Communication also noted that China engages in “information operations” against the EU that “undermine trust”, and that its ambition to have the most technologically advanced armed forces in the world constitutes a medium-term threat to the EU.¹⁴ Following the EU-China Summit in June 2020, European Council President Charles Michel further argued that “we have to recognise that [the EU and China] do not share the same values, political systems, or approach to multilateralism.”¹⁵ The EU announced its intention to adopt a tougher position towards China across ten dimensions of the relationship, including manipulation of domestic markets to benefit its leading companies; heavy subsidies to both state-owned and private sector companies; closure of its procurement market; localisation requirements, including for data; the favouring of domestic operators in the protection and enforcement of intellectual property rights and other domestic laws; and limiting access to government-funded programmes for foreign companies.¹⁶

11 Joseph R. Biden, Jr., “Why America Must Lead Again”, *Foreign Affairs*, March/April 2020. <https://www.foreignaffairs.com/articles/united-states/2020-01-23/why-america-must-lead-again>.

12 Ursula von der Leyen, Speech in the European Parliament Plenary Session, November 27, 2019, https://ec.europa.eu/info/sites/info/files/president-elect-speech-original_1.pdf.

13 European Commission, Joint Communication to the European Parliament, the European Council and the Council, “EU-China – A Strategic Outlook”, JOIN(2019) 5 final, Strasbourg, March 12, 2019, p.1, <https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf>.

14 Ibid., p.4.

15 Charles Michel and Ursula von der Leyen, “EU-China Summit: Defending EU interests and values in a complex and vital partnership”, Press Release, June 22, 2020, <https://www.consilium.europa.eu/en/press/press-releases/2020/06/22/eu-china-summit-defending-eu-interests-and-values-in-a-complex-and-vital-partnership/>

16 Op.Cit., “EU-China: A Strategic Outlook”, pp.5-6.

The fall-out from the Covid-19 crisis has accelerated and intensified the emergence of this competitive dynamic. HR/VP Borrell has acknowledged that the EU and China are engaged in a “global battle of narratives”, and claimed that China has been spinning the “politics of generosity” with its “mask diplomacy” during the pandemic crisis, in order to destabilise the EU and stigmatise Europeans.¹⁷ The High Representative has also argued that Europeans “need to relearn the language of power.”¹⁸ The EU faces challenges from China not just in Central and Eastern Europe and the Western Balkans, but also in the Indo-Pacific, as China increasingly seeks to exercise control over sea lanes, territory, and regulatory standards.

The geopolitics of the Indo-Pacific

What are the key defining elements of power politics in the Indo-Pacific? First and most obviously, there is the conventional realist competition between the United States as the incumbent hegemonic *status quo* power, and China as the rising revisionist power. Chinese foreign policy has developed through several phases. Until 2012 it is commonly argued that China was pursuing a strategy of ‘peaceful rise’ or ‘keeping a low profile’. Since 2012 there has been a gradual increase in China’s assertiveness, broadly corresponding with the period of Xi’s leadership. The Belt and Road Initiative (BRI) was launched, and China has consolidated control over disputed territories in the South China Sea. However, between 2017 and 2019 China ‘recalibrated’ its position somewhat in order to appear less assertive. This has been partly in response to the more bullish US foreign policy under Donald Trump, and partly in response to growing global concern about Beijing’s motives and actions. There is recognition in

¹⁷ Samuel Stoltton, “Huawei to ‘scale down’ supply of COVID-19 masks, after Borrell comments”, EURACTIV, March 26, 2020, <https://www.euractiv.com/section/digital/news/no-more-coronavirus-masks-from-us-huawei-says/>

¹⁸ Josep Borrell, “Embracing Europe’s Power”, Project Syndicate, February 8, 2020, <https://www.project-syndicate.org/commentary/embracing-europe-s-power-by-josep-borrell-2020-02>

China that it may be strategically unwise to be too assertive, too fast, because this runs the risk of forcing other regional states to more firmly align or to fully institutionalise a hard-balancing coalition against Beijing.¹⁹ This realisation was reflected in a more conciliatory Chinese foreign policy between 2017 and 2019.

There is recognition in China that it may be strategically unwise to be too assertive, too fast.

Consequently, China engaged in ‘wedging’, namely attempting to divide FOIP states, preventing them from further institutionalising their closer security relationship against Chinese interests. China pursued this tactic quite successfully between 2017 and 2019 with India and Japan, two key FOIP members,²⁰ although these

Chinese tactics are not limited to the Indo-Pacific. For example, China regularly uses them with regard to the EU, by identifying potential areas of economic cooperation with targeted states, including in the 17+1 format, which undermines the structural unity of Union policies. FOIP states are for the time being reluctant to militarily institutionalise this instrument, as this could easily be perceived as a form of containment strategy against China which formalises and entrenches a balance of power system in the region. But in the medium term, as China becomes ever more powerful and assertive, it is necessary for the US, Japan, India and Australia to make key decisions on whether and how to align with each other, and to balance against China.

Some analysts argue that in the past few months, leading up to and during the Covid-19 crisis, China’s foreign policy has displayed an “astonishing level of assertiveness”. China approved a new national security law for Hong Kong, engaged in a major mobilisation of the People’s Liberation Army (PLA) along the disputed border with India, and engaged in a sustained cyber-attack against Australia, followed by the imposition of trade restrictions after Australia called for an independent inquiry into the origins of the Covid-19 pandemic. China increased military activity around the Senkaku/Diayou islands, and there has been extensive criticism of US domestic political affairs,

¹⁹ Feng Liu, “The recalibration of Chinese assertiveness: China’s responses to the Indo-Pacific challenge”, *International Affairs*, vol. 96, no. 1 (2020): pp. 20–22.

²⁰ Ibid., pp.23–24.

and conspiracy-theorising about the origins of the virus. There has been propaganda, disinformation and verbal attacks from Chinese officials in Europe, and rapidly deteriorating perceptions of China among American and European publics.²¹ While there are challenges to FOIP coalition-building, this has been made easier, and more appropriate, by China's recent assertiveness. This can take the form of more coordinated institutional commitment to FOIP on behalf of concerned states.

An agenda for a multilateralised FOIP

One way to move beyond structural constraints and demonstrate the relevance of the EU to this conversation about Indo-Pacific geopolitics is to reconceptualise FOIP, and to place greater emphasis on the multilateral institutionalisation of cooperation in non-military domains. For example, FOIP could be broadened and reframed as a connectivity- and trade-focused and regulatory multilateralist mechanism. And to the extent that this is possible, this is precisely where the EU could play an important role. The EU is a significant and growing trade and connectivity player in the Indo-Pacific and in the world, and along with China and the US, is one of three global economic superpowers. The EU and US have already recognised an imperative to align with each other at this emerging global trilateral level, and challenge China on a raft of issues relating to trade and regulation.

But the EU can also become a more significant actor in the Indo-Pacific region, which would help revitalise the transatlantic partnership, by extending the scope and depth of this alignment and making a greater commitment to FOIP. Broadening FOIP allows the creation of a range of additional economic benchmarks which may be used as 'softer' signalling mechanisms to mitigate structural constraints on

²¹ Andrew Small and Jaishankar Dhruva, "Explaining China's New Assertiveness", *War on the Rocks*, July 20, 2020. <https://warontherocks.com/2020/07/for-our-enemies-we-have-shotguns-explaining-chinas-new-assertiveness/>

the full military institutionalisation of FOIP. China is recognised as an economic rival, and as a result economic choices and commitments have now become more competitive and political, more zero-sum. For precisely this reason, they can now also become an important part of political and diplomatic signalling, as well as promoting the consolidation of geoeconomic solidarity between FOIP states. The EU can play an important role by identifying a series of economic benchmarks which also constitute a form of signalling as part of this process and by trying to attain them both by itself and in partnership with FOIP states. Table 1 (see page 103) contains an indicative list of some possible such benchmarks. The EU is currently pursuing some of these actions, but they need to be integrated and branded as part of a broader strategic commitment to FOIP.

In this context, it could perhaps be timely to work towards a form of official Communication on the EU's approach to FOIP, incorporating and superseding the 2014 EU Maritime Strategy. Regional FOIP states would interpret a potential EU Communication on FOIP, closer EU-US alignment on FOIP, discussions on FOIP in the framework of the EU-US High Level Dialogue on China, or the US and the EU more closely engaging with FOIP regional states as clear signs of strengthening transatlantic cooperation to uphold the rules-based order in the Indo-Pacific and regional security and stability. It would also be important to work more closely with the US and Japan to integrate Australia and India more deeply and systematically into broadened FOIP structures.

EU-Japan connectivity: the multilateralisation of the FOIP agenda

Infrastructure and connectivity investment and competition has been increasingly securitised by China, the EU and FOIP states. Connectivity narratives and practices are therefore a key defining feature of the current geoeconomic landscape in the Indo-Pacific and will remain so for decades. According to the Asian Development Bank, Asia will

TABLE 1 | An indicative list of possible benchmarks for the economic multilateralisation of FOIP

Trade/Regulation	Connectivity
Encourage the US to (re)join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), as a <i>de facto</i> economic pillar of FOIP	Establish sustainable connectivity partnerships, along the lines of the EU-Japan agreement, with other FOIP states.
Revive the Transatlantic Trade and investment Partnership (TTIP) negotiations	Identify concrete connectivity projects to pursue at the small, medium and large level with FOIP partners.
Pursue Economic Partnership Agreements (EPAs) with India and Australia	Have relevant institutions, such as the European Investment Bank, co-ordinate and partner with investment banks of FOIP states.
Pursue EPAs with economically and strategically significant ASEAN member states.	Establish access for European companies to local procurement opportunities as part of these initiatives.
The EU already has agreements with Singapore and Vietnam, which account for 43% of this trade. This means that Malaysia, Thailand, Indonesia and the Philippines, which together account for another 52% of EU-ASEAN trade, should also be targeted.	Partner with FOIP states to engage in connectivity projects in economically and strategically significant ASEAN states.
Encourage economically and strategically significant ASEAN member states such as Thailand and Indonesia to join the CPTPP.	Create connectivity partnerships with economically and strategically significant ASEAN states.
Dissuade India from joining the Regional Comprehensive Economic Partnership (RCEP).	Create a collective and transparent register for all FOIP-branded connectivity projects.
Repatriate strategic supply chains to the EU.	Encourage a creative rebranding of current and past investment that could qualify as FOIP and connectivity-related.
Divert strategic supply chains within the Indo-Pacific, to countries such as India and Vietnam.	

require over €1.3 trillion per year of infrastructure investment in the coming decades to maintain today's growth rates and to adapt to climate change.²² Several Association of Southeast Asian Nations (ASEAN) countries also have high growth rates and are promising targets for inward investment. If the EU is serious about committing

²² European Commission, Joint Communication to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, and the European Investment Bank, "Connecting Europe and Asia - Building Blocks for an EU Strategy", JOIN(2018) 31 final, Brussels, September 19, 2020, p.1, https://eeas.europa.eu/sites/eeas/files/joint_communication_-_connecting_europe_and_asia_-_building_blocks_for_an_eu_strategy_2018-09-19.pdf.

to the trade and connectivity dimensions of a broadened FOIP, then Japan will be a key partner and coordinating hub. The EU's Free Trade Agreement (FTA) with Japan also puts Tokyo in a prime position to deepen regional cooperation. There are three elements to Japan's FOIP vision:

1. Promoting and establishing the rule of law, and freedom of navigation;
2. Improving connectivity through the development of infrastructure, such as ports and railways;
3. Commitment to peace and stability; capacity-building assistance to coastal states, Humanitarian Assistance/Disaster Relief (HADR), anti-piracy, counterterrorism.²³

Connectivity is one dimension of the Japanese concept of FOIP, and to develop this dimension, Japan has recently foregrounded the concept of Quality Infrastructure (QI). QI is closer in content and spirit to emerging European framings of connectivity and infrastructure investment, which has created opportunities for synergy between QI and the EU's concept of Sustainable Connectivity. In September 2019 a 'Partnership on Sustainable Connectivity and Quality Infrastructure between Japan and the European Union' was signed. In this document, Japan and the EU affirmed their commitment to sustainability as a shared value, to Quality Infrastructure and to their belief in the benefits of a level playing field. This partnership is therefore subtly positioned as presenting superior alternative opportunities to those provided by China's BRI model.

The amounts involved are substantial. Japan is pledging \$110 billion, and the EU €60 billion to connectivity investment. Both parties have signalled an intention to work together on all dimensions of connectivity, bilaterally and multilaterally, including digital, transport, energy and people-to-people exchanges. Geographically, Japan and the EU will partner with third countries and coordinate action in the Western Balkans, Eastern Europe, Central Asia, the Indo-Pacific, and Africa. The objective is to "promote free, open, rules-based, fair,

²³ Ministry of Foreign Affairs of Japan, "Free and Open Indo-Pacific", <https://www.mofa.go.jp/files/000430632.pdf>.

non-discriminatory and predictable regional and international trade and investment; transparent procurement practices; the ensuring of debt sustainability; and high standards of economic, fiscal, financial, social and environmental sustainability.”²⁴

Conclusion

The EU has historically approached FOIP countries through bilateral strategic partnerships, and de-emphasised the political dimension of relations, focusing more on trade gains. There has been little exploration of how the EU might want or need to engage with emerging political, diplomatic and military dynamics and networks in the Indo-Pacific. However, all four FOIP states are EU strategic partners. The EU should consider developing a broader, multilateral, comprehensive strategic framework connecting it to the activities of FOIP states under the umbrella of a collective strategic vision. Greater EU involvement would also bring FOIP additional democratic legitimacy and emphasise its economic multilateralisation. Historically, the perception from the US and other FOIP states has been that there is only a limited potential for deeper and more meaningful political co-operation with the EU in the region. If the EU were to clearly signal a genuine commitment to all four FOIP states, it would add a significantly heightened political relevance to these relationships. It would also enhance the significance of the EU contribution to regional security and stability in American eyes for at least the next decade, and rejuvenate the transatlantic relationship, regardless of who occupies the White House.

²⁴ Ministry of Foreign Affairs of Japan, *Partnership on Sustainable Connectivity and Quality Infrastructure between Japan and the European Union*, September 27, 2019: <https://www.mofa.go.jp/files/000521432.pdf>.

CHAPTER 7

Preventing our way back to friendship?

Conflict prevention and the
future of transatlantic relations

KATARIINA MUSTASILTA

Introduction

For most of the post-Cold war period, conflict prevention – i.e. acting upon the causes and triggers of conflict before armed escalation and supporting peacebuilding processes to prevent a relapse into conflict – has played a modest but growing part in the foreign policies and cooperation of the transatlantic partners.¹ The EU in particular has progressively highlighted conflict prevention in its external action

¹ Eva Gross, “EU-US cooperation in crisis management: transatlantic approaches and future trajectories”, in Eva Gross, Daniel Hamilton, Claudia Major and Henning Riecke (eds.), *Preventing Conflict, Managing Crisis: European and American Perspectives*, Center for Transatlantic Relations, 2011, pp.37-46.

and, most recently, in its integrated approach to conflicts and crises, which emphasises the role of partnerships and multilateral action in maintaining and building peace.² On the other side of the Atlantic, a more forceful approach to conflict prevention has evolved, with pre-emptive military strikes and interventions understood as key to preventing unwanted escalatory conflict processes from spiralling out of control.³ Although the United States and Europe have different and at times competing approaches, there is considerable potential for convergence in conflict prevention cooperation in transatlantic relations, based on shared liberal values and multilateralism as well as complementary ‘soft’ and ‘hard’ capabilities.

Increasingly, however, two interlinked global trends challenge each of the transatlantic partners, their partnership, and their approaches to conflict prevention. The systemic transition from a US hegemony-based order to a poly-nodal order has influenced and been influenced by the two transatlantic partners differently.⁴ At the same time, the changing conflict landscape, particularly the internationalisation of civil conflicts, the proliferation of transnational violent extremist groups, and global threats such as climate change, further complicates the strategic environment in which efforts to tackle conflict take place.⁵

With this in mind, this chapter analyses how the transatlantic partners’ conflict prevention efforts have developed and what the future might look like with regard to transatlantic cooperation in conflict prevention. It starts by reviewing and comparing the evolution of American and European approaches to conflict prevention. It then moves on to analyse the key challenges and needs in conflict prevention and transatlantic relations in the complex international environment of today. A key argument is that increasingly divergent priorities and weakened multilateralism challenge transatlantic cooperation

2 European External Action Service, “Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union’s Foreign and Security Policy”, June 2016, https://eeas.europa.eu/sites/eeas/files/eugs_review_web_o.pdf.

3 Marianne Riddervold and Akasemi Newsome, “Transatlantic relations in times of uncertainty: crises and EU-US relations”, *Journal of European Integration*, vol.40 (5), 2018, pp.505–21.

4 See Florence Gaub, “Global trends to 2030: Challenges and choices for Europe”, European Strategy and Policy Analysis System (ESPAS), 2019.

5 Theresa Petterson and Magnus Öberg, “Organized violence, 1989–2019”, *Journal of Peace Research*, vol. 57, no.4: June 2020, pp. 597–613.

in conflict prevention and push the EU in particular to partner with other international actors and assume greater responsibility in crisis response. Overall, the challenges facing the transatlantic relationship threaten to weaken investment in conflict prevention and transatlantic convergence in supporting peace. Simultaneously, the changing conflict landscape complicates conflict management efforts and highlights the need for increased transatlantic cooperation. While the headwinds are strong, there is also scope for transatlantic collaboration and convergence, such as in supporting resilience and preventing violent extremism in Africa and cooperating around conflict early warning systems.

The EU: from peace project to peace power?

The EU itself can be regarded as a conflict prevention project. Certainly, the notion of preserving peace in the international system has been embedded in the *raison d'être* of the Union throughout its history, with a strong connection drawn between the objective of conflict prevention and efforts contributing to positive socio-economic development and democracy from the start.⁶

The notion of preserving peace in the international system has been embedded in the *raison d'être* of the Union throughout its history.

The post-Cold War period and particularly the last twenty years have seen gradual development of the conflict prevention framework as part of the EU's external action evolution. The Gothenburg programme in 2001 established the basis for conflict prevention and the Lisbon Treaty and the following Council Conclusions placed prevention firmly within the

Union's external action priorities: "[p]reventing conflicts and relapses into conflict, [...] is therefore a primary objective of the EU's

⁶ Council of the European Union, "Draft European Union Programme for the Prevention of Violent Conflicts", 2001, <http://data.consilium.europa.eu/doc/document/ST-9537-2001-REV-1/en/pdf>.

external action, in which it could take a leading role acting in conjunction with its global, regional, national and local partners.”⁷ Following this commitment, conflict prevention has become increasingly emphasised as a priority within the EU’s strategy towards conflicts, most recently as part of the Union’s integrated approach to conflict and the 2016 Global Strategy (EUGS).⁸

The integrated approach to conflict in the EUGS can be seen as the EU’s response to the changing conflict landscape. Acknowledging the transnational and complex nature of conflicts, the strategy underlines the growing connection between internal and external security and highlights investment in preventing conflict: “our security at home entails a parallel interest in peace in our neighbouring and surrounding regions. It implies a broader interest in preventing conflict, promoting human security, addressing the root causes of insecurity [...].” Thus, preserving peace (particularly in the EU’s neighbourhood) is not solely a noble goal but of strategic value to the EU’s own security. Within this framework, prevention is further understood along two main dimensions: First, the EUGS refers to actions falling under *operational* conflict prevention. The need to close the gap between early warning and early action is highlighted, as is the role of mediation and diplomacy (mentioning the EU Special Representatives and Delegations in this regard). Notably, while “smart sanctions” and the role of CSDP missions are also acknowledged in relation to conflict prevention, there is a clear emphasis on “soft” diplomatic and capacity/resilience building tools to prevent escalation. Second, there is a clear recognition – underlying the integrative approach as a whole – that tackling and preventing conflict means addressing the root causes of instability and violence, i.e. *structural prevention*. The strategy affiliates states’ and societies’ resilience, in particular, with conflict prevention. Overall, investment

The integrated approach to conflict in the EUGS can be seen as the EU’s response to the changing conflict landscape.

⁷ Council of the European Union, “Council Conclusions on Conflict Prevention”, 2011, https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/122911.pdf; Op.Cit., “Draft European Union Programme for the Prevention of Violent Conflicts.”

⁸ Op.Cit., “Shared Vision, Common Action: A Stronger Europe.”

FIGURE 1 | Ups and downs

Europe's investment in conflict prevention and resolution increases while the US' contributions decline, \$ million (2018), 2009–2018



Data: OECD, Creditor Reporting System:
Civilian peace-building, conflict prevention
and resolution (sector 15220), 2020

in conflict prevention is justified on the grounds of its cost-effectiveness: acting early pays off later. Multilateral arenas are considered as essential in effectively preventing conflicts, and there is a recognition of the EU's responsibility to act as a responsible global actor and support its partners.⁹

To fulfil these policy commitments, the EU has taken several steps to advance its conflict prevention policies in practice.¹⁰ A notable example is the development of the EU Conflict Early Warning System (EWS), managed by the EEAS's new Integrated Approach to Security and Peace Directorate (Dir. ISP), which builds on quantitative and qualitative conflict risk assessment to identify and prevent escalation of high-risk contexts with a one-to-four year timeframe. Moreover, the contribution to conflict

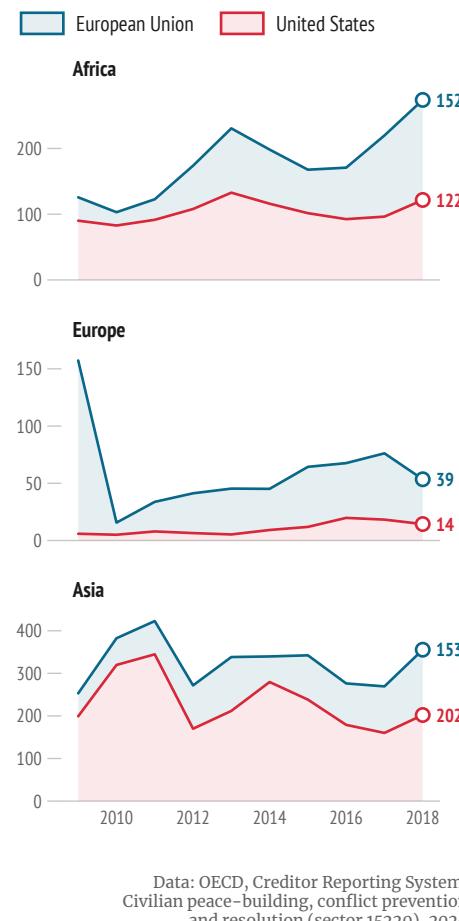
⁹ Ibid.

¹⁰ Laura Davis, Nabila Habbida and Anna Penfrat, *EU-CIVCAP: The EU's capabilities for conflict prevention*, European Peacebuilding Liason Office, 2017.

prevention and peace-building by the EU and its member states has grown substantially over the last decade (see Figures 1 and 2). As envisioned, much of the EU's conflict prevention takes place under multilateral auspices in partnership with the UN and other regional institutions. For example, the EU supports the African Peace and Security Architecture (APSA) and its continental early warning system through the African Peace Facility (APF). With the North Atlantic Treaty Organisation (NATO), prevention is seen particularly through the lens of increased capacity-building and cooperating on hybrid threats.¹¹ The prioritisation of the EU's neighbourhood is visible in the distribution of the conflict prevention targeted projects funded by the Instrument contributing to Stability and Peace (IcSP).¹² 48% of the conflict

FIGURE 2 | Converging and diverging regional priorities

EU and US conflict prevention, peacebuilding and resolution flows in Africa, Asia and Europe, \$ million (2018), 2009–2018



¹¹ President of the European Council, the President of the European Commission, and the Secretary General of the North Atlantic Treaty Organization, Joint Declaration, 2016, https://www.nato.int/cps/en/natohq/official_texts_133163.htm.

¹² European Union External Action Service, *Instrument contributing to Stability and Peace*, 2016, https://eeas.europa.eu/topics/instrument-contributing-stability-and-peace-icsp/422/instrument-contributing-stability-and-peace-icsp_en.

prevention and peacebuilding support has been channelled to Africa alone.

Despite developments in the EU's policy and capacity, challenges remain. A general shortcoming, that relates integrally to the transatlantic partnership, is the gap between the EU's emphasis on early action and its responses to crises that are often considered relatively late and reactive.¹³ While the US is criticised for acting unilaterally and with too much reliance on militarised responses, the EU faces criticism for over-promising and under-delivering in the face of escalating crises. Nevertheless, the inter-governmental and consensual nature of EU decision-making concerning CSDP efforts can be time-consuming and reveal internal divisions. Yet, this also has to do with the deliberate focus of the EU on its normative and civilian-led power and the debate among the member states concerning the plausibility of the EU becoming more autonomous in defence versus continue relying on cooperation with others (e.g. NATO) in this realm.¹⁴

Yet, even when the EU's preventive role is assessed through its prioritised actions of diplomatic engagement and mediation, experts find existing capacities to be underutilised in early action.¹⁵ Furthermore, despite the political prioritisation of conflict prevention, much of the resources still go to managing and resolving ongoing crises. For example, approximately 91% of APF support to APSA goes to African-led military peace operations and only a tiny share to clearly preventive efforts.¹⁶ A related challenge has to do with defining the scope and assessing the efficiency of the EU's conflict prevention efforts. Given that prevention is understood as addressing the root causes and structures inducing conflict, the EU might be contributing efficiently to upstream conflict prevention also through its wider external action (e.g. in development and trade). However, assessing whether this is the case would require careful definition of the scope of structural

¹³ Loes Debuyse and Steven Blockmans, "Crisis Responders: Comparing Policy Approaches of the EU, the UN, NATO and OSCE with Experiences in the Field", *Foreign Affairs Review*, vol.24, no. 3, 2019, pp. 243–64.

¹⁴ Maria Koppa, "The relationship between CSDP and NATO after Brexit and the EU Global Strategy", *FEPS Studies*, 2019, https://www.feps-europe.eu/attachments/content/relationship_cspd_nato_after_brexit.pdf.

¹⁵ Op.Cit., *EU-CIVCAP: The EU's capabilities for conflict prevention*.

¹⁶ Matthias Deneckere, "The uncharted path towards a European Peace Facility", Discussion Paper, no. 248, ECDPM, 2019.

prevention and development of clear indicators for monitoring the effectiveness of these efforts from the prevention perspective.

The US: from imposing order to increased selectivity

As with the EU, the notion of prevention has been embedded in the US post-World War II identity. However, in comparison to the EU, the American approach has reflected its superpower status and self-perception as ‘the policeman of the free world’ and has relied on ‘hard power’ capabilities, including pre-emptive strikes and an emphasis on military deterrence.¹⁷ Simultaneously, the US has played an incremental role in building and funding multilateral organisations, from NATO and OSCE to the World Bank and the UN, and therefore contributed significantly to the core of multilateral conflict prevention efforts. The transformation of the international arena and conflict landscape has contributed to two interrelated developments with ramifications for conflict prevention and the transatlantic partnership: first, the high costs and questionable outcomes of military interventions in complex conflicts have led to decreasing willingness to intervene militarily and increased interest in civilian-based early action and conflict prevention.¹⁸ On the other hand, the transitioning international order coupled with domestic polarisation has shifted Washington’s political priorities increasingly

In comparison to the EU, the American approach has reflected its superpower status and self-perception as ‘the policeman of the free world’.

¹⁷ Sanjay Gupta, “The Doctrine of Pre-emptive Strike: Application and Implications During the Administration of President George W. Bush”, *International Political Science Review*, vol.29, no.2, 2008, pp.181–96.

¹⁸ Sophie-Charlotte Brune, Anne Kovacs, Anaïs Reding and Maryse Penny, “Crisis and conflict prevention strategies: An international comparison”, RAND Europe, 2015.

to great power rivalries and made Washington more selective in actively leading global peace preserving/enforcing efforts.¹⁹

Responding to the stabilisation setbacks and operational fatigue in Afghanistan and Iraq, the early 2010s saw efforts to institutionalise the US conflict prevention and civilian-led crisis management efforts. The 2011 Quadrennial Diplomacy and Development Review (QDDR), initiated by Secretary of State Hillary Clinton, is an example of this process. The QDDR outlined a framework for the State Department and the US Agency for International Aid (USAID) for a more coherent, prevention-focused approach to violent extremism and conflict.²⁰ During the same period, efforts were made to institutionalise the Civilian Response Corps (CRC) in order to provide flexible and rapidly-deployed civilian forces to crisis situations.²¹ Notably, the focus of these tools remained mostly on post-conflict and reconstruction, prevention of violent extremism, and relatively short-term conflict analysis and early warning.²²

While the Trump administration's efforts to reduce USAID funding and cut the Department of State budget certainly undermine the core of American conflict-prevention efforts,²³ some continuity remains from the previous administration at the level of formal strategies. For example, with regard to counter-terrorism, the need to strengthen capacities to prevent radicalisation and mobilisation is recognised.²⁴ Moreover, the Global Fragility Act passed by the Senate in late 2019 and mandating the administration to prepare a Global Fragility Strategy emphasises conflict prevention and calls for a long-term approach in fragile states in order to prevent violent extremism and

¹⁹ Paul B. Stares, "Preparing for the next foreign policy crisis: What the United States should do", Discussion Paper, Council on Foreign Relations, 2019.

²⁰ Ibid.

²¹ John Herbst, "Failed states and the international community ten years after 9/11: a shifting paradigm", in Eva Gross et al., (eds.), *Preventing Conflict, Managing Crisis: European and American Perspectives*, Center for Transatlantic Relations, 2011.

²² Op.Cit., "Crisis and conflict prevention strategies: An international comparison; Op.Cit., "Preparing for the next foreign policy crisis: What the United States should do."

²³ Emily Morgenstern, "U.S. Agency for International Development: An Overview", CSR Report, Congressional Research Service, 2020, <https://fas.org/sgp/crs/row/IF10261.pdf>; Robbie Gramer and Colum Lynch, "Despite Pompeo's Call for 'Swagger,' Trump Slashes Diplomatic Budget", *Foreign Policy*, March 11, 2019, <https://foreignpolicy.com/2019/03/11/trump-federal-budget-steep-cuts-to-state-department-foreign-aid-development-diplomacy-pompeo/>.

