The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots — the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe. Europe and America do share common values and have robust economic ties. But policymakers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact. Indeed, the transatlantic divide that opened over the Iraq war was a stunning affirmation of the secular erosion of the Atlantic Alliance. That traditional allies like France and Germany sought to thwart the United States on a matter Washington deemed to be of vital interest made clear the serious and unprecedented nature of the current crisis in Atlantic relations.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. The U.S.-Europe partnership has been the anchor of the international system for decades — neither party can afford to let it atrophy. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

A vision of a transatlantic partnership for the future must aim at locking in the three historic achievements of the post-World War II era: 1) the establishment of a democratic Europe at peace; 2) the creation of a security community between North America and Europe — an Atlantic zone in which war is unthinkable and balance-of-power dynamics muted, if not eliminated; and 3) the establishment of a transatlantic partnership that serves as the central vehicle for promoting global stability and managing an open international economy.

The first objective is close to completion; democracy and prosperity have taken root in Europe's west and are in the midst of doing so in Europe's east. The second objective has been attained for now, but both sides of the Atlantic must ensure that security community does not unravel and give way to geopolitical rivalry. The third objective — continued Atlantic partnership — will be the hardest to sustain and is the one that will require the most innovation and determination.
In pursuing these objectives, the Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, weapons of mass destruction, and instability and impoverishment in the developing world.

At least in the near term, this new strategic landscape will lead to the emergence of a new division of labor, in both geographic and functional terms. In geographic terms, Europe will focus its primary attention and its core military assets on consolidating peace in Europe while America concentrates its power and purpose primarily on promoting stability and meeting threats in other parts of the world. In functional terms, America will bring to the table its war-fighting capability, while Europe’s main contributions will be in the areas of nation-building and peacekeeping.

The United States should remain engaged in Europe even as it focuses its attention on other quarters. And the EU should more regularly backstop America’s global engagement by increasing its involvement in nation-building, peacekeeping, and conflict prevention in areas outside Europe. Furthermore, as Europe’s institutional and military capacities evolve over time, the EU could down the road become a more complete partner of the United States on a global basis. Nonetheless, during this critical decade, a strategic division of labor seems inevitable.

Although this division of labor takes advantage of the complementary nature of American and European strengths, it does represent a strategic separation between the United States and Europe. This separation is a logical consequence of the changing threat environment and Europe’s limited ability to project power beyond its own neighborhood. It is precisely because transatlantic unity will no longer be driven by geopolitical imperative that both America and Europe must now work harder to sustain their partnership. So too does this strategic separation reinforce the need for America and Europe to cooperate closely on a host of other fronts, including disrupting terrorist networks, managing the global economy, expanding democracy, and promoting health and economic growth in the developing world.

If a new transatlantic bargain is to emerge along these lines, the United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. America’s international dominance remains unchallenged, making it both possible and necessary for the United States to wield its power with restraint, adhering to the practice and spirit of multilateralism in order to win the consent of others. Washington should also resist efforts to exacerbate intra-European divisions, instead welcoming a more unified Europe — provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America.
In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment and help address new threats. In particular, the EU should seek to forge with the United States a common approach to the new security agenda, updating both practice and principle to the challenges posed by terrorism, the proliferation of weapons of mass destruction, and the potential need for preventive war.

By granting Europe more autonomy and voice, America is likely to find in Europe a partner more willing to share the burdens associated with international stability. By more readily working with Washington to meet new international threats, Europe is likely to find in America a brand of leadership more to its liking. Nonetheless, differences of approach will no doubt continue to emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

The Task Force recommends a three-prong strategy for realizing this vision and putting Atlantic relations on a more sound foundation: preserve comity, recast the defense partnership, and define a new agenda for concrete cooperation.

Preserving Comity

Although it will not be possible to sustain the tight alliance of the Cold War, the Atlantic democracies can do much better than let decades of partnership give way to acrimony. If the current drift is left unaddressed, a common identity and sense of affinity could be replaced by mutual suspicion among rising generations of both Americans and Europeans. Policymakers must urgently seek to arrest the tearing of the Atlantic community's social fabric and lock in a stable, even if looser, partnership.

Preserving comity and maintaining the transatlantic community as the anchor of the international system requires:

- Recovering a harmonious and constructive spirit of diplomacy and consultation. Absent geopolitical imperative, effective diplomacy will prove essential to maintaining solidarity.
- Mapping out new rules of the road.
  - Developing a common approach to preventive action and counter-proliferation.
  - Addressing the appropriate role of international institutions and the appropriate means of legitimating joint action.
  - Dealing with disagreements (opting out rather than actively resisting, following the model of the Concert of Europe rather than the Iraq war).
- Ensuring that political differences do not spill over into areas of trade and finance.
- Building a new transatlantic institution that spans the political, economic, and security realms. This new institution should substantially deepen formal U.S.-EU contact in step with the EU's own institutional evolution.

Recasting the Defense Partnership
NATO has lost its centrality and its ability to serve as the anchor of the Atlantic partnership – hence the need for a new, more encompassing institution. At the same time, NATO remains an important forum for joint military planning, for preserving peace in the Balkans, for encouraging reform and integration on Europe’s periphery, and for carrying out peacekeeping missions outside Europe. Adapting NATO to new conditions and maximizing its relevance entail:

- Deepening and regularizing EU-NATO military links, especially as the EU broadens its defense responsibilities.
- Maintaining more than a token U.S. military presence in Europe – even as a drawdown proceeds – in order to preserve military-to-military contacts and encourage interoperability.
- Enlarging NATO’s role in conflict prevention and post-conflict reconstruction; expanding its capacities in policing and peacekeeping.
- Revising NATO’s unanimity rule in order to ensure effective decision making.

Defining a New Agenda for Concrete Cooperation

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Mapping out a joint transatlantic strategy for dealing with these challenges will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

- Facilitating further liberalization of U.S.-EU commercial relations and the global economy; eliminating tariffs on and subsidies of textiles and agricultural goods is of particular importance because of the benefit to developing countries.
- Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.
- Deepening cooperation on stemming the proliferation of weapons of mass destruction and containing nascent nuclear programs, such as those in Iran and North Korea.
- Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
- Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
I. The Transatlantic Rift — Gravity and Causes.

• The current deterioration in relations is not just another round of irritation. The rift runs deep and jeopardizes decades of transatlantic partnership.

• The underlying causes of the rift are structural in nature.
  - The end of the Cold War and the disappearance of a common threat.
    - America no longer needs to remain Europe's protector.
    - Europe is less reliant on the U.S. for its security.
  - The evolution of the European Union as a more mature and collective polity.
  - September 11 and diverging threat perceptions.

• Leadership, rhetoric, and style are also contributing to the rift. The behavior of governments on both sides of the Atlantic has reinforced structural tensions, adding to the ill will. Matters of tone and style are not underlying causes of the divide, but they complicate the task of adapting and adjusting to new conditions.

• Europe and America do share common values and have robust economic ties. But policy makers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact.

• Restoring cooperative Atlantic relations should be a top priority for Europeans and Americans. The stakes could not be higher. The U.S.-Europe partnership has been the anchor of the international system for decades. Neither side can afford to let it atrophy.

• This report sets out a strategy for keeping the Atlantic link strong and vital.

II. Guiding Principles

• The Atlantic Alliance in its traditional form cannot be restored. Too much has changed.
  - Europe and America are no longer central to each other's security.
  - Generational and demographic change is proceeding on both sides of the Atlantic.
  - The two sides of the Atlantic no longer share a strong sense of common identity.

• A new type of Atlantic partnership is, however, both highly desirable and feasible. America and Europe still share common ends even if they at times differ on the means. If America and Europe work together, they are far more likely to realize these commons ends.

• A new transatlantic bargain entails:
  - Europe must do more to recognize the new strategic environment and help address new threats. In particular, it should demonstrate a willingness to
engage the United States in a dialogue about how to advance the struggle against terrorism and the proliferation of weapons of mass destruction. As part of this effort, Europe must be willing to forge with Washington an understanding on the principles and practice of preventive war. The new security strategy recently approved by EU leaders is an encouraging first step.

- The United States must seek to ensure that its international leadership is exercised in a multilateral spirit. While reserving the right to act alone when necessary, Washington must reassure Europe of its willingness to adhere to the habits of consultation and cooperation that are the foundation of partnership. In the words of Tony Blair, the United States must lead through persuasion rather than command.

- As the EU evolves, European leaders should articulate a vision of a Europe that retains vital ties to the United States even as it grows stronger and more independent.

- As it has since World War II, the United States should support the continued integration of Europe, including the EU's efforts to build a common defense policy, provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America. In this respect, Washington should welcome the institutional reforms proposed by Europe's recent convention.

III. The Future of NATO

Why NATO Remains Relevant

- A Europe at peace and America's shifting strategic priorities have deprived NATO of its former centrality. Nonetheless, NATO continues to fulfill important functions and the interests of America and Europe alike would be compromised if the Atlantic Alliance erodes.

- NATO remains the premier forum for U.S.-European consultation on security matters. It is within NATO that the United States and Europe should seek to forge a meeting of the minds on the full range of security threats.

- Although Europe's lack of power projection capability has diminished NATO's relevance to America's new security concerns, Europe's capacities in peacekeeping and nation-building complement well America's war-fighting capacity. NATO provides a vehicle for utilizing the complementary nature of European and American strengths.

- Although the bloodshed has ended in the Balkans, there remains much unfinished business in the region. Even as the EU gradually assumes from NATO increased responsibility for peacekeeping in Bosnia, Kosovo, and Macedonia, NATO must stay engaged to prevent backsliding and help address residual political and territorial issues.

- NATO remains an important institution for encouraging reform and integration on Europe's periphery, particularly in Russia, Ukraine, and Turkey. Even as the
United States focuses on the struggle against terrorism, it must not neglect the importance of consolidating peace in Europe's east and south.

How NATO Should Be Adapted To New Conditions

- As the United States draws down its force levels in Europe, the EU must prepare to assume more responsibility for managing European security. As Europe's defense capacities evolve, NATO-EU links must be deepened and regularized to ensure continued transatlantic consultation.
- NATO must find the right balance between out-of-area missions and its traditional focus on European security. Washington should not seek to turn the alliance into a vehicle for global force projection. At the same time, NATO should maximize its contribution to ongoing operations in Afghanistan and Iraq.
- Future conflicts may well be fought by coalitions of the willing rather than a collective NATO. Nonetheless, Washington should maximize pre-war consultations within NATO in order to facilitate the involvement of the alliance in post-war stabilization and reconstruction.
- NATO should develop its capacities in the areas of military police and peacekeeping.
- [Perhaps include a reference here to coalitions of the willing and the potential reconsideration of NATO's unanimity rule? A possible formulation: As NATO continues to enlarge, reconsideration of the unanimity rule will be necessary to ensure effective decision making within the alliance.]

IV. Trade and Finance

- The U.S. and the EU account for roughly 40% of global GDP. They remain the engines of global growth and the stewards of the global economy. U.S.-European partnership continues to be vital to global economic stability.
- Commercial relations across the Atlantic remain strong. Political tensions have affected trade only at the margins; matters of commerce tend to be compartmentalized from those of security. But this segregation also means that strong commercial relations will not on their own preserve robust security links.
- If political tensions across the Atlantic continue to mount, they do have the potential to spill over into the commercial realm. At a minimum, American and European trade negotiators will find it more difficult to pursue further liberalization of the global economy if they are operating against the backdrop of a transatlantic rift.
- Specific initiatives that the U.S. and Europe should pursue include the following:
  - Coordinate diplomacy to ensure successful conclusion of the Doha round.
  - To be determined (LS, Gordon Brown, etc.)

V. The Global Agenda
• With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Identifying these challenges and mapping out a transatlantic strategy for dealing with them will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

• The greater Middle East will continue to present the most pressing and imminent threats to the common interests of the United States and Europe. As efforts to realize the road map intensify, the United States and Europe must step up efforts to coordinate their diplomacy. Similar convergence of strategy should be pursued toward Iraq and Iran. Specific steps include:
  o Expand the use of the Quartet in developing and implementing regional initiatives.
  o The United States and EU should close ranks on a diplomatic strategy for halting Iran’s nuclear program.
  o Washington should enlist greater European involvement in Iraq, even if doing so entails a more prominent UN role.
  o Other initiatives to be determined.

• The United States and Europe also need to develop a long-term strategy for fostering economic development and political liberalization in the Middle East and Africa. America and the EU urgently need to map out a program that succeeds in maximizing their diplomatic leverage and speeding aid and trade. Specific steps include:
  o Eliminating trade barriers in the areas of agriculture and textiles.
  o Supporting local organizations and programs that promote the deepening of civil society.
  o Expanding the Bush administration’s efforts to tie aid to good governance while harmonizing conditionality with the EU.
  o Enhancing cooperation and funding on HIV/AIDS prevention and treatment.
  o Enhancing joint efforts to prevent and halt civil wars and ethnic conflict in countries such as in Liberia, Sierra Leone, Cote d’Ivoire, and Congo.
  o Deepening transatlantic cooperation to promote basic education and health care systems. At relatively low cost, the U.S. and Europe have the potential to markedly expand access to education and health care, both of which are critical to social and economic development.
  o Other initiatives to be determined.

• Through the Asia Europe Meeting (ASEM) and less regularized channels, the EU is enlarging its diplomatic and economic presence in East Asia. This development provides an opportunity for enhanced U.S.-European cooperation in the region. Top priorities include resolving the crisis on the Korean peninsula and drawing China into international markets and institutions.

