

Rethinking the New Transatlantic Agenda

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The 1990 Transatlantic Declaration and the 1995 New Transatlantic Agenda established the basic structural link between the United States and the European Union, instituting numerous bilateral meetings at several levels and defining the substantive scope of U.S. - EU interaction. For almost a decade, the "NTA process" has been central to the creation of a comprehensive and regular transatlantic dialogue. Yet, for several years, there has been a significant element of frustration among observers of the NTA, to whom it often seems that the process has come to dominate the substance. Some of the major non-governmental elements of the NTA have fallen into inactivity, and those that remain, the business and legislative dialogues, have struggled to remain relevant. Much of the government-to-government interaction has been dominated by the need to produce "deliverables" on a laundry list of issues. Perhaps most frustrating, the NTA process, even when running relatively smoothly, has clearly not reduced the overall level of transatlantic tension, as is made evident by the current bout of U.S. - European discord — one of the worst in years.

Nor is the NTA likely to meet smoother sailing in the future: just over the horizon loom two major changes that will affect the conduct of U.S. - EU relations in ways that are not yet clear. First, U.S. policymakers are becoming less interested in Europe *per se*, and more interested in the assets, both military and non-military, that Europe may provide for dealing with global challenges, especially against terrorism and proliferation of weapons of mass destruction. Second, Europe faces considerable internal change, due both to the admission of ten members in 2004 and to the conclusion of the European Convention, yet there is little understanding of what impact these changes may have on transatlantic relations. Thus, as we approach the tenth anniversary of the signing of the New Transatlantic Agenda, it seems appropriate to ask whether it should be reformed, and if so, how can Washington and Brussels design a structure that will foster transatlantic partnership in effectively meeting the challenges of the 21st century?

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Creating the NTA

For many years during the Cold War, the relationship between the United States and the European Union (then the European Communities or Community) was primarily concerned with trade and economics. Transatlantic security issues were addressed almost exclusively through NATO, and other foreign policy concerns were a matter for bilateral discussions with individual European governments. Gradually, however, it became apparent that EC member states were taking the first steps toward developing a more coordinated foreign policy, and that greater consultations, not only on economic issues but also general foreign policy concerns, were merited. This led to the development of ad hoc meetings at various levels, from the U.S. assistant secretary of state with European political directors to the U.S. president with the president of the European Commission or the head of state of the country holding the rotating Council presidency. For the most part, these meetings were aimed simply at information sharing, such as keeping Washington informed of the results of the EC political directors meetings. Especially in the case of high-level meetings, there was also undoubtedly a desire by the European Community to use these sessions to gain more status and recognition in Washington.

The end of the Cold War in 1989 raised fundamental questions about the nature and continuity of the transatlantic relationship. With the fall of the Soviet Union, some European leaders feared that the United States would no longer believe it was necessary to stay engaged in Europe, that Washington would now pay greater attention to Latin America and Asia. In almost mirror image thinking, some U.S. leaders feared that Europe, with less need now for protection from the Soviet threat, would be tempted to develop a truly independent foreign policy. To many observers on both sides of the Atlantic, NATO's role in this new world order was very unclear — with the major threat to the alliance disintegrating, should NATO be given a new mission, and if so, what should it be? or should NATO simply be allowed to fade away? At the same time, the EC seemed to be on the rise, working steadily toward the anticipated achievement of the Single Market in 1992. The EC was increasingly active as a diplomatic player, establishing structured relationships with many countries around the world that required certain regular meetings. In fact, the most obvious omission in EC diplomacy was the lack of an institutionalized relationship with the United States.

Almost immediately after the fall of the Berlin Wall, Secretary of State James Baker called for the United States and the EC to strengthen their relationship through enhanced consultations of some kind.² Coming from an administration not known for its tendency to take the EC seriously

² For the most detailed description of the development of the Transatlantic Declaration and the New Transatlantic Agenda from the U.S. perspective, see *A New Era in U.S.-EU Relations? The Clinton Administration and the New Transatlantic Agenda*, by Anthony Laurence

outside of the economic arena, this was a significant shift. The result, a year later, was the Transatlantic Declaration, signed in November 1990 during the Paris Summit meeting of the Conference on Security and Cooperation in Europe (CSCE).³ The declaration represented a significant improvement — at least on paper — of the recognition the United States gave to the growing international political role of the EC. In listing the common goals of this enhanced partnership, “achieving a sound world economy” came third, after pledges to “support democracy” and “safeguard peace and promote international security.”

Just as important as broadening the scope of the U.S. - EC relationship, the Transatlantic Declaration formalized the existing routine of ad hoc meetings, specifying the number of sessions per year and the level at which they were to be held. These were:

- biannual consultations between the president of the Council of the EC, the president of the European Commission, and the U.S. president;
- biannual consultations involving the European foreign ministers and the Commission with the U.S. secretary of state;
- ad hoc consultations between the presidency foreign minister or the troika, and the U.S. secretary of state;
- biannual consultations at cabinet level between the European Commission and the U.S. government;
- continued briefings by the presidency foreign ministry to the U.S. Department of State on the European foreign ministers meetings on European Political Cooperation.

The Transatlantic Declaration thus formally established a process of meetings designed to build the enhanced partnership described in the substantive sections of the declaration. For the United States, the meetings were also intended to influence the developing European foreign policy, and particularly to ensure that the EC did not set an independent path away from the established transatlantic consensus. For the EC, the Transatlantic Declaration and its schedule of meetings was about gaining recognition and respect as an international actor.

But in the end, meetings — even regularly scheduled sessions — can do little if the participants are hindered by domestic priorities or the international environment and thus do not use them to

Gardner (Aldershot, UK: Avebury), 1997. Baker’s speech is cited on p. 10.

