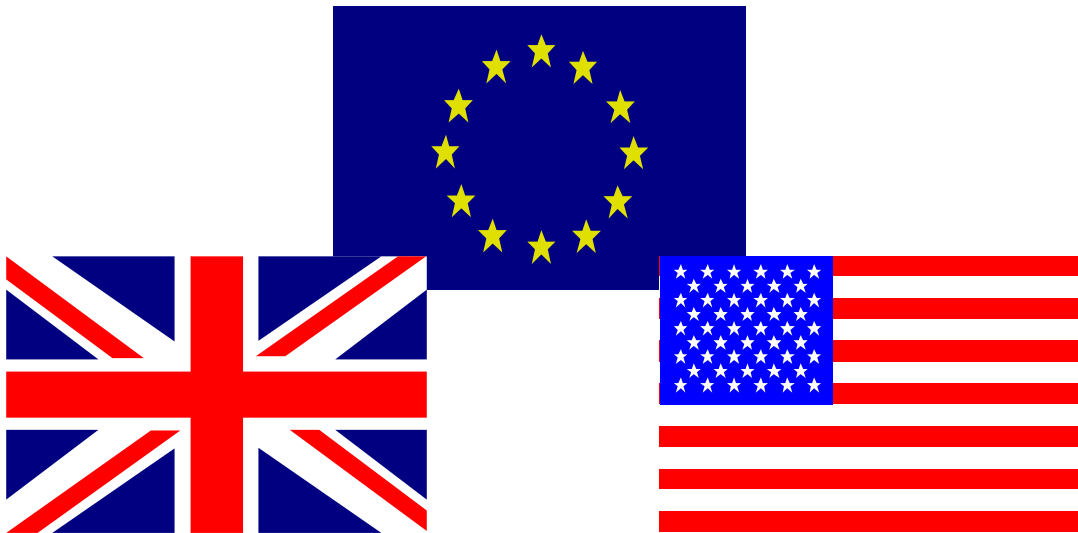


# ATLANTIC PARTNERSHIP

## NEWSLETTER



**Summer 2001**

**Issue No. 1**

**[www.atlanticpartnership.com](http://www.atlanticpartnership.com)**

**ATLANTIC PARTNERSHIP NEWSLETTER**

**SUMMER 2001**

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## ATLANTIC PARTNERSHIP NEWSLETTER

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### ATLANTIC PARTNERSHIP – OUR AIMS

‘Open any newspaper, listen to any broadcast, and you realise that Europe and North America are increasingly at odds. On a range of issues - trade, defence, the environment, for example, partnership is in danger of degenerating into rivalry and even hostility.

Yet the Atlantic Partnership between Europe and North America has been one of the greatest forces for good in the world. If it breaks down that would be bad, not only for Europe and North American, but for the world as a whole.

The objective of Atlantic Partnership is to prevent this from happening and to maintain and encourage close relations between Europe and North America. To achieve it we aim to identify and encourage a group of people, on both sides of the Atlantic, who will think, talk and write about these issues, with the specific objective of sustaining the partnership. That is why we have set up the Atlantic Partnership.

**Michael Howard**

### ATLANTIC PARTNERSHIP – WHO WE ARE:

#### Patrons:

The Rt Hon John Major MP – United Kingdom  
The Hon Dr Henry Kissinger – United States of America  
The Rt Hon Lord Gilbert – United Kingdom  
Herr K Voigt - Germany  
Pierre Lellouche MP – France (Deputie)

#### Executive Committee Members:

The Rt Hon Michael Howard MP (Chairman)  
Lord Powell of Bayswater  
Lord Chadlington of Dean  
Jonathan Marland (Treasurer)  
Catherine Fall (Director)

#### Sponsors:

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GKN plc

## WHAT THE PAPERS SAY ABOUT ATLANTIC PARTNERSHIP

Atlantic Partnership was launched at the end of February to coincide with Prime Minister Blair's visit to the USA to see President Bush. Atlantic Partnership is a bipartisan project to promote the strengthening of the partnership between Europe and North America. We believe that it is possible to sustain and continue the partnership between America and Europe. And it is vital that this should be done.