• Washington’s decision to opt out of the Kyoto Protocol on climate change continues to sour transatlantic relations. To remove this irritant and to address looming environmental crises, the United States should come forward with its own set of policy proposals.
VI. New Institutional Initiatives

- In this final section of the report, we might take up some of the proposals for institutional reform that were discussed in the task force. These include:
  - The establishment of a standing Contact Group (Ash).
  - The formation of a caucus of democracies within the UN (Slaughter).
  - Other UN issues, such as reform of the Security Council or the General Assembly.
  - Changing the structure/composition of U.S.-EU summits, especially in light of the institutional changes likely to take in place within the EU at the upcoming Intergovernmental Conference. In this respect, if the EU is soon to have a single foreign minister and an elected president of the Council, the United States should prepare to deal more regularly with a collective EU rather than with its individual member states.
  - Should the report mention the dispute over the ICC?
CFR Transatlantic Task Force Report

Summary of Findings

Diagnosis

The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots — the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

Vision and Strategy

The Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, WMD, and instability and impoverishment in the developing world.

The key features of this vision are:

- **A new division of labor.** Europe will focus its primary attention on consolidating peace in Europe while America concentrates primarily on promoting stability and meeting threats in other parts of the world. America’s strength’s in war-fighting will be complemented by Europe’s strengths in nation-building and peacekeeping.
- **A new bargain.** The United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment, help address new threats, and backstop U.S. engagement in areas outside Europe.
- **Greater tolerance.** Differences of approach will no doubt emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

The Task Force recommends a three-prong strategy for realizing this vision and putting Atlantic relations on a more sound foundation: *preserve comity, recast the defense partnership, and define a new agenda for concrete cooperation.*

Preserving Comity
Preserving comity and maintaining the transatlantic community as the anchor of the international system requires:

- Recovering a harmonious and constructive spirit of diplomacy and consultation. Absent geopolitical imperative, effective diplomacy will prove essential to maintaining solidarity.
- Mapping out new rules of the road.
  - Developing a common approach to preventive action and counter-proliferation.
  - Addressing the appropriate role of international institutions and the appropriate means of legitimating joint action.
  - Dealing with disagreements (opting out rather than actively resisting, following the model of the Concert of Europe rather than the Iraq war).
- Ensuring that political differences do not spill over into areas of trade and finance.
- Building a new transatlantic institution that spans the political, economic, and security realms. This new institution should substantially deepen formal U.S.-EU contact in step with the EU’s own institutional evolution.

Recasting the Defense Partnership

NATO remains an important forum for joint military planning, for preserving peace in the Balkans, for encouraging reform and integration on Europe’s periphery, and for carrying out peacekeeping missions outside Europe. Adapting NATO to new conditions and maximizing its relevance entail:

- Deepening and regularizing EU-NATO military links, especially as the EU broadens its defense responsibilities.
- Maintaining more than a token U.S. military presence in Europe – even as a drawdown proceeds – in order to preserve military-to-military contacts and encourage interoperability.
- Enlarging NATO’s role in conflict prevention and post-conflict reconstruction; expanding its capacities in policing and peacekeeping.
- Revising NATO’s unanimity rule in order to ensure effective decision making.

Defining a New Agenda for Concrete Cooperation

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many challenges which America and Europe must address together are in the developing world.

- Facilitating further liberalization of U.S.-EU commercial relations and the global economy; eliminating tariffs on and subsidies of textiles and agricultural goods is of particular importance because of the benefit to developing countries.
- Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.
- Deepening cooperation on stemming the proliferation of weapons of mass destruction and containing nascent nuclear programs, such as those in Iran and North Korea.
• Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
• Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
CFR Task Force on Transatlantic Relations

Draft Outline – Version II

Diagnosis

The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots – the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe. Europe and America do share common values and have robust economic ties. But policymakers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact. Indeed, the transatlantic divide that opened over the Iraq war was a stunning affirmation of the secular erosion of the Atlantic Alliance. That traditional allies like France and Germany sought to thwart the United States on a matter Washington deemed to be of vital interest made clear the serious and unprecedented nature of the current crisis in Atlantic relations.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. The U.S.-Europe partnership has been the anchor of the international system for decades – neither party can afford to let it atrophy. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

Objective, Vision, Strategy

A vision of a transatlantic partnership for the future must aim at locking in the three historic achievements of the post-World War II era: 1) the establishment of a democratic Europe at peace; 2) the creation of a security community between North America and Europe – an Atlantic zone in which war is unthinkable and balance-of-power dynamics muted, if not eliminated; and 3) the establishment of a transatlantic partnership that serves as the central vehicle for promoting global stability and managing an open international economy.

The first objective is close to completion; democracy and prosperity have taken root in Europe’s west and are in the midst of doing so in Europe’s east. The second objective has been attained for now, but both sides of the Atlantic must ensure that security community does not unravel and give way to geopolitical rivalry. The third objective – continued Atlantic partnership – will be the hardest to sustain and is the one that will require the most innovation and determination.
In pursuing these objectives, the Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, weapons of mass destruction, and instability and impoverishment in the developing world.

At least in the near term, this new strategic landscape will lead to the emergence of a new division of labor, in both geographic and functional terms. In geographic terms, Europe will focus its primary attention and its core military assets on consolidating peace in Europe while America concentrates its power and purpose primarily on promoting stability and meeting threats in other parts of the world. In functional terms, America will bring to the table its war-fighting capability, while Europe’s main contributions will be in the areas of nation-building and peacekeeping.

The United States should remain engaged in Europe even as it focuses its attention on other quarters. And the EU should more regularly backstop America’s global engagement by increasing its involvement in nation-building, peacekeeping, and conflict prevention in areas outside Europe. Furthermore, as Europe’s institutional and military capacities evolve over time, the EU could down the road become a more complete partner of the United States on a global basis. Nonetheless, during this critical decade, a strategic division of labor seems inevitable.

Although this division of labor takes advantage of the complementary nature of American and European strengths, it does represent a strategic separation between the United States and Europe. This separation is a logical consequence of the changing threat environment and Europe’s limited ability to project power beyond its own neighborhood. It is precisely because transatlantic unity will no longer be driven by geopolitical imperative that both America and Europe must now work harder to sustain their partnership. So too does this strategic separation reinforce the need for America and Europe to cooperate closely on a host of other fronts, including disrupting terrorist networks, managing the global economy, expanding democracy, and promoting health and economic growth in the developing world.

If a new transatlantic bargain is to emerge along these lines, the United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. America’s international dominance remains unchallenged, making it both possible and necessary for the United States to wield its power with restraint, adhering to the practice and spirit of multilateralism in order to win the consent of others. Washington should also resist efforts to exacerbate intra-European divisions, instead welcoming a more unified Europe – provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America.
In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment and help address new threats. In particular, the EU should seek to forge with the United States a common approach to the new security agenda, updating both practice and principle to the challenges posed by terrorism, the proliferation of weapons of mass destruction, and the potential need for preventive war.

By granting Europe more autonomy and voice, America is likely to find in Europe a partner more willing to share the burdens associated with international stability. By more readily working with Washington to meet new international threats, Europe is likely to find in America a brand of leadership more to its liking. Nonetheless, differences of approach will no doubt continue to emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

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Although it will not be possible to sustain the tight alliance of the Cold War, the Atlantic democracies can do much better than let decades of partnership give way to acrimony. If the current drift is left unaddressed, a common identity and sense of affinity could be replaced by mutual suspicion among rising generations of both Americans and Europeans. Policymakers must urgently seek to arrest the tearing of the Atlantic community’s social fabric and lock in a stable, even if looser, partnership.

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- Revising NATO’s unanimity rule in order to ensure effective decision making.

**Defining a New Agenda for Concrete Cooperation**

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Mapping out a joint transatlantic strategy for dealing with these challenges will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

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- Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.
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- Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
- Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
CFR Task Force on Transatlantic Relations

Draft Outline — Version I

I. The Transatlantic Rift — Gravity and Causes.

- The current deterioration in relations is not just another round of irritation. The rift runs deep and jeopardizes decades of transatlantic partnership.
- The underlying causes of the rift are structural in nature.
  - The end of the Cold War and the disappearance of a common threat.
    - America no longer needs to remain Europe's protector.
    - Europe is less reliant on the U.S. for its security.
  - The evolution of the European Union as a more mature and collective polity.
  - September 11 and diverging threat perceptions.
- Leadership, rhetoric, and style are also contributing to the rift. The behavior of governments on both sides of the Atlantic has reinforced structural tensions, adding to the ill will. Matters of tone and style are not underlying causes of the divide, but they complicate the task of adapting and adjusting to new conditions.
- Europe and America do share common values and have robust economic ties. But policy makers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact.
- Restoring cooperative Atlantic relations should be a top priority for Europeans and Americans. The stakes could not be higher. The U.S.-Europe partnership has been the anchor of the international system for decades. Neither side can afford to let it atrophy.
- This report sets out a strategy for keeping the Atlantic link strong and vital.

II. Guiding Principles

- The Atlantic Alliance in its traditional form cannot be restored. Too much has changed.
  - Europe and America are no longer central to each other's security.
  - Generational and demographic change is proceeding on both sides of the Atlantic.
  - The two sides of the Atlantic no longer share a strong sense of common identity.
- A new type of Atlantic partnership is, however, both highly desirable and feasible. America and Europe still share common ends even if they at times differ on the means. If America and Europe work together, they are far more likely to realize these commons ends.
- A new transatlantic bargain entails:
  - Europe must do more to recognize the new strategic environment and help address new threats. In particular, it should demonstrate a willingness to
engage the United States in a dialogue about how to advance the struggle against terrorism and the proliferation of weapons of mass destruction. As part of this effort, Europe must be willing to forge with Washington an understanding on the principles and practice of preventive war. The new security strategy recently approved by EU leaders is an encouraging first step.

- The United States must seek to ensure that its international leadership is exercised in a multilateral spirit. While reserving the right to act alone when necessary, Washington must reassure Europe of its willingness to adhere to the habits of consultation and cooperation that are the foundation of partnership. In the words of Tony Blair, the United States must lead through persuasion rather than command.

- As the EU evolves, European leaders should articulate a vision of a Europe that retains vital ties to the United States even as it grows stronger and more independent.

- As it has since World War II, the United States should support the continued integration of Europe, including the EU's efforts to build a common defense policy, provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America. In this respect, Washington should welcome the institutional reforms proposed by Europe's recent convention.

III. The Future of NATO

Why NATO Remains Relevant

- A Europe at peace and America's shifting strategic priorities have deprived NATO of its former centrality. Nonetheless, NATO continues to fulfill important functions and the interests of America and Europe alike would be compromised if the Atlantic Alliance erodes.

- NATO remains the premier forum for U.S.-European consultation on security matters. It is within NATO that the United States and Europe should seek to forge a meeting of the minds on the full range of security threats.

- Although Europe's lack of power projection capability has diminished NATO's relevance to America's new security concerns, Europe's capacities in peacekeeping and nation-building complement well America's war-fighting capacity. NATO provides a vehicle for utilizing the complementary nature of European and American strengths.

- Although the bloodshed has ended in the Balkans, there remains much unfinished business in the region. Even as the EU gradually assumes from NATO increased responsibility for peacekeeping in Bosnia, Kosovo, and Macedonia, NATO must stay engaged to prevent backsliding and help address residual political and territorial issues.

- NATO remains an important institution for encouraging reform and integration on Europe's periphery, particularly in Russia, Ukraine, and Turkey. Even as the
United States focuses on the struggle against terrorism, it must not neglect the importance of consolidating peace in Europe's east and south.

How NATO Should Be Adapted To New Conditions

- As the United States draws down its force levels in Europe, the EU must prepare to assume more responsibility for managing European security. As Europe's defense capacities evolve, NATO-EU links must be deepened and regularized to ensure continued transatlantic consultation.
- NATO must find the right balance between out-of-area missions and its traditional focus on European security. Washington should not seek to turn the alliance into a vehicle for global force projection. At the same time, NATO should maximize its contribution to ongoing operations in Afghanistan and Iraq.
- Future conflicts may well be fought by coalitions of the willing rather than a collective NATO. Nonetheless, Washington should maximize pre-war consultations within NATO in order to facilitate the involvement of the alliance in post-war stabilization and reconstruction.
- NATO should develop its capacities in the areas of military police and peacekeeping.
- [Perhaps include a reference here to coalitions of the willing and the potential reconsideration of NATO's unanimity rule? A possible formulation: As NATO continues to enlarge, reconsideration of the unanimity rule will be necessary to ensure effective decision making within the alliance.]

IV. Trade and Finance

- The U.S. and the EU account for roughly 40% of global GDP. They remain the engines of global growth and the stewards of the global economy. U.S.-European partnership continues to be vital to global economic stability.
- Commercial relations across the Atlantic remain strong. Political tensions have affected trade only at the margins; matters of commerce tend to be compartmentalized from those of security. But this segregation also means that strong commercial relations will not on their own preserve robust security links.
- If political tensions across the Atlantic continue to mount, they do have the potential to spill over into the commercial realm. At a minimum, American and European trade negotiators will find it more difficult to pursue further liberalization of the global economy if they are operating against the backdrop of a transatlantic rift.
- Specific initiatives that the U.S. and Europe should pursue include the following:
  - Coordinate diplomacy to ensure successful conclusion of the Doha round.
  - To be determined (LS, Gordon Brown, etc.)