³ available through www.useu.be or eurunion.org.

their full advantage. Slightly more than six months after the signing of the Transatlantic Declaration, in the summer of 1991, Yugoslavia began to break apart. Despite initial EC activism and confidence in its own ability to manage the situation, internal European differences and a steadily worsening situation in the Balkans made it clear that an effective European foreign policy was still more of an ambition than a reality. This impression was only reinforced by the difficulties the member states encountered in securing the necessary ratifications for the Maastricht treaty, which created the European Union and established the Common Foreign and Security Policy. At the same time, U.S. - EC differences over trade policy became even more acute in the endgame to the Uruguay Round, which finally concluded in December 1993. Under these circumstances, coupled with the change in U.S. administrations, it is hardly surprising that the meetings authorized by the Transatlantic Declaration did not measure up to expectations. Although most of them were held (except for the Cabinet level sessions), they produced few concrete accomplishments, and for a time, there was little incentive on either side to make them more effective instruments toward attaining a U.S. - EU partnership.

The Clinton administration came into office in 1993 more disposed than its predecessor to regard the EU as a potential international partner, particularly on the transnational, or global, issues that were beginning to dominate the international agenda.⁴ CFSP was also beginning to develop, especially in the areas of relations with Central and Eastern Europe and global issues. Once more it seemed as though an invigorated U.S. - EU partnership could be of benefit. But despite this initial enthusiasm, relations between the United States and Europe continued to be difficult and tense. By early 1995, it was feared in some circles that continuing trade conflicts would poison the political partnership that remained from the Cold War. But in fact, political relations had already become extremely tense as the situation in Bosnia-Herzegovina continued to worsen (the Dayton negotiations did not start until the end of the year) and transatlantic recriminations grew.

In response to increasing concerns about the state of U.S. - European relations, some individuals on both sides of the Atlantic began to call for a major new transatlantic initiative. By identifying a new project, such an initiative could give the relationship the purpose and mission it had lacked since the end of the Cold War.⁵ Following a speech by Secretary of State Warren

⁴ Jenonne Walker, "Keeping America in Europe," in *Foreign Policy*, #83 (Summer 1991), pp. 128-142. Walker later became senior director for Europe on the Clinton National Security Council staff.

⁵ One such initiative was presented by the Transatlantic Policy Network, a group of European corporate and political leaders, in *Toward Transatlantic Partnership: A European Strategy* (Brussels: TPN) Summer 1994. The authors advocated linking the political, security, and economic elements of the U.S. - European relationship, and building a partnership based on

Christopher calling for a major step forward in transatlantic relations, it was decided at the June 1995 U.S. - EU summit to appoint a senior level group of officials to develop an agenda for a broader relationship, one that would go clearly beyond economic ties.

In December 1995, the United States and the European Union signed the New Transatlantic Agenda, supplementing the Transatlantic Declaration both in substance and process. The NTA reaffirmed the importance of the transatlantic relationship to both parties and made clear the expanding scope of the relationship. No longer was this primarily an economic relationship; instead the NTA noted that “our common security is further enhanced by strengthening and reaffirming the ties between the European Union and the United States within the existing network of relationships which join us together.” The NTA and its supporting Joint Action Plan outlined three substantive policy objectives:

- promoting peace and stability, democracy and development around the world. In the Agenda, this focused primarily on Central and Eastern Europe (including the Balkans), as well as Russia and the newly independent states, although the Middle East and the more general issues of nonproliferation, human rights, and development were also noted.
- responding to global challenges. This called for cooperation to fight international crime, drug-trafficking, and terrorism, as well as dealing with refugees, environmental protection, and infectious disease.
- contributing to the expansion of world trade and closer economic relations. Specific actions in this area were to be directed at both the multilateral trading system and bilateral economic relations.

In order to broaden the process of transatlantic relations, the NTA featured a fourth objective, “building bridges across the Atlantic,” which sought to enhance transatlantic connections in the business, educational, and non-governmental sectors. Specifically, it formalized the creation of dialogues between the European and U.S. business communities and between the U.S. Congress

the four pillars of “common bilateral economic interests,” “common multilateral economic interests,” “common defence and security interests,” and “common multilateral political interests.” Available at www.tponline.org.

and the European Parliament.⁶ It also established separate transatlantic dialogues between labor organizations, environmental organizations, and consumer groups.

The NTA also supplemented the government-to-government meetings established under the Transatlantic Declaration. A common criticism of these meetings, especially the summits, was that there was little advance preparation and thus little continuity from one session to the next. Clearly, if these meetings were to become consequential, they would have to be supported in a more effective and significant way. The NTA created two additional forums, the Senior Level Group, conducted at the level of political directors, and the Task Force, just below that, to manage the growing range of issues and prepare the ministerials and summits. In addition, there was the Transatlantic Economic Partnership Steering Group, which focuses specifically on economic and trade issues.

Assessing the NTA

During the eight years since the signing of the New Transatlantic Agenda and the related Action Plan, this system has proven in many respects to be flexible and capable of adapting to rapidly changing international circumstances. It has been able to address new issues as they have emerged as transatlantic priorities, including such topics as sanctions, privacy, and most recently, counter-terrorism. Designed at a time when the European Union was even less understood within the U.S. government than it is today, the NTA in many respects was primarily geared simply toward demonstrating that the EU was a legitimate actor on a range of issues. It certainly can be argued that the NTA process raised the profile of the EU in the Washington bureaucracy, although given the bureaucratic nature of many U.S. - EU meetings, even at the summit level, the enhanced profile was not always a positive one. The NTA also accomplished the basic goal of sharing information, as officials from the United States and the European Union exchanged perspectives on various issues at during an impressive number of meetings. Finally, the process of the NTA has fostered the creation of a group of diplomats who meet regularly enough that they as individuals developed a stake in the success of the process.

⁶ The Transatlantic Business Dialogue, comprised of CEOs from both European and U.S. corporations, held its initial meeting in November 1995, while meetings between members of the U.S. Congress and members of the European Parliament had been held on an ad hoc basis for several years.