Our objective is to prevent a breach and to maintain and encourage Atlantic Partnership, with the specific objective of **educating** decision makers, opinion formers, and public opinion about the importance of sustaining the partnership.

The following are extracts from the press coverage received since then.

### **Extracts from Michael Howard's article in The Times, February 24, 2001, Saturday**

For more than 50 years the Atlantic partnership has been one of the most powerful forces for good in the world. But it is now at risk and could degenerate into rivalry and even into outright hostility. If this were to happen, the entire world would suffer. Globally, we face a number of challenges which can best be met by Europe and North America together. But if these challenges were to become the cockpit of rivalry between Europe

and America, the world would become a less peaceful, a less stable and a less prosperous place. Everyone would suffer.

What are these forces driving America and Europe apart? Let's begin with the United States, where the economic and political centre of gravity has been shifting westwards.....An increasing preoccupation with other parts of the globe is reinforced by demographic trends in North America. In Europe, the fundamental force sowing seeds of rivalry is the drive towards integration. Trade disputes between the two seem to grow in number by the week... Frictions over defence are well documented.

What is to be done? A climate of opinion must be created in which decision-makers on both sides of the Atlantic are obliged to take into account their impact on the Atlantic relationship. It may not always be the decisive factor; it should always be a weighty one.

If governments resolve to meet and overcome these dangers, the Atlantic relationship can be as great a force for good in the next 50 years as it has been over the past half-century. That is the objective which Mr Blair should set himself.

### **Extracts from Charles Powell article for Wall Street Journal, Thursday 22<sup>nd</sup> February**

There have been far-reaching changes in Europe since Vice-President Cheney and Secretary Powell, let alone Defence Secretary Rumsfeld were last

in power in Washington, and Tony Blair will surely want to explain the significance of these to the President. Many of the changes have benefits for the US. Europe is more open to free trade at least in non-agricultural goods. Enlargement of the European Union has proceeded more slowly than it should but is now unstoppable. Together with phased expansion of NATO, enlargement will greatly enlarge the zone of stability in Europe up to the frontiers of Russia. Europe speaks with a single voice on trade, and increasingly on monetary issues and the ambition to do so extends to foreign and security policy too.

But the European Union's drive for integration is not necessarily all good news for the U.S. Partly it's a question of motives. There are those in Europe and especially but not only in France, who want to build Europe as a strategic competitor to the US rather than an instinctive ally.

It is Tony Blair's job at Camp David to give the assurance that it is not, and will not, so far as Britain is concerned. He should assert forthrightly and without qualification that the transatlantic relationship is bed-rock for Britain and that Britain will never be a party to replacing the opposing East-West camps of the Cold War with a new divide across the Atlantic. He should pledge that European initiatives to develop a common foreign and security policy will only be developed in a spirit of reinforcing transatlantic relations and not with the goal of creating in Europe a rival centre of

power to the US or a European 'third force' equidistant between the United States and Russia. He will also need to give very specific and convincing assurances that Europe's plans for defence co-operation will in practice deliver enhanced defence capability and will not undermine NATO.

Tony Blair is entitled to seek some assurances in return. First that the new US Administration will make a better job of regular transatlantic consultation on key issues than the Clinton Administration did. America needs to approach Europe earlier in its own decision-making process so that European views can be taken into account. This is essential in particular on missile defence. The strength of bipartisan support in the US for developing such defence means that it will happen and Europe has no realistic option but to accept this. All the signs are that Prime Minister Blair be supportive. But missile defence is not just a matter for the US: it affects the overall security architecture of Europe, and the European allies have a legitimate interest in genuine consultation before irrevocable decisions are taken.

A strong case also needs to be made at Camp David for American commitment to a wider vision of a transatlantic community of interest extending not just to defence but to trade, economic issues and the social problems which we face on both sides of the Atlantic....Nothing would do more to enhance this than the establishment of a wide-ranging

concordat between the European Union and NAFTA.