V. The Global Agenda
• With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Identifying these challenges and mapping out a transatlantic strategy for dealing with them will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

• The greater Middle East will continue to present the most pressing and imminent threats to the common interests of the United States and Europe. As efforts to realize the road map intensify, the United States and Europe must step up efforts to coordinate their diplomacy. Similar convergence of strategy should be pursued toward Iraq and Iran. Specific steps include:
  o Expand the use of the Quartet in developing and implementing regional initiatives.
  o The United States and EU should close ranks on a diplomatic strategy for halting Iran’s nuclear program.
  o Washington should enlist greater European involvement in Iraq, even if doing so entails a more prominent UN role.
  o Other initiatives to be determined.

• The United States and Europe also need to develop a long-term strategy for fostering economic development and political liberalization in the Middle East and Africa. America and the EU urgently need to map out a program that succeeds in maximizing their diplomatic leverage and speeding aid and trade. Specific steps include:
  o Eliminating trade barriers in the areas of agriculture and textiles.
  o Supporting local organizations and programs that promote the deepening of civil society.
  o Expanding the Bush administration’s efforts to tie aid to good governance while harmonizing conditionality with the EU.
  o Enhancing cooperation and funding on HIV/AIDS prevention and treatment.
  o Enhancing joint efforts to prevent and halt civil wars and ethnic conflict in countries such as in Liberia, Sierra Leone, Cote d’Ivoire, and Congo.
  o Deepening transatlantic cooperation to promote basic education and health care systems. At relatively low cost, the U.S. and Europe have the potential to markedly expand access to education and health care, both of which are critical to social and economic development.
  o Other initiatives to be determined.

• Through the Asia Europe Meeting (ASEM) and less regularized channels, the EU is enlarging its diplomatic and economic presence in East Asia. This development provides an opportunity for enhanced U.S.-European cooperation in the region. Top priorities include resolving the crisis on the Korean peninsula and drawing China into international markets and institutions.

• Washington’s decision to opt out of the Kyoto Protocol on climate change continues to sour transatlantic relations. To remove this irritant and to address looming environmental crises, the United States should come forward with its own set of policy proposals.
VI. New Institutional Initiatives

- In this final section of the report, we might take up some of the proposals for institutional reform that were discussed in the task force. These include:
  - The establishment of a standing Contact Group (Ash).
  - The formation of a caucus of democracies within the UN (Slaughter).
  - Other UN issues, such as reform of the Security Council or the General Assembly.
  - Changing the structure/composition of U.S.-EU summits, especially in light of the institutional changes likely to take place within the EU at the upcoming Intergovernmental Conference. In this respect, if the EU is soon to have a single foreign minister and an elected president of the Council, the United States should prepare to deal more regularly with a collective EU rather than with its individual member states.
  - Should the report mention the dispute over the ICC?
CFR Transatlantic Task Force Report

Summary of Findings

Diagnosis

The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots — the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

Vision and Strategy

The Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, WMD, and instability and impoverishment in the developing world.

The key features of this vision are:

• A new division of labor. Europe will focus its primary attention on consolidating peace in Europe while America concentrates primarily on promoting stability and meeting threats in other parts of the world. America’s strength’s in war-fighting will be complemented by Europe’s strengths in nation-building and peacekeeping.

• A new bargain. The United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment, help address new threats, and backstop U.S. engagement in areas outside Europe.

• Greater tolerance. Differences of approach will no doubt emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

The Task Force recommends a three-prong strategy for realizing this vision and putting Atlantic relations on a more sound foundation: preserve comity, recast the defense partnership, and define a new agenda for concrete cooperation.

Preserving Comity
Preserving comity and maintaining the transatlantic community as the anchor of the international system requires:

• Recovering a harmonious and constructive spirit of diplomacy and consultation. Absent geopolitical imperative, effective diplomacy will prove essential to maintaining solidarity.

• Mapping out new rules of the road.
  o Developing a common approach to preventive action and counter-proliferation.
  o Addressing the appropriate role of international institutions and the appropriate means of legitimating joint action.
  o Dealing with disagreements (opting out rather than actively resisting, following the model of the Concert of Europe rather than the Iraq war).

• Ensuring that political differences do not spill over into areas of trade and finance.

• Building a new transatlantic institution that spans the political, economic, and security realms. This new institution should substantially deepen formal U.S.-EU contact in step with the EU's own institutional evolution.

Recasting the Defense Partnership

NATO remains an important forum for joint military planning, for preserving peace in the Balkans, for encouraging reform and integration on Europe's periphery, and for carrying out peacekeeping missions outside Europe. Adapting NATO to new conditions and maximizing its relevance entail:

• Deepening and regularizing EU-NATO military links, especially as the EU broadens its defense responsibilities.

• Maintaining more than a token U.S. military presence in Europe – even as a drawdown proceeds – in order to preserve military-to-military contacts and encourage interoperability.

• Enlarging NATO's role in conflict prevention and post-conflict reconstruction; expanding its capacities in policing and peacekeeping.

• Revising NATO's unanimity rule in order to ensure effective decision making.

Defining a New Agenda for Concrete Cooperation

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many challenges which America and Europe must address together are in the developing world.

• Facilitating further liberalization of U.S.-EU commercial relations and the global economy; eliminating tariffs on and subsidies of textiles and agricultural goods is of particular importance because of the benefit to developing countries.

• Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.

• Deepening cooperation on stemming the proliferation of weapons of mass destruction and containing nascent nuclear programs, such as those in Iran and North Korea.
• Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
• Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
DATE: AUG 18 2003

ACTION: Alan Stape Dennis
Jessee Theresa
Don Amanda Suzanne

SUBJ. FILE: CFR task force
CROSS REF: __________

COMMENTS:
HAK participated in
3/19 conf. call 10:30 AM

DC OFFICE:
Christie / Jody / Tiffany

INFO COPY TO:

ROUTE CC COPY TO:

TO BE FILED √
Dear Henry and Larry,


Draft Outline - Version I is the document that we discussed on the phone last week. Draft Outline - Version II is a new outline, drafted on the basis of our last conversation. I have sought to give this version more conceptual heft - I agree that greater conceptual clarity will help distinguish our group’s report from the others that are circulating. I have also sought to respond to Henry’s suggestion that we give greater emphasis to the profound changes that have taken place in the international system and the degree to which they necessitate fundamental change in the Atlantic partnership.

Version II would not completely supplant Version I. Rather, it would provide the conceptual framework for the report, and some of the more specific proposals in Version I would be folded into this new framework.

Please also notice that I have included a recommendation in this document for a new transatlantic institution that spans the security, economic, and political realms. This idea picks up on discussions within the group (such as the proposals of Gordon Brown and Timothy Garton Ash), but since it was not present in the first draft of the outline, we may want to discuss it in our upcoming phone conversation.

The Summary of Main Findings is a condensed version of Draft Outline - Version II. You may recall that we agreed that both Larry and I would take a crack at such a summary document.

I look forward to speaking with you in the near future.

Best,

Charlie
I. The Transatlantic Rift – Gravity and Causes.

- The current deterioration in relations is not just another round of irritation. The rift runs deep and jeopardizes decades of transatlantic partnership.
- The underlying causes of the rift are structural in nature.
  - The end of the Cold War and the disappearance of a common threat.
    - America no longer needs to remain Europe’s protector.
    - Europe is less reliant on the U.S. for its security.
  - The evolution of the European Union as a more mature and collective polity.
  - September 11 and diverging threat perceptions.
- Leadership, rhetoric, and style are also contributing to the rift. The behavior of governments on both sides of the Atlantic has reinforced structural tensions, adding to the ill will. Matters of tone and style are not underlying causes of the divide, but they complicate the task of adapting and adjusting to new conditions.
- Europe and America do share common values and have robust economic ties. But policy makers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact.
- Restoring cooperative Atlantic relations should be a top priority for Europeans and Americans. The stakes could not be higher. The U.S.-Europe partnership has been the anchor of the international system for decades. Neither side can afford to let it atrophy.
- This report sets out a strategy for keeping the Atlantic link strong and vital.

II. Guiding Principles

- The Atlantic Alliance in its traditional form cannot be restored. Too much has changed.
  - Europe and America are no longer central to each other’s security.
  - Generational and demographic change is proceeding on both sides of the Atlantic.
  - The two sides of the Atlantic no longer share a strong sense of common identity.
- A new type of Atlantic partnership is, however, both highly desirable and feasible. America and Europe still share common ends even if they at times differ on the means. If America and Europe work together, they are far more likely to realize these commons ends.
- A new transatlantic bargain entails:
  - Europe must do more to recognize the new strategic environment and help address new threats. In particular, it should demonstrate a willingness to
engage the United States in a dialogue about how to advance the struggle against terrorism and the proliferation of weapons of mass destruction. As part of this effort, Europe must be willing to forge with Washington an understanding on the principles and practice of preventive war. The new security strategy recently approved by EU leaders is an encouraging first step.

- The United States must seek to ensure that its international leadership is exercised in a multilateral spirit. While reserving the right to act alone when necessary, Washington must reassure Europe of its willingness to adhere to the habits of consultation and cooperation that are the foundation of partnership. In the words of Tony Blair, the United States must lead through persuasion rather than command.
- As the EU evolves, European leaders should articulate a vision of a Europe that retains vital ties to the United States even as it grows stronger and more independent.
- As it has since World War II, the United States should support the continued integration of Europe, including the EU’s efforts to build a common defense policy, provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America. In this respect, Washington should welcome the institutional reforms proposed by Europe’s recent convention.

III. The Future of NATO

Why NATO Remains Relevant

- A Europe at peace and America’s shifting strategic priorities have deprived NATO of its former centrality. Nonetheless, NATO continues to fulfill important functions and the interests of America and Europe alike would be compromised if the Atlantic Alliance erodes.
- NATO remains the premier forum for U.S.-European consultation on security matters. It is within NATO that the United States and Europe should seek to forge a meeting of the minds on the full range of security threats.
- Although Europe’s lack of power projection capability has diminished NATO’s relevance to America’s new security concerns, Europe’s capacities in peacekeeping and nation-building complement well America’s war-fighting capacity. NATO provides a vehicle for utilizing the complementary nature of European and American strengths.
- Although the bloodshed has ended in the Balkans, there remains much unfinished business in the region. Even as the EU gradually assumes from NATO increased responsibility for peacekeeping in Bosnia, Kosovo, and Macedonia, NATO must stay engaged to prevent backsliding and help address residual political and territorial issues.
- NATO remains an important institution for encouraging reform and integration on Europe’s periphery, particularly in Russia, Ukraine, and Turkey. Even as the
United States focuses on the struggle against terrorism, it must not neglect the importance of consolidating peace in Europe’s east and south.

How NATO Should Be Adapted To New Conditions

• As the United States draws down its force levels in Europe, the EU must prepare to assume more responsibility for managing European security. As Europe’s defense capacities evolve, NATO-EU links must be deepened and regularized to ensure continued transatlantic consultation.

• NATO must find the right balance between out-of-area missions and its traditional focus on European security. Washington should not seek to turn the alliance into a vehicle for global force projection. At the same time, NATO should maximize its contribution to ongoing operations in Afghanistan and Iraq.

• Future conflicts may well be fought by coalitions of the willing rather than a collective NATO. Nonetheless, Washington should maximize pre-war consultations within NATO in order to facilitate the involvement of the alliance in post-war stabilization and reconstruction.

• NATO should develop its capacities in the areas of military police and peacekeeping.

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• If political tensions across the Atlantic continue to mount, they do have the potential to spill over into the commercial realm. At a minimum, American and European trade negotiators will find it more difficult to pursue further liberalization of the global economy if they are operating against the backdrop of a transatlantic rift.

• Specific initiatives that the U.S. and Europe should pursue include the following:
  o Coordinate diplomacy to ensure successful conclusion of the Doha round.
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V. The Global Agenda
• With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Identifying these challenges and mapping out a transatlantic strategy for dealing with them will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

• The greater Middle East will continue to present the most pressing and imminent threats to the common interests of the United States and Europe. As efforts to realize the road map intensify, the United States and Europe must step up efforts to coordinate their diplomacy. Similar convergence of strategy should be pursued toward Iraq and Iran. Specific steps include:
  o Expand the use of the Quartet in developing and implementing regional initiatives.
  o The United States and EU should close ranks on a diplomatic strategy for halting Iran's nuclear program.
  o Washington should enlist greater European involvement in Iraq, even if doing so entails a more prominent UN role.
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• The United States and Europe also need to develop a long-term strategy for fostering economic development and political liberalization in the Middle East and Africa. America and the EU urgently need to map out a program that succeeds in maximizing their diplomatic leverage and speeding aid and trade. Specific steps include:
  o Eliminating trade barriers in the areas of agriculture and textiles.
  o Supporting local organizations and programs that promote the deepening of civil society.
  o Expanding the Bush administration's efforts to tie aid to good governance while harmonizing conditionality with the EU.
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  o Enhancing joint efforts to prevent and halt civil wars and ethnic conflict in countries such as in Liberia, Sierra Leone, Cote d'Ivoire, and Congo.
  o Deepening transatlantic cooperation to promote basic education and health care systems. At relatively low cost, the U.S. and Europe have the potential to markedly expand access to education and health care, both of which are critical to social and economic development.
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  - The establishment of a standing Contact Group (Ash).
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  - Changing the structure/composition of U.S.-EU summits, especially in light of the institutional changes likely to take in place within the EU at the upcoming Intergovernmental Conference. In this respect, if the EU is soon to have a single foreign minister and an elected president of the Council, the United States should prepare to deal more regularly with a collective EU rather than with its individual member states.
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CFR Task Force on Transatlantic Relations

Draft Outline – Version II

Diagnosis

The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots – the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe. Europe and America do share common values and have robust economic ties. But policymakers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact. Indeed, the transatlantic divide that opened over the Iraq war was a stunning affirmation of the secular erosion of the Atlantic Alliance. That traditional allies like France and Germany sought to thwart the United States on a matter Washington deemed to be of vital interest made clear the serious and unprecedented nature of the current crisis in Atlantic relations.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. The U.S.-Europe partnership has been the anchor of the international system for decades – neither party can afford to let it atrophy. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

Objective, Vision, Strategy

A vision of a transatlantic partnership for the future must aim at locking in the three historic achievements of the post-World War II era: 1) the establishment of a democratic Europe at peace; 2) the creation of a security community between North America and Europe – an Atlantic zone in which war is unthinkable and balance-of-power dynamics muted, if not eliminated; and 3) the establishment of a transatlantic partnership that serves as the central vehicle for promoting global stability and managing an open international economy.