But despite the changes in the U.S. - EU relationship, the NTA has largely failed to move beyond these somewhat modest accomplishments.⁷ In particular, its development has not been accompanied by any significant decline in transatlantic tensions or disputes. Even after the addition of the “early warning system,” the NTA has not been notably successful in avoiding or ameliorating conflicts.⁸ Legislation is still created on both sides of the Atlantic without regard for the impact on the other, and specific disputes can still persist for years. And although the NTA has contributed to the creation of a cadre of officials from the mid-levels through the ministerial level who are more familiar with their counterparts and have a commitment to an improved U.S. - EU relationship, it has failed to generate such personal relationships at the presidential levels, in part because of the peculiarities of the EU presidency itself. Indeed, the U.S. - EU summit has almost never ranked as a major meeting for the U.S. president and is often perceived in the White House as a diplomatic necessity rather than an opportunity for productive discussion.

Indeed, this comparison of the NTA’s successes and failures reveals a striking contradiction: while the NTA process has proven somewhat adaptable and capable of resolving some issues, the level of misunderstanding and outright disagreement at the highest levels of government has increased. Officials from both the U.S. government and the EU involved with the NTA process have observed that the acrimonious transatlantic relationship that features in so many newspaper columns is not the sometimes tense but generally workmanlike relationship that they deal with on a daily basis. To some degree, of course, these high-level disagreements reflect the different ideological proclivities and policy priorities of this administration, compared with those of many European governments (although the EU is hardly unified on some major policy questions, which only complicates the situation further). But these differences have certainly existed during other administrations as well. What is most notable is the disconnect between the NTA process and the overall public tenor of the U.S. - EU relationship.

In criticizing the NTA, however, it is useful to keep in mind how much the international context has changed since it was designed in 1995. At that time, NATO was still two years away from agreeing to admit Poland, Hungary, and the Czech Republic, and the principal security concern of the United States and the European states was bringing the war in Bosnia Herzegovina to an end, while Kosovo was no more than a gathering cloud on the horizon. The attacks of

⁷ For an assessment of the NTA, see Eric Philippart, “The NTA: An Overall Assessment of the U.S. - EU Institutional Format and Policy Output, 1995-2000,” in Mark A. Pollack (editor), *The New Transatlantic Agenda at Five: A Critical Assessment* (Florence: European University Institute, 2001).

⁸ “Early Warning and Problem Prevention: Principles and Mechanisms,” U.S.-EU Summit, Bonn, June 21, 1999.

September 11, 2001, the conflict in Afghanistan, and the current war in Iraq would have been unimaginable. As for the EU as an international actor, it would still be several years before the European Security and Defense Policy was launched at St. Malo and before the creation of the post of High Representative for CFSP. In the eight years since the NTA was launched, the U.S. - EU relationship has experienced two major shifts. First, the EU has taken significant — although far from complete — steps toward becoming a world player, including developing a defense policy (actual and significant military capabilities are still not a reality) and undertaking its first (albeit a minor) military operation in Macedonia. Second, the security issues that engage the United States and Europe have moved beyond the European continent to the broader world arena, especially including Central Asia and the Persian Gulf region.

But even as the focus of the security and political relationship has moved beyond Europe to regions where the United States and Europe have not always worked closely together, the United States and the European Union have become even more closely linked, particularly in the economic and regulatory spheres. Transatlantic trade has continued to be a major portion of world commerce, but the most significant growth has been in the area of transatlantic investment, which doubled during the 1990s. As more companies operate on both sides of the Atlantic, regulatory issues have become more prominent, with differing approaches to competition policy and biotechnology, for example, causing serious and sometimes persistent disputes. Although these conflicts have remained only a small percentage of the transatlantic economy, the increasing intensity and integration of that economy provides an incredibly complex environment for any structure, such as the NTA, which seeks to address those disputes and ameliorate new frictions.

If the transatlantic arena has changed significantly since the establishment of the NTA, even more fundamental changes are in store over the next two to four years. The first set of challenges are an outgrowth of the September 11 attacks on the United States. The resulting shift in U.S. foreign policy means that Europe *per se* is of significantly less interest to the United States; after all, European security is basically assured. The Cold War has ended and the Balkans, although still not entirely stable, are no longer a threat to the stability of Europe itself. From a U.S. perspective, the most direct threats to Europe are those that also threaten the United States: terrorism and weapons of mass destruction. These should be addressed at their source, which is generally not in Europe. Thus, what matters most to the U.S. administration are the resources Europe can bring to the campaigns against terrorism and proliferation of WMD. As a result, the development of European military capabilities, along with enhanced European will to use those capabilities “out-of-area,” has become the most important indication of a good partner to Washington.

The second set of challenges grows out of the evolution of the European Union itself. In 2004, the EU expects to add ten new members. Not only are many of these members poorer than most

of the present EU members, they also have a distinctly different historical experience. In particular, while western Europe came to view the use of force as so destructive that it should only be used as a last resort, many of the accession states, especially those unable to determine their own fate during the Cold War, view military strength as the essential guarantor of independence and security. This next enlargement of the EU, followed by the likely addition of Romania and Bulgaria in 2007, will undoubtedly require the EU to focus on its internal challenges, and may make the EU a more passive and self-absorbed partner for the United States. When the EU does take an initiative in foreign policy, it is more likely to be focused on Russia or other eastern neighbors (a “new neighbors” initiative focused on Ukraine, Belarus, and Moldova is already under development by the EU) or on global issues requiring a multilateral, non-military response. One exception to this is the continued development of ESDP, which is likely to progress slowly but steadily, now that the mechanics of cooperation between NATO and the EU are established. European military capabilities are likely to develop in response to a growing set of missions in the Balkans, but may be less suitable and capable for the types of operations Washington envisions.

