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## **Transatlantic Power Gaps and the Future of EU-US Relations**

This edited volume focuses on the security policy of the European Union (EU) in the 21st century. In the past there could have been no doubt that EU-US relations would have been interpreted as a cornerstone of Europe's security policy. Today, the situation looks different.<sup>1</sup> We contend that transatlantic solidarity can no longer be taken for granted. Unlike other commentators, however, we do not believe that the most recent transatlantic rifts have buried the partnership and with it NATO which epitomized the relationship for more than half a century.<sup>2</sup> Tomorrow's security challenges can only be solved in tandem and with the help of a stable and multilateral world order. Therefore both sides need each other. In order to continue their successful cooperation the transatlantic allies should thus redesign the institutional framework of their partnership.

Today's transatlantic partnership suffers from three fundamental power gaps. The first and best known is the hard power gap, which originated in the Cold War when the European allies became comfortably reliant on US military capabilities and dominated the transatlantic agenda in the 90s. Put most simply, the hard power gap is the result of diverging threat assessments and spending patterns on both sides of the Atlantic. Most recently, NATO has undertaken enormous efforts to address specific European shortcomings. The EU has introduced new capability provision mechanisms to achieve its Helsinki Headline Goals and some European countries have begun to increase their defense budgets. Furthermore, EU leaders have adopted a security strategy and agreed to establish an agency for defense capabilities development, research, acquisition and armaments that will help improve procurement efficiency.<sup>3</sup> Although far from being accomplished, the good news about the hard power gap is that it has been identified as a shortcoming. The same can not yet be said about the remaining two power gaps.

Second there is a soft power gap. Soft power, according to Joseph Nye, is a nation's (or group of nations) ability to influence events based on cultural attraction, ideology, and international institutions.<sup>4</sup> Although hard power is most essential to win wars, and often to give credibility to strategic choices, soft power is all the more important to win and preserve the peace. Soft power is the very prerequisite for trust among people and states. Without trust a stable international order cannot be built and sustained. The soft power gap is not the result of a lack of

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<sup>1</sup> For good overviews of the transatlantic continuities and discontinuities, see: John Peterson and Mark A. Pollack, *Europe, America, Bush. Transatlantic relations in the twenty-first century*, London/New York 2003; Gustav Lindstrom (ed.), *Shift or Rift. Assessing US-EU relations after Iraq*, Paris 2003.

<sup>2</sup> See for instance: Peter van Ham, *Can Europe save NATO from irrelevance?* In: Stanley Sloan and Peter van Ham, *What future for NATO?*, London 2002, pp. pp. 29-53.

<sup>3</sup> *A Secure Europe in a Better World*, 15895/03, Brussels, 8 December 2003, S0138/03, <<http://register.consilium.eu.int/pdf/en/03/st15/st15895.en03.pdf>> (accessed 11 December 2003); Presidency Conclusions, Thessaloniki European Council, 19-20 June 2003, Para. 65 <<http://ue.eu.int/pressData/en/ec/76279.pdf>> (accessed 12 December 2003).

<sup>4</sup> Joseph S. Nye, *Bound to Lead. The Changing Nature of American Power*, New York 1990.

capabilities on either side of the Atlantic. Rather it stems from a growing proclivity of the transatlantic partners to use their soft power resources against each other in what seems to become a rather fruitless soft power rivalry. This "gap in the minds" is even more alarming than the wake-up call to "mind the gap"<sup>5</sup> with regard to diverging hard power capabilities.

The third power gap is that between the Euro-Atlantic hard and soft power capabilities on the one hand and cooperative/institutional structures to integrate these capabilities on the other. Existing institutions of transatlantic dialogue have reached their limits.<sup>6</sup> No institution rivals NATO's ability to address the military aspects of today's security challenges, but the Alliance is less well suited to address the non-military challenges of the 21st century. The US-EU dialogue has grown in importance to address the broader political agenda including such issues as the proliferation of weapons of mass destruction (WMD) and fighting terrorism. However, this institutional dichotomy is detrimental to the efficient and effective handling of the new security risks. There is thus an urgent need to complement existing transatlantic institutions with a new framework that helps overcome the second power gap identified above.