²⁴ President of the United States, *National Strategy for Counterterrorism of the United States*, 2018, <https://www.dni.gov/index.php/features/national-strategy-for-counterterrorism>.

conflict. Similarly to the EUGS, the cost-effectiveness of prevention is highlighted. The approach, however, is considerably more focused on the aim of greater burden-sharing with partners (and therefore increased savings of US taxpayers' money).²⁵

Moreover, a broader reading of the current administration's foreign policy documents demonstrates a forceful approach to national security threats that are seen to stem from rival powers, rogue regimes and terrorist groups. In the 2017 National Security Strategy (NSS), prevention is first and foremost linked to deterrence in the inter-state realm, both economic and military, and weapons of mass destruction, thus building on a rather different notion than the EU's conflict prevention. In comparison to the EU's approach to prevention, support to partners, governments, and civil societies in order to prevent violent conflicts and state failure is less highlighted, and selectiveness is emphasised in terms of prioritising and acting in countries potentially threatening to the US. Notably, multilateral forums are viewed as first and foremost instruments of exerting and defending American interests. Indeed, abiding by international law is presented as conditional: "The United States supports the peaceful resolution of disputes under international law but will use all of its instruments of power to defend US interests [...]."²⁶

The core trends in the Trump administration's conflict prevention framework are not new. The increasing reluctance of the US to play the role of a hegemonic leader actively preserving international peace and security has led to a growing selectiveness regarding where and when the superpower acts for a longer period, as reflected also in the declining trendline of its conflict prevention-related contributions.²⁷ Moreover, the conditional approach to multilateral decision-making and international law in the face of crises has also deeper roots, as

²⁵ Office of the US Foreign Assistance Resources, "The Strategic Prevention Project: Assessing the role of foreign assistance in preventing violent conflict in fragile states", July 23, 2019, <https://www.state.gov/strategic-prevention-project-outlines-targeted-approach-to-foreign-assistance-to-prevent-violent-conflicts-in-fragile-states>.

²⁶ President of the United States, *National Security Strategy of the United States of America*, December 2017, <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

²⁷ Michael E. O'Hanlon and Jeffrey A. Stacey, "How Donald Trump should get ready for America's messy missions abroad", Brookings, 2017.

indicated by the transatlantic crisis over the Iraq war (2003).²⁸ Nevertheless, the extent to which the current administration has politically disregarded international norms and weakened or expressed

This retreat from multilateralism threatens to impair transatlantic cooperation on conflict prevention in a global context where it is increasingly needed.

plans to weaken support to multilateral organisations is considerable. As argued below, despite the remaining space for convergence, this retreat from multilateralism and prioritisation of great power competition (both a cause and an effect of the transitioning international order) threatens to impair transatlantic cooperation on conflict prevention in a global context where it is increasingly needed.

Challenges to conflict prevention

Notably, the existence of different approaches to conflict prevention does not in itself impede cooperation or further complicate the transatlantic partnership. In fact, a plausible outcome of the pooling of diverse institutional strengths is the coordination of more upstream and softer EU-led prevention efforts with 'harder' and swifter American-led crisis responses. The similar responses to the problems in managing the changing conflict landscape – such as increased appreciation for the cost-effectiveness of long-term prevention and civilian-led early action – can also encourage further coordination on conflict prevention and/or mutual support in contexts that represent strategic priorities for one of the partners. However, it is the increasing divergence in (de-)prioritising norms and values underpinning the transatlantic partnership in the changing international order that contributes to increasingly diverse understandings of conflict prevention and complicates cooperative efforts in practice. In particular, Washington's shifting geostrategic priorities and multilateral retreat lead to diverging transatlantic views on *what for* and *when* conflict

²⁸ Thomas Risse, "Beyond Iraq: The crisis of the transatlantic community", Center for Transatlantic Foreign and Security Policy, 2003.

prevention is generally needed and through which platforms transatlantic efforts could best be channelled. Specifically, three challenges for conflict prevention and broader implications for the transatlantic partnership arise.

First, the weakening of a US-led multilateral order and the impulsive nature of Washington's responses to crises, particularly under the Trump administration, increasingly leaves the EU short of its traditional strategic partner in engaging in preventive diplomatic efforts and advocating for preventive action. This represents both an opportunity and an added pressure on the EU to assume greater responsibility in coordinating and leading international peace-promoting efforts, both in acute crisis situations and in relation to climate security. Given the EU's capacities to act and coordinate multilateral and multilevel action and its limitations in military responses to crises, a prevention-based approach and deepening partnering with other regional organisations, particularly the African Union (AU), becomes an increasingly plausible strategy.²⁹

Notably, such a scenario does not automatically harm transatlantic partnership, as it can be seen through the lenses of improved burden-sharing in addressing international security. It does, however, present a practical challenge for many upstream preventive efforts and a greater concern in the face of global challenges. Signs of the former could be seen in the recent developments concerning Sudan, where European actors have taken a more active role in coordinating support to the transitional regime but where much-needed steps to support the transition by the US have been considered somewhat belated.³⁰ In terms of the latter, US unilateralism in the face of global threats, such as with the Paris climate agreement, can challenge both transatlantic relations and multilateral structural conflict prevention efforts.

Second, the US's strategic shift away from Europe intensifies the pressures on the EU to prioritise strengthening of its strategic autonomy in security and defence capacities, as suggested by the European

²⁹ Op.Cit., EU-CIVCAP: *The EU's capabilities for conflict prevention*.

³⁰ Zach Vertin and Jon Temin, "U.S. inaction is handicapping Sudan's revolution", *War on the Rocks*, <https://warontherocks.com/2020/08/u-s-inaction-is-handicapping-sudans-revolution/>.

Peace Facility plans.³¹ This could undermine its investment in civilian-led conflict prevention capacities as resources are finite and investing in defence – even when outcomes of military-based crisis management have been demonstrated to be limited – easily takes precedence. Paradoxically, this can make the EU's conflict preparedness resemble that of the US and further erode the basis of the partnership that rests on complementary capacities. While in the short term a more militarily powerful EU would not necessarily undermine transatlantic relations (particularly if this was done in coordination with NATO), in the long-term the EU's de-prioritisation of upstream conflict prevention could leave the transatlantic partnership further weakened in regard to its core values.

Supporting early peaceful conflict resolution is ever more important to avoid regional spill-overs and the internationalisation of conflicts.

Third, and relatedly, the rise of geopolitical tensions is associated with an increased emphasis on selectivity and prioritisation in preventive action – already seen on both sides of the Atlantic. While prioritisation of action – particularly when coordinated on multilateral platforms – can improve the coherency and efficiency of preventive efforts, it can also leave vulnerable communities and local peacebuilding

actors with diminished transatlantic attention and support in contexts that do not constitute strategic priorities and are overshadowed by geopolitical imperatives. A reduced geographical coverage in the active prevention efforts of the transatlantic partners could undermine the credibility of the partnership – and its value-basis in peace and human rights – in the eyes of the world.

Still, the changing conflict landscape both highlights the need for multilateral conflict prevention while also making it more complicated. Supporting early peaceful conflict resolution is ever more important to avoid regional spill-overs and the internationalisation of conflicts. However, in regions such as sub-Saharan Africa with rising economies and great power competition, pursuing separate agendas can undermine coordinated transatlantic efforts to prevent escalatory

³¹ Daniel Fiott, "Strategic autonomy: towards European Sovereignty in Defence?", EUISS Brief no. 12, November 2018; Op.Cit., "The uncharted path towards a European Peace Facility."

dynamics and even place the partners on opposing sides of an emerging conflict.

The dividends of transatlantic conflict prevention

Even amidst the evolving international system and headwinds in the transatlantic partnership, spaces for convergence around conflict prevention exist. Specifically, the shared goal of cost-effective conflict response – an ideal shared across party and member state lines – provides a basis for closer cooperation on prevention. In this regard, deepened cooperation around conflict risk models and broader intelligence sharing for early warning and early action presents a feasible and mutually beneficial path forward. Sharing lessons learned and exchanging risk models allows for differing political prevention priorities to complement each other. Furthermore, the diverse experiences of each partner in early warning systems with different components and timeframes provides mutual benefits.

Prevention of armed conflicts involving violent extremist groups presents a concrete area of convergence, especially in the African context. The need to better address the grievances fuelling and forces fomenting violent extremism has been acknowledged across the Atlantic. From the US perspective, the proliferation of violent extremism and growing influence of competing powers (particularly China) in Africa both constitute notable threats, and the transatlantic partnership is needed to counter these while keeping the American footprint on the ground light. For the EU, a closer coordination with and more reliable support from the US to EU-led preventive and stabilising efforts could help it to fulfil its commitment to ‘step up’ its support to African peace and security. Closer transatlantic cooperation in structural prevention efforts (i.e. support to resilience; good governance, economic development, digitalisation) could also reduce parallel efforts and programme fatigue and strengthen local ownership over peace and development.

Conclusion

Two distinct approaches to conflict prevention have historically evolved across the Atlantic with shared value-basis and complementary capacities. This chapter has discussed how, given the changing conflict landscape and the transitioning international system, the two transatlantic powers have moved with regard to conflict prevention and what this means for cooperation and convergence in the future. Despite the EU and the US both increasingly emphasising the benefits of conflict prevention, the weakening of multilateralism and prioritisation of great power competition – particularly on the US side – threaten to erode the old foundations for complementarity and undermine investment in long-term conflict prevention. However, space for transatlantic convergence persists even in the current circumstances, particularly in preventing the spread of violent extremism and strengthening conflict risk analysis. Ultimately, prioritising conflict prevention and turning its potential cost-effectiveness into actual savings requires political will. Therefore, the way transatlantic conflict prevention cooperation develops in the 2020s will also be a function of the political leadership and responsibility on both sides of the Atlantic.

CHAPTER 8

Transatlantic cooperation on sanctions in Latin America

From convergence to alignment?

CLARA PORTELA¹

Introduction

Coordination between the US and the EU in sanctions policies is traditionally close, as both actors employ this tool to promote democracy and human rights worldwide. Conspicuously, Latin America is the region where sanctions imposed by the transatlantic partners diverge the most, which seems anomalous given the close collaboration in global democracy promotion, an agenda the US and

¹ The author gratefully acknowledges comments by Dr Andrea Charron, Amb. Deborah MacCarthy and Dr Anthony Spanakos on earlier versions of this chapter. Any errors are the sole responsibility of the author.

the EU have shared since the end of the Cold War.² Washington imposes sanctions against Latin American targets for a variety of reasons and more frequently than in any other part of the world.³ By contrast, the EU did not impose sanctions on the region until it blacklisted its first Venezuelan targets in 2017. The fact that both actors recently started applying sanctions jointly opens an avenue for closer collaboration that invites further exploration and has the potential to shape transatlantic relations. In particular, it can create opportunities to mitigate negative impacts of extraterritorial effects of US sanctions on Europe, by exchanging closer alignment in sanctions policies addressing challenges in Latin America for a better accommodation of European interests.

Latin America is the region where sanctions imposed by the transatlantic partners diverge the most.

The chapter explores current transatlantic challenges and potential for alignment in sanctions policy in Latin America. The first section identifies general patterns in sanctions as applied by the transatlantic partners in Latin America and the Caribbean. To gain a better picture of the current state of collaboration and divergence between the transatlantic partners, the following sections outline three different variants of US sanctions in the region and the reaction elicited in the EU. These include: (i) current sanctions on Venezuela and Nicaragua; (ii) the extraterritorial effects on European companies of the long-standing US embargo on Cuba; and (iii) US threats to increase tariffs in Mexico and Guatemala. The final section discusses the implications and outlines a path towards harmonisation as the 2020s unfold.

2 Elena Baracani, “US and EU Strategies for Promoting Democracy”, in Federiga Bindi and Irina Angelescu (eds.) *The Foreign Policy of the European Union* (Washington D.C.: Brookings, 2012), pp. 306–21.

3 Inken von Borzyskowski and Clara Portela, “Piling on? The Rise of Sanctions Cooperation between Regional Organizations, the US and the EU”, *KFG Transformative Power of Europe* (Berlin: Free University of Berlin, 2016).

Transatlantic divergence on sanctions

Although Washington has consistently conducted an active sanctions policy, the recent surge in US sanctions activity attracted a great deal of attention.⁴ 2018 and 2019 were the years on record with the second and third highest figures for US sanctions designations – almost 1,500 individuals, companies and entities in 2018 and almost 800 listings in 2019.⁵ Neither George W. Bush nor Barack Obama came even close to these figures.⁶

Qualitative developments are as intriguing as the rising numbers. Washington's sanctions policy evolved from a broad geographic spread to a concentration on a handful of countries (see Figure 1),⁷ including in Latin America. Under the Obama administration, Washington's policy focused on Colombia and Mexico as part of its fight against narcotics. By contrast, under the current administration, the focus has shifted to countering rogue regimes and democratic transgressions, such as in Venezuela, Iran and Syria, and counter-narcotics sanctions have been displaced by sanctions regimes fighting terrorism, proliferation of weapons of mass destruction and upholding human rights protection under the 'Global Magnitsky Act' (see Figure 2).⁸ With 186 designations, the Venezuela programme was the second most utilised in 2019.

This pattern contrasts sharply with EU sanctions policy in Latin America. Brussels has traditionally steered clear of targeting Latin American countries, and notably lacks a sanctions policy against narcotics in its repertoire. Instances of sanctions imposed in Latin

4 Peter Harrell, "Trump's use of sanctions is nothing like Obama's", *Foreign Policy*, October 5, 2019; George Lopez, "It's time to end senseless, endless sanctions", *Responsible Statecraft*, August 7, 2020, <https://responsiblestatecraft.org/2020/08/07/its-time-to-end-senseless-endless-sanctions/>.

5 Johnpatrick Imperiale, "US Sanctions Designations and Delistings", Center for New American Security, February 2020.

6 John Forrer and Kathleen Harrington, "The Trump Administration's Use of Trade Tariffs as Economic Sanctions", *CESifo Forum*, vol. 20, no. 4, 2019.

7 Abigail Eineman, "The Geographic Distribution of US Sanctions", Center for New American Security, June 2020.

8 Op.Cit., "US Sanctions Designations and Delistings".

FIGURE 1 | Highest sanctions designations

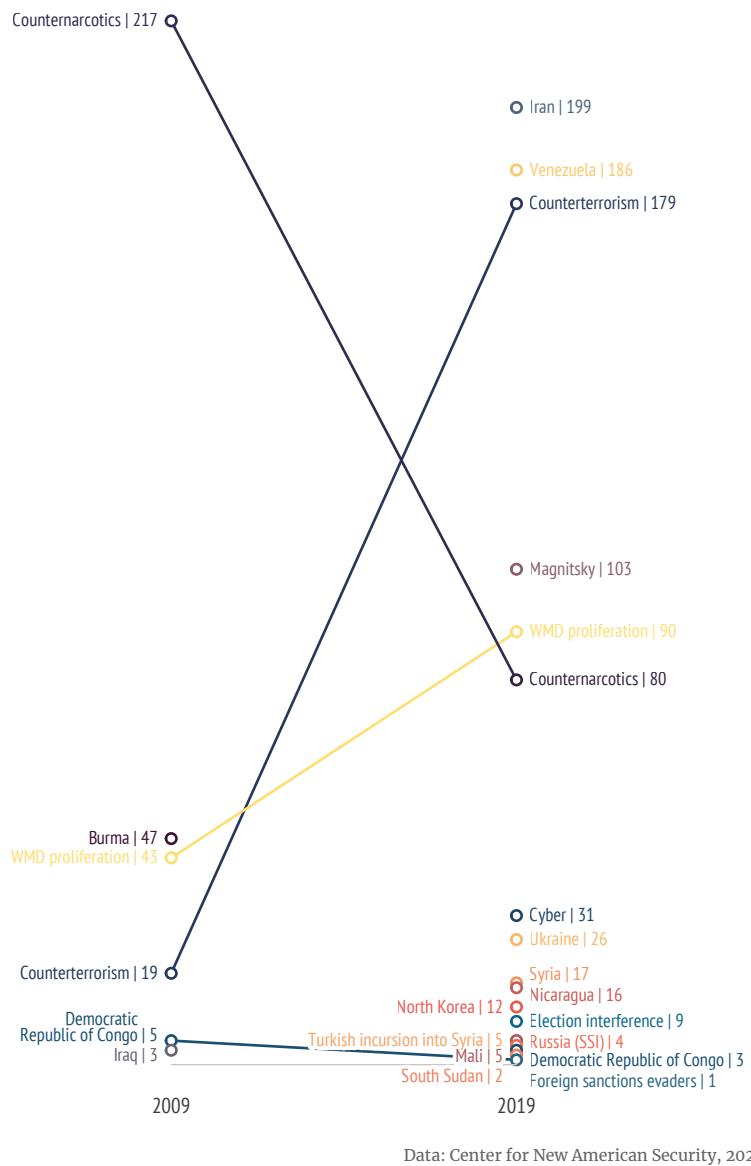
By US administration, 2010–2020



Data: Center for New American Security, 2020

FIGURE 2 | Designations by sanction regime

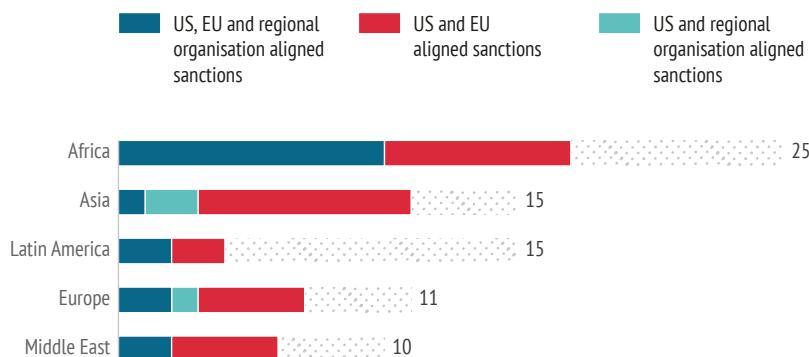
2009 and 2019



America are scarce, of short duration and, until 2017, were never adopted under the Common Foreign and Security Policy (CFSP). Over the past 25 years, aid freezes were occasionally threatened or effected in democratic crises in Guatemala, Honduras, Haiti and Peru.⁹ However, transatlantic alignment on sanctions in Latin America is weaker than elsewhere (see Figure 3), including Africa, the Middle East, (non-EU-)Europe, and Asia. Latin America is one of the regions where the EU has been more reluctant to apply sanctions alongside the US without the support of indigenous regional organisations (ROs).

FIGURE 3 | Comparing sanctions frequency by EU, US and regional organisations

1980 to 2014



Data: Center for New American Security, 2020

EU policy started to change in November 2017, when Brussels imposed its first CFSP sanctions on Venezuelan targets, followed in 2019 by sanctions on the Nicaraguan leadership. These mark a recent extension of EU sanctions practice to include targets previously not affected by European sanctions. A distinctive feature of EU sanctions in Latin America is that Brussels explicitly discards violent options to resolve political crises. EU sanctions legislation on Venezuela claims that “a sustainable way out of the Venezuelan crisis can only be

⁹ Clara Portela, *European Union Sanctions and Foreign Policy* (Abingdon: Routledge, 2010).

achieved through a genuine and inclusive political process”, underlining its rejection of “all types of violence, including any military or violent incursion in the country”.¹⁰ This resonates with the wording on the EU commitment to peaceful transition reflected in the 1996 Common Position on Cuba, the EU’s key document on the island until the Political Dialogue and Cooperation Agreement of 2016 superseded it.¹¹ Statements like these contrast with the policy of the current US administration, which has not discarded military options.

Venezuela and Nicaragua: imperfect convergence

The cases of Nicaragua and Venezuela represent the maximum level of convergence between the EU and the US, which enacted sanctions against both countries in reaction to democratic regression. At the root of the current crisis in Venezuela are attempts by the government of Nicolás Maduro to obstruct the National Assembly, the country’s opposition-dominated parliament, following the July 2017 elections.¹² Similarly, sanctions against the Managua government are a response to the systematic crackdown on the opposition that began in April 2018. While the application of bans dovetails with Brussels’ and Washington’s long-standing policy of human rights and democracy promotion, their approaches nevertheless diverge.

Washington began enacting sanctions against Caracas in 2006, when it banned arm sales because of lack of cooperation from Venezuela on counterterrorism. Washington alleged Caracas provided a safe haven to Colombian “narco-terrorists” and funded the

¹⁰ Council Decision (CFSP) 2020/898 amending Decision (CFSP) 2017/2074 concerning restrictive measures in view of the situation in Venezuela, June 29, 2020, p.7.

¹¹ Common Position 96/697/CFSP defined by the Council on the basis of Article J.2 of the Treaty on European Union, on Cuba, December 2, 1996.

¹² Susanne Gratius and Anna Ayuso, “Sanciones como instrumento de coerción: ¿Cuán similares son las políticas de EEUU y la UE hacia Venezuela?”, *América Latina Hoy*, vol. 84, no. 2, 2020, 31–53.

insurgency in Iraq.¹³ As political repression intensified, the US Congress enacted the ‘Venezuela Defence of Human Rights and Civil Society Act’ in 2014. In response to the descent into authoritarianism after President Maduro took office, the Trump administration placed 144 individuals under sanctions, including President Maduro, his spouse and son, and blacklisted the central bank as well as the state oil company.¹⁴ By contrast, barely 36 individuals are listed under the EU Venezuela regime, a list that excludes President Maduro.¹⁵ Still, the EU Venezuela sanctions regime, which applies to individuals, military and telecommunications equipment, is a far cry from the US blacklist, which covers entities of vital importance to the economy. Canada has placed 104 individuals under sanctions: 97 under its Special Economic Measures Act and an additional 19, including Maduro, under its ‘Justice for Victims of Corrupt Foreign Officials Act’.¹⁶

Divergences are evident in the blacklisting policies of the transatlantic partners.

Although the emerging Nicaragua sanctions regime is at a less advanced stage than that on Venezuela, striking differences between the approaches of Washington and Brussels are already visible. The US moved first, enacting the ‘Nicaragua Human Rights and Anticorruption Act’ in 2018.

Under this authority, it designated a growing number of individuals including President Daniel Ortega, his spouse, son and inner circle, as well as entities like banks and private firms linked to blacklisted members and allegedly involved in money laundering.¹⁷ By contrast, the EU waited until 2019 to impose visa bans and freeze the assets of six officials involved in the repression of the opposition and civil society and human rights violations such as torture. Neither President

¹³ Ewan MacAskill and Duncan Campbell, “Bush bans arms sales to Chávez”, *The Guardian*, May 16, 2006.

¹⁴ US Department of the Treasury, “Venezuela-Related Sanctions”, <https://www.treasury.gov/resource-center/sanctions/programs/pages/venezuela.aspx>.

¹⁵ Op.Cit., “Council Decision (CFSP) 2020/898 of 29 June 2020.”

¹⁶ Andrea Charron and Erin Tramley, “Rethinking Sanctions: Important questions for Canada to consider”, *Behind the Headlines*, vol. 68, no. 6, 2020.

¹⁷ US Department of the Treasury, “Treasury Targets Finances of Nicaraguan President Daniel Ortega’s Regime”, April 17, 2019; “Treasury Sanctions Nicaraguan Government Officials Involved in Human Rights Abuse and Social Security Corruption”, November 7, 2019; “Treasury Sanctions Members of Nicaragua President Ortega’s Inner Circle”, July 17, 2020.

Ortega nor other entities are blacklisted by the EU. Canada's response approximated that of the EU: in 2019, under its 'Special Economic Measures Act', Ottawa blacklisted 9 individuals, and no entities are targeted.¹⁸ Curiously, Brussels' list of 6 and Ottawa's list of 9 overlap in three designations only.

In sum, divergences are evident in the blacklisting policies of the transatlantic partners. Washington routinely takes the lead in blacklisting numerous individuals and entities, typically including the top leadership and state companies that control the country's wealth. By contrast, the EU adopts fewer designations, which are limited to individuals and exclude leaders. Brussels did not enact sanctions until the crises escalated and regional condemnation coalesced. Regional reprobation was visible in the establishment of the 'Grupo de Lima', comprising 12 Western Hemisphere countries to facilitate a peaceful resolution to the Venezuelan crisis, and in the adoption of a resolution condemning Nicaragua by the Organisation of American States (OAS).¹⁹ European caution is also due to a reluctance to aggravate humanitarian hardship, and to guarantee due process rights of designees under the scrutiny of its Court of Justice.²⁰ Canadian policy, while less timid than the European variant, is closer to Brussels than Washington.

Cuba: rift over extraterritoriality

In contrast to the comprehensive US embargo against Cuba since the 1959 revolution, the EU has never wielded sanctions against the Caribbean island. The only exception was a 2003 decision to invite dissidents to its embassy celebrations in response to a crackdown on the opposition – a measure mocked in the media as 'cocktail sanctions'.²¹

¹⁸ *Canada Gazette*, Part II, vol. 153, no. 14, June 21, 2019, <http://gazette.gc.ca/rp-pr/p2/2019/2019-07-10/html/sor-dors232-eng.html>.

¹⁹ Organisation of American States, "OAS Condemns Violence in Nicaragua and Calls on Government to Agree to Electoral Calendar", Press Release, July 18, 2018.

²⁰ Clara Portela, "Are EU sanctions 'targeted'?", *Cambridge Review of International Affairs*, vol. 29, no. 3, 2016.

²¹ Op.Cit., *European Union Sanctions and Foreign Policy*, p.109.

Transatlantic discrepancies on Cuba did not generate much controversy, especially after the 2004 EU enlargement brought in new members sympathetic to Washington's hard line.²² Yet, the extraterritorial effects that US sanctions against Havana had on European companies provoked a transatlantic rift. Secondary sanctions punish foreign firms that engage with states under Washington's sanctions. The US Congress' enactment in 1996 of the 'Cuban Liberty and Democratic Solidarity Act', dubbed the 'Helms-Burton Act', elicited a transatlantic crisis as their extraterritorial effects harmed European business interests on the island.²³ The bill allows US citizens with

claims to property expropriated by Cuban authorities to sue foreign companies that exploit it. Their executives, shareholders and their family members are denied entry on US territory. In response, Brussels enacted the so-called 'Blocking Statute', legislation prohibiting European firms from complying with US measures, and filed a case at the World Trade Organisation

(WTO) to protest the Helms-Burton Act; however, the dispute was resolved when President Clinton issued waivers for European firms, rendering the WTO panel superfluous.²⁴ Nevertheless, twenty years on, the crisis re-emerged with President Trump's 2018 decision not to renew the waiver. When Brussels reactivated its Blocking Statute in response to Washington's withdrawal from the Iran nuclear deal, it applied equally to secondary sanctions related to Cuba, for which it had been designed in the first place.

Despite these initiatives, Brussels has not yet devised effective mechanisms to counter secondary US sanctions, which remain a challenge for the EU, extending to economic relations with Cuba, Iran, and increasingly with Russia, as they hinder trade links the EU wishes to maintain. The private sector in Europe – especially banks

Brussels has not yet devised effective mechanisms to counter secondary US sanctions, which remain a challenge for the EU.

²² Joaquín Roy, "European-Latin American relations in the twenty-first century", in Federiga Bindi and Irina Angelescu (eds), *The Frontiers of Europe: A Transatlantic Problem?* (Washington, D.C: Brookings Institution Press, 2011).

²³ Andreas Falke, "Confronting the Hegemon. The EU-US Dispute over Sanctions Policy", *European Foreign Affairs Review*, vol. 5, no. 2, 2000.

²⁴ Ibid.

– respects US sanctions, even in the absence of equivalent EU bans, in order to retain access to the US market and avoid penalties.²⁵ When European legislation defines restrictions more narrowly than US law, European firms still ‘overcomply’ – i.e. interpret sanctions broadly²⁶ – although European actors are disadvantaged in relation to US counterparts as they are not eligible to receive humanitarian exceptions.²⁷ Aware of these difficulties, Commission President Ursula von der Leyen tasked Vice-President Valdis Dombrovskis with improving European resilience to extraterritorial sanctions.²⁸

Mexico and Guatemala: tariffs as sanctions

Guatemala and Mexico experienced yet another variant of Washington’s coercion: the threat of tariffs to achieve foreign policy objectives, in what has been called an “unprecedented re-purposing of trade tariffs as economic sanctions”.²⁹ President Trump threatened to impose a 5% tariff on all imported goods from Mexico unless the country stopped the flow of undocumented immigrants across their common border.³⁰ Shortly after, the administration in Washington threatened to raise tariffs on Guatemalan products in an attempt to halt the transit of US-bound migrants.³¹ Both threats were successful. In June 2019, the US and Mexico agreed to stave off tariffs on

25 Michal Onderco and Reinout van der Veer, “Researching private actors and sanctions”, in Peter Van Bergeijk and Gina Ledda (eds) *Research Handbook on Economic Sanctions* (Cheltenham: Edward Elgar, forthcoming).

26 Ibid.

27 Arturo López-Levy, “Sanciones secundarias en el triángulo EEUU-Cuba-UE”, *Afers Internacionals*, no. 125, 2020.

28 Mission letter to Valdis Dombrovskis, Executive Vice-President-designate for An Economy that Works for People, Brussels, September 10, 2019.

29 Op.Cit., “Tariffs as Economic Sanctions”.

30 Beatriz Navarro, “Trump amenaza con aranceles a México en represalia por la inmigración”, *La Vanguardia*, May 31, 2019.

31 Antonia Laborde and Jose Elías, “Trump amenaza a Guatemala con aranceles para que acepte más solicitantes de asilo”, *El País*, July 23, 2019.

Mexican goods in return for cooperation on immigration.³² Similarly, Guatemala concluded an agreement with the US committing to re-admit asylum seekers having transited through Guatemalan territory on their way to the US. Guatemalan President Morales admitted having given into Washington's pressure, arguing that the deal made it possible "to fend off dramatic sanctions for Guatemala, many of which [were] geared to hit the economy hard", including taxes on remittances, tariffs on Guatemalan exports and restrictions on migration.³³

The Trump administration's recurrent use of tariffs for goals other than commercial defence conflates trade with security policy. In contrast to classical economic sanctions, the imposition of trade tariffs is normally used in commercial defence. Tariffs can be raised beyond the ceilings established by the WTO in order to respond to unfair practices, such as dumping or subsidies, or to cope with an unexpected surge of foreign goods. Under these scenarios, the increase of tariffs beyond stipulated ceilings responds to commercial considerations, has limited duration, and requires the state imposing the measure to respect certain rules, such as establishing evidence of unfair practices prior to enacting the rise. Whereas trade tariffs are meant to correct an unfair trade relationship between countries, their recent use by the US to achieve foreign policy objectives contradicts this rationale, equating tariffs to an economic sanction. Politically motivated withdrawals of tariff reductions are possible under a preferential scheme operated by both the EU and the US, the generalised scheme of preferences (GSP), which offers trade privileges to developing countries. The scheme allows for withdrawal in the event of breaches of stipulated conditions.³⁴ However, the use of tariffs in the Mexican and Guatemalan contexts matches neither the trade defence nor the GSP conditionality variants, undermining the established justification for raising tariffs.³⁵

³² Martin Pengelly, "Trump calls off tariffs after US-Mexico deal but Mnuchin says threat remains", *The Guardian*, June 8, 2019.