The evolution of the European Union’s internal governance structures also poses a challenge to the viability of the existing NTA process. While the results of the European Convention are not yet clear — nor is it at all certain that the results of the Convention will be approved by the member states in an Intergovernmental Conference — the proposals that have emerged could lead to significant institutional change. But how those changes may affect transatlantic relations is something that has barely been asked. Among the proposals that are receiving serious consideration are several that address the issue of external representation and leadership of the EU. Specifically, the six-month rotating presidency may be abolished, at least at the higher levels: the practice of rotating national chairs may persist within the Council working groups, although there is also discussion of the Council secretariat taking over the chairmanship of some groups. Instead of a presidency rotating among the member states, an individual (perhaps a former prime minister) may be selected by the EU members to serve a term of several years as president of the Council. The current posts of High Representative for CFSP and the Commissioner for External Relations may be combined into an office held by one person, who would act according to inter-governmental or community method depending on the issue.

As for changes in decisionmaking rules, it now appears unlikely that QMV will be extended significantly into CFSP, and there is no chance that will happen on ESDP matters. But neither is it clear that QMV would enhance foreign policy decisionmaking, where member states are especially prone to view their national interests as “vital.” In particular, it may be that QMV, by making it easier to identify the stances of particular members, might make them subject to even stronger pressure from the United States and other external actors. Whatever the results of the Convention when it concludes in mid-2003, it will not be until the member states have debated these ideas and a new treaty has been signed, and until the new members have become regular

participants in EU discussions, that we will begin to understand the impact of these changes on Europe and the transatlantic relationship.

Reforming the NTA

Despite these uncertainties about the future structure of the European Union, it is not too soon to start thinking about changes that might make the NTA more effective. During the past couple of years, the NTA has undergone a series of modest reforms that has lessened the earlier level of frustration directed at the process. The most visible change has been the reduction in summits from two to one per year. But these changes have not bridged the basic disjuncture between the incremental, consultative nature of the NTA, and the high priority issues that are central to the very visible transatlantic rift today. Nor have they led to a reduction in the number of disputes that arise because of a lack of advance consultation. Any major reform effort should attempt to address these continued failings directly, while also responding to the anticipated changes in the size and structure of the European Union.

The question of reforming the NTA can best be approached by dividing the discussion into four topics: the substantive scope of the relationship; the non-governmental dialogues; the government-to-government interaction below the summit level; and the summits. What follows is a discussion of each topic, including an assessment of the current situation and some suggestions for reform.

The Substantive Agenda

The NTA was notable for recognizing the European Union as a partner of the United States in addressing a wide range of international issues, not simply economic concerns. As noted above, the NTA called for cooperation in the areas of promoting peace and stability, responding to global challenges, and building a stronger world economy. The specific priorities listed in the Joint Action Plan today sound rather dated, but in fact, the substantive agenda of the NTA process has largely moved with the times. Particularly since September 11, the NTA process has served as one of the major mechanisms for building stronger transatlantic cooperation in fighting terrorism, by addressing such topics as extradition, judicial cooperation, and container security. The NTA does have a reputation, however, for approaching issues in a “laundry list” fashion, so that meetings involve brief discussions of many issues with little regard for priorities. It has also seemed primarily concerned with rather technical issues or with matters that might be considered “low politics” — stopping trafficking in women and children and fighting HIV/AIDS are undeniably important objectives, but like many “global issues” they have failed to capture the attention of top-level policymakers, with a few individual exceptions. This has been true not only for the Bush administration, but also for the more globally minded Clinton presidency.

Indeed, most presidents end up focusing on the “high politics” issues of the use of force, a tendency that, when coupled with the EU’s reputation as a “low politics” institution, has led the upper reaches of most administrations to believe that the most effective way to deal with Europe on major issues is through NATO (as well as the fact that the United States is a dominant member is the alliance).

Moreover, underlying the logic of the NTA is the presumption of U.S. and EU cooperation; that is, the expectation that the goal of all discussions is to reach agreement. This was understandable when the U.S. - EU foreign policy agenda was still largely focused on European regional security issues, which was the case in 1995. Even as U.S. - EU discussions moved toward a more global agenda, it was initially assumed that transatlantic agreement was a necessary condition for international progress. While certainly such agreement is desirable, it has not always proven to be possible; in fact, a significant step was taken at the Goteburg summit in June 2001 when the “agreement to disagree” on climate change was announced.⁹ This document recognized the differing interests and perspectives of the United States and the EU and removed a corrosive but unsolvable issue from the agenda. As the transatlantic agenda has shifted in the wake of September 2001, there has been a greater focus on the Middle East and the Persian Gulf region — topics over which there have been longstanding U.S. - European differences. Although there has been a great deal of transatlantic cooperation on counter-terrorism, there has been much more difficulty in reaching consensus on dealing with proliferation of WMD, as differences over Iraq, North Korea, and Iran have demonstrated. Discussions within the NTA process on these issues are unlikely to reach agreement easily (especially on those matters where there are significant intra-EU differences). Nevertheless, the discussions themselves are important for two reasons, even if the positions of each side are still under development. First, reaching even mutual understanding — let alone consensus — will be a difficult process that will only happen as part of an on-going discussion. Second, because these are the issues that engage the highest level of policymakers, the NTA process will not be regarded as valuable by those policymakers unless it addresses these issues.

During the last couple of years, there has been some movement away from the “laundry list” modality of past years, and toward a greater focus on high-profile issues. This should be continued, with greater emphasis on issues such as: the Middle East and post-Iraqi conflict regional stability; nonproliferation, including approaches to North Korea and Iran; Turkey’s evolving relationship with both Washington and Brussels; and relations with Russia and the Newly Independent States, especially Ukraine, Belarus, and Moldova. Agreement on these issues will not be easy, and at times the discussions will inevitably be aimed at understanding and coping with differences, not resolving them. Indeed, the likelihood of differences persisting on

⁹ Statement of the U.S. - EU Goteburg Summit, June 2001, viewed at: <http://www.useu.be/TransAtlantic/US-EU%20Summits>.

some issues should be acknowledged in any revised statement of the scope of the NTA. Such a statement should reaffirm the shared interests in global security and prosperity that are the basis of U.S. - EU relations, and commit the partners to work together whenever possible. However, it should also recognize the diversity of views and approaches that will exist on some matters, especially given the range of issues on which the United States and the European Union are engaged. Differences should be tolerated, but the NTA should become a key forum for exploring those differences and developing compatible approaches when possible.

