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# Obama nation?: US foreign policy one year on: US-EU relations after Lisbon: reviving transatlantic cooperation

#### Report

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### US-EU Relations after Lisbon: Reviving Transatlantic Cooperation

**Sir Colin Budd** is a member of the LSE IDEAS advisory board and was a member of HM Dip Service from 1967-2005. From 1993-95 (as Chef de Cabinet to the Vice President of the European Commission, Sir Leon Brittan) and from January-June 1998 (as Deputy Under Secretary of State of the Foreign and Commonwealth Office, during the UK EU Presidency) he was a member of the EU-US High Level Group.

States looked forward "to a Europe united and strong, speaking with a common voice, acting with a common will, a world power capable of meeting world problems as a full and equal partner".

Nearly half a century later, the United States undoubtedly still wants a strong and united Europe, but President Obama's administration has had to spend its first year waiting for even the modest steps forward to more effective European unity contained in the Lisbon Treaty to come into effect – and also perforce has to deal with a very different world from the one Kennedy knew.

In the world of 2010 it surely makes no sense for Europeans to worry endlessly about whether transatlantic relations are or are not still the top US foreign policy priority. Instead of that essentially sterile debate, we would do better to accept philosophically that the US nowadays must for obvious reasons give China, in particular, a lot of time and attention. That in no way rules out a high priority for Europe: a Pacific President and a Transatlantic President are plainly not mutually exclusive. And it remains in any case clear that the United States and Europe, as Secretary of State Clinton said when welcoming on 19 November the appointment of the EU's new High Representative, form a community of values, uniting 800 million people, which for them both is of profound importance.

Not just shared values: shared interests, too. The issues which unite the US and the EU will always to some extent vary from time to time, but their salience to the core interests of both will never be in doubt. Some, such as the trade relationship, are self-evidently of permanent significance. Take almost any major issue on the global agenda, and the EU and US will both be at the heart of the debate. As President Obama said on 19 November: "The United States has no stronger partner than Europe in advancing security and prosperity round the world".

How effective a partner Europe can be for the United States is of course open to many questions. In his recent analysis for the Centre for European Reform (Is Europe Doomed To Fail As A Power?), Charles Grant produced a characteristically penetrating analysis of Europe's shortcomings, as a world power in the making. But in fact, as Robert Cooper's response (in the same booklet) made clear, Europe has nonetheless in the last ten years achieved more than many know, and if it grasps the opportunities provided by the Lisbon Treaty now has a real prospect – given time and patience – of developing a more coherent and effective foreign policy than ever before.

The more coherent and effective European policy is, the more inconvenient it will sometimes be for the United States, for the two will by no means always agree. United States administrations will always be tempted to use bilateral links with EU member states to promote key US interests, aiming to divide and rule. But since the first beginnings of European integration, and the days of George Ball's friendship with Jean Monnet, the US has always promoted the idea of a united Europe – making clear, as President Kennedy said in the Paulskirche, that "this new European greatness will not be an object of fear, but a source of strength, for the United States of America".

So what conclusions, against that background, can one reach at this stage as a first annual report on transatlantic relations in the Obama era?

In the first place, there has been a welcome change of tone. As Philip Gordon (Assistant Secretary of the State Department) put it in Brussels on 30 September, this US administration is well aware that it can't possibly deal with all the challenges on the global agenda alone: "As we look around the world and think about which partners can help us deal with challenges like Iran, Afghanistan, climate change and the global financial crisis... nowhere are there greater or more important partners than in Europe and the European Union". Moreover: "It's not just understanding that we need strong partners, but dealing with them in a way that we hope shows some humility... and respect for the positions of others... We want to take the partnership with Europe in particular to a new level".

Secondly, while there is still (as usual) much transatlantic disagreement, many in Europe nonetheless warmly welcome the fact that the US is now engaging with Iran, welcome the increased US commitment to tackling climate change, are glad that there is now an EU-US Ministerial Energy Council, and are convinced that the EU still has a great deal to gain from further improvement of the transatlantic dialogue. When President Obama received the EU's leaders at the White House last November it was amply clear that both sides were determined to continue to give their relationship a very high priority.

Predictions of the demise of the transatlantic alliance are wildly off the mark. Quite apart from the shared values it represents, the combined economic interests bound up in it are in themselves entirely compelling. The two economies account for well over half the world's GDP, and are hugely interdependent. Both US and EU investors have more than \$1 trillion invested across the Atlantic. If goods and services are combined, the EU and US form the largest bilateral trade partnership in the world.

So there is no lack of substance to the relationship. And the Lisbon Treaty's improvements in the European foreign policy architecture should somewhat facilitate its further development.

There will certainly be further friction along the way. As Kissinger observed in White House Years there is a perpetual nostalgia about transatlantic relations which harks back to the Marshall Plan, when a bold US proposal elicited an enthusiastic and grateful European response. That was the secret dream of US foreign policy come true: American moral leadership evoking cooperation without a hint of coercion. But ever since, each time Europe has taken a step towards greater unitary effectiveness, it has become not just more powerful but also more assertive, and – from time to time – more difficult for

the US to manage. There is an inevitable oscillation between US complaints about Europe being weak and ineffectual and renewed complaints whenever Europe gets its act together in a way the US finds inconvenient.

In his Years of Upheaval Kissinger returned to the theme of transatlantic relations, noting that he had always doubted that Europe would unite in order to share US burdens — "or that it would be content with a subordinate role once it had the means to implement its own views... After Europe had grown economically strong and politically united, Atlantic cooperation could not be an American enterprise in which consultations elaborated primarily American designs. A common focus had to be achieved among sovereign equals; partnership had to be evoked rather than assumed".

The strength of the Obama administration's approach in this area is in my view that it appears, unlike its predecessor, to have understood the wisdom of Kissinger's analysis. Insofar as it has not yet done so, it would be well advised to study in detail the way in which the Nixon administration handled Europe – not always with success, but with a real historical grasp and strategic subtlety. As Kissinger pointed out in Diplomacy, the Americans who helped create transatlantic relations as we now know them – Truman, Acheson, Marshall and Eisenhower – shared the reservations of most of their compatriots about the European style of diplomacy. But they also understood that, without its Atlantic ties, America would find itself in a world of nations with which – except in the Western hemisphere – it has few moral bonds or common traditions, and would be forced to conduct a pure Realpolitik, which is essentially incompatible with the American tradition.

Crafting transatlantic policy in the aftermath of the Cold War has required a new and more difficult calculus, bereft of the old certainties - but there is no inherent reason why the EU and US should not increasingly over time be able to cooperate as effectively in relation to many global problems as they did in the past over East-West relations.

Many Europeans know well enough, as Charles Grant has argued, that they should not leave the US, China, Russia, India and others to design the new world order. That is one of the major challenges for the EU and the new Barroso Commission. For the United States a key foreign policy challenge for the next few years will be the task of crafting a common transatlantic approach to this new global agenda in a genuinely cooperative rather than domineering manner. President Kennedy's dream of 1963 will not be achieved for a while yet, but there is no reason why transatlantic relations in the time of Obama should not be a lot smoother and more productive than they were in the first eight years of this century.