The first objective is close to completion; democracy and prosperity have taken root in Europe’s west and are in the midst of doing so in Europe’s east. The second objective has been attained for now, but both sides of the Atlantic must ensure that security community does not unravel and give way to geopolitical rivalry. The third objective – continued Atlantic partnership – will be the hardest to sustain and is the one that will require the most innovation and determination.
In pursuing these objectives, the Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, weapons of mass destruction, and instability and impoverishment in the developing world.

At least in the near term, this new strategic landscape will lead to the emergence of a new division of labor, in both geographic and functional terms. In geographic terms, Europe will focus its primary attention and its core military assets on consolidating peace in Europe while America concentrates its power and purpose primarily on promoting stability and meeting threats in other parts of the world. In functional terms, America will bring to the table its war-fighting capability, while Europe's main contributions will be in the areas of nation-building and peacekeeping.

The United States should remain engaged in Europe even as it focuses its attention on other quarters. And the EU should more regularly backstop America's global engagement by increasing its involvement in nation-building, peacekeeping, and conflict prevention in areas outside Europe. Furthermore, as Europe's institutional and military capacities evolve over time, the EU could down the road become a more complete partner of the United States on a global basis. Nonetheless, during this critical decade, a strategic division of labor seems inevitable.

Although this division of labor takes advantage of the complementary nature of American and European strengths, it does represent a strategic separation between the United States and Europe. This separation is a logical consequence of the changing threat environment and Europe's limited ability to project power beyond its own neighborhood. It is precisely because transatlantic unity will no longer be driven by geopolitical imperative that both America and Europe must now work harder to sustain their partnership. So too does this strategic separation reinforce the need for America and Europe to cooperate closely on a host of other fronts, including disrupting terrorist networks, managing the global economy, expanding democracy, and promoting health and economic growth in the developing world.

If a new transatlantic bargain is to emerge along these lines, the United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. America's international dominance remains unchallenged, making it both possible and necessary for the United States to wield its power with restraint, adhering to the practice and spirit of multilateralism in order to win the consent of others. Washington should also resist efforts to exacerbate intra-European divisions, instead welcoming a more unified Europe – provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America.
In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment and help address new threats. In particular, the EU should seek to forge with the United States a common approach to the new security agenda, updating both practice and principle to the challenges posed by terrorism, the proliferation of weapons of mass destruction, and the potential need for preventive war.

By granting Europe more autonomy and voice, America is likely to find in Europe a partner more willing to share the burdens associated with international stability. By more readily working with Washington to meet new international threats, Europe is likely to find in America a brand of leadership more to its liking. Nonetheless, differences of approach will no doubt continue to emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

The Task Force recommends a three-prong strategy for realizing this vision and putting Atlantic relations on a more sound foundation: preserve comity, recast the defense partnership, and define a new agenda for concrete cooperation.

Preserving Comity

Although it will not be possible to sustain the tight alliance of the Cold War, the Atlantic democracies can do much better than let decades of partnership give way to acrimony. If the current drift is left unaddressed, a common identity and sense of affinity could be replaced by mutual suspicion among rising generations of both Americans and Europeans. Policymakers must urgently seek to arrest the tearing of the Atlantic community’s social fabric and lock in a stable, even if looser, partnership.

Preserving comity and maintaining the transatlantic community as the anchor of the international system requires:
- Recovering a harmonious and constructive spirit of diplomacy and consultation. Absent geopolitical imperative, effective diplomacy will prove essential to maintaining solidarity.
- Mapping out new rules of the road.
  - Developing a common approach to preventive action and counter-proliferation.
  - Addressing the appropriate role of international institutions and the appropriate means of legitimating joint action.
  - Dealing with disagreements (opting out rather than actively resisting, following the model of the Concert of Europe rather than the Iraq war).
- Ensuring that political differences do not spill over into areas of trade and finance.
- Building a new transatlantic institution that spans the political, economic, and security realms. This new institution should substantially deepen formal U.S.-EU contact in step with the EU’s own institutional evolution.

Recasting the Defense Partnership
NATO has lost its centrality and its ability to serve as the anchor of the Atlantic partnership – hence the need for a new, more encompassing institution. At the same time, NATO remains an important forum for joint military planning, for preserving peace in the Balkans, for encouraging reform and integration on Europe’s periphery, and for carrying out peacekeeping missions outside Europe. Adapting NATO to new conditions and maximizing its relevance entail:

- Deepening and regularizing EU-NATO military links, especially as the EU broadens its defense responsibilities.
- Maintaining more than a token U.S. military presence in Europe – even as a drawdown proceeds – in order to preserve military-to-military contacts and encourage interoperability.
- Enlarging NATO’s role in conflict prevention and post-conflict reconstruction; expanding its capacities in policing and peacekeeping.
- Revising NATO’s unanimity rule in order to ensure effective decision making.

Defining a New Agenda for Concrete Cooperation

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Mapping out a joint transatlantic strategy for dealing with these challenges will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

- Facilitating further liberalization of U.S.-EU commercial relations and the global economy; eliminating tariffs on and subsidies of textiles and agricultural goods is of particular importance because of the benefit to developing countries.
- Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.
- Deepening cooperation on stemming the proliferation of weapons of mass destruction and containing nascent nuclear programs, such as those in Iran and North Korea.
- Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
- Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
CFR Transatlantic Task Force Report

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The traditional transatlantic partnership is eroding. Although exacerbated by diplomatic missteps on both sides of the Atlantic, mounting transatlantic tensions have structural roots — the disappearance of the common threat that bound Europe and America together, the emergence of a deeper, wider, and more independent European Union, and the divergent trajectories of domestic politics in the U.S. and Europe.

Despite these obstacles to transatlantic cooperation, the Atlantic link remains central to international peace and prosperity. Policymakers on both sides of the Atlantic therefore need to establish a new foundation for Atlantic cooperation. To do so, they must recognize that the old order is gone for good, articulate a new vision of the transatlantic community, and map out a strategy for realizing that vision.

Vision and Strategy

The Task Force endorses a vision of a transatlantic relationship that is much looser, but also much broader in scope, than that of the past. It will be looser because formal alliance is giving way to ad hoc coalition; absent the Soviet threat, America and Europe will no longer move in lock-step on matters of security. It will be broader because the Atlantic democracies now face a wider, even if more ambiguous, array of threats from terrorism, WMD, and instability and impoverishment in the developing world.

The key features of this vision are:

- **A new division of labor.** Europe will focus its primary attention on consolidating peace in Europe while America concentrates primarily on promoting stability and meeting threats in other parts of the world. America’s strength’s in war-fighting will be complemented by Europe’s strengths in nation-building and peacekeeping.
- **A new bargain.** The United States must reassure Europe of its commitment to the habits of consultation and cooperation that are the foundation of partnership. In return, even as Europe focuses on consolidating a peaceful continent, it must do more to recognize the new strategic environment, help address new threats, and backstop U.S. engagement in areas outside Europe.
- **Greater tolerance.** Differences of approach will no doubt emerge, necessitating that both parties better learn how to tolerate disagreement and prevent it from compromising a broader sense of amity and common purpose.

The Task Force recommends a three-prong strategy for realizing this vision and putting Atlantic relations on a more sound foundation: *preserve comity, recast the defense partnership, and define a new agenda for concrete cooperation.*

Preserving Comity
Preserving comity and maintaining the transatlantic community as the anchor of the international system requires:

- Recovering a harmonious and constructive spirit of diplomacy and consultation. Absent geopolitical imperative, effective diplomacy will prove essential to maintaining solidarity.
- Mapping out new rules of the road.
  - Developing a common approach to preventive action and counter-proliferation.
  - Addressing the appropriate role of international institutions and the appropriate means of legitimating joint action.
  - Dealing with disagreements (opting out rather than actively resisting, following the model of the Concert of Europe rather than the Iraq war).
- Ensuring that political differences do not spill over into areas of trade and finance.
- Building a new transatlantic institution that spans the political, economic, and security realms. This new institution should substantially deepen formal U.S.-EU contact in step with the EU’s own institutional evolution.

Recasting the Defense Partnership

NATO remains an important forum for joint military planning, for preserving peace in the Balkans, for encouraging reform and integration on Europe’s periphery, and for carrying out peacekeeping missions outside Europe. Adapting NATO to new conditions and maximizing its relevance entail:

- Deepening and regularizing EU-NATO military links, especially as the EU broadens its defense responsibilities.
- Maintaining more than a token U.S. military presence in Europe – even as a drawdown proceeds – in order to preserve military-to-military contacts and encourage interoperability.
- Enlarging NATO’s role in conflict prevention and post-conflict reconstruction; expanding its capacities in policing and peacekeeping.
- Revising NATO’s unanimity rule in order to ensure effective decision making.

Defining a New Agenda for Concrete Cooperation

With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many challenges which America and Europe must address together are in the developing world.

- Facilitating further liberalization of U.S.-EU commercial relations and the global economy; eliminating tariffs on and subsidies of textiles and agricultural goods is of particular importance because of the benefit to developing countries.
- Continuing and deepening intelligence, law enforcement, and financial cooperation on disrupting and dismantling terrorist networks.
- Deepening cooperation on stemming the proliferation of weapons of mass destruction and containing nascent nuclear programs, such as those in Iran and North Korea.
• Greater coordination of efforts to reach a peace settlement in the Palestine-Israel conflict.
• Mapping out a long-term strategy for promoting health, economic growth, and political liberalization in the Middle East and the developing world more broadly.
The phone number for Wednesday's conference call at 2 pm between Dr. Kupchan, Dr. Kissinger, and Dr. Summers is 1-800-311-9403. The security code is "Europe Task Force."

The call will discuss the attached draft outline which was sent to Dr. Kissinger and Dr. Summers several weeks ago.

Regards,
Jamie

(See attached file: tfoutline.doc)
I. The Transatlantic Rift – Gravity and Causes.

- The current deterioration in relations is not just another round of irritation. The rift runs deep and jeopardizes decades of transatlantic partnership.
- The underlying causes of the rift are structural in nature.
  - The end of the Cold War and the disappearance of a common threat.
    - America no longer needs to remain Europe's protector.
    - Europe is less reliant on the U.S. for its security.
  - The evolution of the European Union as a more mature and collective polity.
  - September 11 and diverging threat perceptions.
- Leadership, rhetoric, and style are also contributing to the rift. The behavior of governments on both sides of the Atlantic has reinforced structural tensions, adding to the ill will. Matters of tone and style are not underlying causes of the divide, but they complicate the task of adapting and adjusting to new conditions.
- Europe and America do share common values and have robust economic ties. But policy makers should not place false confidence in the ability of shared values and economic linkages to keep the Atlantic bond intact.
- Restoring cooperative Atlantic relations should be a top priority for Europeans and Americans. The stakes could not be higher. The U.S.-Europe partnership has been the anchor of the international system for decades. Neither side can afford to let it atrophy.
- This report sets out a strategy for keeping the Atlantic link strong and vital.

II. Guiding Principles

- The Atlantic Alliance in its traditional form cannot be restored. Too much has changed.
  - Europe and America are no longer central to each other's security.
  - Generational and demographic change is proceeding on both sides of the Atlantic.
  - The two sides of the Atlantic no longer share a strong sense of common identity.
- A new type of Atlantic partnership is, however, both highly desirable and feasible. America and Europe still share common ends even if they at times differ on the means. If America and Europe work together, they are far more likely to realize these commons ends.
- A new transatlantic bargain entails:
  - Europe must do more to recognize the new strategic environment and help address new threats. In particular, it should demonstrate a willingness to
engage the United States in a dialogue about how to advance the struggle against terrorism and the proliferation of weapons of mass destruction. As part of this effort, Europe must be willing to forge with Washington an understanding on the principles and practice of preventive war. The new security strategy recently approved by EU leaders is an encouraging first step.

- The United States must seek to ensure that its international leadership is exercised in a multilateral spirit. While reserving the right to act alone when necessary, Washington must reassure Europe of its willingness to adhere to the habits of consultation and cooperation that are the foundation of partnership. In the words of Tony Blair, the United States must lead through persuasion rather than command.
- As the EU evolves, European leaders should articulate a vision of a Europe that retains vital ties to the United States even as it grows stronger and more independent.
- As it has since World War II, the United States should support the continued integration of Europe, including the EU’s efforts to build a common defense policy, provided that the EU does not adopt an anti-American identity and cast itself as a counterweight to America. In this respect, Washington should welcome the institutional reforms proposed by Europe’s recent convention.