³³ Author's translation.

³⁴ Clara Portela, "Are GSP suspensions 'sanctions'?", in Peter Van Bergeijk and Gina Ledda (eds.) *Research Handbook on Economic Sanctions* (Cheltenham: Edward Elgar, forthcoming).

³⁵ Op.Cit., "The Trump Administration's Use of Tariffs as Economic Sanctions".

Convergence versus divergence

A key point of divergence is that, for Washington, the imposition of sanctions on Latin American targets is not merely a policy of democracy promotion, but also part and parcel of a broader geopolitical agenda. US sanctions do not only target repressive regimes, but also the interconnections they develop between them. A decade ago, Venezuela was targeted because it supplied petrol to Iran, and recently the US Treasury designated vessels for transporting oil from Venezuela to Cuba.³⁶ In turn, other global powers counter such isolation policies. China has been supplying Caracas with surveillance technology it cannot procure from the West.³⁷ Arms transfer to Venezuela, which over the past decade originated from 11 different suppliers including Austria, Italy, the Netherlands and Spain, are now monopolised by Russia and China.³⁸

Several routes to oppose US secondary sanctions remain open for Brussels. The EU could protest against Washington's economic coercion at international fora. Contesting the legality and legitimacy of US action is routine at UN bodies. EU members vote in favour of the yearly UN General Assembly resolution condemning the US embargo on Cuba, invariably adopted by an overwhelming majority of UN members.³⁹ The EU specifically rejects the extraterritorial effects of the embargo as illegal,⁴⁰ rather than denouncing the use of sanctions *in toto* like most of the Global South. Additionally, the EU

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³⁶ Op.Cit., "Sanciones como instrumento de coerción"; US Embassy in Cuba, "Senior State Department Official on US Policy Towards Cuba", Press Briefing, April 17, 2019, <https://cu.usembassy.gov/telephonic-press-briefing-with-senior-state-department-official-on-the-us-policy-towards-cuba/>

³⁷ Angus Berwick, "How ZTE helps Venezuela create China-style social control", Reuters, November 14, 2018.

³⁸ SIPRI Arms Transfers Database, <http://armstrade.sipri.org/armstrade/page/values.php>.

³⁹ Op.Cit., "En el triángulo".

⁴⁰ European External Action Service (EEAS), "EU Explanation of Vote: Resolution on the embargo imposed by the USA against Cuba", New York, November 7, 2019; UN General Assembly, "Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba", A/RES/61, August 19, 2019.

could request the establishment of a WTO panel. It was in the run-up to a WTO panel on the Helms-Burton Act that President Clinton solved the dispute by issuing waivers for European firms. However, this option is hardly viable today in the light of growing US scepticism towards the WTO, reflected in its blockade on Appellate Body nominations.⁴¹ Rather than aiding dispute resolution, a panel ruling likely to be disregarded by the US risks further undermining the credibility of the organisation. Thus, Europeans find themselves at an uncomfortable juncture as responses that emphasise opposition to US measures risk remaining futile, or even aggravating transatlantic discord.⁴² For their part, the re-purposing of trade tariffs as economic sanctions on Latin America is unlikely to affect Europe as these measures addressed Western Hemisphere migration flows. However, the manipulation of tariffs to obtain foreign policy goals undermines the rules-based, multilateral trade regime Europeans cherish. As the EU's Global Strategy stresses, European "prosperity hinges on an open and rules-based economic system with a true level playing field."⁴³

A transatlantic bargain on sanctions policy?

A potentially more effective approach could be to persuade the US administration to revert to the pre-2018 situation and grant waivers to allies. However, unlike in 1997, the current US leadership is less inclined to accommodate the interests of its allies for the sake of keeping them firmly on its side. In order to convince a leadership less invested in the transatlantic partnership, Europeans might consider offering something in return; namely, increased cooperation on key

⁴¹ "WTO judge blockage could prove 'the beginning of the end'", *Deutsche Welle*, December 10, 2019.

⁴² Clara Portela, "Washington's new economic coercion and geopolitical competition" in Bart Gaens and Ville Sinkkonen (eds), *Great-Power Competition and the Rising US-China Rivalry: Towards a New Normal?*, FIIA Report no. 66, Helsinki, 2020.

⁴³ External Action Service, of the European Union, "Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy", Brussels, June 2016.

Latin American targets. The EU could offer closer alignment on a number of Latin American issues in exchange for concessions such as exempting European companies from secondary sanctions. In turn, the EU could support the US stance with its sanctions. Such an alignment could be part of the effort to identify common priorities in Latin America.

This need not entail giving up the EU's specific approach to sanctions. Brussels would remain selective, continue to ensure that its sanctions do not cause humanitarian hardship, and avoid antagonising partners resentful of being seen as their hemisphere's 'backyard'. Nevertheless, while cultivating its strategic partnership with Latin America and the Caribbean, the EU could expand its modest blacklists with new goals like the fight against corruption. Instruments that facilitate closer transatlantic alignment are in place: the EU recently adopted horizontal sanctions regimes to blacklist perpetrators of cyberattacks, as Washington had done before.⁴⁴ A sanctions regime that foresees the designation of individuals responsible for grave human rights abuses is under preparation.⁴⁵ Under this framework, the EU could also target networks involved in drug trafficking, helping the US fight this illegal trade. Even if Europe-bound drugs follow different routes, the EU does not stand to gain anything from remaining indifferent to trafficking. Brussels and Washington could also launch joint conditionality schemes to advance labour rights, an objective they both pursue under their respective GSP programmes.⁴⁶ This would pave the way for the joint imposition of sanctions on actors

The EU recently adopted horizontal sanctions regimes to blacklist perpetrators of cyberattacks, as Washington had done before.

⁴⁴ Clara Portela and Erica Moret, "The EU's chemical weapons sanctions regime: Upholding a taboo under attack", EUISS Brief no. 17, July 2020; Council of the EU, "EU response to promote international security and stability in cyberspace", Press Release 526/20, July 30, 2020.

⁴⁵ Clara Portela, "A blacklist is (almost) born: Building a resilient EU human rights sanctions regime", EUISS Brief no. 5, March 2020.

⁴⁶ Myriam Oehri, *US and EU External Labour Governance* (Basingstoke: Palgrave, 2017).

responsible for deforestation, assuming that future US administrations display a stronger focus on combating climate change.⁴⁷

Going along with US sanctions severely curtails the political and financial options of US designees.

Rather than adopting an increasingly confrontational stance, Brussels could coordinate more closely with Washington, taking advantage of the Council's growing readiness to avail itself of sanctions in foreign policy. After all, the EU has a great deal to offer. Going along with US sanctions severely curtails the political and financial

options of US designees. The EU is likely to find an ally in Canada, which has grown close to Brussels in recent years as it faces similar difficulties with the US – notably, it operates a blocking statute like the EU. Finally, an effort to align sanctions by Brussels and both North American partners will mitigate the risk that London's post-Brexit sanctions policy drifts away from that of the EU, exacerbating fragmentation in an already complex landscape.

Conclusion

A deeper reflection about the convergence of transatlantic partners on their projects in and with Latin America is required. While there is a stronger transatlantic consensus on goals than on the means to achieve them, the extent of convergence between partners is yet to be defined. By carefully delineating the contours of convergence on Latin America and aligning more strategically with the US, the EU might not just eke out concessions from Washington and reshape transatlantic relations, but it could also strengthen the political dimension of its relations with Latin America as the 2020s unfold.

⁴⁷ Edoardo Saravalle, "Why world leaders should impose green sanctions", *Financial Times*, August 8, 2019.

CHAPTER 9

Arctic security

NATO and the future of transatlantic relations

ANDREA CHARRON¹

Introduction

The Arctic can both divide and unify transatlantic allies in these globally contested times. Differing ideas about the Arctic, a rigid US command plan, and the overmilitarisation of American foreign policy² partially explain NATO's difficulty in reaching consensus on what its posture in the Arctic should be. So too do the different economic relationships of allies with China and Russia, and their relative distance from the Arctic. These differences continue

¹ The author is grateful to Duncan Depledge, James Fergusson, Ray Snook (Cdr RN rtd), Lt Colonel Adam Rutherford among others for vital feedback. Any errors and omissions are the sole responsibility of the author.

² Robert M. Gates, "The Overmilitarization of American Foreign Policy: The United States Must Recover the Full Range of Its Power" *Foreign Affairs*, vol. 99, no. 4 (July/August 2020): pp. 121–32.

to create tension in transatlantic relations, and this portends even more difficulty in reaching a consensus on what to do with China – now a near-peer competitor to the United States and a rising concern for NATO.

Nonetheless, the Arctic may be the issue that can forge badly needed reconciliation among NATO members via existing fora (like the Arctic Council) and the establishment of a clear code of conduct for military maritime and air vessels in the Arctic.

How is the Arctic defined among those inside and outside of the alliance? How do these definitions divide the transatlantic alliance and is there a way to establish consensus among the transatlantic allies as well as among other states? This chapter is organised into three parts. The first outlines how Arctic states, alliance members and non-aligned states, such as China, view the Arctic. The next section unpacks how different ideas about the threats facing the Arctic highlight divisions among transatlantic allies. The third section looks at how a code of conduct for the Arctic, similar to the Code for Unplanned Encounters at Sea (CUES) in the South and East China Seas, might be a way to shape allied consensus on the security challenges in the Arctic.

Defining the Arctic

Geographically, the Arctic is generally defined as territory and sea above $66^{\circ} 34'$ degrees north of latitude. In a geopolitical context, the Arctic Ocean basin and specifically those Areas Beyond National Jurisdiction (ABNJ),³ (see Figure 1) is what international actors reference as ‘the Arctic.’

A longstanding debate on the status of the Arctic continues and is centred on the idea of the Arctic as “exceptional.” This idea can be traced back to Gorbachev’s 1987 Murmansk speech⁴ in which he called

3 Beyond the 200 nm limit of Exclusive Economic Zones (EEZs) demarcated by a “hole” in the middle of the Arctic Ocean constituting a global commons.

4 Mikhail S. Gorbachev, “The Speech in Murmansk: At the ceremonial meeting on the occasion of the presentation of the Order of Lenin and the Gold Star Medal to the city of Murmansk”, October 1, 1987 (Moscow; Novosti Press Agency Publishing House, 1987.)

for the world to see the Arctic as a “zone of peace”. The Arctic exceptionalism narrative seizes on the work of the Arctic Council, on several binding agreements on Arctic states and the fact that even the annexation of Crimea by Russia in 2014 could not stop dialogue among the eight Arctic states then or since. The exceptionalism narrative “attempts to define how one can speak about security in the region”.⁵ Arctic and non-Arctic states readily invoke this narrative. In 2012, Norway’s Senior Arctic Official at the time, Else Berit Eikeland, pithily summarised this notion with the phrase: “High North, low tension”.⁶ Russia hosted an international Arctic conference on the theme “territory of dialogue.”⁷ Canada always notes Arctic “cooperation”⁸ and the United States has identified “strengthening the rules-based order in the Arctic”⁹ as one of its key strategic goals. Even non-Arctic states, like China, build their Arctic policy around this notion of exceptionalism.¹⁰ This posture, however, belies the complexity that underlies how Arctic states and non-Arctic states define the Arctic, especially to their domestic audiences. The ‘exceptional’ parts of the narrative revolve around issues of low political salience.¹¹ Increasingly worrying military activity is occurring in the Arctic despite the

Even non-Arctic states, like China, build their Arctic policy around this notion of exceptionalism.

⁵ Gunhild Hoogensen Gjørvis and Kara K. Hodgson, “Arctic Exceptionalism” or ‘comprehensive security’? Understanding security in the Arctic” *Arctic Yearbook*, 2019, p. 2, https://arcticyearbook.com/images/yearbook/2019/Scholarly-Papers/11_AY2019_Hoogensen_Hodgson.pdf.

⁶ Else Berit Eikeland, “High North, Low Tension,” *Diplomat*, October 4, 2012, <http://diplomatonline.com/mag/2012/10/norway-and-russia-high-north-low-tension/>

⁷ “Arctic: Territory of Dialogue”, International Arctic Forum 2019, Arkhangelsk, Russian Federation, April 9–10, 2019, <https://www.uarctic.org/calendar/arctic-territory-of-dialogue-international-arctic-forum-2019/>

⁸ Government of Canada, “Arctic and Northern Policy Framework”, 2019, <https://www.rcaanc-circnac.gc.ca/eng/1562782976772/1562783551358>.

⁹ Office of the Undersecretary of Defense for Policy, “Report to Congress Department of Defense Arctic Strategy”, 12 June 12, 2019, <https://media.defense.gov/2019/Jun/06/2002141657/-1/-1/2019-DOD-ARCTIC-STRATEGY.PDF>.

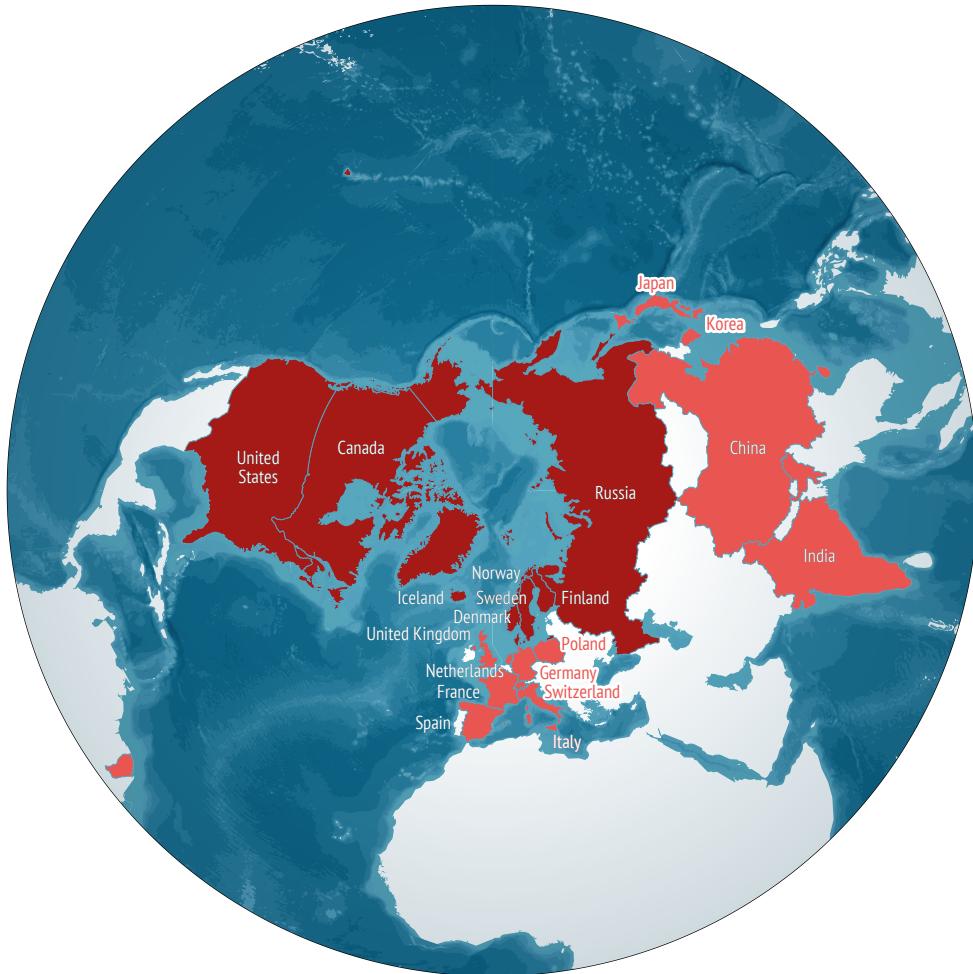
¹⁰ China refers to itself as a “near” Arctic state – a category which does not exist in international realtions: The State Council Information Office of the People’s Republic of China, “China’s Arctic Policy”, Paragraph 4, January 2018, http://www.xinhuanet.com/english/2018-01/26/c_136926498.htm.

¹¹ Lassi Heininen, “Special Features of Arctic Geopolitics – A Potential Asset for World Politics”, in Matthias Finger and Lassi Heininen (eds.), *The GlobalArctic Handbook* (Cham:Springer International Publishing AG, 2019), pp. 215–34, https://doi.org/10.1007/978-3-319-91995-9_13.

FIGURE 1 | The Arctic

Arctic States and Observers, compared to CUES 2014 membership

Arctic States
Observer States



CUES 2014
membership



Data: Natural Earth, 2020

narrative, but few actors wish to discuss it lest it upset the prevailing consensus on exceptionalism.

The Ilulissat Declaration (2008) of the five Arctic coastal states and the UN Convention on the Law of the Sea (UNCLOS) are the bedrock of the exceptionalism narrative. UNCLOS, however, has the most general of guidelines for the conduct of vessels and states in the world's oceans. Most 'rules' highlight only administrative duties of coastal, flag or port states and vessels, or activities that are proscribed (e.g. it is prohibited to transport slaves).¹² UNCLOS is all but silent on naval vessel conduct other than the requirement to render assistance in emergencies. UNCLOS is wonderful in theory but state practice falls far short of the ideal.

UNCLOS is wonderful in theory but state practice falls far short of the ideal.

NATO has yet to release a definitive statement about how it views the Arctic strategically and allies disagree as to the nature and source of threats to the Arctic.¹³ The mix of Arctic and non-Arctic states within the NATO alliance means that the closest NATO has come to an Arctic statement is agreeing that the approach to the Arctic in the North Atlantic, especially around the Greenland-Iceland-UK-Norway (GIUK-Norway) gap, needs additional surveillance notwithstanding Article 5 promises of collective defence should any NATO ally be attacked.¹⁴ Coastal states are fixated on threats to their territory that extend into the Arctic but even then there is no consensus on their nature or sources and uneven acceptance of the threat of climate change. Many of the non-Arctic states are focused on the Arctic Ocean as a global commons, the existential threat of climate change, and future resource extraction rights. All of the NATO states have different economic relationships with Russia and China which makes frank discussions difficult.

¹² For an overview of shortcomings, see Robert C. Beckman, Millicent McCreath, J. Ashley Roach and Zhen Sun (eds), *High Seas Governance: Gaps and Challenges* (Leiden: Brill Nijhoff, 2019).

¹³ Canada vetoed a firm NATO statement at the 2009 Kehl Summit hosted by Iceland: "Summit Declaration Issued by the Heads of State and Government Participating in the meeting of the North Atlantic Council in Strasbourg/Kehl", 2009, paragraph 60, https://www.nato.int/cps/en/natolive/news_52837.htm.

¹⁴ John Andreas Olsen (ed.), *NATO and the North Atlantic: Revitalising Collective Defence* (London: RUSI, Whitehall Paper series, 2017).

Diverging perceptions of the Arctic

Within Europe, various countries hold different ideas about the Arctic. The EU, with varying levels of agreement among key member states, primarily France and Germany – representing allied non-Arctic states – has a more globalist perspective, as has the UK.¹⁵ EU documents (of which there are many) are not helpful in presenting a clear notion of EU policy vis-à-vis the Arctic. The new EU Arctic policy is, therefore, eagerly anticipated. The EU's decision in 2009 to ban the sale of seal products alienated Inuit and indigenous peoples across the Arctic and, despite providing an exception for products captured by indigenous hunts, the damage was done; the EU is still not an Observer to the Arctic Council in an official capacity as states like Canada, with a significant Inuit population in its Arctic, could not support its membership.¹⁶

France's views of the Arctic change depending on whether the narrative emanates from the defence ministry or from the Quai D'Orsay. The Armed Forces liken the Arctic to a second Middle East – a zone of potential confrontation¹⁷ but as an Observer to the Arctic Council, France highlights its research contribution and cooperation on a number of the Arctic Council's scientific working groups. For France, preserving the Arctic means preserving the planet, but Paris also conveniently downplays the fact that Russia's Arctic oil and gas supplies are very important to it.¹⁸ Germany's Arctic policy is focused almost entirely on climate change and its effects with next to no discussion of

¹⁵ Minister for the Armed Forces of France, "France and the New Strategic Challenges in the Arctic", 2019, <https://www.defense.gouv.fr/english/portail-defense/additional-section/advanced-search?q=arctic>.

¹⁶ European Commission, Regulation (EC) No 1007/2009 of the European Parliament and of the Council of 16 September 2009 on trade in seal products, https://ec.europa.eu/environment/biodiversity/animal_welfare/seals/seal_hunting.htm.

¹⁷ Former French Prime Minister and French Arctic Ambassador Michel Rocard quoted in "France and the New Strategic Challenges in the Arctic", https://www.defense.gouv.fr/english/layout/set/print/content/download/565142/9742558/version/3/file/France+and+the+New+Strategic+Challenges+in+the+Arctic+-+DGRIS_2019.pdf.

¹⁸ Adam Stępień and Andreas Raspotnik, "The EU's Arctic Policy: Between Vision and Reality", *College of Europe Policy Brief*, vol. 5, no. 19, August 2019, p. 2, <https://www.thearcticinstitute.org/eu-arctic-policy-between-vision-reality/>

any state-based threats.¹⁹ The UK's new Arctic strategy begins with a statement by the Minister of State for the Polar Regions that proclaims that "the Arctic defies definition" but also notes the UK's desire to remain a significant player in Arctic affairs, especially now that it has exited the EU.²⁰ Indeed, the UK's Arctic policy is about staking out and protecting global influence and commercial interests as well as increasingly concentrating on the GIUK-Norway gap with Norway and the US. Even Scotland's new Arctic policy framework declares the Orkney Islands "strategically positioned" as the "bridge" between the Arctic and the wider world.²¹ All these states avoid mentioning Russia or China explicitly except in reference to the Arctic Council.

Norway hosted the largest-ever NATO exercise since the Cold War – Trident Juncture – in 2018.

growing Northern Fleet based at Severomorsk which aims to protect its bastion – its Northern Fleet in general and its nuclear-powered, ballistic missile-carrying submarine (SSBN) fleet in particular. Norway hosted the largest-ever NATO exercise since the Cold War – Trident Juncture – in 2018. An Arctic land, sea, air and cyberspace exercise with an Article 5 collective defence scenario tested the limits of NATO's capacities to sustain an Arctic operation for barely two weeks with 50,000+ troops from allied and partner countries, including Arctic states Finland and Sweden.²² This was not a 'snap' exercise. Planning took two years and the scenarios were unrealistic in terms of the time simulated in the exercise to reinforce Norway. Cases of

In contrast, Arctic NATO European states, led by Norway and supported by Iceland and Denmark (via Greenland), have been pressuring NATO allies to rediscover the strategic importance of the Arctic. After all, threats to the Arctic are threats to their homelands. Norway points to Russia's

¹⁹ The Federal Government of Germany, "Germany's Arctic Policy Guidelines: Assuming Responsibility, Creating Trust, Shaping the Future," August 2019, <https://www.auswaertigesamt.de/blob/2240002/eb0b681be9415118ca87bc8e215c0cf4/arktisleitlinien-data.pdf>.

²⁰ United Kingdom, Polar Regions Department, *Beyond the Ice: UK's Policy towards the Arctic*, 2018, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697251/beyond-the-ice-uk-policy-towards-the-arctic.pdf.

²¹ Scottish Government, "Arctic Connections: Scotland's Arctic Policy Framework", September 24, 2019, <https://www.gov.scot/publications/arctic-connections-scotlands-arctic-policy-framework-2/>.

²² NATO, "Trident Juncture 18", October 31, 2018, https://www.nato.int/cps/en/natohq/news_158620.htm.

frostbite were but one of the challenges. The main problems were the lack of interoperability between alliance members and partners, logistical issues, and Russian jamming of allied GPS signals.²³ As further evidence of Norwegian concern about Russia's Arctic intentions, it has invited two US Marine battalions to conduct training in its Arctic waters on a rotational basis for four months in the winter since 2016, alongside UK counterparts.²⁴ NATO allies also continue to provide air policing for Iceland since the United States withdrew its military forces in 2008. Arctic Nordic states are wary of Russian capabilities and intentions and are keen for the rest of NATO to see the potential threat to their homelands. In 2003, NATO terminated the Supreme Allied Commander Atlantic (SACLANT) position responsible for establishing a picket across the vulnerable GIUK-Norway gap. Instead, recognising the vulnerability of the gap and growing tensions with Russia, the US, in a decisive pivot to the Arctic, revived its Second Fleet in 2018 and NATO established the Joint Force Command Norfolk; while separate, these are inextricably linked by their commander, mission and geographic focus in the Arctic and Northern Atlantic.

The North American Arctic perspective is also not homogenous. The former United States Northern Command (USNORTHCOM) and North American Aerospace Defense Command (NORAD) Commander General O'Shaughnessy (2018–2020) worries that: "The Arctic is no longer a fortress wall, and our oceans are no longer protective moats; they are now avenues of approach for advanced conventional weapons and the platforms that carry them".²⁵ This is a return to what was

A rctic Nordic A states are wary of Russian capabilities and intentions and are keen for the rest of NATO to see the potential threat to their homelands.

²³ Gerard O'Dwyer, "Finland, Norway press Russia on suspected GPS jamming during NATO drill", *Defense News*, November 18, 2018, <https://www.defensenews.com/global/europe/2018/11/16/finland-norway-press-russia-on-suspected-gps-jamming-during-nato-drill/>

²⁴ From October 2020 onward, American participation will be episodic rather than rotational, as was announced on the heels of the Trump administration's decision to pull US troops out of Germany. John Vandiver, "Martines to end continuous rotations in Norway", *Stars and Stripes*, August 6, 2020, <https://www.stripes.com/news/marines-to-end-continuous-rotations-to-norway-1.640272>.

²⁵ Statement of General Terence J. O'Shaughnessy, United States Air Force Commander, United States Northern Command and North American Aerospace Defense Command, before the Senate Armed Services Committee, February 13, 2020, p. 2, https://www.armed-services.senate.gov/imo/media/doc/OShaughnessy_02-13-20.pdf.

the main concern throughout the Cold War. The United States is feeling vulnerable given the growing capabilities of Russia and China. The unified command plan of the United States divides the Arctic among three regional commands, two of which are germane to NATO. The European and Russian Arctic are assumed under the United States European Command (USEUCOM) Commander (who is also NATO's Supreme Allied Commander in Europe) and the North American Arctic falls under NORAD and USNORTHCOM. However, there is also the Indo-Pacific Command (INDOPACOM) which has the ability to execute the full range of combined and joint military operations and has access to extensive capabilities and resources; moreover, Alaska and its Arctic islands also fall under its area of responsibility, creating multiple geographic seams in the Arctic. Rarely has the United States had to consider defence of the homeland so directly.

While Canada and the US jointly defend North America, Canada uses far softer language, referencing only that NATO worries about Russia in a North Atlantic context, stating: "NATO has also increased its attention to Russia's ability to project force from its Arctic territory into the North Atlantic, and its potential to challenge NATO's collective defence posture."²⁶ Russia remains the immediate source of concern in the Arctic despite being one of the most important members of the Arctic Council and a key decision-maker that promotes and embraces the Arctic exceptionalism narrative.

If European countries or Canada have different understandings of the threat priorities for the Arctic or choose to engage with Russia – such as by suggesting that Russia be invited back to the Arctic Security Forces Roundtable (ASFR) – they can be at odds with the US doctrinal approach which places a stronger emphasis on power projection and deterrence given great power competition.²⁷ These differences continue to create tension in transatlantic relations. A unifying Arctic focus, however, might forge a consensus.

²⁶ Government of Canada, "Strong Secure Engaged: Canada's Defence Policy" Ottawa, 2017, p. 79, <http://dgpaapp.forces.gc.ca/en/canada-defence-policy/docs/canada-defence-policy-report.pdf>.

²⁷ Office of the Under Secretary of Defense for Policy, Department of Defense Arctic Strategy, June 2019, <https://media.defense.gov/2019/Jun/06/2002141657/-1/-1/2019-DOD-ARCTIC-STRATEGY.PDF>.

Coming together on the Arctic in a contested world

While NATO's demise has been proclaimed on countless occasions and with increasing frequency of late,²⁸ the Arctic region holds the most promise for allied reconciliation. The Arctic has the advantage of drawing the attention of both NATO allies in 'old' and 'new' Europe, the US and Canada as well as important key partners and Observers to the Arctic Council, including South Korea, Japan, India and Singapore. The Arctic is also of extreme importance to Russia and of growing interest to China. A Russia-US or China-US dyad is undesirable but so too is more NATO in the Arctic, as it could stiffen Russia's military posture.²⁹ NATO needs to decide if it wishes a greatly expanded area of operations in the Arctic – i.e. does the Alliance need to consider the Arctic global commons as within its purview and to what end? Arctic states, especially coastal states, are clear that they want to continue to take the lead in decision-making *vis-à-vis* the Arctic, but this must be restricted to their national areas of jurisdiction.

With increased vessel traffic expected in the Arctic in the future and documented increases in military activities across the Euro-Atlantic area that have the potential to lead to casualties and a dangerous escalation of tensions between the West and Russia, many have called for clear rules of military conduct in and above the world's

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²⁸ Philp Gordon and Harry Shapiro, "How Trump Killed the Atlantic Alliance", *Foreign Affairs*, February 26, 2019; "Emmanuel Macron warns Europe: NATO is becoming brain dead", *The Economist*, November 7, 2019.

²⁹ Rebecca Pincus, "NATO North: Building a Role for NATO in the Arctic," *War on the Rocks*, November 6, 2019, <https://warontherocks.com/2019/11/nato-north-building-a-role-for-nato-in-the-arctic/>.

oceans, including the central Arctic.³⁰ Dangerous NATO–Russia interactions stemming from provocative Russian behaviour in the form of airspace violations and shadowing of ships (to name just a few) increase the likelihood of miscommunication, casualties, material damage and/or unplanned and precipitous military actions. Increased Chinese activity in the Arctic is also expected to create friction and the risk of miscalculation related to incidents similar to those witnessed between the US and China in the South China Sea. As suggested by the head of US naval forces in Europe, Admiral Foggo,³¹ a Code for Unplanned Encounters at Sea (CUES), similar to the one established in 2014 for the East and South China Seas,³² but particular to the Arctic, could facilitate communication to avoid mistakes and miscalculations. CUES 2014 aims to reduce the chances of unplanned encounters and most importantly, prevent escalatory actions in the event of an incident. CUES 2014 is far from perfect; it is non-binding with unclear geographical scope and applies to naval aircraft and vessels only. Nevertheless, it encourages communication between states and outlines the ‘floor’ of professional conduct expected in a particular region.³³

A similar code for the Arctic creates the opportunity for the US, NATO allies, China and Russia to communicate about maritime and air vessel conduct in an increasingly contested zone. The Arctic CUES would apply to the entire Arctic region (including high seas, territorial waters, contiguous zones, and exclusive economic zones) but would be binding rather than voluntary given the more dangerous polar operating conditions. Arctic CUES would apply to vessels and aircraft,

30 Duncan Depledge, Mathieu Boulègue, Andrew Foxall and Dmitriy Tulupov, “Why we need to talk about military activity in the Arctic: Towards an Arctic Military Code of Conduct” *Arctic Yearbook*, 2019. <https://arcticyearbook.com/arctic-yearbook/2019/2019-briefing-notes/328-why-we-need-to-talk-about-military-activity-in-the-arctic-towards-an-arctic-military-code-of-conduct>; Denitsa Raynova and Lukasz Kulesa, “Russia–West Incidents in the Air and at Sea 2016–2017: Out of the Danger Zone?”, *Euro-Atlantic Security Report*, European Leadership Network, October 2018, <https://www.europeanleadershipnetwork.org/wp-content/uploads/2018/10/Military-Incident-Report.pdf>.