Finally, with the agreement on cooperation between NATO and the EU now a reality, the issues of EU-NATO relations and especially the development of European military capabilities should now become central to the NTA discussions. Specifically, the NTA process should be used to ensure that the development of European capabilities under the ESDP Headline goals and the European Capabilities Action Plan be coordinated with capabilities initiatives under NATO, specifically, with the Prague Capabilities Commitment and the NATO Response Force. The serious enhancement of European military capabilities in a way that is compatible with U.S. forces will be a key component in determining the U.S. attitude toward working with its European allies in the future. It will also be critical in establishing the EU as an effective international actor. The NTA offers a mechanism for encouraging European governments to address the shortcomings identified by both the EU and NATO processes in a compatible manner that makes best use of their limited resources.

The Government-to-Government Process

At the core of the NTA process is a set of meetings between U.S. and EU officials ranging from working groups focused on specific issues, up to, and including, ministerials (the summits present a different set of issues and will be reviewed separately). These represent a significant number of meetings; one recent count totaled 55 meetings in one year. The meetings currently include:

- ministerial level meetings. These most often involve the U.S. secretary of state, the High Representative for CFSP, the EU presidency foreign minister, and the Commissioner for External Relations, and (increasingly rarely) the incoming presidency foreign minister. The foreign ministers' meeting happens at least once per semester. There are also other ad hoc ministerials. For example, there was recently the first ever meeting between a U.S. attorney general and all the EU justice or home affairs ministers, in recognition of the enhanced transatlantic cooperation on counter-terrorism since September 11. Such enlarged ministerials may be useful, especially as new issues come to the fore and could benefit from a high-level discussion.

- political directors meetings, held at the level of the under secretary for policy, and usually once per presidency. They can be held in either the troika format, or the larger “15 plus Commission plus Council” format, although the tendency is toward the former.
- Senior Level Group, in which the U.S. is currently represented by the under secretary for economics and business affairs, who meets with the troika of Council, Commission, and Presidency. The SLG, as one of the main operating forums of the NTA, is responsible for preparation of the summit and for discussion of major issues. In the past, the SLG was responsible for production of the “SLG report,” which listed the areas of assessed progress in the NTA. This has since been replaced with the less extensive “Highlights,” perhaps reflecting the desire to lessen the image of the NTA as a producer of “laundry lists.” The SLG generally meets twice a semester, although it is expected to meet three times during the current semester, when there will be a summit.
- Task Force, comprised of those one or two ranks down from the SLG, again meeting in the format of the U.S. State Department plus EU troika. The Task Force has responsibility for managing much of the NTA process; it is the Task Force that determines the agenda for the SLG, identifying issues that cannot be resolved at lower levels and broader topics that should be discussed. In the past, the Task Force served in some ways as the “traffic cop” of the U.S. - EU relationship with a primary function of keeping track of the status of various topics addressed in other U.S. - EU fora and agreements under negotiation. This role has decreased somewhat recently, as the Task Force has reduced its agenda items and tried to focus on fewer, more significant issues per meeting. The Task Force has also recently increased the frequency with which it meets, and is now expected to meet five times per presidency (some of these are videoconferences).
- the foreign policy working groups, usually held at the level of office director. Each group meets about once per semester, covering topics such as nonproliferation, human rights, OSCE, Africa, Latin America, and other matters. In addition, in the past there have also been working groups on the environment and energy that technically fell outside the NTA; these are now inactive, largely because of the transatlantic differences over policy on those issues. Instead (and reflecting the change in priority issues), there are several working groups concerned with counter-terrorism and related issues.

There are also numerous other U.S. - EU meetings, such as those between the Commission’s DG Trade and the U.S. Trade Representative, that fall outside the formal NTA structure. Clearly, this is a very dense schedule of meetings that encourages significant interaction among a group of U.S. and European officials, and to some extent, gives them a stake in the success of the NTA process.

But, frequency and intensity of meetings does not necessarily lead to the resolution of differences. Many reasons have been cited for the failure of the NTA to quickly resolve a range of issues. Both U.S. government and EU officials charge that the other party commonly brings too many individuals to the meetings, making discussion cumbersome. Both also charge that the other appears without a mandate to negotiate: according to the Europeans, the U.S. side often says that its options are limited by the results of the inter-agency process; U.S. officials often charge that EU officials cannot stray from the limited mandate provided by the member states. It is possible that enlargement of the European Union will make the EU stance even more rigid, but it is also possible that the growing number of agencies involved in the U.S. process may have a similar effect.

Despite these difficulties, however, the NTA government-to-government dialogue has worked reasonably well. In recent months, it has been key in addressing the container security initiative, the passenger name records issue, and the development of a U.S. - EU extradition and legal assistance agreement. In addition, the ability of the NTA process to address issues effectively may be enhanced if the European Convention and IGC lead to reforms in the EU's foreign policy institutions. In particular, the ending of the rotating presidency and the creation of an enhanced High Representative for CFSP (encompassing both the Council and Commission foreign policy positions) would bring an end to the "troika" formulation of Council, Commission, and Presidency. The result would be a truly "bilateral" meeting between U.S. and EU officials.