Blair's challenge is to demonstrate that Britain can be a good European while maintaining its unique links with the US and being the foremost champion within Europe of transatlantic ties which are updated to reflect post-Cold War changes but remain as strong and effective as in the past. Because transatlantic partnership has been one of the greatest forces for good the world has ever seen.

*Lord Powell was foreign affairs adviser to Prime Minister Margaret Thatcher and is a co-founder member of the newly formed Atlantic Partnership, dedicated to maintaining and encouraging transatlantic cooperation.*

#### **HOWARD LAUNCHES EURO-AMERICAN GROUP<**

By Joe Churcher, Political Staff, PA News<

Threats to good relations between Europe and the US are leaving the world facing a perilous future, Tory former Home Secretary Michael Howard has warned. On the eve of Prime Minister Tony Blair's first visit to the White House under the new Bush administration he has unveiled a new group dedicated to preserving strong ties. The Atlantic Partnership, patrons include John Major and Henry Kissinger, prominent European politicians, and former Labour defence minister John Gilbert. "It's point is to alert people to the risks the people of the whole world would face if this great partnership were to degenerate into rivalry and perhaps even hostility.

"The glue of the cold war has now dissolved but they can still work together in a number of very fruitful ways. "Many of the problems the world faces can be solved by Europe and America continuing to work together. "We must alert people to these dangers and create a climate of opinion in which the decision makers recognise that when they come to decisions that affect this partnership they should take into account its importance. "We can influence that climate. "It's been one of the greatest forces for good in the world at least for the last 50 years and it can continue to be for the next 50 but only if we all work hard at it."

*This PA report was recorded in Daily Telegraph (21<sup>st</sup> February 2001)*

#### **BBC 'On Line' covered extracts of Michael Howard's interview on the 'Today Programme'**

Tuesday, 20 February, 2001, 14:46 GMT

#### **Transatlantic rift 'endangers world'**

New think tank aims to heal transatlantic rift.

The world is facing a "perilous moment" because of strain between Europe and America, according to former home secretary Michael Howard. His comments came as he launched a new pressure group dedicated to championing relations between the two sides of the Atlantic.

Patrons of Atlantic Partnership include Henry Kissinger, former prime minister John Major and prominent

European politicians from the French Gaullist and German left-of-centre Social Democrat parties. Mr Howard told BBC News Online how the partnership will lobby governments and public opinion with speeches, articles and interviews at times of tension between Washington and European capitals.

Risk to allies. The launch of the Atlantic Partnership comes on the eve of Prime Minister Tony Blair's first visit to Washington since Republican President George W Bush entered the White House.

Mr Howard cited the proposed 60,000-strong European rapid reaction force as one of the greatest sources of tension. Many European countries are also uneasy about America's proposed National Missile Defence Programme, which has been dubbed "Son of Star Wars". "Trade and defence are the most serious issues.....I think this is quite a perilous moment," said Mr Howard.

Transatlantic co-operation could still help solve many of the world's problems, added Mr Howard. "It's been one of the greatest forces for good in the world at least for the last 50 years and it can continue to be for the next 50 but only if we all work hard at it". "Britain has its own "pivotal" role to play in the relationship, according to the former home secretary, by staying within the EU but not becoming part of a single European state.

*Michael Howard MP was also interviewed on BBC's 'Today Programme' 16<sup>th</sup> June to discuss President Bush's visit to Europe.*

## WHAT THE USA IS SAYING ABOUT EUROPE

### **Chairman Henry J Hyde**

Extracts from the Statement of Chairman Henry J. Hyde (7<sup>th</sup> March 2001) to the House of Representatives' International Relations Committee

As a new century opens, the United States finds itself at a unique moment, not only in its own history, but in that of the world as well. We stand at the pinnacle of power: in virtually every area – military, economic, technological, cultural, political – we enjoy a primacy that is unprecedented and virtually unchallenged.

When I ponder the world and America's role in it, there is indeed much to be thankful for, many accomplishments to take pride in, and much that inspires hope. But as pleasant as these thoughts may be, I confess that I also see much that concerns me.