31 Megan Eckstein, “Foggo: Changing Conditions Require New Arctic Strategy, International Code of Conduct”, *USNI News*, June 26, 2020, <https://news.usni.org/2020/06/26/foggo-changing-conditions-require-new-arctic-strategy-international-code-of-conduct>.

32 “Document: Code for Unplanned Encounters at Sea”, *USNI News*, June 17, 2014, <https://news.usni.org/2014/06/17/document-conduct-unplanned-encounters-sea>.

33 Anh Doc Ton, “Code for unplanned encounters at sea and its practical limitations in the East and South China Seas”, *Australian Journal of Maritime and Ocean Affairs*, vol. 9, no. 4, 2017: pp. 227–39.

including coast guard patrol vessels, marine surveillance ships and aircraft, as well as vessels belonging to fisheries agencies, which are excluded from CUES 2014. Similar to CUES 2014, the member states would be drawn from those mostly likely to interact in the Arctic. What is more, many of the same states (eight in total) are already members of CUES 2014 and are also Arctic states or Observers of the Arctic Council. The Arctic has a history of separate agreements to build trust and encourage coordination. The latest such agreement includes China and creates a sixteen year moratorium on commercial fishing in the central Arctic Ocean when it comes into force.³⁴ Certainly, the exceptionalism narrative has been helpful in these regards and lays the foundation for a code of conduct for military *and* other vessels in the Arctic basin, EEZs and territorial waters. An Arctic CUES needs to be established soon to create a norm of better conduct before traffic increases significantly and/or there occurs a fatal encounter.

Russia is the largest and most important Arctic coastal state. Its snap Arctic exercises and their growing complexity and dangerous practices (such as jamming GPS) have made Arctic states increasingly nervous.³⁵ Its constructive engagement in the Arctic Council and Arctic Coast Guard Forum,³⁶ however, is essential to supporting cooperation generally in the region. As Russia poses the most acute threat to the NATO alliance, more discussions and opportunities to dialogue with Russia are important. Including Russia in the discussions about a code of conduct, which could reinforce best practices regarding military exercises, represents a half-way point to resuming full Arctic Chiefs of Defence meetings, which some allies view as rewarding Russia for annexing Crimea and

Russia's snap Arctic exercises and their growing complexity and dangerous practices have made Arctic states increasingly nervous.

³⁴ Government of Canada, "International Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean" (Signed October 3, 2018), *Fisheries and Oceans Canada*, <https://www.dfo-mpo.gc.ca/international/arctic-arctique-eng.htm>.

³⁵ John Grady, "Panel: NATO Needs to Take Russian Offensive, Defensive Advances in Arctic Seriously," *USNI News*, July 1, 2020, <https://news.usni.org/2020/07/01/panel-nato-needs-to-take-russian-offensive-defensive-advances-in-arctic-seriously>.

³⁶ The Arctic Coast Guard Forum has eight member states – the eight Arctic states. See: <https://www.arcticcoastguardforum.com/>

supporting an armed insurrection in the Donbas region. Of course, the question becomes: would the US, which is the key decision-maker in the alliance, agree to such a code of conduct?

Some analysts suggest that there is room for increased allied efforts in the Pentagon's latest Arctic doctrine (2019), which is inviting allies to take a more prominent role in the Arctic than would otherwise be expected of American defence doctrine.³⁷ The first step, however, is to have a common understanding of the threats facing the Arctic and sensitise non-Arctic NATO states to these threats and their potential, limited roles. The US will continue to be strategically focused whereas the alliance members will be operationally-focused.

In keeping with this focus Denmark, Norway, and Canada, the current chairs of the Emergency Prevention, Preparedness and Response Working Group of the Arctic Council, could initiate discussions with Russia via the Arctic Coast Guard Forum about a code of conduct for government vessels in the Arctic and consult with NATO allies. Indeed, given that Russia is the Chair of the Arctic Council and Coast Guard Forum for 2021–2023, this is a propitious time as Russia is looking for ‘wins’ as part of its Chairship. The code could then be extended to the 13 Arctic Observer States, including China, and to observer organisations, such as the International Maritime Organisation.

As part of the NATO 2030 reflection process, China’s growing power is the new concern, but where to begin? A code of conduct could be a start. The code is not a panacea and will not eliminate geopolitical tensions or solve the climate crisis, but if launched in the context of the Arctic Council, whose decisions China is seemingly keen to support, it could attract a positive Chinese response.

³⁷ Lindsay Rodman, “Iceberg Dead Ahead: Deconstructing the Pentagon’s Arctic Strategies”, *War on the Rocks*, September 25, 2019, <https://warontherocks.com/2019/09/iceberg-dead-ahead-deconstructing-the-pentagons-arctic-strategies/> The new USAF Arctic Strategy also notes the importance of allies and partners.

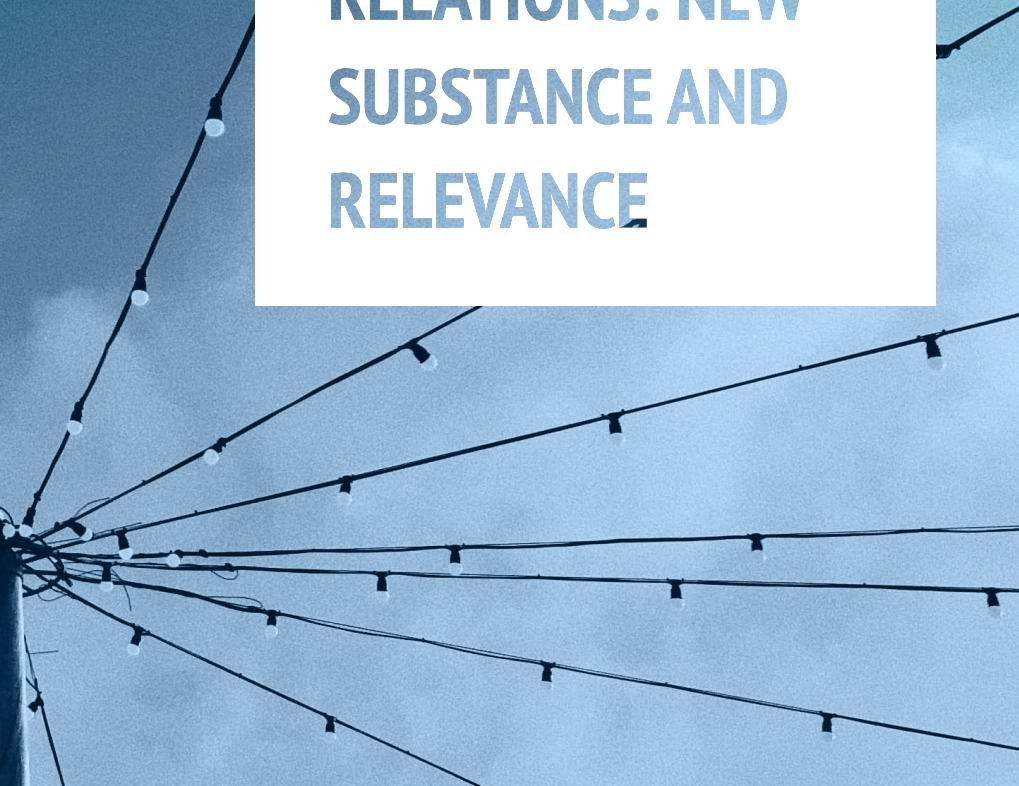
Conclusion

A binding code for the Arctic centred on tackling the problem of unplanned encounters and ensuring notice is given for military vessel activity is not a new idea. The Arctic has had relatively few unplanned encounters to date and has a history of creating an ‘exceptional’ atmosphere of cooperation. With the return of great power competition and hard security concerns in the Arctic, engaging in cooperative discussions on clearly-delimited issues of mutual interest, such as establishing clear rules of conduct in the Arctic, will help transatlantic partners reach consensus and better understand Arctic coastal states’ concerns. After all, to get to the central Arctic Ocean, vessels must transit through the national jurisdictions of the coastal states. Still, while agreeing on NATO’s role in the Arctic will be one of the Alliance’s great challenges, it might yet prove to be the one issue area that can revive and restore transatlantic relations.



Image: Bruno Figueiredo/unsplash

TRANSATLANTIC RELATIONS: NEW SUBSTANCE AND RELEVANCE



CHAPTER 10

Stability and security in outer space

Reinforcing transatlantic
cooperation

GUSTAV LINDSTROM¹

Introduction

The state of transatlantic relations is often analysed along a continuum. At a most basic level, this entails judging how transatlantic relations are currently evolving compared to their historical trajectory. Like a thermometer, albeit much less precise, this perspective provides a snapshot of perceived convergence or divergence across the Atlantic. Unfortunately, such an approach frequently downplays a key component for gauging the status of

¹ In the spirit of collaboration among CFSP bodies, the author wishes to thank the EEAS Space Task Force for its helpful review of this chapter.

transatlantic relations: how well such relations are mobilised to pursue shared goals and to address joint challenges.

This chapter examines how priorities on outer space policy influence transatlantic relations. Specifically, it focuses on how shared transatlantic interests and views on outer space challenges might influence the transatlantic partnership over the coming years. To ensure consistency with other chapters, the emphasis is on EU and US policies – even if other transatlantic players, such as Canada, have substantial engagement in outer space.² Where relevant, there is also recognition of individual EU member state policies.

The first section outlines the main European and US goals in outer space, including recent developments on both sides. The second section delves into shared issues of concern, with a view to assessing how these may shape transatlantic relations over the coming years. The third and last section provides policy considerations to promote transatlantic collaboration in outer space.

Transatlantic visions for outer space

Not surprisingly, the United States and the EU share several objectives concerning outer space.³ There is consistency across at least six distinct areas. These are:

1. Promoting stability and security in outer space;
2. Developing norms of responsible behaviour in outer space, for example concerning access to and freedom to operate in space;
3. Leveraging the space sector for the promotion of social and economic benefits;

² Examples of EU flagship programmes include Copernicus for Earth observation as well as EGNOS and Galileo for satellite navigation and positioning.

³ For a historical overview of transatlantic cooperation in space, see European Space Policy Institute, “Security in Outer Space: Perspectives on Transatlantic Relations”, Report no. 66, October 2018, file:///C:/Users/glindstrom/Downloads/ESPI%20Report%2066%20-%20Security%20in%20Outer%20Space%20-%20Transatlantic%20Relations.pdf.

4. Enhancing space situational awareness to keep track of objects in orbit as well as predicting their trajectories;
5. Augmenting space traffic management to enhance collision avoidance; and
6. Promoting space exploration and research for the benefit of humankind.

Among the six, the promotion of stability and security in outer space stands out as the most salient. It represents an overarching vision and is likewise a necessary ingredient for fulfilling other objectives. While transatlantic partners have a substantial capacity to progress in these six areas, there is a strong recognition that international cooperation is indispensable to achieve progress.

In spite of shared visions for outer space hinging on stability and security, the US and the EU emphasise alternate, yet complementary, routes to achieve stability and security in outer space. The US, having by far the most extensive space infrastructure with some 1,327 satellites in orbit, is keen to safeguard its space assets, which it deems critical for maintaining military superiority while enabling a range of other services.⁴ In its June 2020 Defence Space Strategy, it highlights how outer space is not a “sanctuary from attack and space systems are potential targets at all levels of conflict.”⁵ As such, the US established a US Space Force (USSF) in August 2019 and reactivated its US Space Command in December 2019, seventeen years after its deactivation in 2002. The US also re-established its National Space Council in June 2017 to guide long-term outer space objectives and develop strategic thinking that integrates all relevant space sectors.

On the EU side, the route towards stability and security in outer space centres on confidence-building measures. At the same time, the EU considers outer space as a ‘civilian domain’ that serves to maximise societal and economic benefits – even if it increasingly recognises the utility of space assets for security and defence purposes.⁶

4 Number of US satellites based on the UCS Satellite Database (updated April 2020), <https://www.ucsusa.org>

5 U.S. Department of Defense, “Defense Space Strategy Summary”, p. 1, June 2020.

6 European Commission, “Space Strategy for Europe”, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2016) 705 final, October 2016.

FIGURE 1 | Limiting space weapons activities and testing

Overview of International agreements, proposed treaties, and codes

○ Partial Test Ban Treaty

1963 (entry into force)

Development, testing, deployment, or use of non-nuclear space weapons

Prohibits and prevents carrying out of any nuclear weapon test explosion, or any other nuclear explosion in outer space

Refrain from causing, encouraging, or in any way participating in, the carrying out of any nuclear weapon test explosion, or any other nuclear explosion in outer space

○ 'Outer Space Treaty'

1967 (entry into force)

Conventionally armed space-to-space weapons in earth orbit, in deep space, or in orbit around other celestial bodies.

Earth-to-space weapons or conventionally armed space-to-earth weapons

No placement of nuclear weapons or other WMD in orbit or on celestial bodies or stationing them in outer space in any other manner

○ Prevention of an Arms Race in Outer Space

1981

Earth-to-space weapons

Earth-to-space non-kinetic forms of attack

Prevent an arms race in outer space

○ 'Moon Agreement'

1984 (entry into force)

Placement of nuclear weapons and other WMD beyond the moon, orbits or trajectories around the moon

No placement of nuclear weapons or other WMD in orbit / trajectory of or on the moon

No establishment of military bases, installations, and fortifications on the moon

Moon shall only be used for peaceful purposes

○ International Code of Conduct for Outer Space Activities

2008

Temporary interference with space objects

Refrain from any action which brings about, directly or indirectly, damage, or destruction, of space objects unless such action is justified

○ Draft Treaty on the Prevention of the Placement of Weapons in Outer Space

2014 and 2008 (China and Russia)

Earth-to-space kinetic weapons

Earth-to-space non-kinetic forms of attack

No placement of any weapons in outer space

No resort to the threat or use of force against outer space objects of States Parties

Data: UN Office for Outer Space Affairs, 2020; CSIS, 2020; Rathgeber et al, 2009

To promote stability and security in outer space, the EU proposed a voluntary draft International Code of Conduct for Outer Space Activities (ICoC) in 2008. It was co-sponsored by several likeminded countries, and in 2013, a UN Group of Governmental Experts' report on 'Transparency and Confidence-Building Measures in Outer Space Activities' reinforced the importance of measures to build confidence in activities undertaken in outer space.⁷

The Code, whose primary objective is to boost the safety, security, and sustainability of all outer space activities, went through revisions in 2011 and 2014. Nonetheless, it attained limited traction, and after the failure of the 2015 New York conference, was essentially frozen.⁸ Reasons range from a sense of limited ownership by other countries, in particular due to few opportunities for consultation, to a perception that some of its proposed measures could be too restrictive – especially concerning military activities and programmes.⁹ Countries that have not adhered to the Code include the US, Russia, China, India and Brazil. For the BRICS countries, a main obstacle is the perception that such a voluntary instrument should originate from more elaborate, inclusive, and consensus-based multilateral negotiations within the UN framework.¹⁰

⁷ United Nations General Assembly, "Group of Governmental Experts on Transparency and Confidence-Building Measures in Outer Space Activities", A/68/189, July 29, 2013, https://www.unoosa.org/pdf/gadocs/A_68_189E.pdf.

⁸ See http://eeas.europa.eu/archives/docs/non-proliferation-and-disarmament/pdf/space_code_conduct_draft_vers_31-march-2014_en.pdf for the version as of March 2014.

⁹ Marcus Weisgerber, "U.S. Wants Changes to EU Space Code of Conduct", *Spacenews*, January 12, 2012, <https://spacenews.com/18667us-wants-changes-to-eu-space-code-of-conduct/>. See also Jack Beard, "Soft Law's Failure on the Horizon: The International Code of Conduct for Outer Space Activities", University of Nebraska – Lincoln, 2016.

¹⁰ For more on this, see the BRICS Joint Statement Regarding the Principles of Elaboration of International Instruments on Outer Space Activities, New York, July 27, 2015, https://www.mid.ru/en/foreign_policy/international_safety/regprla/-/asset_publisher/YCxLFJnKuD1W/content/id/1623220.

Implications for transatlantic relations

The shared goals, but the somewhat diverging approaches to promoting stability and security in outer space, have implications for transatlantic relations. Currently, the potential rewards stemming from space collaboration to enable social and economic benefits, provide ample opportunity for mutually beneficial transatlantic (and international) collaboration. Within the EU alone, satellite navigation signals enable about 10% of the Union's GDP – or over €1,100 billion.¹¹

As a result, both sides of the Atlantic have a strong interest in ensuring that outer space is accessible and leveraged to provide a range of services. They also recognise the potential for additional space services and data for economic growth, a trend underscored by the growing interest by private companies to engage in outer space. Such a trend should serve to both rejuvenate and encourage transatlantic cooperation.

However, transatlantic cooperation in outer space, in spite of strong economic incentives, cannot run on 'auto-pilot' forever. Proactive efforts are required on both sides to sustain its viability and positive contribution to transatlantic relations – in particular should the US and the EU maintain different yet complementary approaches to outer space. Why? Over the longer term, there is a possibility that the diverging EU and US approaches to promoting stability and security in outer space may become more pronounced. Specifically, a US leaning more towards 'hard security'/military requirements in outer space while the EU reinforces its civilian space profile – trademarked by 'softer' security

Transatlantic cooperation in outer space, in spite of strong economic incentives, cannot run on 'auto-pilot' forever.

¹¹ European Commission, "Commission Staff Working Document – Impact Assessment", SWD(2018) 327 final, 6 June 2018, https://ec.europa.eu/commission/sites/beta-political/files/budget-june2018-space-programme-impact-assessment1_en.pdf.

dimensions – could create a new path characterised by less consistent visions for security in outer space.

At present, two paths are visible with divergent implications for transatlantic relations. The first, trademarked by mutual interests and practical collaboration in outer space, would sustain transatlantic relations as both sides pursue joint goals – especially those more technical in nature such as space situational awareness. Under a second path, in which diverging US military and EU civilian priorities become more salient, the potential for reinforcing transatlantic relations diminishes over time. Strategic considerations would likely trump ‘bottom-up’ cooperative activities, such as the exchange of certain information to boost space situational awareness.

In addition, such a path could also affect the dynamics across individual EU member states, as some could see themselves gravitating closer to the US position while others do not. While this in turn could strengthen some dimensions of transatlantic relations, it would be in a more piecemeal fashion and an unintended consequence might be less intra-European cohesion concerning the strategic use of outer space.

With this in mind, the next section examines the main space issues that are of concern to Europe and the US, including how they might influence transatlantic relations.

Transatlantic issues of concern in outer space

The US, the EU, and EU member states share a number of issues of concern vis-à-vis outer space activities. While individual issues may

be prioritised differently, two principal ‘baskets’ of concerns are discernible. The first relates to the weaponisation of space. For the US, the weaponisation of space puts its extensive space infrastructure at risk, requiring appropriate pro-active measures. For the EU and its member states, an arms race or the weaponisation of space complicates prospects for the

For the US, the weaponisation of space puts its extensive space infrastructure at risk.

peaceful and sustainable use of outer space over the medium- and long-term.

In recent times, the US has been particularly vocal on this issue – pointing to two Russian manoeuvres taking place over the past three years. During these ‘on-orbit’ manoeuvres, a Russian satellite ‘spawned’ a smaller satellite while in space, something that others might perceive as an offensive move.¹² Specifically, in 2017, the Russian satellite Kosmos-2519 generated a smaller sub-satellite (Kosmos-2521) which performed extensive orbital manoeuvres after its release. This sub-satellite in turn discharged another smaller sub-satellite (Kosmos-2523). This one did not perform any orbital movements after its deployment. From a US perspective, the fact that these smaller satellites can move independently means that they could theoretically target or strike other space infrastructure. In response, Russian officials argue that such manoeuvres are not offensive in nature; instead, such sub-satellites serve to facilitate the inspection of other Russian satellites.¹³

Among EU member states, only France has raised related concerns. In September 2018, French defence minister Florence Parly publicly commented on a 2017 incident in which a Russian satellite got into close proximity to a French-Italian satellite used for secure military communications – raising concerns about espionage. Given the relative proximity between the two satellites during the incident, experts described these and related manoeuvres as unsafe, not consistent with established norms, and as possibly enabling a strike at another artificial object in space in the case of conflict.¹⁴

Magnifying this challenge on both sides is limited international consensus on what defines a space weapon or the weaponisation of space.

¹² This contrasts to earth-based activities that may affect space assets such as jamming, the use of missile interceptors to target satellites, etc.

¹³ Bart Hendrickx, “Self-defense in space: protecting Russian spacecraft from ASAT attacks”, *The Space Review*, July 16, 2018, <https://www.thespacereview.com/article/3536/1>.

¹⁴ John Leicester, “‘Espionage’: French defense head charges Russia of dangerous games in space”, *Defense News*, September 7, 2018, <https://www.defensenews.com/space/2018/09/07/espionage-french-defense-head-charges-russia-of-dangerous-games-in-space/>

Magnifying this challenge on both sides is limited international consensus on what defines a space weapon or the weaponisation of space. Adding to the complexity is the growing concern over dual-use applications of space assets and the fact that there is no specific legal prohibition on the deployment, testing or use of weapons – aside from weapons of mass destruction – in outer space.¹⁵ While there are several theoretical categories of space weapons, the most controversial concern the use of space-to-space kinetic weapons (as illustrated by the Kosmos 2519 incident) as well as earth-to-space kinetic (e.g. the use of a direct ascent anti-satellite missile) and non-kinetic (jamming, cyberattack) measures.¹⁶

Fuelling the transatlantic debate over this issue is the growing number of satellites in outer space as well as their miniaturisation.

Fuelling the transatlantic debate over this issue is the growing number of satellites in outer space as well as their miniaturisation. Small-sized satellites, which are difficult to track with ground-based radar, can weigh between one and ten kilos (nanosatellites), 0.1 to 1 kilos (picosatellites), or even less than 100 grams (femtosatellites). While these small satellites have

limitations with respect to communications capacity – they may need a ‘home base’ satellite to communicate with ground stations – they nevertheless pose a physical threat to other space infrastructure in the event of a planned or accidental collision. Given travel speeds in excess of 10 kilometres per second, the destructive power of even small satellites is consequential. Estimates suggest that debris or a satellite that weighs around 1.4 kilos has the equivalent destructive power of 300 kilos of trinitrotoluene (TNT) when impacting another space object. For a structure weighing about 177 grams, the destructive power equates to that of a collision with a bus travelling at highway speeds.¹⁷

¹⁵ The 1967 Outer Space Treaty does not prohibit the militarisation and weaponisation of Earth orbits, as long as weapons of mass destruction are not deployed and the use of force is consistent with the guidelines of the UN Charter.

¹⁶ For an overview of study outlining six categories of space weapons see Todd Harrison, “International Perspectives on Space Weapons”, CSIS, May 2020, p.6, https://aerospace.csis.org/wp-content/uploads/2020/05/Harrison_IntlPerspectivesSpaceWeapons-compressed.pdf.

¹⁷ Roger Thomson, “A Space Debris Primer”, Crosslink, Fall 2015, <https://aerospace.org/sites/default/files/2019-04/Crosslink%20Fall%202015%20V16N1%20.pdf>.

A second grouping of concerns is European and US societies' increased reliance on space-based services – creating a veritable Achilles heel with respect to resilience. While many of these services, such as GPS and Galileo positioning and navigation services, are well known, many are still largely unrecognised by the wider public. This includes contributions by earth observation as well as PNT (positioning, navigation, and timing) services in industries such as agriculture, energy, banking, and research. As US and European societies depend more on space-based services, their vulnerability to an interruption – through cyber and/or kinetic means – places a greater premium on safeguarding such critical infrastructures.

The concern over the physical integrity of satellites partially explains renewed concerns over direct-ascent anti-satellite missile tests (DA-ASAT), especially in the wake of tests by Russia in April 2020 and India in March 2019. Besides projecting a capacity to target and destroy space infrastructure (in these and all other cases always one's own space infrastructure), DA-ASATs may yield large amounts of debris that can linger in orbit for a substantial number of years, especially if the impact occurs at high orbits. Looking ahead, cyber threats – to both space infrastructures and ground systems – are likely to grow, possibly becoming the most important challenge ahead not just for the US and Europe, but for the entire international community. Examples of such threats include spoofing sensor data, conducting denial-of-service attacks, or exploiting commands for guidance and control.

Two additional trends compound the risks associated with a greater dependence on space infrastructures. First, the private sector is increasing its footprint in space. This trend is still in the early phases, and it will gradually contribute to the congestion of specific orbits, especially in low-earth orbits, increasing risks of collision or the necessity to avoid debris. Second, the trend towards the fusion of space-based data (for example imagery, communications, and geolocation) may provide motivated non-state actors with information that previously was not accessible to them. While such information is unlikely to compromise US or European space assets themselves, the data alone may serve to compromise US or European societies

or security in other ways.¹⁸ A specific recent example is how fitness tracking maps could reveal military bases or installations as personnel associated with such infrastructures had their physical activities posted or registered automatically on such online maps.¹⁹

Implications for transatlantic relations

Shared EU and US outer space concerns give impetus for rejuvenating and strengthening transatlantic relations. However, a shared threat picture is not enough. While it provides opportunities for collaboration, two other ingredients are essential to promote transatlantic cooperation over the longer term: (i) a movement towards more consistent prioritisation of challenges and opportunities, and (ii) complementarity in the response measures adopted, especially if there are divergences.

Both the EU and the US have signalled the integrity of their space-based assets as a key priority to sustain and promote economic growth.

An overview of the categories examined above suggests two principal ways to enhance transatlantic cooperation in the near- and medium-term. The first hinges on enhancing the protection of outer space-based infrastructures to safeguard economic and societal services. Both the EU and the US have signalled the integrity of their space-based assets as a key priority to

sustain and promote economic growth. They have also offered complementary initiatives to achieve this, ranging from the EU's 2019 3SOS initiative (Safety, Security, and Sustainability in Outer Space) to promote sustainable space operations to the US establishment

¹⁸ For an overview of cyber challenges vis-à-vis satellite-based communications, see Beyza Unal, "Cybersecurity of NATO's Space-based Strategic Assets", Research Paper, Chatham House, July 2019, <https://www.chathamhouse.org/sites/default/files/2019-06-27-Space-Cybersecurity-2.pdf>.

¹⁹ Liz Sly, "U.S. soldiers are revealing sensitive and dangerous information by jogging", *Washington Post*, January 29, 2018, https://www.washingtonpost.com/world/a-map-showing-the-users-of-fitness-devices-lets-the-world-see-where-us-soldiers-are-and-what-they-are-doing/2018/01/28/86915662-0441-11e8-aa61-f3391373867e_story.html.

of a space command to, *inter alia*, secure critical capabilities. There is already a technical basis for such collaboration with respect to the tracking of space debris and related efforts to improve collision avoidance in outer space.

The second path is to deepen transatlantic cooperation with respect to space commerce. Given the trend of increased private sector initiatives in space, coupled with an already extensive array of space-based services that has reinforced a dependency on space for economic growth, there is strong transatlantic potential to explore how such commerce might evolve or be promoted over time – for example with respect to space traffic management and international norms and standards. An opportunity to deepen such exchanges may be facilitated should the US Department of Commerce take on a greater role with respect to space traffic management as recently recommended by the National Academy of Public Administration in an August 2020 Congressionally directed study.²⁰ A lack of transparent and sustained transatlantic exchanges in this area could instead lead to suboptimal outcomes as potentially parallel or inconsistent initiatives are put forward.

From a different vantage point, there is also potential for future friction concerning EU and US transatlantic collaboration in outer space. This could result from diverging views on what contributes to the possible weaponisation of outer space. While this is unlikely to be perceptible at the EU level, such divergences may appear across individual EU member states. For example, there may be evolving views on the utility of space forces, especially if there are perceptions that they may contribute to a space arms race.

On the other hand, such divergences may also strengthen US links with certain individual EU member states. This applies in particular to EU member states such as France or Italy who are exploring self-defence measures or new ways to protect assets in space.²¹ France, for instance, renamed its air force as the ‘Armée de l’Air et de

²⁰ National Academy of Public Administration, “Space Traffic Management”, August 2020, https://www.napawash.org/uploads/NAPA_OSC_Final_Report.pdf.

²¹ For more information on Italy’s space policy, see “National security strategy for space”, Presidency of the Council of Ministers, July 18, 2019, http://presidenza.governo.it/AmministrazioneTrasparente/Organizzazione/ArticolazioneUffici/UfficiDirettaPresidente/UfficiDiretta_CONTE/COMINT/NationalSecurityStrategySpace.pdf.

l'Espace' (Air and Space Force) and is currently evaluating ways to bolster its freedom of action and decision in outer space. One of the four functions underpinning the military space doctrine is active defence.²² This includes the potential arming of future generations of satellites with lasers for the purpose of self-defence.²³ As noted earlier, the possible movement towards such defensive measures could lead to reactions by others, as the line between defensive and offensive space operations is already perceived to be razor thin. Other collaborative efforts are visible in the High North, where the US has a timeshare agreement with Norway to access its satellite capacity and is negotiating a similar arrangement with Denmark. These efforts are consistent with the US Air Force's Arctic Strategy released in July 2020.²⁴ As of September 2020, the Space Force established a new Chief Partnership Office to further develop operational capabilities with allies.²⁵

A final element likely to impact transatlantic cooperation in outer space relates to the EU's search for European strategic sovereignty.

A certain degree of reinforcement also occurs via NATO, where member states on both sides of the Atlantic have an important platform to discuss and develop space-related activities. At present, NATO is investing in excess of €1 billion to procure satellite communications services until 2034. This expenditure represents NATO's largest ever investment in satellite communications.²⁶ In June 2019, NATO Allies adopted

NATO's Space Policy and at the December 2019 Leaders' Meeting in London recognised space as a new operational domain.