But with or without such reforms, expectations for the NTA should not be too high. There are (at least) two tasks the NTA cannot be expected to do with any real success. First, it is extremely difficult for the NTA process to detect and ameliorate U.S. - EU differences before they erupt, in a so-called "early warning system." Too often the differences that emerge are unpredictable and either originate with legislators or with agencies that have little awareness of the U.S. - EU process. Second, the NTA cannot be expected as a matter of routine to resolve issues once they become politically sensitive. The officials who manage the NTA rarely have the political weight to negotiate effectively in the domestic political arena, and thus can only turn to those with a political mandate. For that reason, perhaps the most important task of the NTA process is to prepare the summits. The final judgement as to whether the NTA succeeds — both in resolving specific issues and also in building greater transatlantic cooperation and reducing the general level of tension — will be measured by the results of those meetings at the highest levels.

The U.S. - EU Summits

Perhaps the most problematic aspect of the NTA process has been the regular summit between the U.S. president, the Commission president, and the Council presidency. Initially held

biannually, the frequency of the summits has recently been reduced to once per year. It has always been difficult to schedule the meetings, and especially to fit the meeting into the schedule of the U.S. president. Some meetings, especially those in Washington, have been very short, as little as an hour or less, and have received little press coverage. In some cases, the meeting is covered in the U.S. press, not as the U.S. - EU summit, but as a meeting between the U.S. president and the prime minister of the presidency country, without referring to that person's role as representative of the EU.

These difficulties stem from the fact that there is a significant imbalance between European and U.S. capabilities and priorities; this imbalance exists not only between the United States and the EU, but also between the two leaderships. The mere fact that two or three individuals show up to represent the EU demonstrates that none of them has the authority of the single U.S. president. This weakness is at the core of the difficulties with the summit, and indeed, contributes significantly to the tendency of U.S. presidents to regard the EU as an overly complicated and less-than-unified body. While the U.S. president arrives at a summit with the ability to negotiate (albeit within the constraints of executive action and the inter-agency process), the EU leadership is very tightly constrained by the consensus existing among the member states. Even the presidency prime minister is essentially no more than chair of the board, and as such is bound by the limits of the (sometimes hard won) consensus within the European Council.

This situation is reinforced by the eagerness with which the heads of government of almost all EU member states pursue their own independent relationships with the U.S. president. This was clearly visible in the wake of the attacks on September 11, 2001, as major European leaders almost raced to visit Washington in the days just after the attack. It is even more obvious on those foreign policy subjects where an EU consensus has not yet been achieved, as European leaders attempt to use the position of the United States for their own bargaining advantage within Europe. Not surprisingly, it is issues involving the use of force that often cause the most intra-European dissent. Unfortunately, these are also the issues on which the U.S. president is most likely to be closely engaged, thereby reinforcing the high-level perception of the EU as divided and, as an institution, not worth engaging.

This situation is unlikely to be improved by the anticipated results of the European Convention. The ending of the rotating presidency would be a positive step, but the replacement by an EU president representing the Council will not be a panacea. That individual will inevitably still report to the member states; in essence she or he will be an executive director to a board comprised of the member heads of state and government, and thus not at all the equivalent of the U.S. president. Moreover, the fact that any summit must still include the president of the Commission will perpetuate the image of the EU as divided and confusing. Although both Council and Commission presidents will be in office long enough to build personal relationships

with U.S. leaders, their lack of authority will continue to hinder the usefulness of the summit in the bilateral relationship.

These criticisms do not mean that U.S. - EU summits are worthless, however. Under the right circumstances, and with significant preparation, the summits can provide valuable opportunities for discussions among leaders and can serve as action-forcing events that contribute to the resolution of specific issues. The May 1998 summit is often cited as an example of a truly effective summit, in that it led to the resolution of the Helms - Burton crisis, resulting from the imposition of sanctions by the United States on some European firms doing business in Cuba and Iran. However, the success of that summit cannot be separated from the U.K. presidency of the EU. U.S. officials clearly saw the British presidency as an opportunity to reach an acceptable settlement, and the looming conclusion of that presidency — not simply the occasion of the summit — pushed both parties to reach agreement before more damage was done to U.S. - EU relations. Nevertheless, providing expectations are realistic, U.S. - EU summits in their current format can be useful mechanisms. They are not, however, comparable to bilateral national summits, which are primarily intended to foster relationships between national leaders and occasionally to finalize major agreements.

But rather than continuing in the current, less-than-effective mode of summitry, the U.S. - EU meeting may find a suitable alternative model in the NATO summits.¹⁰ These bring together all the heads of state and government from across the Alliance (currently 19 countries, soon to be 25). The meetings do not occur on a regular scheduled basis, but rather “as needed.” In practice, alliance summits have been held every two years during the past decade. They are high-profile events, with significant ceremony and media attention. As would be expected, the statements are largely scripted and the communiqués are usually negotiated before the event. However, final negotiations over a few key points often occur at the summit, and additional statements may also be completed there.¹¹ There is no denying that discussions — and especially sensitive negotiations — may be cumbersome in a format involving so many governments. Despite this, NATO summits have reached agreements. If U.S. - EU summits were to be conducted in a larger format involving all member states, it would only represent one additional country (the United States) beyond the membership of the European Council, which is frequently engaged in negotiations over very difficult issues. Finally, although the NATO

¹⁰ For a good discussion of NATO summitry, see “NATO Summits,” by Bill Park, in David H. Dunn (editor), *Diplomacy at the Highest Level: The Evolution of International Summitry* (London: Macmillan Press, 1996).

¹¹ See, for example, the Iraq statement at the November 2002 NATO summit (<http://www.nato.int/docu/pr/2002/p02-133e.htm>). It was unclear whether this document would be issued until discussions were held at the summit.

summits are heavily scripted in advance and can be very cumbersome, they have been remarkably successful in signaling major shifts and developments in NATO policy and in ensuring that all parties are at least officially committed to Alliance policy and initiatives. This higher visibility would be a significant improvement on the current U.S. - EU summit.