The concern I speak of is of the longer-term, specifically how well we will use the enormous power we currently possess to secure the future for our country and the generations to come. The principal problem, the one that concerns me the most, is that we have no long-term strategy, no practical plan for shaping the future.

Instead of a firm course, I see drift.

I believe we are watching the beginnings of an unraveling of the Atlantic relationship. By the Atlantic relationship, I mean something more

than just NATO. I mean the entire complex of connections between North America and Europe, the close identity of interests, that we and our allies have constructed out of the ashes of World War II. This relationship is the very foundation of the post-war international system, the irreplaceable centre on which the stability of the globe depends. It is from this core that the democratic and economic revolution now transforming the world has spread.

That relationship is fraying. Slowly, quietly, it is being hollowed out, even as the responsible officials solemnly reaffirm their commitment. There is no crisis to compel action, but I fear that should a crisis come, it will be too late.

I raise this issue not because I have a ready solution to offer, but because I fear that no one else does, either. But a practical, long-term vision is sorely needed; it is a prerequisite that we dare not postpone until some more convenient time....Our choice is clear: We can endeavor to shape the future or simply allow it to shape us.

Despite this concern, I greet the future with soaring hope. I believe our new president and secretary of state bring qualities of leadership to this critical endeavor, and I have confidence that we will prevail.

### **President Bush to Europe: it's no more Mr Nice Guy**

**By Jeffrey Gedmin**

A LEADING French pundit argued recently that America's "enthusiasm"

for the death penalty illustrated the profound gap in "values" between the United States and Europe. So central is the issue, apparently, that capital punishment was the sole subject that a delegation of French legislators wished to discuss when they made a pilgrimage to Austin last summer to meet George W Bush.

Of course the Germans, the Italians and others are in the game, too. Italian companies buy expensive advertising space to knock America. The Frankfurter Allgemeine Zeitung has even argued that the supranational International Court of Justice might ultimately be used to prevent these acts of American barbarism.

How civilised the Europeans, how primitive the Americans, right? Of course, it is not so simple. In the United States, the issue is hotly debated (12 of 50 states have banned it). In sophisticated Europe, clear majorities in some countries, such as Britain, actually favour it. The mild-mannered Swedes are divided. The sanctimonious French outlawed the death penalty only in 1981.

So what's all the transatlantic fuss about? Why this relentless campaign by certain Europeans against the Americans? Of course, some of these Europeans are the very same ones who mercilessly criticise Israel and Turkey, while always seeing the best side of the Palestinian Authority or the mullahs in Iran, for example. They may now be taking even sharper aim, though, at the Americans.

Such is the new world of transatlantic relations, where the legitimate drive for European self-reliance mixes

dangerously with old anti-Americanism and a new Euro-Gaullist spirit. There is good news from the United States. The American hectoring, lecturing and sermonising of the past eight years will come to an end with the departure of the Clinton administration. It surely helped to fuel the unconstructive mood across the Atlantic. Who could forget, for instance, the insufferable boasting about the American economy at the G-7 summit in Denver? Or Madeleine Albright's "indispensable nation" bit. Or Richard Holbrooke's side-lining of the Europeans at Dayton? Candidate Bush talked of the need for American humility during the campaign. Expect a new touch. But then comes the bad news. President Bush is also likely to invoke Teddy Roosevelt's famous dictum, even with our closest partners: speak softly and carry a big stick.

The new American toughness may start over European integration. Once upon a time, Strobe Talbott, Bill Clinton's deputy Secretary of State, fawned over the project. A "politically united Europe [will] be a stronger partner to advance our common goals", he recited. No, the Bush administration should not be expected to launch a campaign against European integration. Europeans will organise themselves as they see fit. But don't expect the new administration to stand by passively and uncritically when the transatlantic link appears to be in jeopardy. Hard bargaining is ahead.

Does Europe really want the new administration to stay in the Balkans, for example? If so, the Europeans will have to become far more serious about

projects such as the European Security and Defence Policy. That means building real capabilities, not just institutions. The Germans will have to decide to spend more on defence than Luxembourg does. The French will have to grow up - they managed to get away with remarkably mischievous language at the Nice summit in December.