The signing of a new Atlantic Community Treaty and the establishment of a new Atlantic Community Treaty Organization would address this problem by providing an umbrella that covers the hard and soft power capabilities of the transatlantic partners (as well as the candidate countries) while leaving unchanged existing competencies of NATO and the EU. The added value of this new body is two-fold: First, by bridging the hard and soft power divide, the new framework will facilitate broad-based joint assessments of threats and opportunities. Both perspectives need to be taken into account at the assessment level in order to avoid a bias in favor of one or the other at the level of implementation. Second, the new institution will facilitate the adoption of concerted strategies and actions to address the threats and opportunities thus providing a kind of "strategic guidance" for consecutive action in NATO, the EU and other Euro-Atlantic institutions.

Because the hard power gap is well researched the remainder of this text looks at the existing soft power gap and the need to blend hard and soft power more effectively. To start we look at existing US and European sources of soft power. Then we turn to the new Atlantic Community Treaty and the Atlantic Community Treaty Organization as a proposal to mute the transatlantic soft power rivalry. We illustrate the value of this proposal by addressing some key international issues. Our conclusion discusses the necessary steps that each partner will have to undertake in order to reinvigorate the transatlantic partnership.

## **1. US Soft Power and the Unilateral Temptation**

US hegemony after 1945 was benevolent in the sense that Washington decided to cooperate with its allies rather than dominating them, that it agreed to tame its power by being locked in in multilateral organizations, and that its political system was open for interference by its allies thus offering them the opportunity to influence US decision-making.<sup>7</sup> As a result, Washington's leadership had to do with (hard and soft) power but did not solely rest on it. Leadership is an interactive process where the leader is followed because he is able to convince the followers. By taking into account the needs and goals of its allies and by listening to and car-

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<sup>5</sup> David C. Gompert, Richard L. Kugler, and Martin C. Libicki, *Mind the Gap. Promoting a Transatlantic Revolution in Military Affairs*, Washington, D.C. 1999.

<sup>6</sup> For a similar argument, see: James B. Steinberg, *An Elective Partnership: Salvaging Transatlantic Relations*. In: *Survival* 2/2003, pp. 113-146, here pp. 125-130.

ing about their opinion, the United States managed to base followership on persuasion and normative consensus, or soft power.<sup>8</sup> However, when the leader neglects to bring its soft power into play in support of military actions, would-be followers find the first occasion to deviate.<sup>9</sup> This is exactly what has happened in recent years and what led to the most recent transatlantic crisis over Iraq.

Unilateralism – whether in the rouge form deployed by the current Bush administration or in the more occasional, cushioned and velvet form of the former Clinton administration – is a clear sign of a shifting balance between reliance on hard and soft power in US foreign policy. It provokes criticism because it puts at risk the international normative consensus and undermines the institutional framework.<sup>10</sup> Before September 11 and certainly afterwards the new Bush administration interpreted US sovereignty as non-negotiable<sup>11</sup> thus refuting international commitments that might limit the administration's leeway or force it to seek the consensus of others where independent actions would be preferred. In the long run, however, this tendency undermines the attractiveness of the US political, cultural and societal model thereby threatening the core of US soft power. International public opinion polls conducted in the aftermath of the war on Iraq clearly underline this danger. According to a study conducted by the Pew Research Center, the rate of those people that somewhat or very much disapprove the US increased markedly in Italy, whose government supported the war, (38% in May 2003 vs. 23% in summer 2002), in France (57% vs. 34%), and Germany (54% vs. 35%). The same study also highlights a growing preparedness of these countries' population to loosen the NATO ties to the US. Equally alarming is the drop in esteem rates for the US in the Arab world. The most extreme shift was seen in US-ally Turkey where more than 80% (vs. 55% in summer 2002) have an unfavorable opinion of the United States.<sup>12</sup>

## **2. European Soft Power and the Preference for Rules-Based Politics**

Tensions about US leadership and the uncertainty about the course of US foreign policy in the future have put more focus on the soft power – and so far to a lesser extent the hard power – capability of the EU. The EU's soft power approach rests on the assumption that the law of the strongest can be successfully replaced by the strength of the law. In part thanks to the provision of security by the United States, the transfer of sovereignty and with it the adherence to soft power – rather than the build-up of hard power capabilities – have become Europe's priority.

