

## **US-EC Relations**

### **Foreign policy aspects**

#### **An Intra-European and Transatlantic Panorama**

#### **Lessons of the Transatlantic Declaration**

#### **Better than its Reputation**

(some preliminary annotations)

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## **I. The perennial debate between US and Europe on foreign policy – constant and changing factors**

### **1. Recurrent Patterns of Interactions and Perceptions**

Ever since the end of World War II the relations between the United States and (Western) Europe have been a priority topic of political and academic debate. No major politician on either side of the Atlantic failed to comment on the importance of transatlantic relations stressing at the same time the fundamental changes ahead (at whatever time you look at the debate), and pointing at the necessity to create a stable and enduring framework. Quite often conflicts of interest were articulated at the same time as the identity of basic values and the logic to cooperate together in the international system were underlined. Within some common paradigms Europeans were quite often split into two groups: "Atlanticists" and "Europeanists" with Germany torn between two camps. Though national backgrounds are of a certain relevance this paper prefers to establish some kind of panorama of views floating around. The transatlantic conflicts resemble the quarrels of a cohabitating couple who keep trying to stress their own identity again and again – each continues to talk about the same issues from their own perspective, which causes disputes, but neither really wants the disagreements to end the relationship, and each quietly entertains the notion of perhaps someday formalizing their ties and getting married. Patterns of conflicts and of the search for harmony are familiar.

In the academic debate we witness the progression of several identifiable approaches in the US-Europe relationship, from "hegemony" to an asymmetrical interdependence, something like "partners in leadership"<sup>1</sup>. The attempts to create a stable framework such as Kennedy's two-pillar approach; Kissinger's "Year of Europe"; Baker's Berlin speech and, finally, the Transatlantic Declaration, are quite often discussed. The immediate impact of these approaches on the "real" relationships, however, seems always to be minimal<sup>2</sup>. Following the fundamental changes in the international system

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1 See e.g. Roy Ginsbergh, in: Wolfgang Wessels (ed.), "The Transatlantic Declaration", Bonn: Europa Union Verlag 1993.

2 See more Chapter 2.

since 1989, politicians and academics alike have apparently forgotten the so-called Transatlantic Declaration, the major attempt to redefine the common relations and to build up something like a stable network of relations.

This negligence belongs to some recurring patterns of interactions. The issue of controversies quite often looked and looks similar. The trade disputes from the "chicken war" in the 60s to the Airbus conflict in the 90s return to the same type of argument about "fair trade". In the security and foreign policy field the debate about the proper mix of "deterrence" and "détente" (the famous Harmel formula) created at several times major diplomatic quarrels and prompted to numerous articles in academic journals. The "burden sharing" between the two sides of the Atlantic, both indirectly and in terms of direct military "sharing" was quite often the subject of rather heated controversy. The relations between security engagements, on one side, and benefits and costs of trade, on the other side, belong also to these patterns. Germany was always deeply involved in these disputes and quite often showed the highest degree of frustration and unliveability.

Yet, when looking back, quite a lot of these political and academic disputes and proposals do not seem to have had an impact on the reality, which was characterized by a stable NATO with US leadership (quite often criticized because of specific actions but never really put into jeopardy) and by an intensive trade and monetary relation. Revisiting the 40 years of post-war history the overall foreign policy success story is significant in historical terms, especially because of the intensity of conflicts and the high level of engagement from both sides invested in overcoming these conflicts. The capacity to adjust and react to the changes, often achieved by diplomatic and political disputes, might have been one of the most important ingredients in this success recipe.

## **2. The Transatlantic Declaration and the Common Foreign and Security Policy of the Maastricht Treaty – more than cosmetic changes?**

Within these patterns we have to analyze to what extent the latest steps and developments of the last years are indicators for either continuity or for a structural change. Did the transatlantic interactions in foreign policy change fundamentally after 1989, is business (including disputes) as usual the major pattern, or are there several "realities" co-existing at the same time: the reality of formulas for cooperation, the reality of the de facto pattern of interactions and a new reality of a changing "power" relationship with Germany as a major variable and factor.