²² The three other pillars are space service support, situational awareness, and operations support. See: French Ministry of the Armed Forces, *Space Defence Strategy*, Report of the Space Working Group, 2019.

²³ Guerric Poncet, "Espace : la France va armer ses prochains satellites militaires, *Le Point*, July 25, 2019, https://www.lepoint.fr/societe/espace-la-france-va-armer-ses-prochains-satellites-militaires-25-07-2019-2326872_23.php.

²⁴ <https://www.atlanticcouncil.org/event/north-star-the-first-department-of-the-air-force-arctic-strategy/>

²⁵ Mandy Mayfield, "ASC NEWS: Space Force Establishing New Office to Bolster International Partnerships", *National Defense*, September 16, 2020, <https://www.nationaldefensemagazine.org/articles/2020/9/16/space-force-establishing-office-to-bolster-international-partnerships>.

²⁶ NATO, "NATO's approach to space", April 27, 2020, https://www.nato.int/cps/en/natohq/topics_175419.htm?

Over the longer-term, a final element likely to impact transatlantic cooperation in outer space relates to the EU's search for European strategic sovereignty. While the conceptualisation is still an ongoing process, two key characteristics are worth noting. First, by enhancing its sovereignty, the EU and its member states will strengthen their capacity to engage and contribute internationally towards the resolution of international challenges. Besides strengthening the EU and member states' capacity to take on international responsibility if the Union so decides, it also allows it to channel such capacity through international organisations such as NATO. Second, the path towards higher degrees of sovereignty will span several areas across the political and economic sphere. This includes space policy, where EU member states will need to ponder how their space policies could collectively provide more opportunities for independent action in space, comprising those with a defence dimension. An example is the Permanent Structured Cooperation (PESCO) project European Military Space Surveillance Network engaging Italy, France, and Germany. Looking forward, such reflection would also consider options for concerted efforts with likeminded partners such as the US. Lastly, as some EU defence initiatives increasingly digitise over time, the dependency of European armed forces on satellite-based services will increase for a number of mission-critical functions. This could in time shift the balance in EU civilian and defence/military interests in outer space.

Policy considerations for deepened transatlantic cooperation in space

A largely shared vision for outer space facilitates EU and US cooperation in space. However, the presence of certain divergences regarding the paths to those goals, combined with intra-European variance with respect to space activity and policy, places an emphasis on promoting 'bottom-up' cooperation.

Such cooperation is already ongoing, especially in the areas of space situational awareness, space surveillance and tracking, and space traffic management. With this in mind, there is room for progress along the margins. The following are two illustrations for further transatlantic space cooperation:

1. *Boosting the complementarity of US and European space situational awareness and space surveillance and tracking, enabling a move towards a transatlantic SSA system:* While the US has a more mature SSA system, in particular through its Space Fence programme declared operational in March 2020, much of its data is behind a ‘military firewall’, limiting the accessibility of data. On the European side, capabilities diverge across member states while there are overall limitations in sensor coverage, resolution (which is lower than that of US counterparts), and less analytical experience.²⁷ Another area that still is underdeveloped is joint analysis to detect and attribute unfriendly or potentially hostile acts. As a result, there are opportunities to further gauge via ongoing EU-US space dialogues how both sides can work to boost their respective SSA contributions – especially concerning smaller-sized objects. Such efforts would simultaneously contribute towards a truly global space surveillance network while enhancing space traffic management.
2. *Promoting collision avoidance procedures with a focus at the international level:* With an estimated 128 million objects in outer space measuring over 1 millimetre to 1 centimetre (and almost 1 million objects between 1–10 centimetres), there is a need for accurate space traffic management that limits risks of collisions and protects space infrastructures.²⁸ Both the US, currently through its June 2018 Space Policy Directive 3, and the EU (for

²⁷ Alexandra Stickings, “The Future of EU–US Cooperation in Space Traffic Management and Space Situational Awareness”, Chatham House Research Paper, August 2019.

²⁸ The European Space Agency (ESA), “Space debris by the numbers”, https://www.esa.int/Safety_Security/Space_Debris/Space_debris_by_the_numbers.

example via its Space Surveillance and Tracking Support Framework/SST Consortium) engage proactively in space traffic management efforts. Both are also active contributors within the Committee on the Peaceful Uses of Outer Space (COPUOS). Looking ahead, additional value-added might be provided by clarifying and formulating practical guidelines on how close satellites should be able to get to each other. Continued effort to widen these discussions internationally, and engaging countries such as Russia, China and India, is essential. There is also opportunity to keep exploring how developments in areas such as artificial intelligence and quantum computing may contribute to fewer risks of collisions. An example of progress in this area is the European Space Agency's efforts to design an automatic collision avoidance system. Since late 2019, it is developing a system that will automatically assess the risk and likelihood of in-space collisions and improve decision-making concerning the need for manoeuvres.

CHAPTER 11

Futureproofing transatlantic relations

The case for stronger
technology cooperation

ZOE STANLEY-LOCKMAN

Introduction

Technological development has long been an important determinant of international cooperation and competition. Recent advancements in many technology areas – foremost among them artificial intelligence and machine learning (AI/ML), robotics, and biotechnology – have accelerated societal transformation and have also had a profound effect on geopolitics. Conceptions of state power are evolving to increasingly embrace technological development not merely as necessary to economic or military might, but also as an instrument of ideological influence. This techno-nationalism manifests differently across societies – including in nuanced differences between Europe and the United States.

As a general-purpose technology, the strategic implications of AI/ML are as far-reaching and ubiquitous as was the impact of steam engines or electricity on societies and warfare. Instead of enumerating the potential applications of data-driven technologies, this chapter assumes that the numerous ways that future technologies shape societies, militaries, economies, and humanity itself will increase and gather pace – in all likelihood faster than agile governance mechanisms can manage technology. That is not to say that governance efforts are futile, but rather that attempts at shaping the trajectory of technology-enabled changes to society are more effective when created and enforced in coordination.

Technology governance can benefit from stronger transatlantic cooperation because of the combined normative, economic, military, and geopolitical strengths of the US and European polities. Facing a systemic competitor in China, destabilising adversaries including Russia, and internal tensions in the transatlantic alliance, cooperation cannot rest on the laurels of outdated views of the world. In line with a new strategic environment and the return of near-peer competition, transatlantic cooperation must, too, adapt to the current pace of technological advancement.

In the years ahead, technology cooperation should break from the technological coercion that the Trump administration has put on display, most prominently in the fifth-generation (5G) network supplier debacle. Diplomatic, scientific and military levers can aim at more proactive cooperation and innovation. Bolstering alternatives will result in more goodwill and more sustainable competitiveness. The overarching goal of transatlantic technology cooperation should not be playing a game of protectionist defence, but rather going on the offensive to extend the margins of a competitive advantage. Instead of seeking short-term wins to contain or constrain systemic competitors, transatlantic technology cooperation can create a strategic edge by playing to two strengths: leveraging alliances and embedding democratic values in technology.

Prior to making specific recommendations for transatlantic technology cooperation, this chapter reviews the groundwork for a more strategic approach, in addition to the nuanced challenges made clear in the differing approaches to digital regulation. With these

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differences in mind, the remainder of this chapter makes the case for stronger cooperation in three areas: creating consensus on strategic technology protection through new incentives for responsible innovation; transatlanticising AI robustness initiatives with a focus on trust and safety; and extending defence cooperation mechanisms to modern capability development requirements. Together, these mutually reinforcing areas of cooperation offer new prospects for rejuvenating transatlantic relations, both on their own and as a pillar in a broader technology coalition of like-minded states.

The challenges of transatlantic technology interplay

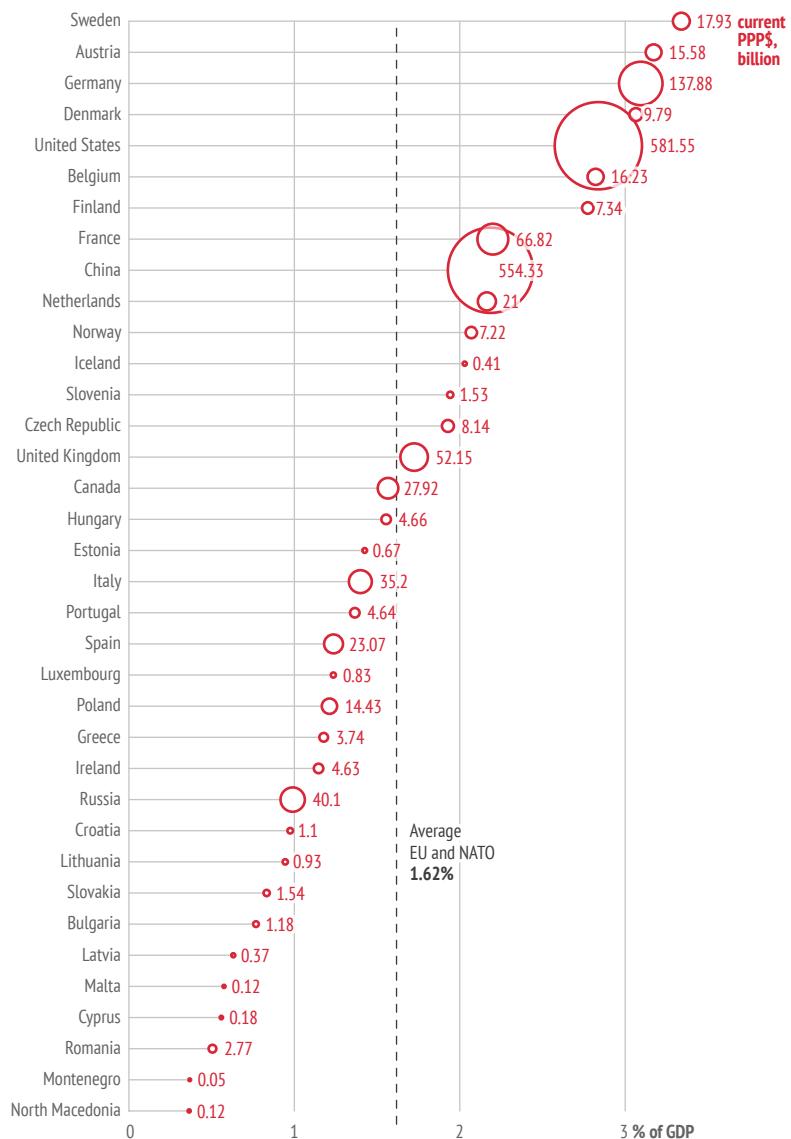
Bean-counting science and technology (S&T) indicators makes co-operation between like-minded partners and allies look attractive as a counterweight to near-peer competitors, namely China. As illustrated in Figure 1, Europe and the US account for significant portions of global research and development (R&D) expenditures, scientific publications, and talent. As a general-purpose technology, AI is among the most pressing areas of technology cooperation. While China has a more robust AI ecosystem than Europe, it is notable that the aggregate of the European Economic Area and Switzerland is only second to the US in AI research and conference publications. International collaboration on scientific publications and transatlantic ties in the AI workforce highlight existing ties between the democratic polities, even if there are clear market imbalances in favour of the US. Nevertheless, as explored below, these figures offer a foundation for increased exchanges, shared access to costly facilities, and responsible innovation.

That said, a more nuanced look at the trajectories of technology development reveals that, for political and structural reasons, the aggregation of these figures cannot alone be relied upon to increase political will for transatlantic technology cooperation. In both civilian and defence realms, market imbalances impose structural impediments to greater cooperation.

FIGURE 1 | What transatlantic basis for increased scientific cooperation in a techno-nationalist world?

2018 Gross Domestic Expenditure on R&D

Together, the 36 countries in NATO or the EU spend a collective US\$1.07 trillion on research and development (R&D) – representing nearly twice as much as China, and just under half of global R&D expenditures.



Data: UNESCO Institute for Statistics – Science, technology and innovation, 2020

A brief overview of the US and European technology governance disparities makes clear that civilian technology policy is not conducive to near-term transatlantic cooperation. Broadly speaking, civilian technology regulation and governance revolve largely around three policy areas: competition, privacy, and discrimination. Each involves questions of harm. Unfair competition can harm consumers, just as data collection can violate human rights, or bias in technology can induce unfair treatment for consumers and non-consumers alike. While EU policy treats these as interlinked forms of harm with a firm basis in values and rights, indications regarding the future trajectory of US regulation suggest that the three axes – and three forms of harm – are less likely to intersect.

These differences can be explained, at least in part, by the fact that the EU and US do not share mutual starting points for technology governance. While the EU is establishing and leveraging a more bullish stance on normative power, US industrial might has so far restrained the government's will and ability to translate 'techlash' into regulation.¹ Insofar as US technology policy covers rights, the two predominant themes revolve around freedom: freedom of speech and fair and free elections. Burgeoning antitrust discussions seek to litigate questions of consumer harm beyond a purely monetary paradigm, but with less audacious leadership than seen in the European Commission.

The Trump administration has sought to decouple key segments of digital supply chains from China.

External-facing aspects, too, reveal a transatlantic gulf. While the EU has focused its attention on digital regulation and policy primarily affecting its own populace, the technology protection measures seen in US technology policy have stemmed from geostrategic concerns *vis-à-vis* China. The Trump administration has sought to decouple key segments of digital supply chains from China, particularly

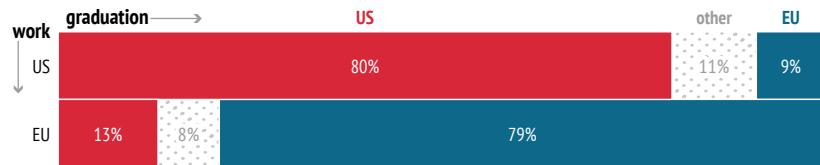
¹ Robert D. Atkinson et. al., "A Policymaker's Guide to the 'Techlash'—What It Is and Why It's a Threat to Growth and Progress," *Information Technology & Innovation Foundation*, October 28, 2019, <https://itif.org/publications/2019/10/28/policymakers-guide-techlash>.

FIGURE 2 | Where do European students working in AI end up?

Location of graduation and work

80% of the US and European workforces come from graduate schools in the same location.

Of the remainder, 12.7% of EU-based researchers came from US graduate schools, and 8.86% of US-based researchers came from EU graduate schools. But below this level, the imbalances become clear: 19% of European undergraduate students go to the US for graduate school, and one in every four European AI researchers who began undergraduate studies in Europe ends up working in the US. In comparison, less than 1% of US undergraduates end up working in Europe.



Data: macropolo.org, 2020

through unilateral export controls and executive actions.² The multi-lateral prongs of US decoupling tactics include threatening to restrict access to key infrastructure to partners and allies, as most recently demonstrated in the State Department's 'Clean Network' approach to safeguarding technology from the Chinese Communist Party. While geopolitical regulations such as investment screening mechanisms evince transatlantic agreement, diplomatic efforts to limit the use of Chinese suppliers in European 5G networks has put more divergence on display.

It is also worth noting that multilateral and extraterritorial elements of technology regulation also look beyond the transatlantic democracies. Technology coalition-building is more global in scope, encompassing a range of like-minded countries. The budding US interest in creating more of a common market to capitalise on the aggregate S&T strengths tends more towards the Five Eyes

² This includes congressional action, namely the Foreign Investment Risk Review Modernization Act (FIRRMA) and Export Control Reform Act (ECRA), both of which contain elements of extraterritorial jurisdiction.

FIGURE 3 | With which countries do EU-based researchers collaborate the most on AI research?

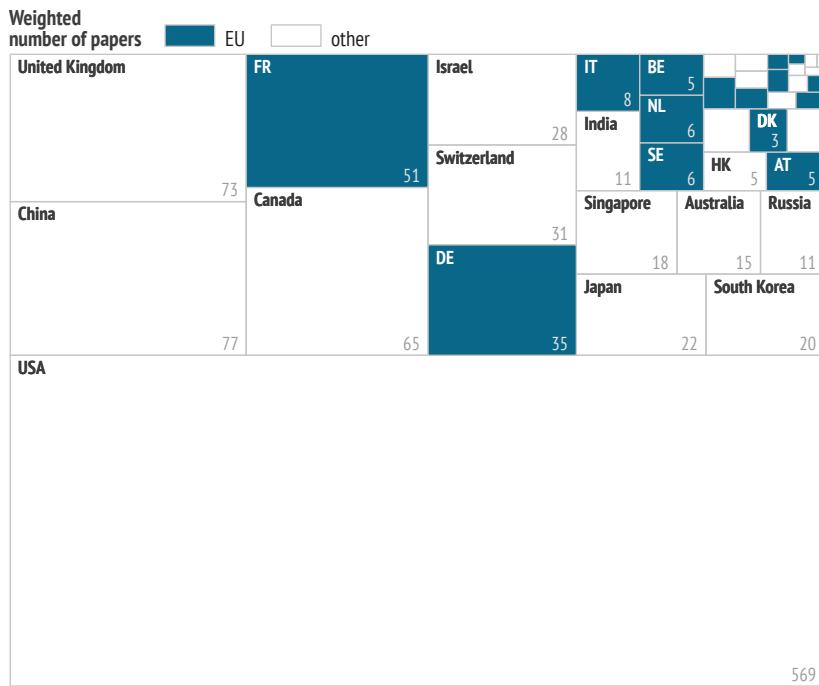
Number of accepted papers at the 2020 International Conference on Machine Learning (ICML) in July 2020, by location of authors

At the most recent International Conference on Machine Learning (ICML) in July 2020, EU contributions to AI research are only second to the United States. While the US still dominates AI research with more than half of all publications, EU member states publish more in aggregate than any other country, with 12% of papers written by EU-based authors, in comparison to just 7% written in China.

Papers with European (co-)authorship	from just one EU member state	from intra-EU researchers	from EU + US researchers	from EU + rest of world	from EU + other European countries (CH/UK/NO)	from EU + Canada
	49	42	45	17	28	8

Note: some papers had authors from three or more locations.

When weighted, nine of the top 25 countries are EU member states. Unweighted, EU researchers contributed to a total of 170 papers – 49 of which are the product of research in only one EU member state, 45 the result of EU-US collaboration, and 42 the result of intra-EU collaboration.



Data: Author's calculations based on CSAIL, 2020

intelligence-sharing alliance³ and Northeast Asian allies and partners to create an economic or technological counterweight to China. At the same time, the EU achieves this more effectively internally. As such, new technology cooperation initiatives should consider the transatlantic pillar to be one mainstay in a broader nexus of multinational collaboration.

The macro-level differences reinforce the need to identify specific chokepoints for transatlantic technology cooperation that acknowledge differences in inward- and external-facing political drivers, without falling prey to them. The strategic imperative to cooperate cannot merely be inspired by the negative agenda of depriving systemic competitors and adversaries of opportunities, but must instead reinforce the affirmative advantages of sustainable, democratic competitiveness.

Incentivising cooperative responsible innovation

Technology protection policies – particularly export controls and investment screening mechanisms – are most effective when installed not only multilaterally, but also strategically. The basis for stronger transatlantic technology cooperation should be rooted in proactive innovation measures that champion a positive vision of democratic technology development and use. Embedding democratic values in technology is not only important to reinforce values for domestic populations, but also to more effectively curb illiberal uses of technology in ways that undermine human rights, the rule of law, and beneficence of technology.

Research on the relationship between social norms and enforcement shows that heavy-handed legal approaches that run against the grain of a social norm tend to backfire; however, incremental

³ The Five Eyes intelligence-sharing alliance is comprised of Australia, Canada, New Zealand, the United Kingdom and the United States.

mechanisms are more successful at shaping norms over the long term.⁴ As such, incentivising responsible innovation should build on the existing culture of data-driven technology and software communities, who believe in open-source collaboration. If technology governance is overloaded with protection, then it will go against the grain of this norm. More successful technology cooperation strategies should focus on creating new economic opportunities between like-minded countries, thereby creating alternatives to doing business with systemic competitors if protection of select, sensitive technologies becomes necessary.

Rather than seeing export controls as a tool to constrain or punish undesirable technology transfers, the US and Europe could broaden licence exemptions to reward good behaviour. Good behaviour could relate to norms, benchmarks, and standards that reinforce safe and ethical uses of technology, building on the respective normative and industrial strengths of the EU and US. Stronger transatlantic coordination could also include dialogues and shared databases to facilitate technology monitoring and better understand when targeting technological chokepoints will successfully restrain access to technology.

A ligning transatlantic views on standards – including for AI safety – is a necessary counterweight to maintain democratic strength.

Relatedly, standardisation is becoming an urgent faultline in strategic competition. Given the expected release of *China Standards 2035* this year, China is declaring a strategic approach to standardisation that builds on previous industrial strategies – including the Belt and Road Initiative (BRI), Strategic Emerging Industries Initiative, and Made in China 2025⁵ – to asymmetrically shape rules of exchange and future

innovation ‘complementaries’.⁶ China chairs 30 different committees at the International Organisation for Standardisation, and also sends representatives with a coherent official Chinese view, relative

4 Daron Acemoglu and Matthew O Jackson, “Social Norms and the Enforcement of Laws,” *Journal of the European Economic Association* 15/2, April 2017, pp. 245–95.

5 Emily de la Bruyère and Nathan Picarsic, “China Standards 2035: Beijing’s Platform Geopolitics and ‘Standardization Work in 2020,’” *Horizon Advisory*, April 2020.

6 Timothy F. Bresnahan and Manuel Trajtenberg, “General-Purpose Technologies: ‘Engines of Growth?’”, *NBER Working Paper* no. 4148, August 1992.

to Western private-sector representatives whose views do not necessarily represent those of their governments.⁷ Standardisation is important not only for quality control, but also to command a first-mover industrial advantage. Aligning transatlantic views on standards – including for AI safety – is a necessary counterweight to maintain democratic strength.

Towards a ‘democratic’ way of AI

Like-minded states can embed democratic values into technology by treating systems, particularly AI, as inherently socio-technical. As foretold in EU policy, this has come to mean considering societal risks first, and underpinning those priorities with technical enforcement measures.⁸ In practice, the US focuses more on baking the technical layer into systems to increase robustness, with a more *ad-hoc* approach to managing the societal risks implicit in scaling technology.⁹ Regardless of these differences, transatlantic AI robustness initiatives could include joint R&D and common infrastructural solutions.

Joint R&D focusing could be implemented in two ways: via funding mechanisms and challenges, and via agreed-upon, coordinated priorities. While collaborative investment is higher-cost, higher-reward, the act of coordinating investment priorities is lower-hanging fruit that could help set the groundwork for future standards. In particular, joint R&D initiatives could focus on building AI ‘safety belts’ and

**AI safety is
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area for increased
transatlantic
cooperation because
much of the AI safety
subcommunity is
concentrated in North
America and Europe.**

⁷ Paul Beckley, “Revitalizing NATO’s once robust standardization programme,” *NDC Policy Brief* no. 14, NATO Defence College, July 2020.

⁸ Virginia Dignum, Catelijne Muller and Andreas Theodorou, “First Analysis of the EU Whitepaper on AI,” ALLAI, 2020, <https://allai.nl/first-analysis-of-the-eu-whitepaper-on-ai/>

⁹ Eric Schmidt, Robert O. Work, et. al., “Second Quarter Recommendations,” National Security Commission on Artificial Intelligence, June 2020, p. 129.

supporting promising machine learning techniques that coalesce with democratic values and policy priorities.

AI safety is a natural area for increased transatlantic cooperation because much of the AI safety subcommunity is concentrated in North America and Europe.¹⁰ Building AI safety belts requires updating existing frameworks of validation and verification (V&V), which are the processes to ensure that the *right systems* are built for specific purposes, and that those systems are built the *right way*. One technical challenge to V&V is that machines evolve and perform differently in unfamiliar contexts, so verifying how a system performs in a known environment may not hold true in an unfamiliar context. Joint R&D for machine learning-enabled updates to V&V processes could help create quality assessment tools, which are crucial when there are no precedents against which new AI systems can be benchmarked.

Creating incentives for democratic AI development and use can help counter digital authoritarianism and high-tech illiberalism.

To that end, embedding values into benchmarks could also consider how AI systems abide by democratic principles and slot into societies. True to the nascent, bullish European approach to AI policy, updating V&V could also mean inserting values into requirements. For instance, trustworthy AI includes having documented, auditable paper trails for monitoring.

Typical requirements for this may include how realistic testing conditions are. To reinforce responsible innovation, requirements could also include documentation that attests to techno-democratic requirements included in the design of a system.

Making this a precondition to disburse joint R&D or access to facilities could shape a socio-technical vision for a democratic way of AI. Regardless of the different civilian technology policy trajectories above, creating incentives for democratic AI development and use can help counter digital authoritarianism and high-tech illiberalism.¹¹ Securing transatlantic buy-in may require deriving this

10 Miles Brundage et. al., “Toward Trustworthy AI Development: Mechanisms for Supporting Verifiable Claims, *arXiv*, April 2020, <https://arxiv.org/abs/2004.07213>.

11 Alina Polyakova and Chris Meserole, “Exporting digital authoritarianism: The Russian and Chinese models,” *Brookings Institution*, August 2019. <https://www.brookings.edu/research/exporting-digital-authoritarianism/>

language from the OECD Principles on AI, rather than the European Commission-supported process. Regardless of this procedural matter, transatlantic interests overlap in coming up with new, value-derived requirements and supporting the development of performance assessment tools applicable over the AI lifecycle.

The EU is more likely to look inward to regulate ‘high-risk’ applications of AI. The transatlantic dimension could therefore focus on shaping norms beyond purely safety-critical or high-risk research areas. In addition to requiring this for safety-intensive applications of AI, such as autonomous navigation, government-driven solutions can incentivise more iterative testing earlier in the development pipeline for the AI community, including for the design of systems that may induce non-bodily harm.

Offering government-supported incentives is critical to shaping norms and earlier testing because these ideas do mean AI development will be more expensive and more onerous. Making AI systems more trustworthy and robust implies higher resource allocation because it is more expensive to incorporate testing and other technical measures early into the design process of systems. New incentives for compliance with voluntary standards could include access to expensive resources. Talent exchanges and pooling of data and computational resources – more likely through sponsorship than the creation of expensive, dedicated facilities – could also help emancipate promising AI research and incentivise the development of responsible AI aligned with democratic values. Such transatlantic mechanisms can create new incentive structures for industry and academia to comply with voluntary standards.

Common infrastructure can also be used for testing and evaluation (T&E) in diverse environments. In particular, focusing on transfer learning and other support for academic results working ‘in the wild,’ outside of structured settings like laboratories or warehouses. Access to common infrastructure could be a reward for voluntary compliance with assessment criteria that follow trustworthy AI principles. Such sponsorship could open opportunities to train models using infrastructure in the US, therein assuring trustworthy AI by predominantly European standards, while also granting access to the broader ecosystem from which US-based facilities benefit.

In addition to contributing to robustness, successful endeavours could bring about two longer-term upsides. First, the data generated

from joint V&V would come from diverse sources, and could ultimately be used to detect anomalies in future AI systems.¹² Second, these advancements could culminate in updated or new standards suited for AI.¹³ While socio-technical standards are difficult to achieve, they are not without precedent: IEEE 7010–2020, which assesses how intelligent systems impact ‘human well-being’, could offer a model for techno-democratic quality control.¹⁴

In a strategically important area such as AI/ML, joint investments should also be targeted enough to culminate in mutually beneficial results, while acknowledging that the field is likely to remain competitive. Areas of mutual interest are leaner AI systems that use less compute and privacy-reinforcing techniques built on different data usage models. Collaborative R&D could be channelled into co-developing future AI systems that are less dependent on data transfers. In particular, federated learning may be a useful area for more basic research because the technique allows models to train without transferring data off devices.¹⁵ Other areas for transatlantic basic research collaboration could include homomorphic encryption or improved anonymisation techniques or techniques like few-shot learning that require less data overall. While current machine learning techniques remain dependent on large datasets, transatlantic governments can consider using synthetic data that mimics the structure of sensitive data to enhance interoperability without compromising security. Investments in these areas would enable transatlantic advancement in machine learning, while respecting the differences in privacy debates and regulations between the EU and the US.

¹² Ibid, p. 22.

¹³ “1012–2016 – IEEE Standard for System, Software, and Hardware Verification and Validation”, <https://ieeexplore.ieee.org/document/8055462>.

¹⁴ Daniel Schiff et. al., “IEEE 7010: A New Standard for Assessing the Well-being Implications of Artificial Intelligence,” *arXiv*, May 7, 2020, <https://arxiv.org/pdf/2005.06620.pdf>.

¹⁵ Ronan Hamon, Henrik Junklewitz, and Ignacio Sanchez, “Robustness and Explainability of Artificial Intelligence,” European Commission Joint Research Centre, 2020, pp. 20–1, https://publications.jrc.ec.europa.eu/repository/bitstream/JRC119336/dpad_report.pdf.

Modernising defence cooperation for the digital age

On both sides of the Atlantic, defence innovation ecosystems are slowly moving to incorporate more commercially oriented companies and non-traditional service providers into the fold of national security procurement and talent pipelines. Transatlantic technology cooperation can help streamline this process, building on the range of existing agreements, programmes, and exchanges. Modernising the cooperative dimensions of the innovation ecosystem involves updating existing bilateral agreements currently focusing on traditional military capabilities, as well as internationalising funding and exchange mechanisms currently limited to domestic commercial technology adoption. Transatlantic technology cooperation, including through NATO and minilateral arrangements with the UK, will be necessary to ‘futureproof’ coalition operations.

Today, a host of agreements, which focus on defence technology cooperation with the principal aim of fortifying interoperability, are in need of updating to ensure partners and allies adopt technology and commercially-driven processes at similar speeds. NATO Standardization Agreements (STANAGS) and bilateral defence agreements help fortify interoperability between US and European militaries by facilitating co-development and acquisition between transatlantic partners. Multilateralising agreements – including those in Table 1 – between the US and EU member states could help coordinate on R&D priorities and facilitate technology transfers.