Europe's preference for rules-based politics is the outcome of its history and its societal, economic and political complexity and not, as Robert Kagan posits, the mere result of a lack of

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<sup>7</sup> John Gerard Ruggie, *Multilateralism: The Anatomy of an Institution*. In: John Gerard Ruggie (ed.), *Multilateralism Matters. The Theory and Praxis of an Institutional Form*, New York 1993, pp. 3-47; G. John Ikenberry, *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order After Major Wars*, Princeton 2001.

<sup>8</sup> James MacGregor Burns, *Leadership*, New York 1997.

<sup>9</sup> Andrew Fenton Cooper, Richard A. Higgot, and Kim Richard Nossal, *Bound to Follow? Leadership and Followership in the Gulf Conflict*. In: *Political Science Quarterly* 3/1991, pp. 391-410, here pp. 398 f.

<sup>10</sup> John Gerard Ruggie, *Embedded liberalism and the postwar economic regimes*. In: John Gerard Ruggie (ed.) *Constructing the World Polity. Essays on International Institutionalization*, London/New York 1998, pp. 62-84.

<sup>11</sup> Nicole Gnesotto, *EU, US: visions of the world, visions of the other*. In: Lindstrom, *Shift or Rift*, pp. 21-42, here p. 27.

<sup>12</sup> Meg Bortin, *In war's wake, hostility and mistrust*. In: *International Herald Tribune*, 4 June 2003, 1, 6. The report "Views of a Changing World 2003" is available at <<http://people-press.org/reports/display.php3?ReportID=185>> (accessed 12 December 2003).

hard power.<sup>13</sup> Kagan's analysis reflects the prevalent US understanding of sovereignty as bound to the state's monopoly of power over a territory and the uncontested rule of the national constitution and national political authorities.<sup>14</sup> The experience of European integration has led EU member states to a postmodern understanding of sovereignty. They "allow outside interference in their domestic affairs because they get something in return: influence on a supranational level of governance."<sup>15</sup> As a consequence Europe's approach to security rests not only on the use of non-military instruments to deal with security problems but also on the adherence to multilateralism and rule-orientation, a network centric approach to international politics and the close cooperation with non-state actors to tackle today's security policy challenges. In sum, the EU offers a unique soft power model that has so far not been offered by other states or group of states.<sup>16</sup>

### **3. US and European Soft Power: Combine, don't Compete**

With two sources of soft power and the most recent experience in the war on Iraq the scene looks set for a potential soft power rivalry between Europe and the United States.<sup>17</sup> It is thus not surprising that some people in Brussels and other European capitals are increasingly willing to capitalize on Europe's soft power via the European Security and Defense Policy (ESDP) to counterbalance Washington. However, nothing would be more damaging to the fate of the transatlantic relationship and the long-term international stability than this, because "no two regions of the world have more in common nor have more to lose if they fail to stand together."<sup>18</sup> Americans and Europeans should join forces in launching a new initiative to reinvent the transatlantic relationship to help them hammer out solutions to the most pressing global challenges in tandem with other leading nations and international organizations.

At the core of this new initiative lies the reinvigoration of the transatlantic community of values by developing a new Atlantic Community Treaty.<sup>19</sup> The purpose of this treaty would be to promote political, economic and security cooperation at all levels of intergovernmental and multinational interaction and ensure the effective NATO-EU collaboration in areas of joint interests and activities.<sup>20</sup> Politically it would shift the focus away from those issues that divide the transatlantic partners to that what they have in common. Functionally the treaty among all NATO and EU members would create a soft power framework of cooperation to complement

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<sup>13</sup> Robert Kagan, *Power and Weakness*. In: *Policy Review*, 113/2002, pp. 3-28  
<<http://www.policyreview.org/JUN02/kagan.html>> (accessed 12 December 2003); William Wallace, *Europe, the Necessary Partner*. In: *Foreign Affairs* 3/2001, pp. 16-34.

<sup>14</sup> Adam Roberts, *Law and the Use of Force After Iraq*. In: *Survival* 2/2003, pp. 31-56; Steinberg, *An Elective Partnership*, p. 119.