## **II. On the history of the Transatlantic Declaration (TAD)**

### **1. The TAD as part of difficult relations in the Post World War II period**

The Transatlantic Declaration has to be seen as part of a long and difficult history of relations between the United States and Western Europe. There are several approaches for a periodization of these relations; I would like to offer the following phases:

- a) US dominance and benevolent hegemony (in terms of the "regime theory") – before the creation of the European Economic Community, reflecting a growing economic self assertion of Western Europe.
- b) Asymmetrical interdependence with a clear dominance of the United States – until the early seventies (breakdown of Bretton Woods system and EC enlargement).
- c) Asymmetrical partnership from the mid-seventies until the middle of the eighties when numerous attempts for creating a network of partnership were still characterized by a strong political asymmetry, characterized by the weaknesses of the EC to organize itself into a strong political actor.
- d) The "litmus test" for an equal partnership in the Gulf War and in Eastern Europe with a stronger EC role after the Single European Act and the Maastricht Treaty.

This periodization is based on two main factors:

- (a) capacities in "objective" terms (that means power resources in economic, monetary and security fields),
- (b) institutional evolution of the EC (that means the political capacity to organize a coherent political position).

Though there are basic changes in the relative positions and, in some ways, in the organization of the partnership, there are also some continuing or recurrent patterns, which are clearly marked by one basic dilemma for both sides. For the dilemma on the US side, we witness a continuous, at least declaratory support of European integration as a major factor for stabilizing Europe and for developing a strong partner for acting in the international system. This hope is confronted with the worry that this partner is not only becoming equal (which seems to be more acceptable) but that this partnership becomes unmanageable, because of internal byzantinistic decision-making procedures on the EC side. The prevailing pattern of the West European decision-making shows US that once the EC has found a common position this is declared as final; i.e. it is not open for "re"negotiation with the United States. Thus, those US-experts who are generally supportive of European integration are still afraid of being confronted with a process which is, for them, uncontrollable or where the US influence is very limited.

For the dilemma on the European side, we witness in the same way a strong declaratory stress on the importance of good relationships with the United States and on the other side the worry that the United States may try to become the "13th member" of the European Union, sitting at the family table dominating the debates among the EC members without being open itself to European proposals. These dilemmas were clearly reflecting lessons of the regime theories and are also to be found in the making of the Transatlantic Declaration as well as in its implementation. For the European side their internal cleavage between Europeanists and Atlanticists were significantly documented by stressing either more the good neighbourhood or the worry of an overprotective parent.

## 2. The making of the Transatlantic Declaration

The immediate history of the negotiation of the TAD is described and analyzed elsewhere<sup>3</sup>. Most contributions and later reactions by diplomats highlight the delicate way of bargaining and mutual adjustments of this document with second thoughts in the back of one's mind. It was stressed that the anti-climatic or even unglorious "publication" of the TAD reflected the hesitance, especially on the part of the EC and there the "Europeanists", to make a really important step toward following Baker's Berlin suggestion for a "treaty"; also, on the part of the US, there were interagency rivalries and even outright hostility toward overly extensive agreements with the EC. Baker's treaty proposal was apparently attacked rather broadly by other agencies of the US administration and never gained any momentum in the US.

In comparison with other basic decisions of (Western) Europe in 1990/1991 such as the Paris CSCE document, the Maastricht Treaty and the Europe agreements the TAD is unglamorous in many ways.

My own view is that given conflicts among the Twelve and within the US administration, the major function of this Transatlantic Declaration was to legitimate the coordination among the EPC diplomats and the State Department for some kinds of upgraded future activities. In this sense, the Transatlantic Declaration was a "victory" for those who wanted to establish broader and more equal links between EPC and the United States and not rely only or mainly on the classical traditional bilateral links between the US and individual EC member states. The opposition of other agencies was based on their preference for direct relations with individual EC member states which, in their view, have been successful interactions over recent years and past decades.