III. The Future of NATO

Why NATO Remains Relevant

- A Europe at peace and America’s shifting strategic priorities have deprived NATO of its former centrality. Nonetheless, NATO continues to fulfill important functions and the interests of America and Europe alike would be compromised if the Atlantic Alliance erodes.
- NATO remains the premier forum for U.S.-European consultation on security matters. It is within NATO that the United States and Europe should seek to forge a meeting of the minds on the full range of security threats.
- Although Europe’s lack of power projection capability has diminished NATO’s relevance to America’s new security concerns, Europe’s capacities in peacekeeping and nation-building complement well America’s war-fighting capacity. NATO provides a vehicle for utilizing the complementary nature of European and American strengths.
- Although the bloodshed has ended in the Balkans, there remains much unfinished business in the region. Even as the EU gradually assumes from NATO increased responsibility for peacekeeping in Bosnia, Kosovo, and Macedonia, NATO must stay engaged to prevent backsliding and help address residual political and territorial issues.
- NATO remains an important institution for encouraging reform and integration on Europe’s periphery, particularly in Russia, Ukraine, and Turkey. Even as the
United States focuses on the struggle against terrorism, it must not neglect the importance of consolidating peace in Europe’s east and south.

How NATO Should Be Adapted To New Conditions

- As the United States draws down its force levels in Europe, the EU must prepare to assume more responsibility for managing European security. As Europe’s defense capacities evolve, NATO-EU links must be deepened and regularized to ensure continued transatlantic consultation.
- NATO must find the right balance between out-of-area missions and its traditional focus on European security. Washington should not seek to turn the alliance into a vehicle for global force projection. At the same time, NATO should maximize its contribution to ongoing operations in Afghanistan and Iraq.
- Future conflicts may well be fought by coalitions of the willing rather than a collective NATO. Nonetheless, Washington should maximize pre-war consultations within NATO in order to facilitate the involvement of the alliance in post-war stabilization and reconstruction.
- NATO should develop its capacities in the areas of military police and peacekeeping.
- [Perhaps include a reference here to coalitions of the willing and the potential reconsideration of NATO’s unanimity rule? A possible formulation: As NATO continues to enlarge, reconsideration of the unanimity rule will be necessary to ensure effective decision making within the alliance.]

IV. Trade and Finance

- The U.S. and the EU account for roughly 40% of global GDP. They remain the engines of global growth and the stewards of the global economy. U.S.-European partnership continues to be vital to global economic stability.
- Commercial relations across the Atlantic remain strong. Political tensions have affected trade only at the margins; matters of commerce tend to be compartmentalized from those of security. But this segregation also means that strong commercial relations will not on their own preserve robust security links.
- If political tensions across the Atlantic continue to mount, they do have the potential to spill over into the commercial realm. At a minimum, American and European trade negotiators will find it more difficult to pursue further liberalization of the global economy if they are operating against the backdrop of a transatlantic rift.
- Specific initiatives that the U.S. and Europe should pursue include the following:
  - Coordinate diplomacy to ensure successful conclusion of the Doha round.
  - To be determined (LS, Gordon Brown, etc.)

V. The Global Agenda
• With the Atlantic zone enjoying an unprecedented level of peace and prosperity, many of the challenges which America and Europe must address together are in the developing world. Identifying these challenges and mapping out a transatlantic strategy for dealing with them will enhance global stability and serve as a pragmatic means of breathing new life into the transatlantic partnership.

• The greater Middle East will continue to present the most pressing and imminent threats to the common interests of the United States and Europe. As efforts to realize the road map intensify, the United States and Europe must step up efforts to coordinate their diplomacy. Similar convergence of strategy should be pursued toward Iraq and Iran. Specific steps include:
  o Expand the use of the Quartet in developing and implementing regional initiatives.
  o The United States and EU should close ranks on a diplomatic strategy for halting Iran’s nuclear program.
  o Washington should enlist greater European involvement in Iraq, even if doing so entails a more prominent UN role.
  o Other initiatives to be determined.

• The United States and Europe also need to develop a long-term strategy for fostering economic development and political liberalization in the Middle East and Africa. America and the EU urgently need to map out a program that succeeds in maximizing their diplomatic leverage and speeding aid and trade. Specific steps include:
  o Eliminating trade barriers in the areas of agriculture and textiles.
  o Supporting local organizations and programs that promote the deepening of civil society.
  o Expanding the Bush administration’s efforts to tie aid to good governance while harmonizing conditionality with the EU.
  o Enhancing cooperation and funding on HIV/AIDS prevention and treatment.
  o Enhancing joint efforts to prevent and halt civil wars and ethnic conflict in countries such as in Liberia, Sierra Leone, Cote d’Ivoire, and Congo.
  o Deepening transatlantic cooperation to promote basic education and health care systems. At relatively low cost, the U.S. and Europe have the potential to markedly expand access to education and health care, both of which are critical to social and economic development.
  o Other initiatives to be determined.

• Through the Asia Europe Meeting (ASEM) and less regularized channels, the EU is enlarging its diplomatic and economic presence in East Asia. This development provides an opportunity for enhanced U.S.-European cooperation in the region. Top priorities include resolving the crisis on the Korean peninsula and drawing China into international markets and institutions.

• Washington’s decision to opt out of the Kyoto Protocol on climate change continues to sour transatlantic relations. To remove this irritant and to address looming environmental crises, the United States should come forward with its own set of policy proposals.
VI. New Institutional Initiatives

- In this final section of the report, we might take up some of the proposals for institutional reform that were discussed in the task force. These include:
  - The establishment of a standing Contact Group (Ash).
  - The formation of a caucus of democracies within the UN (Slaughter).
  - Other UN issues, such as reform of the Security Council or the General Assembly.
  - Changing the structure/composition of U.S.-EU summits, especially in light of the institutional changes likely to take in place within the EU at the upcoming Intergovernmental Conference. In this respect, if the EU is soon to have a single foreign minister and an elected president of the Council, the United States should prepare to deal more regularly with a collective EU rather than with its individual member states.
  - Should the report mention the dispute over the ICC?
Please find attached the rapporteur's notes from our July 22 meeting in case Dr. Kissinger and Dr. Summers wish to review them before Monday's conference call.

Regards,
Jamie

(See attached file: July 22 Notes.doc)
I. A British Perspective

Gordon Brown

- Importance of the economic relationship between Europe and the U.S.: This task force should recommend that they work together to remove all tariffs and propose new regulatory cooperation to remove non-tariff barriers that hinder trade. Should resurrect the Transatlantic Business Dialogue (TABD). Should look at trade, growth and employment benefits that would come from removing barriers. Should focus on maximizing economic cooperation because it is critical in order to deepen political ties. Economic cooperation brings benefits for governments working together. In addition, if the public sees benefits, this builds trust and confidence. Solid economic cooperation is the basis for stronger political cooperation.

- Missed opportunities: Relationship between Europe and America is characterized today by pointless trade disputes. We are losing benefits of opportunities that should be available given geopolitical changes. This is because of the increase in interpenetration between European and American economies in the last decade. In the 1990s there was an increase in European investment in America. Each continent is increasingly dependent on the other. An important feature of the next phase of globalization is that old trade blocs are going to diminish in importance — this makes the case for greater cooperation. In recent years, global competition has forced Europe to look outward rather than just inward, forced economic reform onto the agenda in Europe, forcing new social dimension and the recognition that tax competition is the way forward. This is forcing Europe to become more outward looking and reforming and is thus a good time for a new era of cooperation.

What does this mean in practice?

It would be useful to have a report on U.S.-EU economic relations and the impact of removing barriers. This would increase output and create jobs on both sides. Financial services: area where we can get mutual recognition -- there are very distinct economic benefits in this. Business dialogue between Europe and U.S. has to be enhanced.

What are the next steps?

When I became Finance Minister, Japan was not playing its part in G-7, so dialogue was essentially between U.S. and Europe. G-7 dialogue led to significant reform — crisis-prevention and resolution within IFIs, debt relief and new interest in learning about each other on economic reform. G-7 process has shown that where Europe and America are working well together (even on out-of-area issues), they have made great process. How will G-7 look in the future? Will China, India join? As G-7 evolves, building out of economic cooperation, need to look for better forum for political cooperation. Should stress informality + intergovernmental format vs. formal U.S.-EU summits that aren’t productive. If we can build out of economics, political ties can be strengthened. It is
striking that there are elaborate mechanisms for military cooperation, but not economic. Need to find a basis for building for the future: economics offers a way forward.

Summers
Many of the things you said (eliminating tariffs, competition policy) seem to suggest an approach toward economic diplomacy that would run toward bilateral transatlantic agreements rather than global ones. This would have an impact on our global trading system.

G. Brown
Evidence is that multilateral progress through WTO and bilateral progress can go forward together and are not contradictory.

Kissinger
But your basic concept is special relationship between Europe and U.S.

G. Brown
The liberalization we achieve between Europe and America can be a beacon for the rest of the world as well. Don’t see contradiction.

Summers
As I understand WTO rules, they say that any liberalization that a country engages in has to be provided for all other countries, except in the context of a full free trade agreement. It would be legal to pursue free trade agreement between America and Europe. But to try to do things short of a free trade agreement would violate WTO.

Moravcsik
Everyone would agree that economic liberalization would be a good thing, but politically controversial because losers scream louder than winners. Two questions:
1. At time of great transatlantic sensitivity, why should we believe that this proposal would have positive political consequences?
2. Might it be more prudent to move forward on more discreet technical proposals?

G. Brown
If WTO can’t make progress on agriculture and pharmaceuticals, will cause disquiet. Attitude of G-7 Finance Ministers meetings is completely different re. the relationship between Europe and the rest of the world. Initially the interest was mostly on internal rules. Issue is not whether Europe will reform, but the speed at which it will do so.

Tarullo
Agree that there would be some problems with modalities, but could probably move such an agenda forward in the WTO.
1) What is dynamic by which this kind of economic cooperation would yield benefits in the political relationship?
2) To what degree is the focus on solutions in the economic arena a result of the absence of promising initiatives on the strategic/political front?
G. Brown
In the last 50 years, cooperation has been military more than economic: there has been no forum for economic cooperation, so no surprise that this is now on the agenda. I see economic aspect as making politicians and the public understand that in a global economy, both political and economic relations need to be strong. We may be in the last generation of politicians in France who can ignore economic realities in their own country. Already seeing change in business community’s impact on leadership. (Francis Mer is different from previous Finance Ministers). 10 new countries from Eastern Europe want to see this agenda (described above) pursued. Must look at history: strong political benefits come from strong economic relationships. This brought Spain or South Africa back into the international community. Should not discount importance of economic cooperation.

Montbrial
Not as optimistic as Mr. Brown on France: Mer is not a politician, but a businessman + there is no indication that new generation of politicians is coming in. Deep cultural gap in France between political class and business community. However, business community is increasingly international and aware.
Two questions:
1. If we succeed in creating “G-2” (Europe/U.S.), how can the G-7/8 survive, what is its specificity? How can Japan be left aside?
2. Relationship between politics and economics: Origin of this task force was in relation to Iraq crisis. Is it possible to strengthen the economic dialogue without strengthening the political dialogue?

Harold Brown
The purpose of this task force is to see whether the transatlantic partnership can be saved. Economic cooperation will have a positive effect on political relations, but there are historical cases where this wasn’t enough. Interpenetration did not prevent WWI, doesn’t ensure political accord.
Two phases of the economic relationship:
1. Over the next few years – argument between business vs. “populists” (farmers, labor)
2. Long term—how will long-term economic growth affect strategic positions of both sides?
In the future, will Europe or America grow faster? How do you think this will play out given the effects of demography, immigration, regulation, labor markets, lifestyle, etc. in Europe?

G. Brown
Francis Mer may not have been elected, but he is the Finance Minister. I sense growing impatience in the French business community, as well as in Germany. If economics are changing, need to look at them carefully. What is significance of economic interpenetration? What is future of trade blocs in a global economy? Should seize on opportunity to build better structures of cooperation.
Was not suggesting that G-7 give way to “G-2”. G-8 will probably change over time to include new countries (Finance Minister meetings are very different from the summit level). Can have some other U.S.-EU dialogue that would complement G-7, but should be among governments (current U.S.-EU summits are not conducive to dialogue).

Kissinger
Three levels to your presentation:
1) Globalization ties countries together – organically ties U.S. and Europe
2) Would like to tie Europe and America closer and with emphasis on economics
3) Need political vision of the Atlantic community

G. Brown
Globalization is bound to change the relationship between Europe and America as well as with the rest of the world.
What will happen in years to come that will make Europe less or more willing to change?
Three issues in Europe that need to be addressed:
1) Structural reform
2) Monetary policy
3) Fiscal policy
People are looking for partnership rather than rivalry in economic policy.

Amato
Going back to Kissinger’s point: in the first meeting of this task force, we tried to list costs and benefits of economic interpenetration. Summers dismissed the argument by saying that the links between France and Germany before WWII were no less stringent and didn’t prevent war (so not sufficient factor).
Are the benefits of economic integration sufficient to prevent conflict in the presence of political differences?
Interpenetration and the fact that together we are the richest in the world gives us common responsibilities. Rest of the world sees us (U.S., Europe) as the same thing. But if we are not the same thing, cooperation will suffer.

Burt
The issue is not whether closer economic ties are sufficient to deal with the problems in the relationship. A solution has to be more than sufficient and has to be in political and strategic realm and deal with fundamental problem of power asymmetry.
One of the fallouts of the current disagreement over political and strategic issues has been greater pressure for protectionism in certain areas.
There is an area in the economic sphere that does need to be addressed: asymmetry in growth rates. U.S. responsibility to always be a locomotive: how can we sustain the global economy when American consumers affect the domestic economies of the rest of the world? This makes the issue of growth in Europe very important.
Slaughter
Remember Summers' point from Session I differently [than Amato]. Share positive vision Brown is offering. But what would impact be of not doing anything on the economic case?