<sup>15</sup> Hans-Henrik Holm and Georg Sorensen, *International Relations Theory in a World of Variation*. In: Hans-Henrik Holm and Georg Sorensen (eds.) *Whose World Order? Uneven Globalization and the End of the Cold War*, Boulder 1995, pp. 187-206, here p. 204.

<sup>16</sup> Jolyon Howorth, *European integration and defence: the ultimate challenge*, Paris 2000, pp. 88-91. A similar argument is developed by: Hans-Georg Ehrhart, *What model for CFSP?*, Paris 2002.

<sup>17</sup> Charles Kupchan, *The End of the American Era: US Foreign Policy After the Cold War*, New York 2002.

<sup>18</sup> Philip H. Gordon, *Bridging the Atlantic Divide*. In: *Foreign Affairs* 1/2003, pp. 70-83, here p. 83.

<sup>19</sup> Based on: Stanley R. Sloan, *NATO, the European Union and the Atlantic Community. The Transatlantic Bargain Reconsidered*, Latham 2003, pp. 217-227; Stanley R. Sloan, *Challenges to the Transatlantic Partnership*. In: *In the National Interest*, 12 March 2003, <<http://www.inthenationalinterest.com/Articles/vol2issue10/vol2issue10sloan.html>> (accessed 12 December 2003). For other proposals, see: Charles Grant, *Transatlantic Rift: How to Bring the Two Sides Together*, London 2003; Andrew Moravcsik, *Striking a New Transatlantic Bargain*. In: *Foreign Affairs* 4/2003, pp. 74-90; Hans-Gert Pöttering and Ludger Kühnhardt, *EU-USA: Plädoyer für einen Atlantischen Vertrag [EU-US: Plea for an Atlantic Treaty]*. In: *Integration* 3/2003, pp. 224-250; Doug Bereuter and John Lis, *Broadening the Transatlantic Relationship*. In: *The Washington Quarterly* 1/2003-04, pp. 147-161.

<sup>20</sup> Sloan, *NATO, the European Union and the Atlantic Community*, p. 221.

the hard power frameworks of NATO and the ESDP. Most importantly it would help bridge the current artificial gap between NATO discussions of security policy and US-EU consultations on economic issues and other ad-hoc fora (e.g., the group of four which includes the UN and Russia to deal with the Israeli-Palestinian conflict) by providing a cooperative platform to coordinate and harmonize political, security and economic activities. This in turn would lead to a better mix of existing hard and soft power capabilities of the transatlantic couple (see Figure 1). However, a new Atlantic Community would embrace, not replace, NATO in the overall framework of transatlantic relations. Because it would be a cooperative, not integrative forum, it would not threaten the "autonomy" of the EU or undermine NATO's Article 5 collective defense commitment. The added value rests in providing the transatlantic cooperation with more opportunities for synergies, a broader perspective and increased flexibility.