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3 See the essays by Amanda Tucker and Roy Ginsberg in Wessels, *op. cit.*

### **III. On failures and successes of the Transatlantic Declaration**

#### **1. In terms of scope, frequency and efficiency of interactions**

The patterns of contacts at several diplomatic and political levels between the Twelve and the US which began in the seventies increased after the Transatlantic Declaration (see survey I). The interactions take place on different levels with the summit meetings between the President of the US, the President of the European Council and of the Commission at the top which take place every half year. At an ministerial level we observe regular and ad hoc meetings which add up to 6-8 meetings per year. A considerable increase has taken place on the level of experts in which the Twelve are represented by the Troika: 10 meetings in 1990, 17 in 1991 and 16 in 1992. These patters reflect a increasing stability of contacts as well as a scope enlargement.

In comparison with the frequency of meetings and the subjects discussed the experiences on both sides reveal limited efficiency and effectiveness of these contacts which were attributed to several reasons, thus the institutional/procedural innovations of the Transatlantic Dialogue were evaluated differently.

The bilateral summit (President of the European Council and Commission on the one side and the President of the United States on the other side) are seen by some as a major step forward to building up a "communauté de vue et d'action", though one or two exceptions were mentioned (the Portuguese performance in Washington apparently was broadly seen as poor); as opposed to this overall positive evaluation, other observers witnessed only one positive summit – that with Lubbers, because concrete issues of the GATT round and agriculture policy were discussed. At the other meetings the Europeans' performance was described even by other Europeans as unimpressive; President Delors is apparently effective in these meetings, but when speaking English he loses quite a lot of his sharpness and personality.

Delors' importance might also be due to continuity of contacts and expertise on the subject; the respective prime minister's capacity to deal with certain EC issues in detail is certainly more limited.

The ministerial meetings are apparently not taking place as provided for in the text and are quite often frustrating; a major cause of this failure was the supposed "time problems" Baker claimed to have: He apparently had problems seeing the usefulness of these meetings, as they were often vague and inconclusive not leading to common policies.

On the administrative level several problems are reported; apparently "administrative mismatches" exist; i.e. there are difficulties to find the right counterpart on each side. To this belong also logistical problems: Americans stressed that the meetings in Brussels were not always helpful for the US side: Besides the jet lag there is the temptation to have "good dinners or lunches" which reduces the personal capacity to work coherently. The US administration wants to work efficiently, always up to the point and not in diplomatic formulas and slow-moving processes. Apparently different administrative and political "cultures" are at work which are certainly exhibited by the difference between the US pace and that of the intergovernmental, consensus-building mechanism of the Twelve.

Two, rather opposite, views exist on the effects of the frequency of meetings: one stresses that meetings were not frequent enough to establish a "Communauté de vue" as a base for really common activities. The second of the two views stress that these meetings are already taking place too often; more than 15–20 working groups meeting per year were not appreciated as helpful. The first view refers to learning and "confidence building" experiences in the Political Committee of EPC, for which a functional equivalent is not yet existing in the Transatlantic interaction network.

Working styles of the meetings are not necessarily conducive to the efficiency of the interactions: Each side normally starts with reading briefing notes, followed by a certain exchange of views and some kind of brainstorming; however, no intensive consultations on concrete options take place. These shortcomings are seen by both sides.

One explanation for some perceived irrelevance of the lower level meetings might be that the "bosses" (the political leaders) are meeting their counterparts quite often.



Major and Bush were in the same room around 8–10 times in the second half of '92. And in specific crisis situations direct personal telephone calls replace meetings of lower level civil servants.

Linked with these functional and administrative shortcomings are problems of the mandate on the European side. The possibility to go beyond what has been agreed in the EPC circles before, even if only in terms of "speculative" thinking, is apparently not possible. The Troika normally sticks to commonly agreed positions which lead quite often to frustrations on the US side. One reason for the Troika's reluctance might be seen in the constant worry that by getting into franker and direct consultations with their American counterparts, the United States might become a 13th member at the EC table. Overall this leads to major disappointments even with those US experts who understand the "rationale" behind the clumsiness on the European side.

Also the US diplomats stress again and again that they too have problems of moving their policy process through the Washington apparatus, but apparently there is a crucial difference in the freedom of manoeuvre between the two sides.

This inflexibility of the EC side concerns not only the pre-decision-making phase, but especially direct negotiations, particularly in the GATT when the Community representatives present their internally achieved decision with no additional room for negotiating with the United States.