Kupchan
On the issue of political spillover effects of economic integration, do we need to create institutionalized structures like NATO with long term economic and social effects? Vision you’re talking about would require a lot of British initiative because it is the most forward-leaning on Atlanticism. Is there not a perception that the British government went too far in supporting U.S. and risk of backlash that would push Britain closer to EU and farther from U.S.?

Summers
Discussion in first meeting was about whether the adverse impact of political strife on economic relations is likely to be sufficiently severe to generate a strong political constituency and unity.
To what degree was Europe's political success due to accomplishing economic integration vs. trust-building among people who traditionally had no trust?
Shouldn't think about economic integration as the driver, but greater political integration as objective and economic area as possibly being a means.
Notion of a major free trade project between U.S. and EU has great implications for rest of world. This would be potentially threatening to the global liberalization effort.

Ed Balls
We underestimate the positive gains from economic integration and ties and the degree to which negative economic ties can lead to political disintegration. Important to stay engaged. U.S. has much to gain from European economic success and much to lose from the opposite.
Three things drive Europe's problems:
- Macroeconomic problems
- Demography
- Structural reform
Any way in which the U.S. can influence structural reform would benefit Europe and U.S. Increasingly substantial problem in transatlantic relations = inadvertent consequences of domestic regulation. Difficult to prevent these non-tariff barriers from being erected. Need to think about the inadvertent barriers that we might be erecting.

G. Brown
On Iraq: We always supported action, wish that the rest of Europe had been part of it and still think it would be good if Europe were involved in reconstruction.
Rivalry between U.S. and EU on major policy issue and at the same time being pushed together by economic challenges. Economics are not the only important part of the equation.
Tangible benefits seen by the public as a means by which they would support further cooperation.
Look at issues of globalization. Which forum would come up with initiatives with poor countries if America and Europe are not close together? We can’t address many of these issues without cooperation: the very issues that push us apart are the ones that require the most cooperation.

**Rohatyn**

TABD problems are due to the fact that it deals mostly with intractable problems: regulatory issues. Until we can deal with these issues more effectively, there will be other blocks to the relationship.

Re. changes in French business: At recent French-American Business Council meeting in Paris, Chirac latched on to the meeting to show that business relations are at an all time high. Things are changing in France.

**Garton Ash**

Welcome the general thrust of the argument.

Question about ability to win political argument in Europe for structural economic reform and for closer economic relationship with U.S. This is a highly political argument.

To what extent is Britain’s ability to help win that political argument in Europe impaired by:

- extreme closeness of Blair to U.S., and particularly to Bush?
- fact that it is not in Euro? There is a political cost of not being in the Euro — how do you assess that political cost?

**Walt**

If economic interdependence fosters political cooperation then it should fuel European unity faster than transatlantic unity: Europe will be more unified and politically cohesive more rapidly than U.S. and EU. How does this fit with administration’s view of disaggregation/old vs. new Europe?

Needs political strategy – can’t do it all on economics. What should political strategy be?

**Atkinson**

Importance of talking directly to governments is true, but which ones? Whom should U.S. talk to in Europe? Britain is between old and new.

How important would better tone and behavior have been even if interests were the same?

**Feldstein**

Going back to potential political gains from economic integration and taking example of NAFTA: don’t see political and security gains from NAFTA – neither Canada nor Mexico sided with U.S. on Iraq.

**G. Brown** (answers to these questions)

- Don’t see Europe moving toward federation but, as a result of globalization, likely to reject a pathway that was assumed twenty years ago. Don’t see federal state emerging because people thought two forces would play (thought that national economic integration would give way to European integration and that national political cultural
identity would lead to European identity), but these assumptions of the 1970s and 80s have not been realized. Integration is more likely at intergovernmental level than federal. This is what much of the Convention discussions have been about.

-Rivals vs. partners: During Iraq, one of Chirac’s contentions was that he didn’t want a unipolar world. This might not be the same voice in 10 years. Different view of the world. Don’t have the impression that British opinion is going to turn against decision to fight along with U.S. There are questions, but British government won’t pay a long-term price.

-Euro: We want to join, but must get economics right. Don’t feel excluded on big issues, or that have lost political influence. Britain is very much part of European and transatlantic debate. Don’t see Britain as a “bridge,” but as having ideas that contribute to the relationship. Outward-looking internationalism is a way of addressing the challenges of globalization – which is the sort of idea that we want to contribute to the debate.

**Summers**

Re. Feldstein question: NAFTA vs. closer European model where there are still political differences. Can closer economic integration really lead to finding common purpose on geosecurity issues?

**G. Brown**

We are in a transition phase. Europe is moving fast and if not toward federation, then toward intergovernmentalism. European national and cultural identity has not really developed the way people expected – is bound to include role for individual governments. Need arrangement that recognizes intergovernmentalism. There are no gains from the rivalry, and there are gains from the partnership.

**II. A German Perspective**

**Voigt**

Transatlantic relationship and European integration have been and continue to be one of the two major pillars of German foreign policy. Deutsch described a community of transatlantic democracies defined by strong mutual interdependence, high degree of common values and interests and close network of institutions and norms. Need not change that basic assumption, but adopt policies, norms and institutions in the aftermath of 11/9 (fall of Berlin Wall) and 9/11. After 9/11, transatlantic partners missed the opportunity to engage in a strategic dialogue and underused NATO after it invoked Article V. We should start to change this. See chance to develop common ground between “children” of Reagan (who have influence in Washington) and Brandt and Schmidt (shaping policy in Berlin). In spite of different political orientations, have the chance to develop common perspective, mutual respect – and we might even start to like one another. It is desirable and possible to discuss, decide and implement strategic policies together. Four examples:
-Afghanistan is a case where NATO – and Germany – are playing a role in stabilization of the situation (which remains very unstable).
-On the Middle East, Germany has coordinated policy closely with America. Europe cannot achieve anything without America and America is better off with European support.
-On Iran, we have a common analysis of the threat perception: Iran is trying to get nuclear weapons, and we think Iran should implement four points as precondition for constructive relationship with current regime: a) sign, ratify, implement protocol to NPT; b) no financing of terrorist groups; c) neutrality vs. Middle East; d) more respect to human rights.
-Iraq: Germany was against war and skeptical about aftermath, but this is not the issue. Everyone is happy that U.S. won fast and that dictator has been ousted and that stability has developed: there is no schadenfreude here; the opposite is true – if situation does not improve, would be to the detriment of all of us. Germany is willing to provide humanitarian aid and technical assistance.
Have proposed a type of trust fund under the auspices of the UN and World Bank to coordinate European money. Question is: can we do more? Does the fact that Germany was not part of the war mean that it cannot be part of the occupying forces? There is a great reluctance in Germany to send troops. Another UN resolution would be helpful. Changing attitudes: The alliance is also about influence. Those in Washington who thought that problems could be solved by America alone are more reluctant to be influenced by European views. An alliance only functions if the weaker partners can influence the strong (strong can't lead without listening): Need a debate about the openness of American society and room for arguments.
Germany is changing its role: It now has 9,000 soldiers deployed worldwide. This means we need to change our psychology and redefine role of military force in foreign policy. This is a difficult task. But emphasis U.S. is giving to military might is challenging the German psyche developed after WWII. The German political debate is not influenced by ideology of multipolarity, but by concept of multilateralism. German politicians seek to legitimize international law and institutions. The American debate has an impact on Germany: it is not just a debate about America, but to what degree America challenges the basic assumptions developed in Germany after WWII.

Kissinger
What is the dominant view in Washington that you say should be modified?

Voigt
The view in Washington is changing now. But after 9/11, the tradition of listening to dissenting views was diminished.

Ischinger
We have a stake in your success: can't sit back and watch U.S. succeed or fail in Iraq. Must succeed because negative consequences would probably be harder on Europe than on U.S. While we may not have been with you on takeoff, we may be with you on landing: how to manage transition from not being part of takeoff to being part of landing?
It is important to understand the different thinking in Europe since 11-9/fall of Berlin Wall (surge of optimism) and hard realities of 9/11 in this country.

How did it come about? It came about because we didn’t shoot straight and talk frankly: If the administration had told me in September that they were considering going to the UN, I could have told my government, confidentially, that there was nothing to worry about and a number of negative developments could have been avoided. We need to try to trust one another.

In retrospect, the conduct of bilateral diplomacy on the German and American sides contributed to the absence of frank discussion. We both committed mistakes that were hard to detect at the time.

What is at stake?

America does not risk losing the interest and support of the current generation of German leaders. But concern is that it is losing the young generation — the 19 year olds. This issue should be a top priority when dealing with Europe.

At stake is our capacity to maintain strategic unity with respect to new challenges. While America has overwhelming military power, it is far from being omnipotent beyond this military capacity. In order to reach the goals it has defined, needs allies.

What specific policies?

Some points of procedure:

- Difficult to explain why we didn’t have something like a contact group mechanism of discussion on Iraq (same question could be asked about Iran from here on). These types of informal processes should be used again (worked in Balkans, Afghanistan).
- We should keep existing institutions (NATO, UN) alive because we may find that we need them. It is not much help that while NATO is playing a certain role in Afghanistan, it is playing only a tiny role in Iraq. We have not used it for its greatest value: as a strategic debate and decision-making forum.

Two points to conclude:

1) Iran is one country with significant potential to move toward modernization and democracy. The question is how to exploit this potential for change: Americans should not just sit down with Europe to see what we could offer to Iran in exchange for reform and transparency — it should also go as far as to consider a presidential trip like the one Nixon made to China.

2) Europe: I hope we won’t be the only European interlocutors to tell this group that it’s a mistake to think that there is risk with an enlarged EU as it struggles to become more cohesive foreign policy actor. If there were a risk today of Europe defining itself in an anti-American way (and there isn’t) it would be reduced by enlargement. This EU will not be anti-Atlantic, but at least as transatlantic-minded as before. I hope Germany will be capable to continue the delicate balancing act between relations with European countries (esp. France) and with U.S. I hope U.S. will not reduce American support for European integration because a unified Europe as a partner is in U.S. interest.

Kissinger

1) When one reads public expressions in Germany talking about emancipation -- of being able to talk to America only if one is of equal size. Was that reaction to misunderstanding or does it indicate philosophical attitude that Europe is an alternative?
2) Strongly agree with need for contact group. Critical point arises when with all the consultation in the world one still doesn’t agree. What is the premium that either side must pay to keep the alliance going?

**Ischinger**
I would argue that if a year ago the Bush administration had worked through a contact group or another form of closed meeting and asked major European allies for a serious dialogue about key issues, the European leaders would not have said no – even Chirac would have listened.

There is an advantage to having discussion about what we believe we should do. Even if at the end of the day we find that we don’t have political unity, we will always be better off with frank discussion than without.

Had Schröder had an opportunity to explain to Bush that he wasn’t going to be able to convince Bundestag (before and after election) to favor military action in Iraq and had Bush had the opportunity to explain that addressing the Iraq issue was going to be of key importance for his administration, there still would have been difficulties but they might have avoided accusing one another of not paying respect to the other side and understood why the other side was doing what it was doing.

**Summers**
If there had been a more intense U.S.-German dialogue on this in May 2002 in which U.S. had explained its position, would that have prevented Schröder from taking opportunity to realize political benefits by attacking proposed U.S. action?

**Ischinger**
If last summer we had had an ongoing communications process at the leadership level, this could have been prevented. Misinterpretation of the Cheney speech in late August, which had enormous impact, could have been avoided. The Bush administration could have sent an envoy to Europe. Some difficulties might not have been avoided, but minimized. There were no adequate communications despite the constant flow of delegations.

**Summers**
Didn’t Cheney reelect the Chancellor?

**Voigt**
Was Schröder’s attitude an exception or could it happen in the future? His attitude in the election symbolized a change: During the Cold War, Germany was totally dependent on U.S. and was central focus of a global strategic conflict – no American leaders would have said that Germany’s position was irrelevant.

Germans and Americans have to reassess the situation: Germans have to assess where they want to be relevant and provide necessary resources. U.S. has to assess if it needs Germany and if it should treat it differently than in the past.
Kissinger
Intensity of your opposition has increased because you knew what U.S. position was and there was real difference of opinion. What is the importance of the allies and what adjustments does each side have to make in its position if the alliance is to be maintained?

Voigt
Because don’t have a clearly-defined opponent, it will be more difficult to achieve consensus inside the alliance than in the past. Therefore need more dialogue, at least about these strategic issues.

Amato
Throughout Europe before the war, there was a position to say no to any preventive action. If this is Europe’s position, it is unlikely that even with consultations we would reach an agreement. If we have to fight terrorism, there cannot be a prejudice against preventive action because not aggression from one state to another. Are we ready in Europe to take up this issue with a fresh mind?

Ischinger
Yes, Europe has taken important steps. Look at the draft of the European strategy paper — echoes American military with respect to preemption, does not oppose the idea. Key point: there was difficulty on this issue because many in Europe felt that Iraq is not a case where doctrine of preemption applies because not a non-state actor. It continues to be a matter of debate on principle of preemption. Europe has come far in accepting the need to deal with preemption in order to deal with terrorism.

Burt
Issues where European and American cooperation could be helpful:
- Iran: both sides have gotten it wrong — Europe is too forward-leaning, offering trade etc. (carrot) with expectation that Tehran would change position on nuclear acquisitions and terrorism and U.S. approach emphasizes regime change (stick) is misguided. Needs a collaborative approach of carrots and sticks — foster liberalization and have firm position on four points outlined by Voigt. Also, bringing Russia into the equation — triple approach -- could yield substantial benefits and show that U.S. and Europe can work together to bolster security.
- Iraq: Ischinger pointed out that we cannot fail in Iraq. This means internationalizing and getting Europeans on the ground. Requires another UN resolution — but what kind? What will U.S. have to do to get Europe to come to grips with the mess in Iraq?