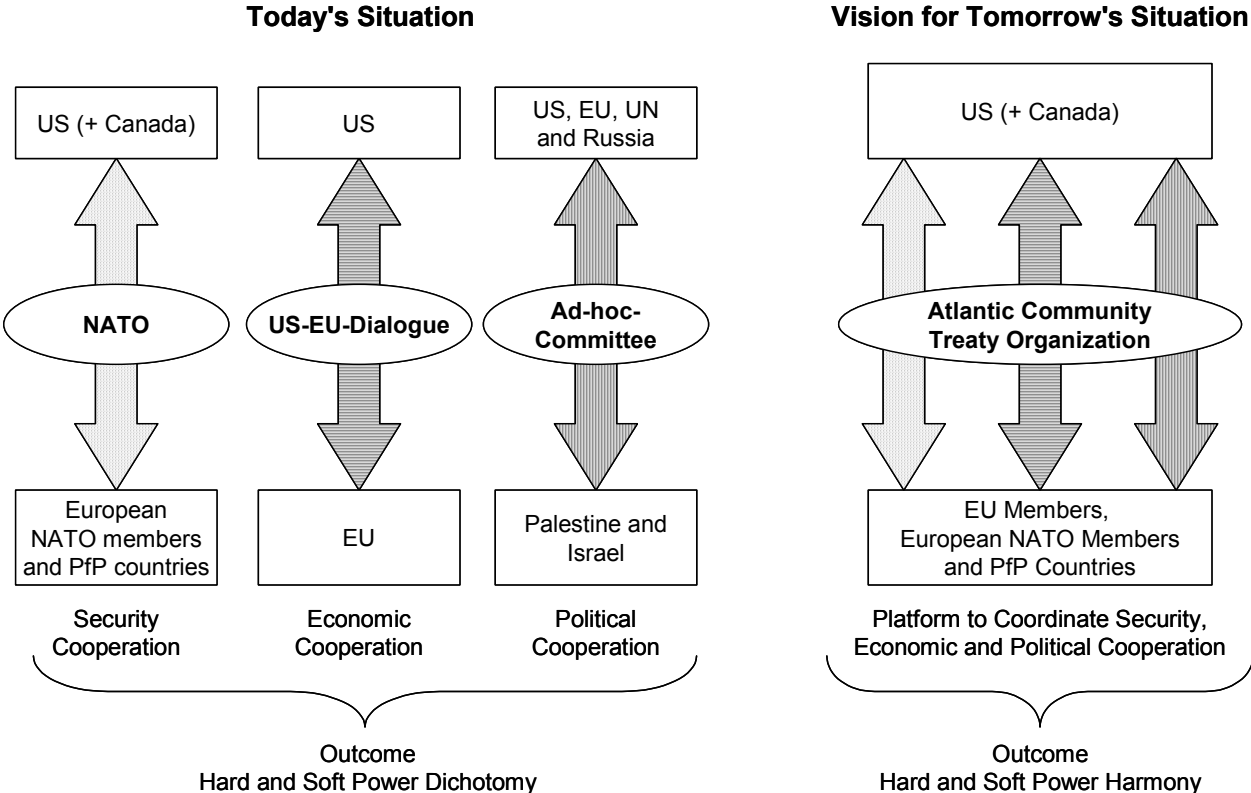


Figure 1: From dichotomous to harmonious transatlantic cooperation

Operation of a new Atlantic Community Treaty (soft power) Organization (ACTO) could include twice-yearly summit meetings among all NATO and EU members as well as all countries recognized as candidates for membership in those two bodies. The meetings could be scheduled in conjunction with the regular NATO and EU summits and would supplant the current US-EU summit meetings. The current US-EU agenda could be transferred to the new forum without excluding the opportunity to discuss specific US-EU issues in bilateral consultations. The summit framework could be supported by a permanent council to discuss issues as they develop between summit sessions and working groups that meet as needed.<sup>21</sup> To give the Community a representative dimension covering all aspects of the transatlantic relationship, the NATO Parliamentary Assembly could be transformed into the Atlantic Community Assembly. Close cooperation with the Parliamentary Assembly of the EU and of the Organi-

zation for Security and Cooperation in Europe (OSCE) would be highly recommended to forge a common understanding on the most important issues.

At the same time cooperation with the OSCE and the UN should be addressed. The OSCE brings together the members of the new Atlantic Community and all the other states of the Eurasian region who do not qualify for or do not seek Atlantic Community membership, including most importantly Russia and Ukraine. Taking over the agenda of the Euro-Atlantic Partnership Council (EAPC), which deals with similar issues, would help strengthen the OSCE's main responsibility to deepen cooperative security and to expand confidence building and arms control measures, early warning, conflict prevention, crisis management and post-conflict rehabilitation activities. In relation to the UN the new ACTO could make a three-fold contribution. First, if the transatlantic partners that contribute three of the five permanent members of the UN Security Council can use the new framework effectively to harmonize their position on international issues of peace and security they will greatly advance the effectiveness of the world organization's key decision-making body. Second, direct contacts between ACTO working groups and the UN's special organizations can facilitate cooperation if they help bridge the gap between political declarations and the requirements of implementation. Finally, the new body can work effectively with organizations and important countries from other regions of the world through partnership arrangements thereby avoiding the impression of a "transatlantic fortress" in the making.

#### **4. Elements of a New Atlantic Community Consensus**

Given the most recent transatlantic rift, reinvigorating common bonds is an end in itself. But, of course, it is not enough. The United States and its European friends and allies need to address a number of issues that will be key to transatlantic relations and to international cooperation and stability.