The US side has apparently become accustomed to the rotation of EC/EPC Presidencies and normally gets positive reactions by each new EC Presidency in establishing the respective contacts. More problematic for the US side, however, is the EC internal battle for competences, i.e. who speaks for the Community: Commission or Council Presidency? Sometimes, US officials have the feeling that they are instrumentalized by one side or the other for the internal disputes among the Twelve and EC institutions. The US does not want to accept such ambiguities in the representation and responsibilities of Western Europe. The Maastricht Treaty will, however, not really reduce

these internal conflicts. Though stressing coherence the competence struggle about traditional and even new areas of competences is built in into the treaty provisions.

The parliamentary link between the European Parliament and the Congress is perceived as being of limited importance, though it represents the highest degree of continuity of links between Congress and a foreign parliament – other US contacts are more ad hoc. There are a few very important members of the House of Representatives involved in this group; none of the Senate. Furthermore the European Parliament is quite often perceived as not being very important for many topics of interests for the US. As the role of the EP will be strengthened with the Maastricht Treaty, the weight of the European parliamentarians might also increase in their dealings with their US counterparts.

## **2. The balance sheet of the TAD in terms of substance**

It is apparently difficult for many politicians and diplomats on both sides involved in the differentiated networks of interactions to trace back successes which were due to the new procedures after the Transatlantic Declaration; the failures are more visible, such as the blockage in GATT, shortcomings of coordination in the Gulf War and in the Yugoslavian war. Also in those areas where cooperation increased, like in the framework of the Conference for Security and Cooperation in Europe, major deficits of coordination are mentioned by actors.

One explanation is that the US and the EC – in spite of all common goals and commitments to share global responsibilities – are competing for "world leadership".

The US also complains that one form in which the search for co-leadership is apparently being developed by the Twelve is in the pursuit of a policy which is purposefully different from that of the United States; i.e. that their own position is defined intentionally against the United States by stressing differences instead of looking for common positions or constructive problem solutions. This EPC reflex has certainly been a recurrent pattern in the history of transatlantic relations, which,

however, has been reduced in the last years – perhaps due to a growing self-confidence on the part of the Twelve and to the dissolution of the East-West conflict.

In the political field, direct controversies are fewer and less intensive in the early nineties, especially in comparison with the late seventies and early eighties. With the Gulf war, as well as in Yugoslavia, and with the Middle East no major cleavages existed between the Europeans and the Americans, but more within the group of West European countries themselves. Such an assessment takes up the argument that a major reason for transatlantic problems are first of all intra-European.

#### **IV. On the future**

##### **1. A Treaty between the US and the European Union**

Given this rather negative balance sheet the issue of a treaty between the USA and the "European Union" is raised again and again. Recently, the proposal for a treaty was launched by Baker in the Berlin speech of 1989 apparently on his own or on the ideas of his direct entourage. The additional sentence or "in other forms" was apparently put in by lower level civil servants due to pressures by other agencies in the US administration. Baker's idea of a treaty was reiterated recently when it was put forward by people in the German Foreign Office.

The usefulness of a treaty is discussed with clear controversies. On the one side it might offer, in the medium or at least in the long term, the best framework for structuring transatlantic relations, especially if and when a European Union will be established. Thus this concept should be elaborated, tested, and slowly developed.

The other side is much more sceptical about the usefulness of such a treaty, a real surplus beyond what is or could already now be done is not perceived.

One positive fact on the US side could be that by ratification of a treaty, the Senate would be getting involved and by this it would become an agreement on a higher level,

more binding and of a larger political importance. However, treaty forms of the United States do not, so far (especially "friendship", "commercial" or "navigation treaties" and treaties in the security field) offer any kind of precedent for a comprehensive treaty with the European Union. Thus, a real innovation would have to be developed by the Americans.

A major problem for the US side is the unclear or ambiguous division of competences on the European side; it will be very difficult to convince the Senate to conclude treaties with a party whose competences are "mixed".

In discussing the treaty issue, the dilemma of the US position is being reflected again and again, in the sense that there was on the one side the general strategy to help the integrationist evolutions in Europe, on the other side to carefully protect US interests and perhaps also leadership prerogatives.