TABLE 1 | Defence technology cooperation agreements

Key international agreements between the US Department of Defense and EU member state ministries of defence

DoD international agreement	Definition/applicability to transatlantic cooperation	Existing agreements with EU MS
Reciprocal Defence Procurement and Acquisition Memoranda of Understanding (RDP MoU)	Aim to improve interoperability and strengthen NATO, and facilitate cooperative R&D, coproduction, and cooperative logistics support. Also includes the option to draw up subordinate Data Exchange Annexes (DEAs) to facilitate the exchange of classified R&D information in specified technology areas	Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Italy, Latvia, Luxembourg, the Netherlands, Poland, Portugal, Slovenia, Spain, and Sweden ¹⁶
Reciprocal Government Quality Assurance agreements	Lower-level version of RDP MoU	Finland, Poland, Romania, Slovakia ¹⁷
Security of Supply arrangements	Allow priority support between partners and allies for timely acquisition of defence goods and services	Finland, Italy, Netherlands, Spain, Sweden
International Testing and Evaluation (T&E) agreements	Enable projects to be tested in different environments and facilities; share T&E technologies, data, and costs; and standardise testing procedures. Also includes Cooperative T&E project arrangements for equitable sharing, Reciprocal Use of Test Facilities project arrangements to pay other countries for use of facilities, Equipment and Material Transfer arrangements to loan test equipment and tools, and working groups to exchange data and analysis	Denmark, Finland, France, Germany, Italy, the Netherlands, and Sweden; Ongoing negotiations for a multilateral version – the “Trans-Atlantic Multinational Test and Evaluation Program” – between US, France, Germany, Italy and the UK ¹⁸
Defence Trade Cooperation treaties	Permit significant ITAR export-control exceptions – but currently only signed with Australia and UK (Canada has equivalent). Recently also extend to definitions of US “National Technical Industrial Base” in the National Defense Authorization Act for better exploitation of commercial and dual-use technologies	N/A

¹⁶ PDFs available: https://www.acq.osd.mil/dpap/cpic/ic/reciprocal_procurement_memoranda_of_understanding.html

¹⁷ NB: for Finland and Poland, not clear if RDP MoU replaces QA agreement.

¹⁸ The UK is included here as at the time of writing the withdrawal process is ongoing.

Funding mechanisms such as the US Foreign Competitive Testing (FCT) Programme complement the international T&E agreements by removing barriers to technology transfer and cooperation between allies. However, these agreements were written with traditional military acquisition in mind, where development and deployment are the natural end of an industrial model of innovation. Next-generation interoperability would benefit from more ‘agile’ processes that treat T&E and upgrades as iterative and ongoing, rather than a task to complete before moving onto the next stage of acquisition.

New interoperability-driven initiatives like the US Allied Prototype Initiative (API) are specifically for testing of autonomous systems or military AI models. API or IT&E-style funding could allow partners and allies to jointly adapt test facilities to “represent the massively complex, open, unpredictable, and adversarial environments autonomous platforms will be operating in.”¹⁹ Another attractive area of cooperation is using testing to create more systematic approaches to combating adversarial AI and other failure modes. Pooling resources for testing ranges would maximise the chances to test new capabilities prior to deploying them and encourage a level of interoperability if used in multinational exercises and simulations.

Similar recommendations can also apply to the NATO T&E architecture which dates back to the early 1960s and negotiations for new STANAGS. Ideally, funding mechanisms from European countries could be pooled with US FCT contributions in a testing fund. Collaborative T&E also offers political benefits: while allies have varied levels of expertise in software development and AI/ML, a more iterative T&E arrangement creates new opportunities for smaller countries to contribute to and reconceptualise burden sharing.

Internationalising R&D also means disincentivising ‘designing-out’ of export-controlled systems. At present, only Australia and the UK benefit from bilateral Defence Trade Cooperation treaties with the US, which lessen the burden of select export controls and set the groundwork to integrate their commercial technologies into the

¹⁹ Rand Waltzman et. al., “Maintaining the Competitive Advantage in Artificial Intelligence and Machine Learning,” RAND Corporation, 2020, p. 26.

TABLE 2 | Military S&T personnel exchange opportunities

US Department of Defense scientific exchange programmes
with partner militaries and on foreign bases

Military service-level scientific exchanges	
London HQ of US military service S&T centres	US Navy & Marine Corps – Office of Naval Research (ONR) Global US Air Force – Air Force Office of Scientific Research (AFOSR) European Office of Research & Development (EOARD) US Army – International Technology Center-Atlantic (USAITCA)
Engineer and Scientist Exchange Programs (ESEPs)	Service-level scientific exchange programmes to foster military research network. EU MS with ESEP agreements are: Czech Republic, France, Germany, Italy, the Netherlands, Poland, and Spain
Office of Naval Research (ONR) Global	In addition to main office in London: Prague Regional S&T Engagement Office serves: Austria, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Slovakia – among others Science Advisor located in Naples
Army Concept Capabilities and Development Center (CCDC)-Atlantic	In addition to EOARD: CCDC-Atlantic focuses on fielding technology for EUCOM and AFRICOM, and also has technology scouts connecting international S&T base with US Army customers located in UK, France, and Germany (with regional portfolios). Runs Army ESEP as well as Foreign Technology & Science Assessment Support, and Foreign Comparative Testing initiatives
Air Force Research Laboratory (AFRL) AFWERX spark cells	AFRL tied to AFOSR efforts for Air Force. Newer organisation focusing on Air Force innovation, AFWERX, has 'spark cells' on foreign bases to promote entrepreneurship among airmen. Thus far, none in EU, but one spark cell called 'Liberty Spark' at RAF Lakenheath station in England
Other relevant elements	
Trilateral Strategic Steering Group	US-UK-FR Air Force exchange programme working together on strategic implications of emerging technologies
Joint Artificial Intelligence Center (JAIC)	AI outfit under the auspices of the Office of the Secretary of Defense that includes an MoU with the Singaporean Defence Science and Technology Agency, as well as one secondment of Dutch representative
Defense Innovation Unit (DIU)	Commercial technology-oriented outfit under the auspices of the Office of the Secretary of Defense that currently includes one UK representative
Tour With Industry/Training With Industry programmes	Service-level programmes to embed active-duty US military personnel in the private sector – recently including technology firms such as Amazon and Microsoft (previously Google as well); not international, but work with multinational corporations could provide basis for international expansion

definition of the US national technical industrial base.²⁰ European allies could seek to replicate this format to reinforce interoperability. Furthermore, in line with the more iterative testing described above, this would mean using military levers to reinforce trustworthy AI in line with democratic values.

More than their civilian government counterparts, militaries offer frameworks for talent exchanges that can help not only R&D, but technology adoption for pressing national security issues. Each of the US military departments offers scientific exchanges to increase international cooperation, as well as active-duty ‘secondments’ to technology firms. Current exchanges targeting emerging technologies – including those in Table 2 and other exchanges like the Dutch representative currently embedded in the US Joint Artificial Intelligence Center – are *ad hoc*. These form the basis for a more coordinated approach to scientific exchanges with three groups: (i) non-military national security outfits, including diplomats; (ii) new groups specifically targeting emerging technologies; and (iii) non-traditional defence suppliers. If countries individually select to create their own Digital Corps, incorporating these elements in a more strategic fashion would ensure that leveraging partnerships is part of the design from the outset.

Building on the incentives for responsible innovation and specific initiatives to enhance a democratic way of AI, the updating of military agreements and exchanges offer fruitful paths toward trustworthy and safe technology development and deployment.

Conclusion

The areas of transatlantic technology cooperation described here – broadly on incentivising responsible innovation, specifically on AI safety initiatives, and across the board on defence technology – are fundamentally interrelated. NATO STANAGs can play a greater role in defining the standards of technology undergirding twenty-first

²⁰ Section 871 of the National Defense Authorization Act for Fiscal Year 2017, the language of which also extends to Canada.

century development, just as civilian R&D incentives can benefit governments dealing with national security implications of AI/ML. Second, the cost of not cooperating is to leave the future for external forces to determine. When the stakes are already so high, inaction equates to opening a vacuum on the trajectory of societal transformation and military readiness.

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If transatlantic democratic approaches to technology governance fail to converge, then their associated values will be easier to undermine – be it under the weight of ‘surveillance capitalism’ or high-tech illiberalism. Rather than splintering, the groundwork for stronger transatlantic

technology cooperation should be seen as a crucial component of democratic governance on the global stage, reinforcing both security and multilateralism. Particularly given the strengths in US and European AI talent, technology and publications, a consolidated transatlantic backbone is crucial to a broader and much-needed AI cooperation with other democracies in Asia-Pacific and around the globe.

A degree of digital decoupling seems entrenched in the US agenda regardless of the outcome of the 2020 election; however, a Biden administration is more likely to approach decoupling with the viewpoint that fortresses cannot confer an advantage to a single state. Extending partnerships and deep cooperation with like-minded countries is one of the main levers that the US, Europe, and other democracies around the globe have over two adversarial powers – Russia and China – whose strategic cultures do not include the benefit of alliances. To this end, cooperation is a tool that can extend the margins of a competitive edge before divergences between democracies are irreversibly set in stone.

This means that proactively shaping the technological agenda with new incentives for responsible innovation and an agile approach to strategic competitiveness is urgent. Protectionist measures will not alone negate these advantages, nor will they push innovation forward. With this in mind, differing US and EU perspectives should not preclude cooperation, but instead be understood as the starting point for select areas of deep cooperation, amid a broader context of competition.

CHAPTER 12

Beyond (dis-) information contagion

Democratic resilience and the future of transatlantic relations

CORINA REBEGEA

Introduction

Western liberal democratic ideals and institutions – as well as the dominance that the Western liberal narrative has enjoyed since the fall of the Iron Curtain – are being challenged by geopolitical competitors and by domestic political forces alike. Hostile foreign powers, primarily Russia and China, are weaponising the democratic system and exploiting existing tensions inside the transatlantic community.

Russia and China are competing with the West by assiduously seeking to contribute to the disintegration of democracies from within. Misalignment inside the democratic camp – on values, respect for democratic institutions, foreign policy (most recently on

Iran, 5G or troop deployments) and even coronavirus responses – has become a major challenge to the long-term resilience of the transatlantic partnership. It has put the political relevance of alliances to the test, particularly the strength and coherence of the transatlantic community.

Putting democracy and rule of law at the centre of transatlantic relations will be key for resilience in the new era of global competition. This chapter argues that in order to successfully address foreign influence threats – tactical and strategic – the transatlantic community needs to reassess its understanding of what supply and demand for disinformation mean, and take a comprehensive approach by refocusing its political, diplomatic and cohesion-building efforts around the principles of democratic governance and the rule of law. As adversarial state actors reinforce a vicious circle of domestic and international authoritarianism in order to create a more favourable environment for themselves, the transatlantic community needs to mainstream the rule of law agenda both domestically and internationally.

The following sections outline the strategic role of information operations in the authoritarian toolbox and why transatlantic partners need to develop a more comprehensive approach to tackling foreign malign influence. The chapter also identifies three main strategic priorities for the transatlantic community to strengthen domestic institutions and regain the global initiative in the democratic governance realm. The final section of the chapter presents a set of concrete measures that transatlantic allies should consider.

The strategic role of disinformation in geopolitical competition

The Covid-19 crisis has laid bare a series of overlapping trends and has accelerated geopolitical competition. It has further exposed and accentuated foreign authoritarian interference, internal antidemocratic forces, and solidarity gaps in the transatlantic space. The beneficiaries of these concurrent negative trends are hostile foreign powers,

like Russia and China, who are exploiting existing weaknesses and tensions inside the transatlantic community for their strategic gain.

At a strategic level, Russia – and increasingly China – are challenging the very foundations of liberal democracy and of the transatlantic alliance to further their own agendas and remould the international environment to their advantage.¹ Russia has perfected an arsenal of interference tools and disinformation narratives, tactics and techniques. China has also become emboldened in its conduct of interference and influencing operations in the West, while also deploying tactics previously seen only in the Kremlin's toolkit. The Chinese Communist Party (CCP) and its affiliates use Kremlin-style techniques such as leveraging established media to disseminate party propaganda, utilising voices of diplomats and officials, as well as online ads, trolls and bots.² A recent barrage of hostile narratives propagated by Russian and Chinese state-sponsored media and their proxies have portrayed Western countries as incapable of dealing with the coronavirus crisis and unwilling to support each other in difficult times, while presenting the authoritarian crisis-response model as a superior, more efficient alternative.³

Authoritarian actors seem to understand the value of instrumentalising information for political gain more than democrats do.⁴ Disinformation targets public perceptions and seeks to directly affect the level of political decision-making and the very functioning

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1 Peter Mattis, “China’s ‘Three Warfares’ in Perspective”, *War on the Rocks*, January 30, 2018, <https://warontherocks.com/2018/01/chinas-three-warfares-perspective/>

2 Sarah Cook, “China Media Bulletin: April 2020”, Freedom House, https://freedomhouse.org/sites/default/files/2020-04/Eng_FH_CMB_2020_April_143.pdf

3 Jonathan Bright *et al*, “Coronavirus Coverage by State-Backed English-Language News Sources: Understanding Chinese, Iranian, Russian and Turkish Government Media”, Comprop Data Memo 2020.2, April 8, 2020.

4 Interview with Christopher Walker, Vice President at the National Endowment for Democracy (NED) in Visegrad Insight, April 29, 2020, https://visegradinsight.eu/wikipedia-as-a-battlefield-sharp-power/?utm_source=V%2FI+Breakfast+ZOOM+audience&utm_campaign=9772d42e67-EMAIL_CAMPAIGN_2020_07_15_11_07_COPY_01&utm_medium=email&utm_term=o_ca5628eade-9772d42e67-150946107

of democratic institutions.⁵ At this structural level, authoritarian strategic narratives aim to weaken the values of liberal democracies and citizens' trust in their system of government. Russia in particular fuels the erosion of liberal democratic institutions and promotes illiberalism to structure both its vision of the world and a rebellion against the liberal order.⁶

Many democracies have themselves created the conditions for further malign penetration – by allowing domestic media to be corrupted and weakened, by imposing more and more restrictions on civil society through anti-NGO laws, funding constraints or harassment, by chiselling away at the respect for fundamental constitutional rules and safeguards, or by eroding the system of democratic checks and balances.⁷ None of this is new.

Countries that rank poorly in good governance indices tend to be more vulnerable to disinformation.

Internationally, we have been confronted with the vitiation of liberal democracy for over a decade.⁸ Hungary is probably the textbook example, but other European countries – recently some might argue even the US – have also exposed the ways in which foreign malign information operations poison an already problematic political and social environment and create more permissive conditions for national autocrats to introduce measures that further weaken democracy.⁹ The vicious circle of foreign and domestic authoritarian tendencies has remained unaddressed.

5 Ben Nimmo et al., "Exposing Secondary Infektion", *Graphika Report*, 2020, <https://secondaryinfektion.org/report/the-operations-main-themes/>

6 Marlène Laruelle, "Making Sense of Russia's Illiberalism", *Journal of Democracy*, vol. 31, no. 3, July 2020, pp. 115–29.

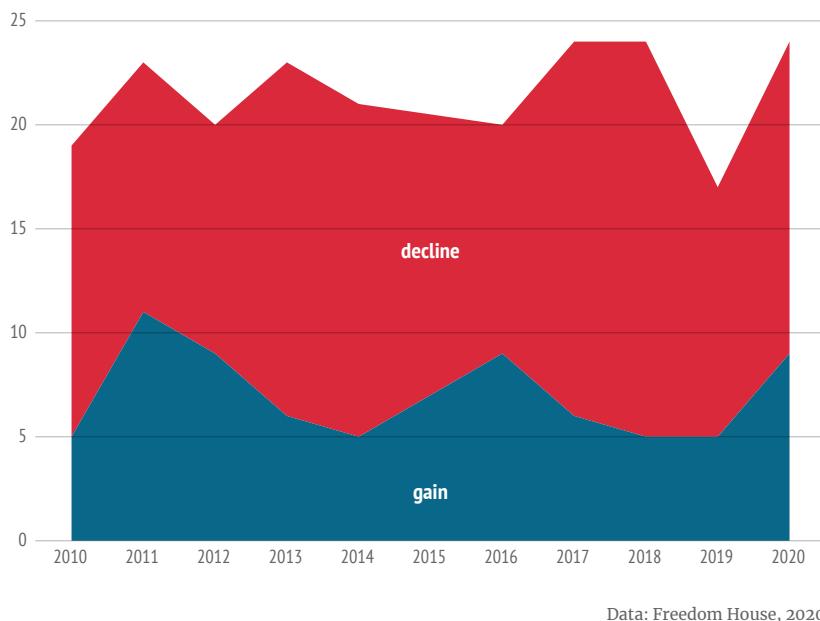
7 Sabine Donner, *BTI 2020: Resistance to democratic regression and authoritarian rule is growing—Global Findings Democracy* (Gütersloh: Bertelsmann Stiftung, 2020), https://www.bti-project.org/content/en/reports/global-report-d/global_findings_democracy_2020_EN.pdf; Anna Luhrmann, "A third wave of autocratization is here: what is new about it?", *Democratization*, vol. 26, no. 7, March 1, 2019, pp. 1095–1113, <https://www.tandfonline.com/doi/full/10.1080/13510347.2019.1582029>; 2020 Freedom House "Freedom in the World" report, 2020, <https://freedomhouse.org/report/freedom-world/2020/leaderless-struggle-democracy>

8 Larry Diamond, "Breaking out the Democratic Slump", *Journal of Democracy*, vol. 31, no. 1 (2020), pp. 36–50.

9 Larry Diamond, "Democracy Versus the Pandemic. The Coronavirus Is Emboldening Autocrats the World Over", *Foreign Affairs*, June 13, 2020, <https://www.foreignaffairs.com/articles/world/2020-06-13/democracy-versus-pandemic>

FIGURE 1 | Democratic erosion over the past decade

Net declines in democracy scores in Europe and Eurasia have consistently outweighed net gains over the past decade, 2010–2020, number of countries



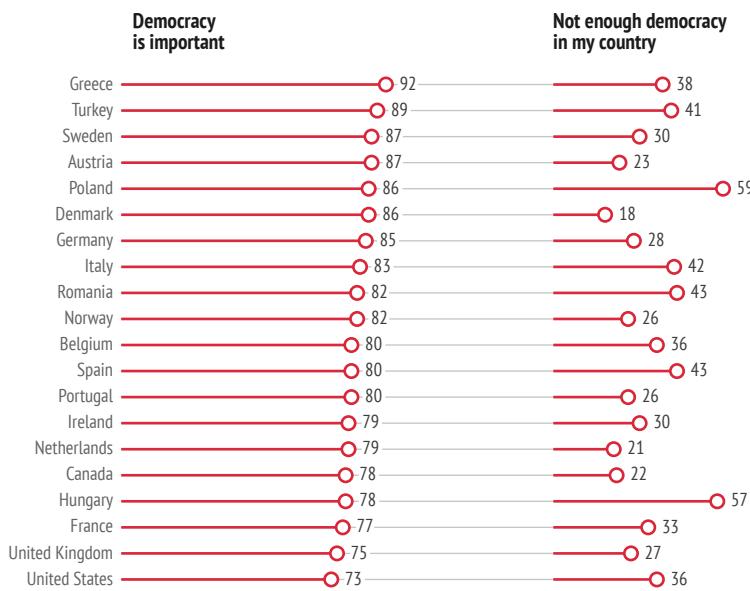
The transatlantic community's attention to what makes us vulnerable and fuels the demand-side of disinformation – at a societal level, rather than an individual one – has been patchy. Western understanding of how societies are vulnerable to disinformation has been mainly focused on the individual, cognitive dimension.¹⁰ Recent research suggests that mistrust of the political mainstream may be what groups susceptible to disinformation on both sides of the political spectrum have in common. Studies show that other than the use of marketing gimmicks and the exploitation of weaknesses in our cognitive processes, the general lack of trust in institutions, in

¹⁰ Christopher Paul and Miriam Matthews, “The Russian “Firehose of Falsehood” Propaganda Model. Why It Might Work and Options to Counter It”, Rand Corporation, 2016, <https://www.rand.org/pubs/perspectives/PE198.html>.

FIGURE 2 | Transatlantic demand for democracy

Across the transatlantic space, citizens overwhelmingly acknowledge the importance of democracy but at the same time their democratic aspirations are not being adequately met.

2020, %



Data: Dalia, 2020; Freedom House 2020

mainstream media and politicians as well as the polarisation of the social debate play a crucial role in people's appetite for disinformation. Surveys confirm that lower trust in institutions (and in liberal democracy in general) correlates with belief in conspiracies, which malign foreign actors have widely spread.¹¹ Also, studies on resilience to foreign influence show that countries that rank poorly in good governance indices tend to be more vulnerable to disinformation.¹²

¹¹ GLOBSEC, *Voices of Central and Eastern Europe*, <https://www.globsec.org/publications/voices-of-central-and-eastern-europe/>

¹² Oana Popescu and Rufin Zamfir (eds.), "Propaganda made-to-measure: How our vulnerabilities facilitate Russian influence", *Global Focus*, February 2018, <https://www.global-focus.eu/wp-content/uploads/2018/03/Propaganda-Made-to-Measure-How-Our-Vulnerabilities-Facilitate-Russian-Influence.pdf>.

Not understanding how our domestic vulnerabilities fuel the demand for disinformation might present an existential challenge to transatlantic liberal democracies.

Arguably, targeting the very structure of democratic institutions and mindsets is the most effective strategy to dismantle the foundations of the transatlantic community and its cohesion. But at a more tactical level, disinformation is meant to accompany and ensure the success of other operations. These can be military operations, such as Russia's annexation of Crimea and the invasion of Eastern Ukraine, or intelligence operations, such as the Skripal poisoning case in the UK and the ensuing disinformation campaigns.

But disinformation is only one weapon in the arsenal of foreign interference tactics. Both Russia and China have been using the political and economic openness and media freedom of the liberal democratic order to exploit and undermine the resilience of democracies. Political corruption, diplomatic pressure, and market penetration are typically used in conjunction with information operations to weaken the target-country and advance the goals of the adversary.

These compounded efforts cut to the core of shared transatlantic vulnerability to malign foreign interference. Democracies on both sides of the Atlantic need to have a comprehensive understanding of the nature of the authoritarian threat and the internal structural vulnerabilities that make them an easier target.

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Strategic priorities for the transatlantic partnership

As transatlantic relations are at a record low, and transatlantic partners are struggling to find effective responses to the Covid-19 public health crisis, refocusing on the values that constitute the bedrock of the transatlantic partnership has become an existential issue. Addressing foreign malign influence requires a new type of transatlantic discourse and practice focused on democratic resilience and

whole-of-society responses to such tactics. To achieve this goal the transatlantic community needs to refocus on important strategic priorities.

Equalising threat-perception and definition

The transatlantic community understands that disinformation constitutes a significant challenge not just for the democratic debate, but increasingly for the ability of governments to implement policies and get societal buy-in and build trust. But this consensus is limited when it comes to the role that disinformation plays in the authoritarian toolbox. Understanding the whole-of-state approach of hostile powers still constitutes a major gap in transatlantic solidarity. Some countries deviate from commonly agreed policies and allow adversaries to penetrate their economies and politics – or worse, embrace disinformation tactics that malign foreign actors employ.¹³

The EU and the US have taken important steps to fight disinformation by setting up specialised bodies to expand research and increase our understanding of malign tactics and how we might respond. More strategic alignment and working-level coordination between the Global Engagement Centre at the US Department of State and the European Union's External Action Service (EEAS) – through its East StratCom Task Force and the EUvsDisinfo project – is needed, though.

Looking at the Russian disinformation chain (leadership-proxies-amplification channels-consumers)¹⁴ we can begin to focus more on the actors and networks behind disinformation campaigns. Information operations are part of a tripod together with financial tools and agents of influence.¹⁵ This makes international conser-

¹³ For example, Hungary has also come under the spotlight for its opening towards Chinese infrastructure projects and investments in 5G technology right at a time when the EU was releasing a risk assessment report on the matter. Peter Kreko, “Hungary’s Eastward Drift”, Center For European Policy Analysis, May 8, 2020, <https://www.cepa.org/hungarys-eastward-drift> and Pablo Gorondi, “Hungary says Huawei to help build its 5G wireless network”, AP News, November 5, 2019, <https://apnews.com/688e48fac84a4eea73fdb5e17732c5f>.

¹⁴ Elizabeth Bodine-Baron et al, *Countering Social Media Influence*, RAND Corporation, 2018.

¹⁵ Neil Barnett, “The Tripod: Russia’s Political Warfare Weapon”, in Andrew Foxhall and John Hemmings (eds.), *The Art of Deceit: How Russian and China Use Sharp Power to Subvert the West*, The Henry Jackson Society, December 2019, <https://henryjacksonsociety.org/wp-content/uploads/2019/12/HJS-Sharp-Power-Report-FINAL.pdf>.

sus highly necessary as only collaborative, international responses will yield the right results.¹⁶ Western democracies need to establish better dialogue formats to increase consensus in defining common challenges, particularly within multilateral formats, which moreover need to be further empowered. This will be even more relevant with China's ascending global role. NATO provides an ideal platform to equalise threat perception as leaders tend to be more responsive to the securitisation of areas previously exclusively associated with domestic governance, such as energy, investment policies, elections and the rule of law. But the US and the EU also need to better streamline and coordinate their efforts to research, understand and expose foreign malign influence in all of its avatars.

Building consensus on vulnerabilities

So far, focusing on the supply side of disinformation has prevented a necessary honest transatlantic introspection and assessment of domestic democratic vulnerabilities. Countries on both sides of the Atlantic need to have an honest conversation not only about foreign threats, but also internal vulnerabilities and the political forces contributing to the erosion of democratic standards and institutions. Indeed, recent reports on the state of global democracy show that Western democracies on both sides of the Atlantic have joined in the negative trend.¹⁷ It is particularly noteworthy that Hungary has been downgraded to a hybrid regime¹⁸ and the US fell under the full democracy threshold.¹⁹ These weaknesses in democratic polities have been amply exploited by malign influence operations and the

¹⁶ Intelligence and Security Committee of Parliament, "Russia", House of Commons, 2020, <https://int.nytimes.com/data/documenttools/intelligence-and-security-committee-s-russia-report/9c665c08033cab70/full.pdf>

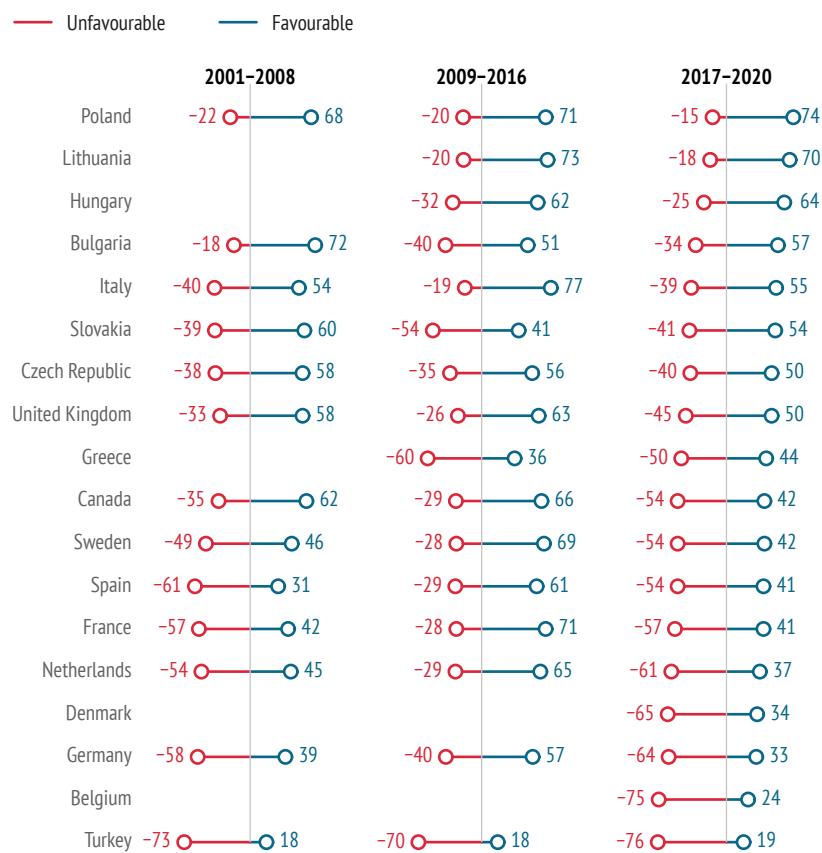
¹⁷ The depreciation of rule of law standards in Bulgaria, Hungary, Poland, Romania and Turkey is noteworthy. Bertelsmann Transformation Index, https://atlas.bti-project.org/share.php?1*2020*TS:SIX:0*CAT*2006:0.

¹⁸ Freedom House, "Freedom in the World Report", 2020, <https://freedomhouse.org/explore-the-map?type=fiw&year=2020>.

¹⁹ The Economist Intelligence Unit, "Democracy Index 2019. A year of Democratic Setback and Popular Protest", <https://www.eiu.com/topic/democracy-index>.

FIGURE 3 | Views of US across Europe and Canada

%, 2001–2020



Data: PEW, 2019 and 2020

transatlantic community has not been effective in stemming these negative developments.

While most of the work needs to be done domestically, supranational bodies like the EU and NATO play an important role in brokered dialogue regarding domestic weaknesses and promoting and enforcing common values and norms. The EU in particular can play an active role in rebuilding a common understanding of the internal factors that are exposing democracies to external malign interference, particularly as the focus on democratic governance and rule of law is

at the forefront of a multitude of EU policies. Accelerating diplomatic efforts to incentivise American participation in the effort will ensure wider agreement inside the democratic camp.

Strengthening the common transatlantic capacity for response

The lack of agreement on external and domestic threats, as well as broader loss of coherence in the transatlantic space over various global agenda items, have hampered the transatlantic partners' capacity to converge at a strategic level and to jointly act internationally. Of particular concern is the diminution of America's clout and credibility in Europe. Surveys show that since 2009 US leadership approval in Europe has steadily decreased from 47% to 24%.²⁰ Also, Europeans tend to see the US as less influential than before.²¹ There seems to be a growing trend among European states towards strategic distancing from the US, which some see as reflected in the agenda of the current German Presidency of the European Council.

The EU and the US bear a lot of the responsibility to relaunch political dialogue and create a more cohesive club of democracies. Often forgotten, Article 2 of the Treaty on European Union (TEU) as well as Article 2 of the NATO Treaty, calling for free institutions, stability and well-being, need to be brought back to the forefront of the political deliberations within the transatlantic space. Euro-Atlantic democracies have a wide array of diplomatic and legal tools to build resilience. Using multilateral formats and diplomacy to advance good governance is a good start, but precise policies that require transatlantic coherence on money laundering or anticorruption measures, combating disinformation and ensuring digital safety will expand the basis for joint action.

²⁰ Gallup poll results on Europeans' views of US leadership: <https://news.gallup.com/poll/316133/leadership-remains-unpopular-worldwide.aspx>.

²¹ Bertelsmann Foundation, Institut Montaigne and the German Marshall Fund of the United States, "State of the Transatlantic Relationship", *Transatlantic Trends 2020*, June 30, 2020, <https://www.gmfus.org/publications/state-transatlantic-relationship>.