##### *4.1. Terrorism, Failed States, and Development*

In the wake of September 11 US and European actions in the fight against terrorism have been converging. The new EU security strategy lists terrorism along with the proliferation of WMD, regional conflicts, failed states and organized crime as the key threats to international security. The draft European constitution explicitly refers to the fight against terrorism as a specific task of the ESDP and foresees a new "solidarity clause" in which member states that have become the victim of armed aggression shall inform other states and may request aid and assistance from them. Furthermore the EU declaration on non-proliferation of WMD envisages, as an instrument of last resort, the application of coercive measures in accordance with the UN Charter.<sup>22</sup>

In order to fight terrorism effectively simultaneous moves at all three levels of Joseph Nye's famous "chess board", i.e., at the level of military, economic, and transnational relations, will be necessary.<sup>23</sup> To do so, Europe's emphasis on the causes of terrorism (e.g., bad governance, underdevelopment, authoritarian rule) must be blended with the US focus on the conse-

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<sup>21</sup> See also: Steinberg, *An Elective Partnership*, p. 139.

<sup>22</sup> A Secure Europe in a Better World, pp. 5-7; Articles I-42, III-210, III-231 Draft Treaty establishing a Constitution for Europe, CONV 850/03, Brussels 18 July 2003 <<http://european-convention.eu.int/docs/Treaty/cv00850.en03.pdf>> (accessed 12 December 2003); Declaration on non-proliferation of weapons of mass destruction, Annex II, Presidency Conclusions, Thessaloniki European Council, 19-20 June 2003, Para. 4 <<http://ue.eu.int/pressData/en/ec/76279.pdf>> (accessed 12 December 2003).

<sup>23</sup> Joseph S. Nye, *The Paradox of American Power. Why the World's Only Superpower Can't Go It Alone*, New York/Oxford 2002, p. 39.

quences.<sup>24</sup> To accomplish this task the new ACTO provides the missing link that will help blend both perspectives. Two examples illustrate this: First, if there had been an Atlantic Community Council on September 11, it could immediately have established working groups to address all aspects of the campaign against sources of international terror. The North Atlantic Council could have invoked Article 5 on September 12 just as it did. However, in the meantime, discussions in the Atlantic Community Council could have been coordinating the response of police authorities in Community countries, discussing actions to cut off sources of financial support to terrorists, developing public diplomacy themes to accompany military and diplomatic action, and beginning consideration of long term strategies designed to undermine support for terrorist activities and address its causes. Second, the recent "Winning the Peace Act" introduced by three US Senators is a promising sign of the potential to harmonize US and European peace-building activities and the treatment of failing states.<sup>25</sup> The Act aims at strengthening US capabilities in the fields of security and public safety, justice, governance, and economic and social well-being. As the initiative targets the same focus areas that also build the core of the ESDP's civilian activities it opens the door for harmonizing the respective concepts and jointly developing the relevant resources. Both could be achieved under the umbrella of the new ACTO.

#### *4.2. Security Sector Transformation*

There is a growing consensus that most of the existing national and international security institutions are ill prepared to deal with today's security challenges. New security risks are transnational, originate within rather than between states and involve non-state actors which are ready to use force. They call into question key assumptions such as the clear separation between internal and external threats or the distinction between war and peace. What is thus needed is a fundamental overhaul of these institutions. Existing stove-pipe organizations must be overcome in favor of the logic of network centrality. Cross-organizational processes as well as interagency management and controlling instruments are necessary. At the same time traditional dichotomies between existing instruments of foreign, security, trade, development and other policy areas must be replaced by integrative approaches that favor increased harmonization and synchronization of the respective actions.

While the military side of the transatlantic partnership has already embarked on a challenging transformation agenda, the same can not yet been said for the civilian side. Again, the new framework can be instrumental to help avoid transformation asymmetries. It could be used to establish a transformation process that systematically links the US Department for Homeland Security with respective European authorities thus addressing an issue that becomes ever more vital. In addition it could help coordinate this agenda with NATO's military transformation activities. This is essential if we think of "dual use" capabilities such as the protection against chemical, biological, radiological or nuclear attacks or the provision of command and control.

#### *4.3. Debate New International Rules*

The general debate about the legality of the preemptive use of force notwithstanding, the major problem of the Bush administration is not so much its reference to this basic political op-

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<sup>24</sup> Ivo H. Daalder, The End of Atlanticism. In: *Survival* 2/2003, pp. 147-166, here p. 158.