In fact, this larger format of the U.S. president meeting with all the heads of state and government from EU members was used at the June 2001 Goteburg summit, albeit only for dinner. It is reported to have gone fairly well in terms of the new U.S. president gaining some familiarity with his EU counterparts. This experiment should now be expanded so that occasional U.S. - EU summits are held in the 15 (soon to be 25) plus one format. Council and Commission presidents could also participate, as the Commission president does at the European Council. Such a meeting would have the advantage of attracting significantly more news coverage and providing more opportunities for the U.S. president to discuss issues with those who are truly central to foreign policy decision-making in the EU. If negotiations are adequately prepared, it may even prove to be a good forum for settling the final few points required to reach agreement. There will undoubtedly be some European leaders who will be reluctant to engage in negotiations until the EU has reached a unified position, but there will be others (particularly after the 2004 enlargement) who may find this acceptable if it brings more interaction with the U.S. president. Breaks will certainly be required for intra-EU consultations, but at least everyone will be in the same locale and negotiations will be relatively easy to reconvene. Finally, such a large gathering provides an entirely suitable setting for more general discussions among political equals about global trends or foreign policy concerns. These are an essential part of successful summitry, even if they do not produce concrete agreements or “deliverables.”

Such an expanded format for the U.S. - EU summit would be impractical if held on an annual basis. Instead, such large meetings might be held at the beginning of each U.S. presidential term and then again at a mid-point or when judged most appropriate according to the circumstances. In some cases, these expanded summits might emphasize one particular issue (as do some European Councils). For example, a summit that might have been held one year after September 11, could have focused on joint efforts against terrorism, while a meeting in the next few months might emphasize a joint initiative toward the Middle East and Gulf region, including Iraqi reconstruction. If these meetings are held every other year, it will still be important to intersperse them with slightly improved versions of the current “troika” summit. These will provide continuity in the relationship, especially in terms of sharing information and perspectives, but with much less of a logistical burden. The smaller summits will still serve as action-forcing events for reaching agreements, but they will not carry an unrealistic expectation in terms of enhancing the relationship’s public image. Through exposure to both kinds of summits, the U.S. president may gain a better understanding of the internal dynamics within the

Union and develop realistic expectations for what can — and cannot — be accomplished at each type of summit.

The Dialogues

One of the most innovative elements of the NTA was the institutionalization of four non-governmental dialogues, along with a legislative dialogue. However, eight years later, the dialogues can best be described as in a state of disarray. The Transatlantic Business Dialogue (TABD) which predates the NTA by a few months, has been the most successful of these initiatives, at times playing a key role in developing priorities for transatlantic trade negotiations and even taking significant steps toward those agreements. But even the TABD has suffered from ambivalence about its mission and effectiveness. Intended as a forum for CEOs of major companies with transatlantic interests, it has sometimes focused on the larger policy issues. At other times, concerns about measuring the TABD's effectiveness in terms of actual agreements has led to an emphasis on specific technical agreements; these are undeniably important for business profitability, but often too technical to attract significant CEO involvement.

The Legislative Dialogue has suffered from its own set of difficulties. For the most part, the TALD has been entrusted to members of the Delegation for Relations with the USA in the European Parliament and with the Committee on International Relations in the U.S. House of Representatives. From the beginning, the dialogue suffered from a justified perception that the two legislatures were hardly equivalent in terms of law-making power, with the result that members of Congress (especially senators) were unenthusiastic about putting much effort into building relations with a parliament perceived as largely ceremonial. Although that has changed significantly with the advent of co-decision, perceptions in the United States have not changed to the same extent. Moreover, the normal press of legislative business on both sides of the Atlantic, coupled with the uncertainties of congressional recesses during recent sessions, has made it extremely difficult to hold joint meetings. As a result, meetings have been somewhat sporadic with limited participation, making it difficult to argue that the Dialogue has contributed much to building greater awareness and understanding between the two legislatures.

The NTA also established dialogues between U.S. and European labor groups, environmental NGOs, and consumer organizations. None of these can be considered a success, indeed, for the most part they are currently inactive. From a theoretical standpoint, it certainly made sense to attempt to involve these NGOs in the U.S.-EU policy dialogue, as these groups appeared to have a stake in at least some of the issues under discussion, such as economic restructuring and trade policy, climate change, biotechnology, etc. But differences in priorities and strategies made it very difficult for U.S. and European NGOs to work together. For example, many U.S. NGOs were skeptical about receiving government funds simply to support the network, while many

European NGOs regard financial support from the European Commission as normal. U.S. and European labor unions operated in very different political and economic environments and so found few issues that benefited from joint approaches. Environmental NGOs, especially in the United States, have focused more on the Johannesburg Sustainable Development agenda and global issues such as deforestation and biodiversity, none of which are best addressed in the transatlantic context. And, as the policy debates have shifted in recent years so has the relevance of such NGOs. As climate change, for example, has moved off the U.S. - EU agenda, and disputes over biotech foods and feeds have reached a stalemate, there is little incentive for either government to encourage further NGO activity on these topics.

Any reform of the NTA must address the issue of how to make the dialogues more productive. Unfortunately, it may be that some dialogues are simply not suited for rehabilitation. In particular, it is difficult to see how the labor, environmental, and consumer dialogues can be reconstructed, given the lack of interest by the NGOs themselves. In many cases, their priorities are on issues that can best be addressed through forums that are global in nature. In other cases, NGOs may be working on issues that are suitable for transatlantic dialogue, but have yet to recognize that connection. This will be the case more frequently as U.S. and EU regulatory regimes on everything from emissions to chemicals become the standards for global practice. But while business and, to some degree, legislators have come to understand the importance of the transatlantic regulatory system, NGOs have been slower to recognize this development. Given this situation, it is unlikely that a network of U.S. and EU environmental organizations, for example, will be self-sustaining. The alternative may be to involve certain NGOs in discussions of particular issues on the U.S. - EU agenda. For instance, regulations governing the handling of toxic chemicals are currently under development in the EU and will have implications for some U.S. companies and eventually may affect the handling of such substances in the U.S. market as well. A few NGOs, such as the World Wildlife Fund, do have active programs on toxic chemicals, and it may be worth bringing them into the process in a limited way through government sponsored meetings. In other words, while separate dialogues are likely to be unproductive and thus unrealistic, engaging particular NGOs in issues already established on their agendas may add a worthwhile dimension to the transatlantic debate. These meetings may take the form of briefings by government officials after a specific issue has been discussed in an NTA forum, or it may take the form of both U.S. and EU officials discussing the issue with NGO representatives on the fringes of the NTA meeting.