Working towards common policy responses

Dealing with the complex set of challenges posed by the negative trends of democratic backsliding, authoritarian sharp power and declining transatlantic cohesion is no easy feat. This requires a comprehensive approach of hybrid containment – a composite of measures, both at the national level and through international and multilateral coordination.²²

Enhance cooperation between the US and the EU on the rule of law

Strategic corruption should be at the top of the transatlantic agenda in order to enhance resilience against a variety of ‘malevolent globalisation’ agents.²³ Transatlantic leaders need to make sure they deliver similar diplomatic messages to members of the transatlantic community that stray from democratic norms and the rule of law. The EU and the US need to be on the same page about democratic transgressions in Hungary, Poland, Turkey and elsewhere. They also need to apply similar conditionalities for financial assistance instruments – as they did in the case of Ukraine.

Transatlantic partners should work together to implement common rules, not only sanctions, to regulate financial flows, beneficial ownership transparency and mainstream law enforcement information sharing. Such dialogue should take place at the level of both executive and legislative bodies, to complement and broaden the EU-US Dialogue on Justice and Home Affairs. The US Congress has recently adopted a stronger foreign policy role and should engage more with

²² Brian Whitmore, “Vertical Video”, CEPA, May 22, 2018, <https://www.youtube.com/watch?v=lbLHtpgdbCQ>.

²³ “The Menace of Unreality: How the Kremlin Weaponizes Information, Culture and Money”, *The Interpreter*, November 22, 2014, <https://www.interpretermag.com/the-menace-of-unreality-how-the-kremlin-weaponizes-information-culture-and-money/>

relevant counterparts in Europe – an example is the ongoing effort to promote a common EU Global Magnitsky Act. Similarly, the European Parliament has become more active in creating strong EU rule-of-law criteria, carving space for itself to become a stronger promoter of transatlantic coordination in this area.

Particularly with regard to law enforcement cooperation, taking the example of the Mueller Report²⁴ and conducting similar investigations in Europe – which would lead to indictments and sanctions for foreign malign interference – could be beneficial for equalising threat perception and increasing response capacity by activating criminal justice tools. Joint American-European teams of investigators could work together on unravelling subversive networks to increase the capability to defend against malicious operations. They could run joint exercises or simulations that would show adversaries the spectrum of deterrence tools Western democracies have at their disposal.²⁵ This would also send important signals of transatlantic solidarity and resilience.

Cut financial incentives and stop illicit financial flows

Deception has become a very lucrative business. Addressing disinformation goes beyond narratives and amplification channels. Shady financial deals may be used not only to finance specific operations, but also to potentially reward allies – like Arron Banks in the UK or the Ibiza Affair in Austria – and plant the seeds of future interference.²⁶ Transatlantic states should revive and upgrade the anti-money laundering and anticorruption agenda under G20 and G7 formats and put

²⁴ US Department of Justice, “Report on The Investigation into Russian Interference in the 2016 Presidential Election”, March 2019, <https://www.justice.gov/storage/report.pdf>.

²⁵ Edward Lucas’s idea of “financial snap exercises”, in Brian Whitmore, “The Daily Vertical: The Financial Nuclear Option (Transcript)”, RFERL, April 26, 2016, <https://www.rferl.org/a/daily-vertical-transcript-financial-nuclear-option/27697789.html>.

²⁶ David D. Kirkpatrick and Matthew Rosenberg, “Russians Offered Business Deals to Brexit’s Biggest Backer”, *The New York Times*, June 29, 2018, <https://www.nytimes.com/2018/06/29/world/europe/russia-britain-brexit-arron-banks.html>; “The dark side of politics: Austria’s ‘Ibiza affair’ still sticks”, *Deutsche Welle*, <https://www.dw.com/en/the-dark-side-of-politics-austrias-ibiza-affair-still-sticks/a-53451354>.

real resources into monitoring implementation and offering support to nations in need of expertise or tools to address these issues. Also, transatlantic leaders should reconvene and recommit to agreements reached at the 2016 Global Anti-Corruption Summit in London, particularly those regarding the status of offshore companies and beneficial ownership transparency.²⁷ The EU could advocate for and work with American counterparts on harmonising norms regarding money laundering and extending their application from terrorism to other malign foreign actors.²⁸

Strengthen rules on transparency of political party and campaign financing

Disinformation campaigns and computational propaganda have exposed how unprepared Euro-Atlantic legal systems are to deal with campaigning, advertising and publishing online, as well as how unprepared citizens are for a barrage of disinformation and systemic manipulation.²⁹ Financing for political campaigns and parties and political corruption come directly under the spotlight of disinformation watchers as foreign funding can be a conduit for influence and for spreading a malign foreign actor's agenda. The transatlantic community should make better use of the Council of Europe and the Group of States Against Corruption (GRECO) mechanism on financial transparency and integrity of political parties. Working towards common norms and regulations³⁰ on both sides of the Atlantic should

²⁷ Cabinet Office, Government of the UK, "Global Declaration Against Corruption", *Policy Paper*, May 2016, <https://www.gov.uk/government/publications/global-declaration-against-corruption>.

²⁸ European Commission, "Preventing money laundering and terrorist financing across the EU: How does it work in practice?", July 2018, https://ec.europa.eu/info/business-economy-euro/banking-and-finance/financial-supervision-and-risk-management/anti-money-laundering-and-counter-terrorist-financing_en.

²⁹ Samantha Bradshaw and Philip N. Howard, "The Global Disinformation Order: 2019 Global Inventory of Organised Social Media Manipulation," Working Paper 2019/3, Project on Computational Propaganda, Oxford, 2019, <https://comprop.ox.ac.uk/research/cybertroops2019/>

³⁰ Kristine Berzina, "Foreign Funding Threats to the EU's 2019 Elections", German Marshall Fund, October 9, 2018, https://www.gmfus.org/blog/2018/10/09/foreign-funding-threats-eus-2019-elections?utm_source=Twitter&utm_medium=Social.

constitute a priority given the interconnectedness of American and European political and business environments.

Prioritise media market transparency and resilience

Media capture, built on lack of ownership transparency and money laundering, is the perfect conduit for malign foreign influence operations, as a recent case in the Baltic States involving sanctioned individuals taking advantage of the EU free media space illustrated.³¹ Often outlets that propagate disinformation and inflammatory content are run anonymously and bankrolled through offshore companies whose final beneficiary remains unknown.³² Oligarchs and corrupt officials who have a track record of manipulating media environments and orchestrating disinformation campaigns in their countries or abroad – Russia and Ukraine offer ample examples – are able to launder their money in Europe or the US and are not effectively incentivised to stop what they are doing. Ensuring full implementation of beneficial ownership rules and sanctions regimes on both sides of the Atlantic will have ripple effects in a variety of domains, strengthen the rule of law and limit the opportunities for malign actors to launder money or use it to undermine democratic societies in the transatlantic space.

Media capture is the perfect conduit for malign foreign influence operations.

³¹ Inga Springe and Holger Roonema, “Checkmate: will the biggest Baltic Russian media house survive the storm”, *Re:Baltica*, March 26, 2020, <https://en.rebaltica.lv/2020/03/will-the-biggest-baltic-russian-media-house-survive-eu-sanctions-breach/>

³² See Holger Roonema and Inga Springe, “This Is How Russian Propaganda Actually Works in the 21st Century,” *BuzzFeed News*, August 31, 2018, www.buzzfeednews.com/article/holgerroonemaa/russia-propaganda-baltics-baltnews; Rumena Filipova and Todor Galev, “Russian Influence in the Media Sectors of the Black Sea Countries: Tools, Narratives and Policy Options for Building Resilience”, September 4, 2018, <https://csd.bg/publications/publication/russian-influence-in-the-media-sectors-of-the-black-sea-countries-tools-narratives-and-policy-opti/>

Empower civil society actors and local democrats

The most visible attacks on fundamental democratic processes have been those targeting elections. This was done by exploiting gaps in our rules and laws, but also by exploiting existing polarising debates or problems in society. Civil society plays a crucial role in combatting cynicism through its watchdog role and ability to establish direct connections with citizens. Transatlantic partners need to expand their understanding of the demand-side for disinformation and address concerns at the source.

Local organisations play an important role in connecting communities, de-polarising constituencies, strengthening societal trust and confidence in democratic institutions and creating opportunities for dialogue across opposing groups. They can also fill our knowledge gaps by conducting more research to understand what drives citizens and various constituencies.

Moving past a classical donor-recipient relationship is crucial especially as some previously tested solutions have proven less effective – as recurring challenges to democracy and rule of law in Central and Eastern Europe demonstrate despite years of foreign-funded programmes. Donors and partners, particularly at the EU level, have to engage with civil society organisations and local experts to gather accurate information and analysis so as to better tailor conditionalities and respond to local needs.

Last but not least, big international NGOs should facilitate dialogue between civil society organisations on both sides of the Atlantic on concrete solutions to advance accountability and enhance trans-national expertise and support for advocacy efforts.

Conclusion

Transatlantic cooperation based on shared democratic values has been the foundation – and an inspiration – for peace, stability and liberal democracy for more than half a century, not only across the

Atlantic but the world over. As the global competition over models of governance intensifies, the success of Western liberal democracy has no better testimony than the attraction it exerts over adversaries. Russia and China have both amply taken advantage of the benefits of Western democracy.

As our own values and institutions are being weaponised against us by increasingly sophisticated malign actors, the transatlantic community needs to refocus its attention beyond the information environment into the broader legal, political and societal environment and strengthen the critical infrastructure of democratic trust that has helped democracies succeed so far.

The transatlantic partnership already has what it takes to succeed – enduring values, powerful alliances, and normative tools. More importantly, it has the power to self-correct.³³ But the work starts at a domestic level. Showing democracy at work in individual states, as well as its ability to rebuild when its foundations are being weakened, will win over transatlantic citizens who have shown that, in times of crisis, they need more democracy³⁴ as well as reinforce the power of attraction that Western liberal democracy continues to exert globally. Finally, this will enable transatlantic democracies to regain initiative, agency and legitimacy in promoting democratic principles around the world. After all, competition in the twenty-first century is primarily about models of governance.

Russia and China have both amply taken advantage of the benefits of Western democracy.

³³ John Ikenberry, “The Next Liberal Order. The Age of Contagion Demands more Internationalism, Not Less”, *Foreign Affairs*, July/August 2020, <https://www.foreignaffairs.com/articles/united-states/2020-06-09/next-liberal-order>.

³⁴ Dalia Research and the Alliance of Democracies, <https://mailchi.mp/c588011a2174/3mmgu9dqod>.

CHAPTER 13

Climate change in transatlantic relations

Prospects for bridging the EU-US climate divide

KATARINA KERTYSOVA

Introduction

Climate change poses some of the most profound challenges facing the transatlantic community today. The impacts and economic costs of climate change are becoming visible on both sides of the Atlantic: weather and climate-related disasters have cost the US alone over \$460 billion between 2017–2019¹ while the EU has experienced a more than 60% increase in extreme weather events

¹ NOAA National Centers for Environmental Information (NCEI), “U.S. Billion-Dollar Weather and Climate Disasters”, 2020, <https://www.ncdc.noaa.gov/billions/>.

over the past three decades,² with dire consequences for agriculture, human health, water resources, transportation, tourism and the environment. Recent surveys suggest publics on both sides of the Atlantic consider climate change as the most important issue on which the EU and the US should cooperate.³

Environmental collaboration, particularly in the areas of atmospheric and climate change, has been one of the most successful aspects of the EU-US partnership for decades. The transatlantic climate cooperation during the Obama administration was particularly impactful, culminating in the adoption of the Paris Agreement in 2015. The EU and the US cooperated closely during the negotiations and their co-leadership was crucial in bringing about the final compromise in Paris.⁴

President Trump's decision to withdraw the US from the Paris Agreement caused a major setback in transatlantic cooperation on climate change.⁵ While the US prepares to formally exit the Agreement, the EU has made a leap forward with the European Green Deal and more ambitious emissions reduction targets. Although strategic cooperation on energy continues, the transatlantic partners remain divided on environmental and climate issues.

This chapter focuses on the current state of play and prospects for greater transatlantic climate cooperation in the aftermath of the 2020 presidential election. It first addresses the implications of the Trump administration's climate U-turn for the EU-US partnership and global climate efforts. It then outlines the EU's reaction to US climate disengagement, including the deepening of cooperation with subnational actors across the US as well as with other key international players,

Environmental
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the EU-US partnership
for decades.

2 European Academies' Science Advisory Council (EASAC), "Extreme weather events in Europe," in *EASAC Statement*, March 2018.

3 Alexandra de Hoop Scheffer et al., *Transatlantic Trends 2020: Transatlantic Opinion on Global Challenges before and after COVID-19* (Washington, D.C.: German Marshall Fund of the United States, 2020).

4 Anthony Gardner, *Stars with Stripes* (London: Palgrave Macmillan, 2020).

5 David Livingston and Erik Brattberg, "Beyond Fatalism: Transatlantic Energy and Climate Cooperation After the Paris Announcement", Carnegie Endowment for International Peace, July 5, 2017.

including China, to meet the Paris goals. Lastly, it offers recommendations on how to strengthen transatlantic climate cooperation as we move forward and explores which forms of cooperation might be achievable to advance the climate agenda after the November 2020 US election.

Trump's climate U-turn

Donald Trump's presidency marked a significant policy departure on clean energy and climate change from his predecessor, culminating in the president's decision to abandon the Paris Agreement. President Trump first announced his plan to withdraw the US from the Paris Agreement in June 2017 and officially notified the United Nations (UN) on November 4, 2019.⁶ This notification began a year-long withdrawal process, which will come into effect on November 4, 2020 – the day after the 2020 US election.

A ccording to some estimates, the US exiting the Paris Accord could delay global emissions reductions by a decade.

The withdrawal has two immediate effects. First, the US has abandoned its commitment to achieve economy-wide emissions reduction of 26–28% below 2005 levels by 2025. Second, the Trump administration has halted the payment of the remaining \$2 billion (out of \$3 billion pledged during the Obama administration) to the Green Climate Fund, which was established

to provide technological support and funding to developing countries to deal with emissions reduction.⁷ According to some estimates, the US exiting the Paris Accord could delay global emissions reductions by a decade.⁸ Unsurprisingly, the announcement was met with wide-

6 US Department of State, Secretary of State Michael R. Pompeo, "On the US Withdrawal from the Paris Agreement," Press Statement, Washington D.C., November 4, 2019, <https://www.state.gov/on-the-u-s-withdrawal-from-the-paris-agreement/>.

7 Op.Cit., *Stars with Stripes*.

8 Josh Gabbatiss, "Four more years of Donald Trump could 'delay global emission cuts by 10 years,'" *Carbon Brief*, May 27, 2020.

spread opposition, not only from the EU and big emitters like China and India, but also from states, cities and businesses across the US.

Trump's decision to abandon the Paris Agreement should be understood in the context of his 'America First' approach, a deep scepticism towards multilateral frameworks and institutions, which he has described as a "threat to [American] sovereignty,"⁹ and his own doubts about scientific consensus that climate change is man-made. Trump's America First Energy Plan favours expanding the extraction of low-cost fossil fuels to achieve energy independence and create jobs, the revival of the declining coal industry, and the rescinding of the Obama-era climate policies that restricted fossil fuel development in the US.¹⁰ Major actions include the lifting of restrictions on the coal mining sector, the repeal of regulations on fracking on public lands, the loosening of regulations on methane emissions across the oil and gas industry, and the approval of two controversial pipeline projects that had been blocked by the Obama administration.¹¹

It would be wrong to assume that the transatlantic split on climate change is solely the result of the Trump administration's unilateralist foreign policy. The US disengaged from the global climate regime before – under George W. Bush, who presided over the US rejection of the Kyoto Protocol in 2001. Putting the developments of the past four years in historical perspective, there is a high degree of continuity between President Trump's approach to climate change and the policies implemented by his Republican predecessors since the Reagan era, when environmental protection turned into a deeply partisan issue.¹²

This political partisanship affects public attitudes toward climate change, too. Even though the number of Americans who believe that climate change is a threat has increased overall, this rise in concern has largely come from Democrats' supporters. Despite mounting evidence, opinions among Republican voters on this issue remain largely

⁹ Robert A. Manning, "Trump's Globalism Is a Caricature of Multilateralism," *Foreign Policy*, October 2, 2019.

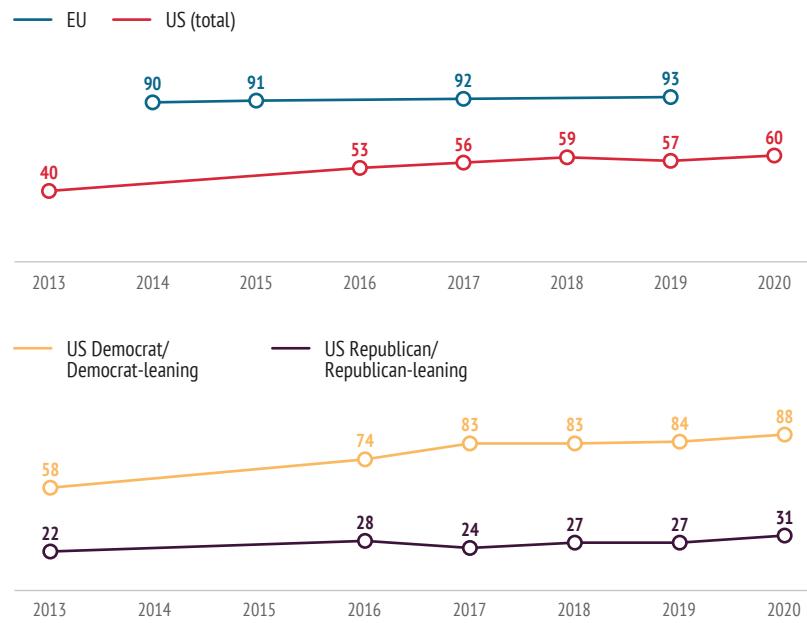
¹⁰ Sara Vakhshouri, *The America First Energy Plan: Renewing the Confidence of American Energy Producers* (Washington D.C.: Atlantic Council, 2017).

¹¹ David Smith and Ashiffa Kassam, "Trump orders revival of Keystone XL and Dakota Access pipelines", *The Guardian*, January 24, 2017.

¹² Jean-Daniel Collomb, "A Worthy Heir: Donald Trump, the Republican Party and Climate Change", *Revue LISA*, vol. 16, no. 2 (2018).

FIGURE 1 | Public attitudes toward climate change

Share of citizens who perceive climate change as a serious problem/threat,
2013-2020, %



NB: In its surveys, the European Commission asked about climate change being a serious 'problem'; surveys conducted by Pew Research Center asked about a 'threat to the United States' or 'threat to the well-being of the United States'.

Data: PEW 2018, 2019, 2020; European Commission 2014, 2015, 2017, 2019.

unchanged – only 31% of Republicans consider climate change to be a major threat, in stark contrast to 88% of Democrats.¹³ Moreover, like President Trump, 75% of conservative and half of moderate Republicans deny the link between human activity and climate change.¹⁴ Climate scepticism not only damages the credibility of the scientific community, but it also confuses public opinion and undermines public support for mitigation policies. It is safe to assume that

¹³ Brian Kennedy, "U.S. concern about climate change is rising, but mainly among Democrats", Pew Research Center, April 16, 2020.

¹⁴ Lexington, "Fire and Ice," *The Economist*, September 19, 2020.

under a renewed Republican administration, there will not be much scope for domestic climate ambition, let alone for international climate leadership.

The EU's reaction to US climate disengagement

Two periods of US disengagement from the global climate regime created a global leadership gap which the EU stepped in to fill, both in the early 2000s and nowadays. The EU's leadership model has been rooted in the principle of “leading by good example” through the effect of domestic actions.¹⁵ Domestic climate policies, such as the 2020 and 2030 emissions reductions targets, a scaling up of climate finance for the most vulnerable countries, and its flagship European Green Deal, at the heart of which is the objective to reach climate neutrality by 2050, have given the EU the credibility and the leverage to lead climate negotiations, while at the same time demonstrating that the energy transition can contribute to job creation and economic development and growth.¹⁶ The EU's ambition is to finalise the EU Climate Law with an upgraded 2030 target before COP26 and to lead international negotiations between major emitters by 2021.¹⁷

¹⁵ Bertill Kilian and Ole Elgström, “Still a green leader? The European Union’s role in international climate negotiations,” *Cooperation and Conflict*, vol. 45, no. 3 (2010): pp. 255–73.

¹⁶ Luca Bergamaschi and Nicolo Sartori, “The Geopolitics of Climate: A Transatlantic Dialogue”, *IAI Papers*, no. 18/10, Istituto Affari Internazionali, June 2018.

¹⁷ European Parliament, “COP26 postponed due to Covid-19, but EU preparations must continue”, Press Release, April 2, 2020; Ursula von der Leyen, *A Union that strives for more: my agenda for Europe*, European Commission, July 16, 2019.

Bilateral EU-US dialogue

Even though the Trump administration's approach to bilateral climate engagement has been lukewarm, an overall analysis reveals a sustained EU effort to keep communication channels open on climate matters with the US by focusing on progress that can be achieved on clean energy transition – a topic that is directly relevant to addressing climate change without carrying a climate label in literal form.¹⁸ The European Commission has regular contacts with US government departments and agencies, including the US Department of Energy (DOE), the US Department of State (DOS) and the Environmental Protection Agency (EPA).¹⁹ To name but one successful example, co-operation between the US Department of Interior (DOI) and the EU in the area of offshore wind energy has taken a leap forward in recent years.²⁰

The EU-US Energy Council, established in 2009, is the leading venue for bilateral high-level exchanges on energy security, including the acceleration of clean energy transition. In 2016, Washington and Brussels further expanded cooperation by establishing a dedicated Climate Change Working Group under the umbrella of the EU-US Energy Council, alongside the existing working groups on energy security, energy technology and energy policy.²¹ Although intended to meet annually, since President Trump's election the transatlantic partners only met once in the EU-US Energy Council format (in 2018 in Brussels) and the Climate Change Working Group faded from the DOE's website.²² Officials invoke scheduling reasons and the political transition in the European Commission as justification for this prolonged hiatus and stress that the technical dialogue between experts

18 Interview with officials of the European Commission, August 28, 2020.

19 Ibid.

20 Ibid.

21 Office of the Spokesperson, US Department of State, "U.S.-EU Energy Council," Washington D.C., May 4, 2016, <https://2009-2017.state.gov/r/pa/prs/ps/2016/05/256883.htm>.

22 Peter Teffer, "US in denial on EU climate forum", *EUobserver*, June 5, 2018.

from the European Commission and their DOE and DOS counterparts continues to prepare the ground for the next Energy Council meeting.²³

At the multilateral level, the EU and its member states have also used the G7 and G20 formats as venues to advance cooperation and dialogue on climate change, including with the US. However, since the Trump administration announced its intention to withdraw from the Paris Climate Accord, the room to advance climate action has diminished. Under American pressure, the final communiqué of the 2019 G20 meeting in Japan omitted references to ‘global warming’ and ‘decarbonisation’, and avoided endorsing the goals of the Paris Accord, in contrast to previous communiqués.²⁴

The Clean Energy Ministerial (CEM) and the Mission Innovation initiative, which promote policies and programmes that advance clean energy technology, are two other international fora where the transatlantic partners continue to engage in an active dialogue.²⁵ Although the US no longer hosts the CEM Secretariat, and has not hosted any of the annual meetings in recent years either, it continues to actively engage in both formats. One of the reasons for continued US engagement is that they promote innovation in nuclear power and carbon capture technologies, both of which have been embraced by the Trump administration as potential climate solutions.

It is worth noting that it is not just the Trump administration that has introduced irritants to EU-US climate dialogue. Some of the measures proposed by the EU could complicate transatlantic cooperation, too. As part of the European Green Deal, the European Commission intends to introduce a WTO-compliant carbon border adjustment mechanism – a so-called ‘carbon tax’ – by 2023. This will ensure that greenhouse gas emissions reductions at home are not offset by carbon embedded in imports from countries that do not put an

Some fear that the introduction of a ‘carbon tax’ risks triggering a full-blown transatlantic trade war.

²³ Interview with officials of the European Commission, August 28, 2020.

²⁴ “G20 cannot run away from climate change,” *Financial Times*, June 27, 2019.

²⁵ European Commission, “Clean Energy Ministerial and Mission Innovation,” October 10, 2018, https://ec.europa.eu/energy/topics/international-cooperation/international-organisations-and-initiatives/clean-energy-ministerial_en.

equivalent price on carbon, as would be the case of the US.²⁶ Because a ‘carbon tax’ at EU borders could make it difficult for American products to reach European markets, the Trump administration warned that it would react with possible punitive measures against Brussels if the tax is introduced.²⁷ Some fear that the introduction of a ‘carbon tax’ risks triggering a full-blown transatlantic trade war. While there will be much consternation over the ‘carbon tax’ in the next year, it will still be a few years before the mechanism is introduced and made operational.

EU engagement with American sub-federal actors

Following President Trump’s decision to withdraw the US from the Paris Agreement, a broad coalition of American sub-federal and non-state actors, including mayors, governors and businesses, have stepped up to fill the vacuum and voluntarily pledged to uphold US climate commitments.²⁸ Over the past four years, EU-US subnational climate cooperation and exchange has deepened.

At the state level, the EU cooperates with US actors both directly and through the US Climate Alliance, a coalition of 25 governors – both Democrats and Republicans – dedicated to reducing greenhouse gas emissions in accordance with the Paris Agreement.²⁹ The EU and California have a successful track record of technical exchange and mutual support on climate change and in 2018, the two agreed to cooperate on carbon markets.³⁰ Another example is the

²⁶ Interview with a representative of the Istituto Affari Internazionali (IAI), July 13, 2020.

²⁷ Gillian Tett et al., “US threatens retaliation against EU over carbon tax,” *Financial Times*, January 26, 2020.

²⁸ America’s Pledge Initiative on Climate, *Fulfilling American’s Pledge: How States, Cities and Businesses Are Leading the United States to a Low-Carbon Future* (New York: Bloomberg Philanthropies, 2018).

²⁹ United States Climate Alliance, “U.S. Climate Alliance Fact Sheet,” <http://www.usclimatealliance.org/us-climate-alliance-fact-sheet>.

³⁰ European Commission, “EU and California to step up cooperation on carbon markets,” September 13, 2018, https://ec.europa.eu/clima/news/eu-and-california-step-cooperation-carbon-markets_en.

Under2 Coalition, led by California and the German state of Baden-Württemberg. Comprising over 220 subnational governments, the Under2 Coalition is the world's leading initiative for subnational climate action. In addition to California, the EU has been active in exploring ways of collaborating with other key actors across the US, including nine north-eastern states committed to reducing transportation emissions in their region by designing a CO₂ cap-and-trade emissions system.³¹

At the city level, the EU works with the members of the Global Covenant of Mayors for Climate & Energy. Formed in 2016, the Global Covenant represents a forum for cooperation between local and city actors on climate and energy-related issues. It is currently co-chaired by Commissioner Frans Timmermans and UN Special Envoy on Cities and Climate Change Michael Bloomberg and comprises over 10,000 non-state actors from over 135 countries.³²

The EU also works on addressing climate change with American business leaders. In 2018, former EU Commissioner for Energy and Climate Action Arias Cañete partnered with Bloomberg in an effort to manage the global transition away from coal-fired power.³³ The same year, the European Commission and Breakthrough Energy, led by Bill Gates, launched a joint clean energy investment fund intended to support innovative European companies in developing and bringing radically new clean energy technologies to the market.³⁴

Despite federal inaction, the 2019 *Fulfilling America's Pledge* report shows that policies adopted by states, cities and businesses – including in the framework of their cooperation with the EU – will reduce US emissions by 19% below 2005 levels by 2025. This is taking the US approximately two-thirds of the way to meeting the pledge of cutting

³¹ Op.Cit., *Stars with Stripes*.

³² See website of Global Covenant of Mayors for Climate & Energy: <https://www.globalcovenantofmayors.org/about/>

³³ European Commission, "Michael R. Bloomberg partners with Commissioner Arias Cañete to support European transition from coal power," September 13, 2018, https://ec.europa.eu/info/news/michael-r-bloomberg-partners-commissioner-arias-canete-support-european-transition-coal-power-2018-sep-13_en.

³⁴ European Commission, "Climate change: European Commission and Bill Gates-led Breakthrough Energy launch €100 million clean energy investment fund," October 17, 2018, https://ec.europa.eu/commission/presscorner/detail/en/IP_18_6125.

emissions by 26–28% by 2025.³⁵ Although unable to officially represent the US or negotiate on its behalf, these actors have been a visible presence at UN Climate Talks, acting as a counterbalance to the official US stance on climate change, too. At COP23, COP24 and COP25, the US Climate Action Center, representing the ‘We Are Still In’ coalition, had its own pavilion and numerous events. Subnational and federal diplomatic strategies are currently uncoordinated. Importantly, to reduce duplication and inefficiency in international outreach, all while providing the necessary support and assistance to subnational actors to maintain their networks and forge new ties, a bipartisan legislation was introduced in August 2020 to formalise subnational diplomacy with the creation of the Office of Subnational Diplomacy at the DOS.³⁶

For all the coverage and praise of EU-US subnational climate diplomacy and exchange, no one seems to have a good answer for what happens to subnational climate efforts if Biden wins in November and if the US partners instead focus their attention and resources on the federal government.³⁷

EU engagement with other international partners

In the face of the US disengagement from the global climate change regime, the EU has intensified collaboration with other key actors that seek to advance the climate agenda, particularly China. At the 19th EU-China summit on 2 June 2017, the day following Trump’s withdrawal announcement, the two sides intended to issue a joint statement underlining their highest political commitment to the

³⁵ The America’s Pledge Initiative on Climate Change, *Accelerating America’s Pledge: Going All-In to Build a Prosperous, Low-Carbon Economy for the United States* (New York: Bloomberg Philanthropies, 2019).

³⁶ “A Conversation with Mayor Eric Garcetti and Congressman Ted Lieu: On Harnessing Subnational Diplomacy”, The German Marshall Fund of the United States, September 21, 2020, <https://www.gmfus.org/events/conversation-mayor-eric-garcetti-and-congressman-ted-lieu-harnessing-subnational-diplomacy>.

³⁷ Remarks by a US energy and climate policy analyst, September 14, 2020.

effective implementation of the Paris Agreement. Due to unresolved trade-related tensions, the joint statement was only adopted in July 2018 and it placed collaboration on climate change and clean energy at the centre of Sino-European bilateral relations.³⁸ The two parties presented a number of concrete proposals to strengthen their bilateral cooperation, including the establishment of a nation-wide emissions trading scheme in China.