Garton Ash
Support what Ischinger said about value of contact groups — should be among recommendations of this task force. It would not only reconcile transatlantic differences, but also intra-European differences. The crunch of the Iraq war was not irreconcilable differences between Europe and the U.S., but between Britain and France. Contact group would have helped resolve this.
Question: What is Germany's national strategy? One of the premises of previous leaders’ national strategies from Adenauer to Kohl was to never choose between Paris and Washington, to always attempt to reconcile the two. Is it not the case that Germany for the first time has dramatically departed from that strategy? If so, why? And how do you see it returning to reconciling its European and transatlantic ties as a central national interest of the Federal Republic?

Montbrial
Most Europeans disagreed with how the Iraq war was launched, but we do have a stake in the U.S.’s success. But we don’t want to fall into Sarajevo airport syndrome (rebuilt and funded by Europe but inaugurated by U.S.) Europe won’t accept to come after wars that have been decided by others and be asked to pay. Why didn’t the administration foresee what was going to happen (actions of resistance, which were highly predictable to Europeans)?
U.S. needs Europe economically and militarily. There are three countries in Europe that can make significant military contributions: France, England and Germany. Other important issue is WMD. The fact that they haven’t been found and have generated political issues in England and the U.S. will cause lack of credibility in the future.

Feldstein
Would Germany be willing to send troops to Iraq? If NATO decided to go to Iraq, would Germany participate or block? Why would NATO need UN blessing?

Slaughter
What would European governments’ reactions be to proposals for positive cooperative initiatives? Based on present domestic political context, is that politically do-able, can it gain support at government and political levels?

Bartholomew
Contact groups have been effective in the past. But every time there has been a shoot-out as to which countries would be members. How do you decide who is a member? Idea needs to come from Europe because if we proposed it, we would be accused of trying to divide and conquer.

Rohatyn
Sense that in run up to war, Germany was going beyond just opposing war and was following France’s attempt to turn Europe against U.S. Is that an accurate perception and was Fischer’s recent visit aimed at changing that?

Kissinger
What do we have to do re. the young generation? What can America do about it?

Voigt
-Re. question of Germany choosing between France and the U.S.: Should try to make a grand bargain according to which Germany doesn’t try to follow minority forces in
Europe who try to mobilize against U.S., and U.S. promotes European integration and doesn’t try to split Europe.

-Re. national strategy: International conditions for Germany have changed since fall of Wall. For the first time, Germany is surrounded by friends, can pursue **ostpolitik** on the basis of Western institutions. Germany is no longer between East and West, but part of the West. It is no longer preoccupied with security in Europe, but with global security threats. A lot is changing: security culture is changing, priorities are changing. Not just a desire to have influence on U.S., but also a desire to take part in this new debate and for U.S. and other Europeans it’s a chance to influence us in this development.

-Re. Iraq: Don’t think that NATO will decide to play a bigger role unless there is a UN resolution

**H. Brown**
This would require Chinese approval [for a NATO decision]

**Kissinger**
This is a position that was never taken during the Cold War.

**Ischinger**
-Re. Where is Germany headed? Quite clear that there is no desire by the German government to have continued disagreement. Dispute is over as shown by official German government statements. There is no strategic continued attempt to oppose America. This government believes we have a stake in American success – which precludes working actively against your policies.

-Re. Kissinger question/what could be done to make the young generation more positive toward the other side: Don’t have a real answer, but there is enormous potential among the youth in Europe. They have love/hate relationship with America. They live surrounded by American culture but don’t see a U.S. government that they find inspiring. Should define an inspiring project, such as combating AIDS in Africa. Or a project on the Middle East/joint strategy on Iran might bring together young people interested in foreign policy.

-Re. Slaughter question about positive initiatives: There is a lot of will in Europe to work with the U.S. on how we should deal with Iran.

-Re. Garton Ash question about national strategy: Germany thought for a while that Germany’s best course of action would be to promote Europeanization of the world. It is finding that this is not a reachable goal. As it focused on European internal matters, didn’t figure out what the national strategy should be on outside challenges. German response will be a linear continuation of the Adenauer line: balancing the two, supporting European enlargement and integration and maintaining relationship across the Atlantic.

### III. A French Perspective

**Levitte**
There are two differences between the U.S. and Europe:

1) Since 9/11 America is at war. Europe’s combat against terrorism is active, but lower intensity.
2) Sovereignty: For Europeans who started 50 years ago to build a common future, sharing sovereignty is a way of life. So when looking at global problems it is natural to think of multilateral solutions involving shared sovereignty. For Americans, sovereignty is something that you protect against international institutions = different perceptions between Europe and America.

With these two differences as a background, there are difficulties in Iraq. It is in the interest of everyone that U.S. succeeds in rebuilding Iraq. Important for the Iraqi people, for people in Middle East, for relations between Islamic countries and Western countries. France is ready to participate, provided that a more important role is given to the UN.

There were two difficulties:

1) Divisions within Europe (even though public opinion was very united). It will be possible to heal wounds and this will be helped by the new constitution, because provisions for a Chairman of the Council will give a voice and a face to Europe in its dialogues with the U.S. as will the Foreign Minister for Europe.

2) Europe vs. U.S.: The recent U.S.-EU summit was very positive; everyone seems ready to move forward. But one should not underestimate what happened or forget what is at stake:

- the integration of interdependent economies + shared values
- in this dangerous world, it is reassuring that the U.S. has the capacity to act militarily, but Europeans need to do a better job of merging and integrating their capacities and in organizing Europe politically and militarily.

Recommendations:

- NATO: After Prague, with Berlin +, already know where we want to go
- Need for a strategic dialogue between Europe and U.S. – there was none in the weeks preceding the war in Iraq. During Bosnia and Kosovo there was a constant dialogue between leaders. One should also rethink the instruments of strategic dialogue, which are not used at full capacity. There is now a golden opportunity to reorganize this strategic dialogue.

- Exchanges: There is little knowledge of the EU in U.S., including among some members of Congress. Reverse is also true. One should encourage exchanges between members of parliament from both sides, as well as with members of the European parliament. One should organize a better dialogue between members of the media in the U.S. and in Europe. There should be better academic exchanges – students, professors, as is happening within Europe. There should also be more structured exchanges between farmers to talk about GMOs and issues like nuclear power.

There is a growing debate in the U.S. about European integration – whether an integrated Europe is good or bad for the U.S. This debate could be dangerous. U.S. has always supported European integration and it is still in its interest to do so.

Conclusion: we should underline what is positive, not negative in the relationship.

Summers

You have suggested that more dialogue and interaction would lead to more mutual understanding. But do a large part of our problems come from what we know about each other rather than what we don’t know? Are difficulties tied to the fact that events around Iraq brought to the surface national attitudes that were suppressed during the Cold War?
Is theory of relations the more hopeful integrationist European vision or the more Hobbesian American one? What is the right attitude toward market economy: more individualistic American approach or more socialistic European one? If we brought into the dialogue those who are not used to being in the dialogue, would any good come of it?

Levitte
- Re. GMOs: European Parliament has decided to impose traceability and labeling. The U.S. says those are both impossible to implement. One could discuss among professionals whether they are implementable or not.
- What is at stake is our vision of the world order. Don’t agree with Kagan about Mars and Venus.
- France is not a pacifist country. It is the number one contributor of troops to NATO operations. The question at the heart of the problem is: should we work with or without multilateral institutions? Not sure the choice has definitively been made by U.S. to act without UN, NATO etc.
  For example, in Afghanistan, U.S. decided that reconstruction would be done under UN auspices. So why not in Iraq? What is the difference? Maybe the debate is not so deeply-rooted and a pragmatic approach is still possible.

Kissinger
Many Europeans would be wrong in saying U.S. should support European unity. While we should not oppose it, what would be wrong with saying: it’s a matter for Europe on which we don’t interfere?

Levitte
It would be ok if the U.S. position was not to take sides. But there is a growing debate in Washington as if the adoption of a draft constitution was a wake up call and a more integrated Europe could be a threat. The integration of Europe also remains in the interest of the U.S. A negative approach could trigger a great rift.

Bartholomew
The Ambassador said that a major difference is the question of sovereignty. It is true that there is more sharing of sovereignty among Europeans than with the U.S., but not true in the case of foreign policy, where states retain full sovereignty. EU sometimes acts with common positions and sometimes not and the more important the matter, the more likely that there will be differences among EU states. What is U.S. supposed to do with this hybrid?

H. Brown
Ask the Ambassador to expand on the issue of sovereignty. Use of force = ultimate expression of sovereignty. Not surprising that in the run up to Iraq, it was nations that played the part of sovereigns on the European side – not people like Patten or Solana. Proposed European constitution tries to deal with that. In what timeframe is Europe likely to come together?
Levitte
Agree that when Europeans are divided, it is fair to accept that U.S. acts with national partners.
Foreign policy and defense is the most difficult because of different histories, languages, culture. But to succeed in economics was not easy. It's more difficult in the field of foreign policy, but not impossible. The Solana “strategic goals” document will help. We are united and have the same position on many issues (Middle East, Africa, North Korea, Iran, WMD etc.). Most of the time we have no difficulties inside Europe and with respect to the U.S. It is easier for Europe to have a common foreign policy when it doesn’t have different views from the U.S.
We will succeed more easily in European defense than in foreign policy. If we succeed in building a reaction force, this will create more appetite for integrated foreign policy. This will take one or two generations.

Bartholomew
Are differences with France on sovereignty really so great? For example, would Chirac say that France would never wage war on a matter of direct strategic importance without UN approval?

Levitte
UN Charter says that self-defense exists and nobody would criticize any government for taking appropriate action. The majority of the Security Council considered that there was no imminent threat against any people, no link between Al Qaeda and Saddam, that we could continue disarmament of Iraq through inspections – but agree that it is for the American president to decide what constitutes a threat to the people of America.

Moravcsik
Re. the means that Europe might use to back its foreign policy: you have talked about military means but Solana argued that real comparative advantage lies on civilian side (aid, development assistance etc.) This might have been obvious during the crisis itself. What if France had offered to support more inspectors etc.? What are your proposals for strengthening this kind of initiative and your assessment about realizing them?

Levitte
We did propose to send reinforced inspectors, timeframe to conclude inspections etc. Comparative advantage for EU = in comparison with NATO
In different capacities, we all have whole spectrum of means to act (foreign aid, police, and economic power). Not many differences between U.S. and EU in terms of capacities. Main difference is the extraordinary military advantage of the U.S. EU had broader spectrum of tools than NATO.
Main difference between U.S. and EU is that EU naturally thinks of using multilateral institutions vs. in U.S. there is a suspicion that international organizations could hamper America’s capacity to act. This may be the case militarily, to win wars, but to build peace one needs international organizations.
Summers
Moravcsik was trying to contrast two different strategies:
1) The one you seemed to be advocating — that would put some emphasis on increased military strength to achieve greater parity and thereby strengthen Europe’s role in the partnership.
2) Strategy of celebrating complementarity by emphasizing foreign aid, constabulary forces and seeking to define alliance with sharing of responsibility and specialization.

Levitte
Complementarity, yes – provided that we are not confined to a menial role.
In Bosnia and Kosovo, we couldn’t solve problem ourselves and U.S. was reluctant to get involved. It was humiliating for Blair and Chirac to have to recognize that Europe couldn’t gather enough military strength to solve these problems alone.
Want to achieve something modest: integrated military capacity in Europe to solve crises on Europe’s borders or help UN in other missions— not to compete with US in military terms.

Feldstein
-Re. Bush’s statement about imminent threat from Iraq: My recollection is that he said that threat was not imminent – and we could not wait until it becomes imminent.
-Question about NATO and Iraq: If there were a request for NATO forces, would France participate? Would it require a new UN resolution or is this a decision NATO should take on its own?

Montbrial
Re. Bartholomew question: if one country is threatened, the principle of state sovereignty still applies. Question is: was the U.S. under imminent threat? The fact that no WMD were found is a blow to credibility domestically and internationally. This sets a bad precedent for the U.S. to ask for international support.
Intra-European sharing of sovereignty: it will take several generations to achieve fully integrated defense. But at current levels of integration Europeans are able to carry out many tasks, such as peacekeeping.
In Afghanistan, nation-building ambition was not there. Situation today in Afghanistan is not stable. Real challenge today is not nation-building, but interdicting terrorism. Vs. in the case of Iraq, explicit U.S. objective is nation-building.
Some saw an anti-French campaign, recently orchestrated by the White House, which is totally unprecedented. Is there any ground for such an allegation and how do governments assess today the French position in the U.S.?

Burt
The term multipolar has been mentioned: What is meant by France’s support for the concept and the vision of a multipolar world?

Kupchan
Question this group has been grappling with is: How to avert situation where European integration has an explicitly anti-American tone, casts Europe as counterweight to U.S.
In addition to the exchanges you recommended, do you have other ideas about how to avert an anti-American Europe, given politicians’ increasing use of anti-American rhetoric for political gain?