<sup>25</sup> John Edwards, Winning the Peace. In: *In the National Interest* 25 June 2003, <<http://www.inthenationalinterest.com/Articles/Vol2Issue25/Vol2Issue25Edwards.html>> (accessed 12 December 2003)

tion but rather its application for the purpose of regime change in a case of dubious proof of the basic allegations (e.g., the possession of WMD and the sponsorship of terrorism). That's why – and in stark contrast to the international intervention in Kosovo (1999) – the US-UK attack was criticized as being illegitimate.

There are good arguments both in favor of and against reform of the UN charter's ban of the use of force. Supporters, mostly from the United States, say that the drafters of the UN charter did not foresee the new kind of transnational and asymmetrical risks and the advent of non-state actors. Given the new capabilities to exercise threat at a worldwide scale anytime and anywhere it is no longer adequate to wait for an attack to happen; rather power should be used preemptively.<sup>26</sup> By contrast opponents argue that alternatives presented so far to replace the concept of "imminent threat" are vague on all accounts, i.e., with regard to defining the circumstances, the objects and the means of the preemptive use of force.<sup>27</sup> Furthermore they convincingly argue that a return of an opportunistic and extensive use of the "right of self defense" will lead international relations to where it came from – the security dilemma in which uncertainty prevails.

With the intervention in Kosovo (1999) and the War on Iraq (2003) members of the Atlantic Community have created two strong cases that deviate from the traditional understanding of the use of force. Therefore they should initiate and lead a discussion on the future of international law in general and the use of force in particular. This debate should aim at finding new international rules for the use of force by taking into account the nature of new risks and strengthening, not bypassing, the role of the UN Security Council. By invoking this debate within the framework of the UN the members of the Atlantic Community would send a powerful signal to the world that they remain committed to playing by a system of internationally accepted rules, as long as other nations and groups are willing to do so.

#### *4.4. Strengthen International Institutions*

By creating a new Atlantic Community soft power organization transatlantic allies would already make a powerful case in favor of international cooperation. This should be backed by sustained efforts to make existing institutions more flexible and to provide them with the necessary resources commensurate with their tasks. By strengthening and advancing cooperation among them each international organization can help advance the soft power agenda.

The UN remains the preeminent platform to debate all issues pertinent to the establishment of a new world order. Recently, the UN has embarked on promising ways to strengthen global governance by working more closely with non-state actors such as non-governmental organizations and multinational corporations. Opening the international arena for the civil society is one of the strongest tools to strengthen soft power in the long run.

The long-standing dichotomy between NATO and the EU could be overcome by establishing the new ACTO. This new organization would benefit from blending existing hard and soft power capabilities. The OSCE continues to play an important role by strengthening the root causes of soft power, i.e., establishment of democratic principles and institutions. Furthermore the OSCE's presence in such important areas as the Caucasus and Central Asia make it extremely well positioned to help the ACTO stabilize these potential seats of crisis in a coherent and concerted way.

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<sup>26</sup> The National Security Strategy of the United States of America, September 2002, p. 15  
<<http://www.whitehouse.gov/nsc/nss.pdf>> (accessed 12 December 2003).

<sup>27</sup> For more on this, see: Roberts, Law and the Use of Force After Iraq, pp. 45-49.

Finally, international financial and trade institutions must be interpreted as instruments through which soft power bears economic fruits. To this purpose the international trade and financial architecture needs to be further developed by attributing more importance, inter alia, to the mutual dependencies between the transition to a market economy and the necessary cultural and societal adaptations, the relation between trade liberalization and security policy (e.g., terrorists have benefited from the liberalization of financial and telecommunication markets) as well as intellectual property rights, health issues and regional development (e.g., role of pharmaceuticals in providing AIDS treatment to the developing world).