In May 2017 the EU alongside China and Canada convened the first Ministerial on Climate Action (MoCA), with the intention to demonstrate continued support for the Paris Agreement. The MoCA replaced the Major Economies Forum on Energy and Climate Change (MEF), which was abandoned by the Trump administration as an annual venue for a high-level dialogue among major emitters, including developed and developing economies, on the implementation of the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement.

On the reverse side, transition to a low-carbon economy has exacerbated Europe's dependence on China for certain products, value chains and critical materials.³⁹ As regards rare earth elements, which are used in electric vehicle batteries and wind turbines, the EU is 98% dependent on China.⁴⁰ Further risks to European supply chains were exposed by Covid-19. In Poland, high dependence on imports from China, coupled with border closures, resulted in delayed shipments which affected wind and solar production facilities.⁴¹

A s regards rare earth elements, the EU is 98% dependent on China.

38 Delegation of the European Union to China, "Joint statement of the 20th EU-China Summit," July 17, 2018, https://eeas.europa.eu/delegations/china/48424/joint-statement-20th-eu-china-summit_en.

39 "EU sounds alarm on critical raw materials shortages", *Financial Times*, August 31, 2020.

40 European Commission, "Questions and Answers on the Communication on Critical Raw Materials," September 3, 2020, https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_1543.

41 Ewa Krukowska, "Green Energy's Reliance on China Spurs Poland to Seek EU Action," *Bloomberg*, March 26, 2020.

The way ahead

Given the partisan polarisation on environmental and climate issues, the degree to which the US administration will see climate change as a priority depends almost entirely on who wins the November 2020 election. The re-election of Donald Trump is likely to further deepen the transatlantic divide on climate change. By exiting the Paris Agreement, boosting fossil fuel production, increasing oil and gas exploration in wilderness areas, and further dismantling environmental regulations, a second Trump administration would hurt efforts to address climate change. A Democratic administration, in contrast, could provide an opportunity to reinvigorate transatlantic dialogue on climate change by rejoining the Paris Agreement, pursuing more ambitious climate efforts, and rallying major economies to raise their climate ambitions.⁴²

1. Climate action in the US needs to be first and foremost a top-down commitment. If Joe Biden is elected president, his first order of business should be to rejoin the Paris Agreement and increase climate aid contributions to developing countries. A move to rejoin the Paris Agreement would take 30 days. If Biden takes office on January 20, 2021 and submits a formal notice to the UN the very same day, the US could be back in the Agreement as soon as late February 2021, which would be less than four months after the formal withdrawal takes effect. If backed by a Democratic-controlled Congress, Biden's chance to deliver on his climate agenda would be much higher.⁴³
2. To facilitate exchanges on climate-related issues, the US and the EU should prioritise the revival of high-level bodies, like the EU-US Energy Council and its Climate Change Working Group. The MoCA is a promising format, too. With US participation, it could play an important role within international climate diplomacy.

⁴² Joe Biden, "The Biden Plan for a Clean Energy Revolution and Environmental Justice," <https://joebiden.com/climate-plan/#>.

⁴³ Op.Cit., "Fire and Ice."

3. Among the hugely promising areas for transatlantic collaboration are technological innovation and improvement in energy efficiency. Irrespective of the election outcome, the US and the EU could enhance their cooperation on R&D and deployment of clean energy technologies such as hydrogen, nuclear, and carbon capture, utilisation and storage (CCUS).⁴⁴ Cooperation in the area of offshore wind deployment can be deepened, too. Another area where the US and the EU have shared interest and a real opportunity to work together is on Article 6 of the Paris Agreement, and on creating the architecture for a truly robust set of voluntary carbon offset mechanisms.⁴⁵
4. Further EU-US consultation is needed on the European Green Deal to address potential obstacles.⁴⁶ US stakeholders can already provide input and express their views on this upcoming EU policy and the proposed ‘carbon tax’ through the Commission’s public consultation process.⁴⁷
5. The EU and European governments should enhance their engagement with non-federal US actors, regardless of who wins the presidential election. The EU could advocate for the strengthening of their engagement within the UN climate regime and support their participation in the negotiations at climate summits.⁴⁸ An ambitious federal policy under Joe Biden could bolster these bottom-up efforts, enabling the US to achieve deeper emission cuts.
6. Under a second Trump term, the EU could focus its engagement efforts on other areas of environmental protection where the EU and the US can work closely together.

⁴⁴ Richard L. Morningstar et al., *European Energy Security and the Critical Role of Transatlantic Energy Cooperation* (Washington D.C.: Atlantic Council, 2020).

⁴⁵ Remarks by David Livingston, Eurasia Group, September 9, 2020.

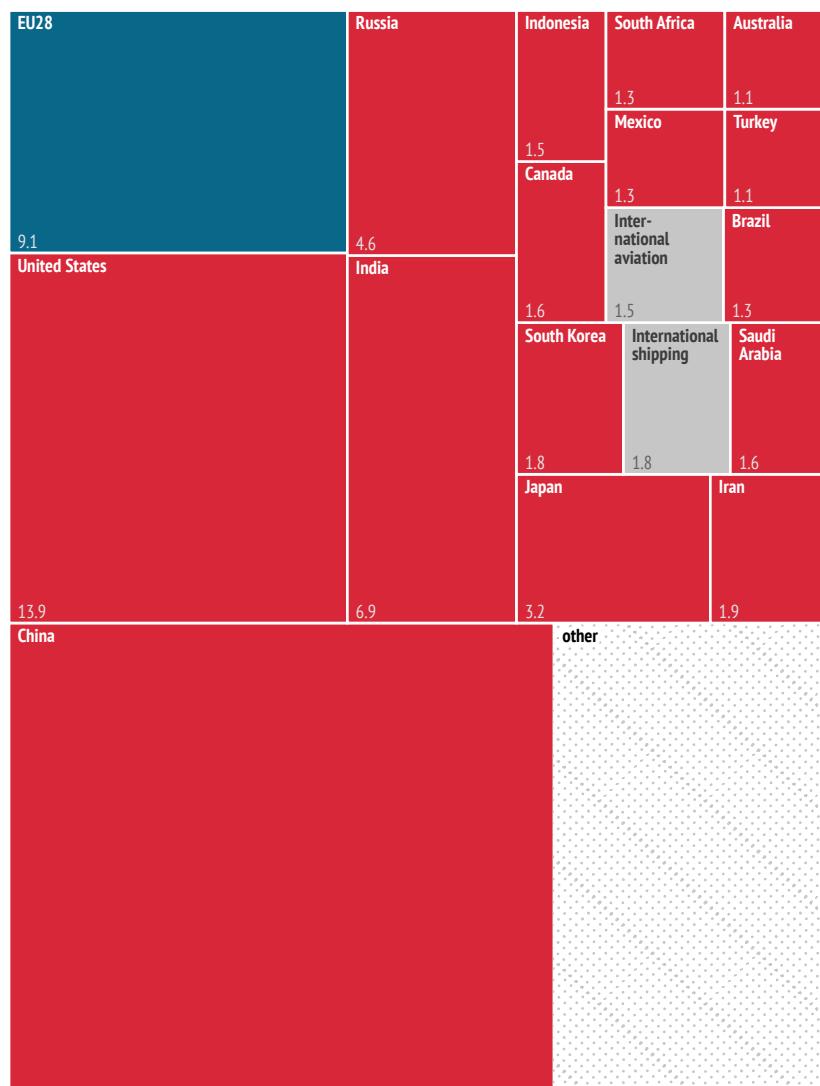
⁴⁶ .Op.Cit., *European Energy Security and the Critical Role of Transatlantic Energy Cooperation*.

⁴⁷ European Commission, “Commission launches public consultations on energy taxation and a carbon border adjustment mechanism”, https://ec.europa.eu/taxation_customs/news/commission-launches-public-consultations-energy-taxation-and-carbon-border-adjustment-mechanism_en.

⁴⁸ Valentin Steinhauer, “Leaving the Paris Agreement: The United States’ Disengagement from the Global Climate Regime and its Impact on EU Climate Diplomacy,” College of Europe, *EU Diplomacy Paper 04/2018*, October 2018.

FIGURE 2 | Who emits the most CO2?

Global share of CO2 emissions for top emitting countries and sectors, 2018, %



Data: European Commission, 2019

While reluctant to discuss global warming or decarbonisation, the Trump administration has embraced some environmental issues, such as tree planting, conservation, protection of endangered fish and wildlife, and the protection of the Arctic and the world's oceans.⁴⁹ Another area of joint transatlantic interest has been the operationalisation and enhancement of transparency in the UN climate change regime.⁵⁰

7. Regardless of the election outcome, it is important for the US and the EU to find common ground and stay united on China. The recently agreed EU-US High-Level Dialogue on China could provide an ideal venue to forge a common strategy towards China, including on climate cooperation. Although Biden's ambitious domestic climate action might help renew the US-China climate partnership, it is yet unclear how much room for manoeuvre Biden would have to build a cooperative relationship with China and the EU in time for COP26.
8. To reduce technological over-reliance on Chinese products and raw materials, the US and the EU should cooperate to diversify supply chains by expanding domestic capabilities and intensifying relations with potential producers around the globe. Following the US example, the EU could partner with Canada and Australia for critical minerals supply. Overall, climate change provides an opportunity to build transatlantic industrial leadership on clean technologies.

⁴⁹ Op.Cit., *Stars with Stripes*.

⁵⁰ Interview with officials of the European Commission, August 28, 2020.

Conclusion

Notwithstanding its ambitious domestic climate efforts, the EU accounts for only 9.1% of global emissions⁵¹ and cannot deal with the pressing global challenge of climate change alone. To meet the Paris goal to achieve global net zero emissions by 2050, the interplay between the US, EU, China, and prospectively India, is key. Bringing the US back into the global climate change regime and restoring US-China cooperation are the big issues for climate diplomacy in 2021. Even if the US re-engages in global efforts to tackle climate change, it may be challenging to regain the leverage in climate negotiations it once enjoyed under the Obama administration. Having walked out of several international agreements, Washington will likely face a credibility challenge. What is more, Covid-19's lasting consequences are still unknown. The big risk is that before COP26 meets in November 2021, many governments will have already implemented economic stimulus and recovery packages that lock in economic pathways that may not align with the Paris goals. Arguments about low-carbon growth and employment need to be made and won now. Regardless of who sits in the White House next, the steps taken from election day to inauguration day to the COP26 conference in Glasgow will be crucial.

⁵¹ Monica Crippa et al., "Fossil CO₂ and GHG emissions of all world countries," Publications Office of the European Union, Luxembourg, 2019.

Conclusion

Towards a new transatlantic agenda

SIMONA R. SOARE

The transatlantic bond has been the core foundation of security and defence in North America and Europe and it has sustained the rules-based international liberal order for the last 75 years. But the transatlantic bond is now in crisis: transatlantic partners trust each other less and they disagree over a broader number of long-term strategic interests. How can the partners unite efforts to rebuild and rejuvenate the transatlantic partnership as we head into the 2020s?

This book has been a collective effort to map out the strategic and political factors that will shape transatlantic relations in the next decade. An overarching view of the excellent contributions in this volume suggest that five fundamental and interdependent principles will influence the adaptation of transatlantic relations and the rejuvenation of transatlanticism in the decade ahead and help transatlantic partners go beyond the current divide. Mirroring recent calls for ‘a new transatlantic agenda’ this chapter outlines these five major principles. Each of the chapters in this volume contain practical steps to rejuvenate transatlantic relations in line with each of these five principles.

The future is still transatlantic

The international system has entered a new period of power transition, and uncertainty and instability are on the rise. Against this background, the Covid-19 pandemic has accelerated processes and polarised communities, including the transatlantic community. New

threats, weaponised dependencies on critical infrastructure, supply chains and emerging technologies, rapidly advancing climate change and a deep internal crisis of democracy are shaping the future alongside a geopolitical window of vulnerability for both the US and Europe. Against the fear of their own decline in relation to a rising China, the future feels less transatlantic in Washington and Brussels.

The US and the EU are turning inward as the geopolitical and geoeconomic challenges from China grow and the threat of authoritarianism returns.

Transatlantic partners share a sense of crisis in democracy and capitalism which, as Florence Gaub argues, is dampening their trust in the future – including their trust in transatlanticism. Citizens across the US, Canada and Europe are increasingly dissatisfied with how democracy and capitalism work and do not feel positive about the prospects for the future. This is a stark reminder that transatlantic partners have neglected their own narratives about the *future of democracy* and capitalism, and their erosion is now amplifying the geopolitical threat of the rival Chinese authoritarian model.

The Trump presidency in the US and the rollback of democracy in parts of Europe has created space for populism and polarising political narratives – amplified by disinformation and hybrid foreign interference. Yet, as Corina Rebegea argues in this book, the transatlantic partners have been slow to recognise the systemic challenge to democracy posed by Russian and Chinese disinformation and foreign interference. Responses have been tactical and reactive, based on a limited understanding of the collective and cumulative effects of these subversion techniques and the deep dependencies between internal and external security in the new strategic environment. Her analysis suggests transatlantic partners need a comprehensive and

Against the fear of their own decline in relation to a rising China, the future feels less transatlantic in Washington and Brussels.

strategic approach to disinformation and hybrid challenges. Central to such an approach is streamlining the defence of democratic governance and the principle of rule of law across the political, diplomatic and cohesion-building efforts between Europe and America but also their revitalisation domestically, internationally and multilaterally as the basis for rejuvenating the transatlantic partnership and its foundation of liberal values.

Analysts have argued that the US presidential campaign is dominated by domestic policies – albeit this is not unusual – and that the EU itself is focused on internal dynamics. However, this volume shows that a preoccupation with restoring public trust in democracy and building a positive narrative for the future is not counterproductive to the transatlantic partnership – it is an essential part of rejuvenating it. Further to Gaub's argument, what is missing is a joint effort by the two sides of the Atlantic to rebuild a positive narrative of transatlanticism, based on a common vision of democracy and capitalism, and one which challenges the rival model of authoritarianism.

More Europe in transatlanticism

Overcoming Washington's “bifurcated transatlanticism”, as John R. Deni argues in his chapter, and healing what Simona R. Soare refers to as the “fractured transatlanticism” in the EU-NATO partnership, will be great strategic challenges in setting the transatlantic partnership on a firmer footing in the 2020s. More substantial European contributions to burden-sharing as well as reengaging in strategic dialogue are ways to carve out space for more European leadership – assuming burden-sharing and more responsibility – in transatlantic relations.

The onus is on Europeans to coalesce the political will and develop the tools to exercise leadership more assertively in a transatlantic context.

Transatlanticism has been predicated on American leadership of the transatlantic area – a deeply ingrained principle of the Cold War and post-Cold War periods. As we head into the 2020s, this notion of transatlanticism will need to change to create more space for some European leadership in transatlanticism, not to replace but to

complement American leadership. The onus is on Europeans to coalesce the political will and develop the tools to exercise leadership more assertively in a transatlantic context. This is the only way to provide irrefutable proof to Washington that Europeans are crucial and reliable strategic partners and that the pursuit of European autonomy is a transatlantic exercise, based on reciprocity, as much as a European one.

There is no guarantee that a transatlantic future will be one of perfect cooperation – and it probably will not be – nor is it possible (or desirable) to return to the pre-Trump *status quo* in transatlantic relations. Centrifugal forces in the transatlantic relationship have structural causes and cannot be ignored. But transatlanticism and European strategic autonomy or sovereignty are not dirty words, for all the unfair reputation they have acquired over the past two decades and especially during the last four years. Neither are they mutually exclusive geopolitical concepts. The challenge in the 2020s is to rebalance the relation between the two sides of the Atlantic around the principle of complementarity, to recalibrate the relationship between the US and the EU as one between two indispensable great power partners and get to work.

Build the transatlantic future

Closely related to our joint view of the future is developing the next generation of transatlantic leaders and rebuilding transatlantic strategic culture. Such efforts are not dependent on the occupant of the White House. As Joe Burton argues in his chapter, they could provide an opportunity to turn our common transatlantic culture into one that is genuinely *strategic*, underpinned by ideational, institutional and operational convergence. Such efforts would consolidate both European strategic culture and contribute to rebuilding transatlantic strategic culture. But there is nothing strategic about European strategic culture if it further undermines Europe's most important strategic relationship.

Rejuvenating the transatlantic partnership also requires broader participation, diplomacy and legitimacy. As Elena Lazarou argues in her chapter, parliamentary diplomacy could be better leveraged across

the Atlantic, not as a crisis management instrument, but as a tool for confidence building and forward-looking constructive engagement on matters that span domestic and external policies. However, trans-atlantic partners need to consolidate the institutionalised structure of and harmonise the powers of parliamentary diplomacy on both sides of the Atlantic. This would reinforce a broader understanding of transatlantic security. Channels such as EU-NATO cooperation should not be the only shelters from transatlantic storms, including when disagreements with Washington rekindle Eurocentric desires for autonomy.

Disagreements between governments on certain policies, such as climate change, have facilitated an environmental awakening at lower levels of political representation. As cities in particular become more prominent international actors and as industry becomes an important stakeholder in the future of our societies, fostering and enhancing opportunities for multi-stakeholder engagement and networks of cities and local governance actors could help embed trans-atlantic values and shared interests across a more sustainable social and political spectrum. Joe Burton argues that the effort to build a resilient transatlantic strategic culture significantly depends on more assertive and inclusive public diplomacy. People-to-people contacts as well as engagement across private industry, academia and civil society should complement ongoing governmental efforts. As Katarina Kertysova points out, the transatlantic allies do not have a plan on how to maintain the myriad local and sub-federal networks to tackle climate change across the Atlantic. Nevertheless, such networks will be an ongoing useful tool, even under a new American executive that is more receptive to climate change, and it is worth considering how to continue to instrumentalize them for a common purpose.

Broader outlines of transatlantic security

Transnational challenges, from climate change, to cyber, critical infrastructure and outer space are increasingly coming into focus in the transatlantic agenda. To adapt the transatlantic partnership for

the next decade, two simultaneous trends will have to be reconciled. On the one hand, as John R. Deni argues in his chapter, transatlantic partners need to reaffirm their political commitment to the military transatlantic bond, notably through a stronger NATO, as the basis of collective deterrence and defence and deliver on burden-sharing. Consolidating transatlantic military cooperation, which has been on autopilot over the past years, will strengthen the resilience of the transatlantic partnership even if the US military footprint in Europe diminishes over time under pressure from great power competition in the Indo-Pacific.

On most topics covered in this volume, the strength of the transatlantic partnership comes not from duplication or unilateral leadership, but from complementarity. There is deep muscle memory in the transatlantic relationship of practical cooperation on defence and deterrence, conflict prevention, climate change, space security, technology and countering cyber and hybrid threats. But it needs the oxygen of high-level transatlantic strategic dialogue to thrive rather than just survive, as it has done over the past four years. In her chapter, Simona R. Soare highlights how practical and technical cooperation within the EU-NATO framework has lacked strategic steering. Elevating this platform to a political dialogue role, in flexible and inclusive formats, is important for sustainable progress on burden-sharing, democratic and geopolitical concerns over Turkey, and the acrimonious and strategically consequential Brexit process. Such an adaptation can ensure speed, substance and the continued strategic relevance of the transatlantic partnership into the 2020s.

Moving beyond the military-centrism of the basic tenets of transatlanticism is also needed because most transatlantic misalignments originate in security-relevant civilian areas. The practice of transatlantic security has to evolve beyond the military realm to include the integrity and resilience of our democratic governance, the growing interdependencies between internal and external security, and the safety of the global commons, including space and climate. As Gustav Lindstrom argues, Western societies' growing dependence on outer space technologies and the growing threats to these critical infrastructure assets make transatlantic cooperation a must, despite our rather different approaches to space security. Moreover, cooperative efforts should be broadened to include not just multilateral

instruments but also create room for the involvement of private industry stakeholders.

The growing role of emerging technologies and their transformational impact on society, the economy and military capabilities mean transatlantic partners need to develop instruments to cooperate on advancing standards and rules of responsible behavior. Zoe Stanley-Lockman offers a sobering analysis of the need for transatlantic cooperation on emerging technologies and data. Stanley-Lockman argues that, against the background of close transatlantic military cooperation, there is far more transatlantic convergence in the military realm than in the civilian one. While military cooperation on AI and other emerging technologies is forthcoming and therefore may constitute the basis for rejuvenating transatlantic cooperation, misaligned civilian cooperation will continue to be a challenge and a source of competition.

Wielding economic instruments and other tools more effectively, including sanctions in support of democratic openness and security, is also important. As Clara Portela argues in her chapter, a better alignment of European, American, Canadian and, post-Brexit, British sanctions policies will help alleviate an irritant in recent transatlantic relations, which has deepened transatlantic tensions over the Iran nuclear deal – notably the extraterritorial effect of US sanctions. It would also provide more geopolitical clout to European initiatives to counter the expanding presence of rivals in Latin America, Africa, the Western Balkans and Eastern Europe.

This brings us to how climate change, rapidly proliferating emerging technologies and the rollback of democratic governance are affecting the global conflict landscape. While climate change is a deeply partisan issue in the US, Katarina Kertysova's chapter highlights that there are alternative mechanisms that could be utilised in the absence of federal support. The extensive sub-federal network of American stakeholders, fostered in part by the EU, will contribute to reducing US emissions by 19% by 2024. This is short of the Paris Climate Change Agreement of 25%, but *not by much*. Again, this makes the case that transatlantic cooperation and dialogue needs a broader spectrum of engagement rather than remain centralised around the activities of our executive agencies.

Transatlanticism goes global

Transatlantic partners need to be better partners not just in Europe but also elsewhere in the world, from the Arctic to the global South, from the Indo-Pacific to Latin America and Africa. Transatlantic co-operation continues to underpin the rules-based international order, but broader global participation is needed to sustain it. As Zoe Stanley-Lockman argues about the area of emerging technologies and Corina Rebegea about defending democracy and the rule of law, transatlanticism needs to become better nested at the center of multilateral practices and instruments that attract other like-minded partners from across the world. Despite the presence of a unilateralist Trump administration, some encouraging signs exist. One such example is the NATO effort, through the NATO 2030 process, to engage more globally with partners to build a shared understanding of the security challenges we face, including from China and Russia. These efforts can be complemented and enhanced, for example, by closer and more strategically focused EU-NATO cooperation.

Resisting Washington's shift in strategic attention from Europe to the Indo-Pacific will not serve European interests or enhance the role of the EU as a security actor.

Paul Bacon's chapter is a sobering account of regional perceptions in the Indo-Pacific about the way transatlantic relation works, but it also signals a strong endorsement of transatlantic complementarity and a shared sense of purpose in supporting Indo-Pacific security and stability against the rise of China. Resisting Washington's shift in strategic attention from Europe to the Indo-Pacific will not serve European interests or enhance the role of the EU as

a security actor. Rather, Europe can contribute to regional security in the Indo-Pacific by leveraging its own strengths – in trade, connectivity and other areas – to reduce the risks created by the rise of China. This could happen alongside and not in competition with the US and other regional actors.

Furthermore, Andrea Charron traces an important inter-regional parallel between strategic developments in the Indo-Pacific – particularly the East and South China Seas – and the Arctic, an area of growing concern in North American and European capitals as well

as in the EU and NATO. Charron makes a strong argument for multilateralism in the Arctic, one premised on complementing regional institutional architecture and leveraging a sense of Arctic exceptionalism to establish confidence-building measures and a binding Code of Conduct for the Arctic, similar to the one agreed in 2014 in the East and South China Seas.

The chapters in this volume are also excellent reminders that international law and the rules-based international order are living organisms, and that principled multilateralism, practised responsibly and inclusively by the transatlantic partners, is crucial to maintaining them. Katarina Mustasilta's chapter tackles a somewhat forgotten area of transatlantic cooperation – conflict prevention. While the two sides of the Atlantic have developed different approaches to conflict prevention and different understandings of the nature of preventive action, the chapter is a rare reminder that conflict prevention is an area of transatlantic burden-sharing. The EU has taken significant leadership and Washington, under the influence of operational fatigue in the Middle East and a de-emphasis on democratisation, has lagged behind, especially in developing civilian and economic tools for conflict prevention.

Equally, as Clara Portela argues in this book, European and American sanctions tools have been honed to oppose the blatant violation of human rights and civil liberties and prevent proliferation in all regions, except Latin America. Here, not enough has been done to align the coordinated imposition of sanctions to more efficiently defend democratic governance and counter the growing global networks of strategic rivals of the West. The overall result has been a weakening of the traditional transatlantic complementarity in conflict prevention, sanctions policy, multilateral engagement and other areas and a growing perception of competing regional interests, especially against the background of growing Chinese and Russian presence.

The last four years have offered little opportunity to engage in a meaningful transatlantic dialogue on the topics discussed in this volume, but in most of these areas practical cooperation continued below the level of high-level transatlantic politics. The prospect of a different US administration may reignite transatlantic cooperation

across the areas analysed here – and it will be *easier*, but not without challenges as our authors point out. Equally, the prospect of another Trump mandate may force harder choices on both sides of the Atlantic. But neither will spell the end of transatlanticism.

The key to transatlantic success, in our collective interpretation, is not new. It is political *commitment*, policy *compromise*, and above all, *consistency*. This volume does not negate the need to negotiate a new transatlantic bargain, but simply points out that creating the space for cooperation and compromise is essential. The reactivation of substantive and meaningful strategic dialogue, a reaffirmation of mutual commitment to the transatlantic bond, getting our own houses in order and bringing the benefits of transatlanticism to our citizens will ensure that the everyday work of transatlantic cooperation will build solidarity through practice rather than political grand-standing and rhetoric.



Image: CSDP EEAS

ANNEX

Abbreviations

3SOS Safety, Security, and Sustainability in Outer Space	CARD Coordinated Annual Review on Defence	DOE US Department of Energy
5G Fifth-generation network	CCP Chinese Communist Party	DOI US Department of Interior
A2/AD anti-access/area denial	CCE Central and Eastern Europe	DOS US Department of State
ABNJ Areas Beyond National Jurisdiction	CCUS carbon capture, utilisation and storage	D-US Delegation for Relations with the US in the European Parliament
AI artificial intelligence	CDP Capability Development Plan	E12 European Intervention Initiative
AI/ML artificial intelligence and machine learning	CEM Clean Energy Ministerial	EDA European Defence Agency
AOR Area of Responsibility	CFSP Common Foreign and Security Policy	EDF European Defence Fund
API Allied Prototype Initiative	COPUOS Committee on the Peaceful Uses of Space	EDIDP European Defence Industrial Development Programme
APF African Peace Facility	CPTPP Comprehensive and Progressive Agreement for Trans-Pacific Partnership	EEAS European External Action Service
APSA African Peace and Security Architecture	CRC Civilian Response Corps	EEC European Economic Community
ASEAN Association of Southeast Asian Nations	CSDP Common Security and Defence Policy	EEZ Exclusive Economic Zone
AU African Union	CUES Code for Unplanned Encounters at Sea	EGNOS European Geostationary Navigation Overlay Service
BRI Belt and Road Initiative	DA-ASAT direct-ascent anti-satellite missile tests	EP European Parliament
BRICS Brazil, Russia, India, China and South Africa	DOD US Department of Defense	EPA Environmental Protection Agency

EPP European People's Party	IcSP Instrument contributing to Stability and Peace	OAS Organisation of American States
EU European Union	INF Treaty Intermediate-Range Nuclear Forces Treaty	OECD Organisation for Economic Cooperation and Development
EUGS EU Global Strategy		
EWS Early Warning System	IPM Interparliamentary meeting of the European Parliament	OSCE Organisation for Security and Cooperation in Europe
FCT US Foreign Competitive Testing Programme	ITAR International Traffic in Arms Regulations	PA Parliamentary Assembly
FFAO Future Alliance Operations Process	JCPOA Joint Comprehensive Plan of Action	PADR Preparatory Action on Defence Research
FOIP Free and Open Indo-Pacific	MCM Mine Counter Measures	PESCO Permanent Structured Cooperation
FTA Free Trade Agreement	MEF Major Economies Forum on Energy and Climate Change	PSC Political and Security Committee
GDP Gross domestic product	MEP Member of the European Parliament	QDDR Quadrennial Diplomacy and Development Review
GIUK Greenland, Iceland and the United Kingdom	MoCA Ministerial on Climate Action	QI Quality Infrastructure
GPS Global Positioning System	NATO North Atlantic Treaty Organisation	QMV Qualified Majority Voting
GSP Generalised scheme of preferences	NDPP NATO Defence Planning Process	R&D Research and Development
HADR Humanitarian Assistance/Disaster Relief	NGO Non-governmental organisation	RCEP Regional Comprehensive Economic Partnership
HQ Headquarters	NORAD North American Aerospace Defense Command	ROs Regional organisations
HR/VP High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the European Commission	NSC National Security Council	S&T Science and Technology
ICoC International Code of Conduct for Outer Space Activities	NSS National Security Strategy	SACEUR Supreme Allied Commander Europe
	NTA New Transatlantic Agenda	SACLANT Supreme Allied Commander Atlantic

SSBN
nuclear-powered, ballistic missile-carrying submarine

STANAGS
NATO Standardisation Agreements

T&E
Testing and Evaluation

TEU
Treaty on European Union

TLD
Transatlantic Legislators' Dialogue

TTIP
Transatlantic Trade and Investment Partnership

UK
United Kingdom

UN
United Nations

UNCLOS
UN Convention on the Law of the Sea

USEUCOM
United States European Command

UNFCCC
United States Framework Convention on Climate Change

US
United States

USAFC
US Air Force

USAID
US Agency for International Aid

USNORTHCOM
United States Northern Command

USSF
US Space Force

V&V
Validation and verification

WHO
World Health Organisation

WMD
Weapons of Mass Destruction

WTO
World Trade Organisation

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The transatlantic partnership is in crisis (again!). Structural factors, toxic political rhetoric and malign foreign influence are in danger of pushing the two sides of the Atlantic even further apart. A sustained effort to rescue the transatlantic relationship is needed, but how can the transatlantic partners reaffirm the strength and endurance of their strategic bond? And where to begin?

This book offers an overarching view of the major factors, trends and areas that are likely to shape transatlantic relations as the 2020s unfold. Rather than focus on how to defuse transatlantic disagreements over politically sensitive issues such as relations with China, Russia and Iran, this volume explores less researched, but equally consequential aspects of the transatlantic partnership. These include the cultural, military, security and democratic foundations of transatlantic relations, as well as the new geographical and thematic horizons for the strategic partnership and the new forums and formats for transatlantic cooperation. Collectively, they could create new space for dialogue, compromise and cooperation and provide a strong basis for reviving the transatlantic partnership.