**Levitte**

- If there was no imminent threat, then why a war? Disagree with principle of preemption when dealing with relations between states.
- NATO and Iraq: Chirac told Bush he saw no problem in having a NATO role. Could NATO be a backbone of international presence? Yes, as long as it is under the umbrella of a UN resolution, like in Kosovo. If there were to be an important NATO role, we would ask for UN resolution and would not exclude participating.
- Agree with Montbrial: Europe already has elements of a common foreign policy. Goal is to maximize what we have in common and limit moments when we differ. America is an important factor in the foreign policy of Europe. When we agree with the U.S. it is easier to have an intra-European agreement; when there are differences with the U.S., there are more divisions within Europe.
- Goal for Afghanistan is to build state structures, rebuild the economy from scratch, not just to combat warlords and terrorism. This is very ambitious. Don’t see difference in nature between what we have to achieve in Afghanistan and Iraq. Both cases will take years of international presence, money, troops, political attention. In the U.S. the capacity to mobilize attention for a long period is limited because of the election cycle, existence of other priorities (Iran, Korea) etc.
- Re. Francophobia: It’s over and did not come from the White House. Relations are now better. The two presidents had a good meeting in Evian and will meet again at UNGA in September.
- Re. multipolar world: The world as seen by Joe Nye is already multipolar in economic terms and works quite well – helped by WTO rules to maintain discipline and cooperation. In military terms, the world is and will remain unipolar: overwhelming U.S. might, with which nobody wants to compete. France feels quite comfortable with this might in U.S. hands. It is reassuring for Europe that U.S. has the capacity to act if need be. Global problems need multilateral institutions because one or two countries cannot solve them alone. Let’s not start a new war about multipolarity vs. unipolarity – we have better things to do. Maybe we need a better expression, such as “organized multilateralism”. Europe is and will remain the U.S.’s best friend and ally and its only democratic friend and ally.

**Kissinger**

Personal preference is for multilateral approaches to these issues. But dangerous to propose that military force can’t be used except with approval of UN. There have been many occasions where, in retrospect – and even now – the world was grateful for the willingness of one or a few nations to stand up. One can foresee situations arising where one does not want to paralyze the nations that might defend the fundamental principles by an abstract doctrine according to which only the UN can authorize military action.
IV. An American perspective

Haass

10 propositions

1. Europe was the geopolitical center of the Cold War. This is not the case for the post-Cold War. This is good news because means that it is largely whole and free and at peace and frees up energies and resources to be used elsewhere.

2. It is increasingly hard to generalize about Europe and speak about it as a single actor.

3. A lot of the transatlantic problems predated 9/11 and have to do with structural causes (end of Cold War, degree of American primacy, societal differences). This task force would have been justified and necessary even in the absence of 9/11 and Iraq. Iraq is not a cause but a reflection of the differences.

4. It is hard to generalize about transatlantic ties. There are significant areas of cooperation (counterterrorism, Afghanistan, NATO enlargement) and of friction (Kyoto, trade, ICC, Middle East). Some of these out-of-area issues are the greatest drivers of transatlantic friction.

5. There are 2 schools about transatlantic relations in Europe -The “British” view of “strategic association” with the U.S., whereby Europe is the “deputy sheriff,” junior partner -The “French” view of “strategic counterweight”/rivalry

It is wrong to gloss over these differences. There are different tendencies, if not completely different schools.

6. Dilemma: U.S. wants Europe to be stronger, but is wary of a strong Europe that goes its own way and wants a strong Europe that will do America’s bidding – are we willing to see our authority diluted in order to gain greater European participation?

7. Europeans are unhappy with some aspects of American primacy, but are they willing to devote the necessary resources, given economic, demographic and domestic situations and are they prepared to accept that military force has a role in international relations? Each side has to face up to big questions.

8. U.S. does need partners if it is going to address today’s regional and transatlantic challenges. Europe is still the best potential partner (has greatest resources).

9. The greatest challenge will be out-of-area.

10. Less worried about crisis in transnational relations as about relevance of transatlantic relationship. Definition of failure is not friction and crisis but irrelevance: could have failure and gradual erosion of relationship without having crisis.

10 Prescriptions

1. Need consultations on the rules of the road. Not just transatlantic issues: use of force, role of Security Council, when sovereignty can and must be violated (human rights violations, terrorism, WMD). And consultation procedures for deciding what the remedy may be. With whom do you consult? In the past, mixture of national and NATO. Won’t find one perfect vehicle. Can’t put together the main European capitals on a permanent basis. Can have specific contact groups on specific issues - but composition must depend on issue.
2. Iraq – need for a deal. America gives UN and EU authority and in exchange EU gives greater participation (military, economic, etc.) Concern: by the time we ask the Europeans they may no longer be interested.

3. Iran: There’s a bargain there (as said by Burt): we move toward policy of traditional engagement in exchange for fundamental change in Iran’s behavior. And for Europeans, this means turning an uncritical dialogue into a critical one and adding conditions to the relationship.

4. Europe needs to spend more on relevant defense. Don’t see signs that European defense is getting rationalized or continental basis: seeing repetition instead of specialization.

5. Recommend a massive project for U.S. and Europe to join resources and promote reform in Arab and Islamic world – societies in the greatest danger of failing. Generation-long effort, needing enormous amount of resources. This is something we should be coordinating. This struggle for hearts and minds is at least as important as the Cold War. Europeans have resources. This is all about soft power.

6. Need for deal on agriculture, or there can’t be a deal on the WTO. Not just technical USTR negotiation, but also political.

7. Middle East: We can’t be seen as letting up on road map implementation. Requires good faith American effort.

8. Integrating Russia and China as democratic, market-oriented countries. Should be coordinating policies to bring that about.

9. European unity: We should adopt conditional policy. Why should we want an integrated Europe that is anti-American or that has a constitution that impedes it from playing an international role? If choice between that and the current situation, latter is better. Asking the Security Council to bless something before it happens is a prescription for inactivity. Position should be: we want to work as effectively as possible with as many Europeans as possible on a given challenge. Better to work effectively with some than ineffectively with all. Ought to be prepared to have coalitions of the willing when that’s the best form of partnership available.

10. Entering a period of foreign policy when relations are going to be discretionary or selective. Will sometimes cooperate on some issues and not on others. We are in a post-alliance era with a return of more traditional forms of foreign policy. Not as automatic as Cold War: What are the ground rules for disagreement? Not cooperating if different from actively opposing. One of the lessons of Iraq is that the transatlantic alliance lacked clear ground rules for disagreement.

Report should suggest some ground rules to deal with inevitable disagreements. Need system to disagree.

Kissinger
-Re. issue like Iran, agree with what you said but before we make deal abroad must make one at home.
-Like the idea of a massive project for promoting reform. But that requires that we have some idea of what we mean and that reform is not only defined by those who want to show progress. Fundamental problem we face: whether we think foreign policy is only
domestic politics, or whether one can stage it over some historic period that we understand.

**Summers**
Re. "massive project": Don’t the cultural differences we’ve been discussing between Europe and U.S. (Mars and Venus) as exemplified by differences on Iran point to intrinsic difficulties of undertaking such a project jointly? Do we have a common theory of what the project should be?

**Feldstein**
Country like Iran: There are clearly big economic interests. It is in European interest to go along with the U.S., but not all the way, and remain somewhat friendly to the regime.

**Kissinger**
Significant opinion in U.S. that Iran is like Romania in 1989 and that even talking to them inhibits progress toward democracy.

**Haass**
-I argued in the administration to allow Iran into WTO, unsuccessfully.
-Kissinger is right. Difficult to forge common project with Europe unless we have domestic consensus in U.S.: this administration is not there yet. So skeptical about some of the ideas discussed here.
-Reform project: Do we have some similar ideas about promoting economic reform, educational reform, civil society, rule of law. There is some overlap with Europe – enough to take to next step and give it more high-level attention.

**Summers**
Except at times like 9/11, we tend to cut off aid to places like Pakistan. Question of whether bolstering the wrong regimes.

**Gaddis**
-Re. Ischinger’s point about young people: Europeans may be going in anti-American and Americans going in anti-European direction. Student body has become more conservative than faculty – they are furious in the same way as the administration. We should think about these diverging attitudes and prejudices.
-Assumption on both sides is that we can’t change culture. But looking at history of Cold War, we did change isolationist culture and made opinion support what was necessary for the national interest. Much of what we were doing in Europe was to change culture and we did so successfully. This should go into report.

(Burt: In 1980s, people talked about the “successor generation.”)

One of our big concerns should be the fact that in domestic political context of European countries you get points for being anti-American and vice-versa. This is unhealthy and deserves some attention.
II. Brown
There are two groups on both sides who continue to favor cooperation: business community and professional military. More advantage could be taken of that.

Burt
Europeans are not anti-American, but anti-Bush.

Olechowski
Thought that 9/11 had two lessons:
- Security is an indivisible issue – have to take into account its external and internal aspects.
- No nation can cope with contemporary threats alone
Is it better to work ad hoc or on a systematic long-term basis?
In an ideal world, would have Atlantic security zone, combining military, police etc, with supranational institutions.
When talking about long term sustainable national interest, such a common security policy would be in the interest of both sides.
Europe is very parochial – not a global power and countries are looking for new definitions of national interest. Security in the classical sense (concern with the neighborhood) is gone.
Time to define new objectives and identify new threats – this is what Germany is doing.
For some of us it’s a worry because Germany was very predictable.
America is crazy and we can’t find constructive solutions as long as it is so stubborn on sovereignty issues.
Can’t come up with useful common institutions as long as they do what they want – as Joffe said, this raises the issue of how much veto power U.S. is willing to give others.

Garton Ash
Disagree with Haass image of Britain as deputy sheriff: image is not adequate because it only reflects a situation where you have a posse – i.e., a problem that you deal with militarily. Most of the situations we face are not like that.
Haass idea for great shared project is very good but can only happen if America and Europe work together because America has power and Europe is right next door to the Arab-Islamic world. Europeans have people-to-people relations with millions of Muslims. – this offers possibilities. Europe should not be seen in this project as deputy sheriff.
On America’s approach to European unity: disagree with Haass and Kissinger. At the moment, there is a standoff: U.S. says it will support the union if it’s not anti-American, and Europe says it won’t be anti-American if U.S. supports the union.
Standoff: who goes first? U.S. should because it is bigger and stronger and what does it risk by going first?
(Kissinger: Why do we have to go at all?)
Because of our 19 year olds
U.S. could say: we think EU is a great achievement etc., instead of contemptuous and dismissive attitude. That would be a contribution to beginning to win back the 19 year olds.
In order to get things done, need contact group. Cannot be formalized and doesn’t need to be: horses for courses, when an issue comes up. U.S. default position should be “let’s get together a contact group” -- must include France, Germany and Britain because if these three are in there won’t be a divided Europe.

Kissinger
Would like an explanation of the compulsive anti-Bush feeling in Europe.

Summers and Moravcsik (en choeur)
Due to style, substance and procedure

Walt
As far as propositions, you suggested that we need:
1. Rules of the road. We do, but administration didn’t agree – many of them see institutions as constraint on American power. In light of that, how do we get there?
2. Need to follow through on road map. Said success isn’t required, just needs a good faith effort. Not convinced that’s true given fact that many believe we have leverage to bring about success – so they expect it.
3. Conditionality: Agree, but once Europe unifies then can be a more effective counterweight. So how do you safeguard against it becoming what you don’t want it to be. Would U.S. be better off if European unity did not advance?

Ikenberry
Report will probably talk about the importance of focused strategic dialogue on critical issues. The most critical = question of the use of force under today’s new circumstances. How deeply divided are we and is it rooted in our cultures that these dialogues will only provide gloss on situation? Or is there a deal whereby U.S. would cede some authority in exchange for European cooperation?
That’s the bargain that’s been at the heart of the post Cold War order
Can we give enough ground that will allow Europeans to give enough ground?

Moravcsik
-Re. changes in youth values: Shift among college students to overtly anti-European values is about 3 years old and this correlates with arrival or current administration. Students learn how to talk about foreign countries from their politicians.
-Would quibble with claim that this is structural (in contrast with rest of presentation). U.S.-EU relations have been good over the last 10 years except on the issue of preemption. If your principle for Europeans applies (i.e., not coexisting is different from actively opposing) should apply for U.S. as well.

Montbrial
If we accept proposal to make modernizing Middle East a major challenge, how can we agree on a concrete strategy?
For example, regime-change in Iran – dilemma of bolstering vs. undermining regime which leads to question of what comes next (not sure that following regime would be better). Is it possible à froid to have a real strategic dialogue?
Before 9/11, it was impossible to have a discussion of the root causes of terrorism because the U.S. opposed. What are the prerequisites to engage in strategic dialogue on major issues?

**Haass**

-Agree about desirability of alliances – best way to go.
-Bias is toward multilateralism but in many cases will have to be narrow and ad hoc.
-Deputy sheriff is for situations of military undertakings – not a universal description or prescription and not suggesting it for Arab-Islamic project.
-Re. European unity: we should say that we support it, but here’s what we think is desirable. We should be de facto participant in the process. We have stake in the outcome and should try to influence the process.
-We should upgrade U.S.–EU consultations. The EU is one of our most important postings: we should send a major diplomat.
-Rules of the road can empower as well as impede you – not necessarily entirely constraining.
-Re. Ikenberry: Dialogue will potentially succeed on certain issues, such as terrorism. New international norm: States that harbor terrorists open themselves up to attack. Now need dialogue with Europeans for new set of rules for interdicting nuclear materials.
-Re. Moravcsik point: Report should address how structural the problem is. There won’t be the same degree of expectation and automaticity as during the Cold War. Still range for agreement, but have to work at it.
-Re. Montbrial: Difference between regime change “candidates” (Iran) and those that just need reform (Saudi Arabia, Egypt Pakistan) – we should have serious reformist agenda with the latter, keep it as low politics.
I would be willing to have discussion about root causes of terrorism: Unless we begin to engage these societies, people are going to be potential terrorists. Even with reform, there will still be terrorism. The reform agenda and diplomatic agenda take care of 90% of terrorism. For the rest, we have intelligence work and the military.