On the EC side, the treaty is not seen as a priority. It is quite clear that there might be different French and German views about it. Presently, however, other areas in the transatlantic relations in which French and German interests are involved (especially GATT and agriculture policy as well as the Franco-German-Eurocorps) are of a higher priority. Maastricht needs first to be ratified and implemented. Perhaps even a further intergovernmental conference has to be awaited before the European Union might be prepared to go ahead with a comprehensive treaty.

Apparently like before in the history a major pre-condition for any step forward especially for concluding a treaty would be the higher degree of self-organization by the EC or Union and – linked with that – a higher degree of self-confidence that the US will not become the 13th member at the EC table. These preconditions are presently not met (1993).

A basic problem remains in relationship between bilateral agreements and multilateral fora. One position stresses that the multilateral fora, GATT and NATO, should be the organizations in which closer cooperation between the Americans and the Europeans should take place. A treaty between the EC and the US should be seen as a basic

problem for Japan as for Canada and others. One counter argument to this worry could be the example of the French-German Treaty within the framework of the EC – bilateralism and multilateralism could be well mixed; bilateral contacts could be made useful for efficient and successful procedures in multilateral frameworks.

Others even argued that GATT might not survive a failure of the Uruguay round and thus a bilateral structure might be absolutely necessary to deal with the economic and commercial problems, especially between the EC and the United States; in this case, a specific conflict settlement mechanism also needs to be installed to prevent a disruptive politicalization of the respective trade "wars" of the last decades.

## **2. Improvements below a treaty level**

Further improvements outside a formal treaty, i.e. something like an updated Transatlantic Declaration, are so far not really insight. No major reflections about incremental changes have been put forward. The present formal structure of the declaration might be useful (especially the common and shared responsibilities, basic principles, areas of cooperation and forms of cooperation); monetary and security issues which were excluded should, however, be integrated in view of the respective provisions of the Maastricht Treaty on the European Union. In terms of procedures no further suggestions are apparently on the table. Major improvements within this intergovernmental set-up are difficult to imagine.

## **3. Future "fundamentals" in the foreign policy relationship**

The future of the foreign policy cooperation will be affected by fundamental trends. One basic consideration of further transatlantic relations will be the development of the North American Free Trade Area. In this light there will be a need to negotiate between the NAFTA and the Community enlarged by EFTA members.

Another fundamental trend pointing toward an increased possibility for more stable and more efficient relations is the growing self-confidence and institutional coherence of EC-Europe when and if the Maastricht Treaty is ratified. By widening and deepening, the Community would become a real equal partner, which would be "adult" enough to enter a "marriage contract". The relations being built up by the Transatlantic Declaration could be a regime-like stage in the mutual relationship, which would have installed enough mutual confidence in dealing with common problems.

On the other side, there are also tendencies toward "divorce". The European Union or the Community will be more concentrated on regional aspects, especially Eastern Europe and the Mediterranean than the United States, which still will have a larger global outlook.

These different outlooks might constitute a basic question in terms of what kind of international order the US and the Europeans are aiming for and what kind of role they want to take up in the "new" world order, especially if conflicts in Third World areas increase. Though some elements of a European role (e.g. protection of human rights) have been developed into a "doctrine", convincing outward oriented international role has not yet been developed by the Twelve.

Less controversial might be finally the debate about the proper division of labour between the institutional defence set-ups of NATO, WEU and bilateral – especially French-German – cooperation. Despite quite a lot of organisational issues to settle these evolutions might create less problems than quite often declared.

Given the reduced, common threat perception spill-overs from the economic sectors on the foreign policy making should be more important than quite often in the past. Thus trade and macroeconomic disputes might get a higher political priority.

In the commercial field, the mixture of conflict and cooperation will continue. An additional area of dispute might arise with the external monetary policy of the Economic and Monetary Union. So far the US authorities, the FED and the Treasury are not worried too much about the developments towards the ECU. They are afraid

that by imposing convergence criteria on EC states the economic recession will get even deeper, which might have a negative impact on trade relations with the Community. Regarding what kind of currency relations should exist between the dollar and the ECU no further considerations are apparently be made. Given the unclear future of the ways towards EUU, further concrete considerations in this area might be still far away.