As for the Transatlantic Business Dialogue, it is clear that the participating corporations have both the means and the incentives to make the dialogue sustainable. TABD will inevitably go through ups and downs in terms of its effectiveness in influencing the governmental negotiations. For the most part, however, it is in the interest of the U.S. government and the EU to have a healthy and active TABD that can identify areas ripe for official negotiation and perhaps even contribute to finding solutions to transatlantic economic differences. Yet at the

most recent TABD CEO meeting in November 2002, U.S. government representation was considerably below the rank of the attending EU delegation, which included Commissioners Pascal Lamy and Fritz Bolkestein. This raised questions about the commitment of the U.S. government to the TABD. Thus, in considering how to strengthen the business dialogue, one of the most important measures would be for both the U.S. government and the EU institutions to demonstrate their support for the TABD through high-level attendance at meetings.

Perhaps the most difficult but important dialogue is that between the European Parliament and the U.S. Congress. Both bodies are increasingly important to the U.S. - EU policy dialogue; in fact, several serious disputes can be traced to legislative measures designed with little awareness of how it might impact others. The Sarbanes-Oxley bill, which required certain audit standards of firms operating in the United States, alarmed many European companies, and is only the most recent example of such legislation. Enhancing the TALD will involve creating greater awareness of the scope of U.S. - EU relations and the potential impact of legislative bodies on that relationship, as well as engaging legislators from both sides of the Atlantic more closely with the NTA process. It is particularly important that members of Congress become more familiar with the growing role of the European Parliament, which is likely to have even more influence in EU policymaking after the European Convention and following IGC. A strategy for revitalizing the TALD might include the following components:

- Staff programs. Given the many demands on the schedules of members of Congress and MEPs, it may be advantageous to direct some programs at staff, particularly those relevant committee staff and legislative assistants dealing with foreign policy and trade issues. Given the growing caliber of staff working for European Parliament committees and party groups, there is now a natural set of interlocutors for staff-to-staff meetings. These might be focused on particular issues or might be more generally oriented toward enhancing familiarity across the Atlantic.
- Widening participation and focusing topics. It will also be important to reach beyond the members and staff involved on the House International Relations Committee and the Delegation for Relations with the USA. Many members working on particular issues (including taxes, chemicals, privacy, and many others) may have little idea that the issue has transatlantic implications. For that reason, it will be important to hold more short sessions focused on specific issues and bringing in a wider range of legislators. It will be important to do this in a way that is relevant for specific legislation in at least one institution; for example, members of Congress involved in chemicals legislation might provide their perspective on existing U.S. laws to MEPs involved in constructing similar pending legislation. Given their specific focus, such sessions are unlikely to create continuing involvement by legislators, but they will enhance awareness across the Atlantic and may help reduce misunderstandings and even disputes over specific points.

- Greater integration into the NTA process. Legislators will become more involved in the TALD if they believe it actually has impact on the policy process. For that reason, discussions such as those outlined above should be tied to specific legislative initiatives. It will also be important to bring a few key legislators into the official NTA meetings on specific issues of legislative concern. Or it may be beneficial to conclude Senior Level Group meetings with a briefing for TALD members. Because of the wide range of issues under discussion, it will be advantageous to involve not only legislators concerned generally with transatlantic relations, but also some individuals from the “leadership” who are responsible for determining which issues are discussed in a parliamentary body.

Given the already heavy schedules of both members of Congress and MEPs, revitalizing the TALD will not be easy. Involving staff will help build the necessary expertise, to be used when the member most requires it. Widening the circle of participants, targeting discussions toward specific legislation, and encouraging more interaction between the TALD and the official dialogue will also help create the incentives needed to gain the participation of members of Congress and MEPs.

Conclusion

In two years, the NTA will face its tenth anniversary. The international environment in which it operates and the two parties involved — both the United States and the European Union — will have undergone significant changes: During its lifetime, the NTA has proven itself to be flexible and productive, up to a certain point. It has kept open lines of communication and provided a forum for information sharing. In recent years, it has become more adept at actually resolving certain specific issues. This is an adequate report card, and the NTA could continue to work at this level for some time to come.

But, while the NTA has progressed incrementally, the transatlantic relationship itself has become increasingly divided and acrimonious. This situation may actually worsen given the shift in U.S. foreign policy priorities and the likelihood that the EU may become rather self-absorbed following enlargement and institutional reform. If the NTA is to be truly effective, it must address the larger issues in the relationship, providing a forum for U.S. and EU officials to discuss their differences as well as to resolve specific issues. Only in this way will the NTA help breach the growing differences at the highest, most public, levels of transatlantic relations, but it will require significant reform of some elements of the NTA. Specifically:

- developing an enhanced vision of the substantive scope of the NTA, with much more emphasis on traditional “high politics” issues that still dominate presidential-level

agendas. Agreement may not always be possible, and the real objective will be to foster engagement and understanding on these issues.

- continue refining and focusing the agendas of the government-to-government meetings at the ministerial level and below. These may receive a considerable boost in efficiency if the anticipated enhancement of the position of High Representative for CFSP is actually implemented.
- reforming the summit agenda and format to foster discussions on the most difficult issues among all political leaders and raise the profile of the summits as a symbol of the relationship, while also retaining the ability to occasionally negotiate the final stages of some agreements.
- reinvigorate the Transatlantic Legislative Dialogue by extending activities to more MEPs and members of Congress (as well as staff), focusing on specific legislations, and generally developing a closer connection between the TALD and the official NTA process.