#### *4.5. Expand the Role of Cultural Diplomacy*

A key instrument in socialization and building up a common memory, cultural diplomacy has diminished in importance since the end of the Cold War. But the value of culture as a means of forging trust has been rediscovered recently in the form of "hearts and minds" campaigns especially targeted at the Muslim world. In dealing with the countries that have so far not benefited from the "Western model" and thus tend to oppose it, cultural knowledge is indispensable to understand the complexities of these societies. Compared with other policy instruments, cultural exchange programs, education and training and other forms of cultural diplomacy are extremely cheap, but yield a high long-term return by broadening understanding and forging personal ties. For this reason Atlantic Community members should come up with a soft power culture strategy that identifies ways of opening our culture to other people and entering into sustained dialogue with them. Existing international cooperation schemes for key areas such as the Mediterranean region should be harmonized,<sup>28</sup> budgets and existing infrastructure of embassies, cultural foundations and even trade associations could be developed cooperatively in order to yield maximum benefit for all participants, and civil society networks at home and abroad should be actively engaged and strengthened.

### **5. The Age of Coziness is Over – Now Comes the Hard Work**

The implication for Europe's security in the 21st century that follows from our analysis is straightforward. Europe is no longer the prime strategic concern for Washington.<sup>29</sup> Therefore it must continue along the way outlined in its security strategy and the constitutional draft in order to stand up for its own interests. This requires more political coherence, an increased readiness to cede sovereignty in foreign, security and defense matters, more efficient ways to provide the necessary capabilities, more joint action and ultimately more resources to overcome identified shortfalls. The war on Iraq, however, has made it clear that Europe cannot be successfully constructed in a framework of transatlantic discord. Nor should strengthened European capabilities be interpreted as a means to counterbalance Washington. It would be more than troubling if opposition vis-à-vis the United States became the new objective of European integration. Rather than counterbalancing Washington Europe must actively pursue the fundamental interests that it shares with the United States and Canada.

From the US side the equation does not look much different. Above all, the Bush administration should realize that "more Europe" in terms of foreign, security and defense policy is an

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<sup>28</sup> The OSCE's Mediterranean Partners for Cooperation include Algeria, Egypt, Israel, Jordan, Morocco, and Tunisia. NATO's Mediterranean dialogue covers the same countries and also includes Mauritania. The EU's Barcelona Process includes the OSCE's partner countries and the Palestinian Authority, Lebanon, Syria, Turkey, Cyprus and Malta. In addition, the EU maintains a complementary Middle East Peace Process and relations with Middle Eastern countries in the Gulf region.

<sup>29</sup> Stanley Hoffmann, The crisis in transatlantic relations. In: Lindstrom, Shift or Rift, pp. 13-20; James Thomson, US Interests and the Fate of the Alliance. In: Survival 4/2003-04, pp. 207-220; Daalder, The End of Atlanticism, p. 150.

indispensable precondition to reinvigorate the transatlantic relationship and to shoulder global challenges.<sup>30</sup> European actions in these fields should thus be embraced not refuted or caricatured. Although the current administration has downplayed the value of sustained partnership and cooperation, long-term US interests demand a policy change. The American people do not want and will not support US policies whose consequences include sole responsibility for post-war reconstruction wherever US forces intervene to defeat dictators or ferret out terrorists. Likewise the implementation of legitimate foreign policy goals such as democracy, rule of law and human rights with illegitimate means can ultimately cause what the National Security Strategy seeks to avoid: the emergence of a new power center to rival the United States.<sup>31</sup> The United States and Europe must find a way to move on. As suggested a new ACTO would provide a framework for bringing US and European soft power resources to bear on problems beyond Europe, where both have common interests. Such a soft power solution will, however, not remove the need for credible military options. But an effective marriage of US and European soft power resources could help prevent some problems from becoming military challenges. It could enhance the ability of the international community to deal with post-conflict scenarios in ways that promote stability. The question today is whether the United States will continue down a unilateralist, heavy on the hard power path, or will find a balance between the use of its hard and soft power that strengthens alliances, wins the hearts and minds of potential adversaries and reduces the occasions on which the United States would actually have to use its impressive hard power capabilities. Establishing the new ACTO would be a decisive step in this direction.

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<sup>30</sup> Rob de Wijk, European Military Reform for a Global Partnership. In: *The Washington Quarterly* 1/2003-04, pp. 197-210, here p. 207.

<sup>31</sup> Thomas Risse, Es gibt keine Alternative! USA und EU müssen ihre Beziehungen neu justieren [There is no alternative. US and EU must readjust their relationship]. In: *Internationale Politik* 6/2003, pp. 9-18, here p. 16.