To these fundamentals belong also intra further European tendencies such as the definition for and the role of Germany. If e.g. the individual European countries and/or the United States enter something like "coalition games" in the traditional pre-integration patterns, then the coherence of the European Union will be considerably weakened and the capacity for having a meaningful relation with the US will be endangered.

Internal American changes and evolutions will, of course, also affect the capacity of the US to deal efficiently and effectively with their European counterpart. However, the scenarios to be expected are less unclear than on the European side.

As one conclusion of this paper we may state: The TAD, its implementation and reflections on the future look more like an evolution of pre-1989 existing basic pattern and of former tendencies than like a "watershed" or a "revolution" in the relationship. This finding dynamic might reflect a stability in the transatlantic relations. The fundamental trends of cooperation and conflicts, common values, limits in the interaction pattern might constitute a mix which is more endurable than commonly considered.

## Survey I: Contacts between the EC/Twelve and the USA 1990—1992

PAYS	DECISION	NIVEAU	FORMULE	MODALITES	LIEU	DATE
ETATS-UNIS	RM inf. 4/74	Prés. Cons. Européen	Prés. + Comm.	Consultations semestrielles aux E-U ou en Europe	Washington	11/90
	Echange de lettres 9-10/86				Washington La Haye Washington	4/91 11/91 4/92 12/92
	CoPo 9/87	Min.	12 + Comm.	Consultations semestrielles	New York/CE	9/87 9/89 9/90 4/91 9/91 9/92
	RM 2/90					
	Communiqué 27/2/90	Min.	Prés. + Comm.	Début de chaque Présidence	Etats-Unis Munich	7/92
	Conseil Européen 28/4/90	Min.	Prés./Prés. + Comm./Troïka	Consultations ad hoc	Vienne Bruxelles Londres Washington Genève Madrid Bruxelles E-U/CE	3/89 9/90 1/91 3/91 4/91 10/91 3/92 12/86 11/87 10/88 10/89 10/90 11/91 11/92
	Déclaration CE/E-U 23/11/90					
		Experts	Troïka	V. CPE/PRES/DUB 269 : 22.03.90	V. liste en Annexe	
RM 11/91 CoPo 11/91	Chefs de Mission	Troïka (en principe)	Sur une base ad hoc et en tant que de besoin	Le Caire, Tel Aviv, Damas, Alger, Rabat, Tunis, Prétoria, Brasilia, San José, San Salvador		
CoPo 12/92	Chefs de Mission	flexible	A décider sur place sur une base ad hoc	Tokio, Séoul, Bangkok, Pékin		



## Rencontres de la Troïka au niveau des experts avec les Etats-Unis

3/90	Afrique	3/92	Europe de l'Est
5/90	Amérique Latine	3/92	Processus de paix au M.O.
6/90	Moyen-Orient	5/92	Affaires consulaires
8/90	CSCE (Vienne)	6/92	Afrique
9/90	Droits de l'homme	6/92	Nations Unies
9/90	Nations Unies	6/92	Amérique latine
10/90	Afrique	6/92	Terrorisme
10/90	Europe de l'Est	9/92	Droits de l'homme
10/90	Terrorisme	9/92	Nations Unies
11/90	Amérique Latine	10/92	Moyen Orient/Maghreb
3/91	Europe de l'Est	10/92	Europe de l'Est
3/91	Afrique	10/92	Asie
3/91	CSCE	10/92	Amérique Latine
4/91	Droits de l'homme	11/92	Afrique
6/91	Terrorisme	11/92	Terrorisme
6/91	Amérique Latine	12/92	Affaires Consulaires
6/91	Nations Unies		
6/91	Asie		
9/91	Droits de l'homme		
9/91	Nations Unies		
9/91	CSCE (La Haye)		
10/91	Moyen-Orient		
10/91	Amérique Latine		
10/91	Droits de l'homme		
11/91	Europe de l'Est		
11/91	Nations Unies		
12/91	Asie		