

## **Does the Transatlantic Alliance Still Make Sense?**

John O'Sullivan

Support for European integration has been a firm bi-partisan U.S. policy since the early fifties. Every American president from Eisenhower to George W. Bush has given a strong endorsement of the "European Idea." Almost every concrete step towards integration from the European Coal and Steel Community to the Single European Act has been backed by the United States. It is hard to think of an American foreign policy that has a longer postwar pedigree. And it has largely survived the re-thinking of international commitments after the Cold War. Why?

European integration was seen as a means of strengthening and consolidating the West. It would create a bulwark of economic stability in Europe vis-à-vis the Soviet Union. It would create a stronger but still reliable American ally both in the Cold War and in the Third World. And it would simplify alliance diplomacy—the State Department would have to dial only one number in dealing with "Europe."

These largely unexamined assumptions produced a complacent U.S. attitude towards a united Europe. If Europe became another superpower, it would likely remain a loyal American ally and assist U.S. policy worldwide. If it proved more independent, that would at least relieve the United States of some Cold War burdens. In no case, Americans felt, would it prove a serious obstacle to American values or interests.

### **Post-Cold War Realities**

But many of the arguments for American support of Euro-integration were rendered questionable by the collapse of communism. That created two major geo-political shifts. The first was military and diplomatic: it removed the Soviet threat and made the United States the sole superpower. The second was economic: the spread of globalization exposed First World economies to greater trade competition, notably from the "Asian tigers" and China.

Both of these changes subjected the Atlantic alliance to new pressures. The absence of a Soviet threat removed an important incentive for Western unity. It also released European resentment of America's unique power. Throughout Western Europe but especially in France, the Soviet Union's collapse began to shape policy in the direction of making Europe a "counterweight" to American power.

These political trends were aggravated by different responses to the heightened economic competition from Asia in world markets, including the U.S. market. In the United States (and in some European "outliers" such as Britain, Poland and the Baltics), economic

policy encouraged competition, labor mobility, deregulation and flexibility. **In Europe, the response was to defend high levels of welfare and regulation (now increasingly harmonized upwards to a European level), to “deepen” existing European institutions, and to establish new ones such as the Euro. To ensure that its higher costs would not make its products uncompetitive in world markets, however, the EU sought to extend its regulations upwards to international levels. And that created tensions across the Atlantic.**

Thus the EU and individual European nations increasingly diverged from U.S. policy in significant ways. For instance:

## **2. Trade and Regulatory Disputes**

Since 1989 there has been a series of trade disputes across the Atlantic. These have involved agricultural export subsidies, barriers to genetically modified foods, the Airbus, the French “cultural exception” over films, videos, and other cultural products, proposed EU regulations on the chemical industry, and the European response to the (admittedly mistaken) Bush protectionism of the steel industry.

... These rifts revealed underlying tensions, differences and even antagonisms that had hitherto been unsuspected by most American observers.

Thus, the French had always been suspicious of NATO as an American project that, while necessary to hold the Soviets at bay, nonetheless reduced the status of European states to vassals. They saw the end of the Cold War as the chance for Europe to develop as a power that, allied with others such as China, could check the U.S. “hyper-power” in a multi-polar world. They were not alone. **An important but unstated motive for European integration among European politicians, especially the leaders of small countries, was always the desire to create a superpower that would exercise global power and influence equal to that of the United States.**

**In addition, Europe and America gradually developed different economic and political cultures.**

... More recently still, the EU has seen its “post-democratic” political structures and ideas as an ideological competitor to the liberal constitutionalism of the United States in world politics. **Its admirers see the EU as the forerunner of a transnational future in which nation-states like the United States are increasingly compelled to surrender sovereignty and conform to a new international regime of transnational rules enforced by organizations such as the ICC and policed by NGOs. And they depict America as a rogue nation that refuses to live by the multilateral rules others respect.**

Hence a united Europe is likely to be anti-American—and the more united it is, the more anti-American it will likely be.

... What follows is a short and inevitably arbitrary list of how such anti-American attitudes shape EU policy:

... **3. Regulatory competition aimed at undermining the economic role of America in the world economy:**

**The EU seeks to establish the precautionary principle as an absolute international standard by which all products, no matter where they are produced, are determined to be safe or harmful; to embed it in health, safety, environmental regulations and in technical product standards; and then to export such regulations and standards via environmental treaties, international standardization bodies and bilateral technical assistance and aid programs with developing countries.**

**Through the use of 'soft power,' the EU Commission persuades aid-dependent developing countries to adopt precautionary principle-based regulatory standards and to ratify environmental treaties incorporating the principle. And by exporting the resulting higher cost in these ways, the EU 'levels the global economic playing field' for its lagging and less efficient industries. In other words, it engages repeatedly in disguised protectionism against the United States and it seeks to impose its own regulatory standards on American industry in violation of well-established WTO rules.**

... **What is To Be Done?**

U.S. policy is at present paralyzed. It no longer endorses any and every kind of European integration, but it has not yet discovered a better alternative. It cannot be a continuation of the traditional policy since that would mean dividing the West and actively assisting the build-up of what is now plainly a rival power with at least moderately hostile intentions. Nor can it mean actively seeking the break-up of the EU. That would be generally misunderstood, gain little support in America itself, intensify the current mood of anti-Americanism in Europe, and provoke a major crisis in the Atlantic alliance. Instead U.S. policy should seek to shape the future development of the EU in ways that suit U.S. interests.

... *John O'Sullivan would like to thank **Lawrence Kogan**, Helen Szamuely, Gerald Frost and John Blundell for helpful suggestions on this paper.*