The EU will rely massively on Nato assets, but Nato must, for example, respect the full "autonomy of EU decision-making". Really? And Tony Blair? Does he really believe that he will blend with the Continent and continue to enjoy a "special relationship" with Washington in areas such as intelligence sharing? Has Number 10 done a cost-benefit analysis from Washington's perspective?

Then there is Nato enlargement and missile defence. The enthusiasm of EU-centric elites has been waning for Nato matters altogether in recent years. The EU is simply a far more fashionable and sexy topic for Europe's centre-Left in power. West Europeans of all stripes are ready to scream, moreover, in deference to Vladimir Putin; especially if the Baltic nations are included in Nato.

Expect the Bush administration to take Russia seriously. The President hired a Russia expert as his National Security Adviser. Even the Republican Congress last autumn called good relations with Moscow one of the most important opportunities of our time. Nevertheless, "Europe whole and free" seemed to be on Candidate Bush's

agenda. Don't expect him to back off the next round of Nato enlargement.

Ditto missile defence, which has become a cornerstone of Republican security policy. It is unthinkable that President Bush will suddenly give this up because he has reconsidered the anachronistic ABM treaty. The treaty was signed by Nixon and Brezhnev at another time, in an entirely different strategic world. Perhaps no one appreciates this new strategic environment more than the new Secretary of Defence, Donald Rumsfeld. It was his 1998 commission on the ballistic missile threat that so severely undermined sceptics of missile defence in America.

The Cold War is truly over. The threats are now different. So, too, is the nature of the transatlantic relationship. The Bush administration will grasp that the Europeans are in the midst of renegotiating their ties to Washington. But President Bush will be a tougher negotiating partner than his predecessor. The bottom line? There's nothing ideological about the new president. In fact, it is pragmatism, plain and simple: ideologues of Europe, beware.

The author, a resident scholar at the American Enterprise Institute, is Co-Chairman of the forthcoming American Enterprise Institute/Daily Telegraph conference: "Britain and America: A Strategic Dialogue"

**Dr Kissinger, Atlantic Partnership Patron**

*Extracts from Daily Telegraph article: 'Kissinger urges Bush to*

*shore up on NATO' By Tony Handen in Washington (26<sup>th</sup> January 2001)*

In an article in the Washington Post, Henry Kissinger, Secretary of State under President Nixon, said: "The European Union is in the process of creating a military force institutionally distinct from Nato." The force, he said, "could produce the worst of all worlds: disruption of Nato procedures and impairment of allied co-operation without enhanced allied military capability or meaningful European autonomy".

There has been a weakening of the "emotional bond" between Americans and Europe, he argued, with many EU countries seeking their own "special relationship" with Moscow and viewing Nato as a relic of the Cold War. The Clinton administration had left a "legacy of unanswered questions" about European integration but "the advent of Republican administration will inevitably change America's focus of consultation with Europe's leaders".

According to Mr Kissinger, Mr Clinton had put "the prestige of the American presidency behind one side" in many European countries. Under Mr Bush, US policy would be "less geared to personalities and more designed to bring about a meaningful transatlantic dialogue" based on permanent national interests. The backgrounds of Gen Powell and Miss Rice made it "very likely that the task of revitalising the alliance will be given high priority" in the Bush administration.

European countries needed to reassess their opposition to America's National

Missile Defence (NMD) programme and "ask themselves whether any American president can seriously be

asked to leave his people permanently vulnerable" to countries such as North Korea and Iraq.

## TRANSATLANTIC NEWS ROUND-UP

At the outset of President Bush's Administration and in the aftermath of his European visit, there are many foreign, defence, trade and environmental related issues which have emerged to challenge the Transatlantic relationship. The following is an overview of the debates which have incurred in leading UK, USA, French and International newspapers over these last months.

### Euro-Atlantic Relationship

"I think there's a growing division in understanding between the United States and our European allies – and I think the worst is yet to come" said Rep Doug Bereuter (Rep-Neb). Sen Chuck Hagel (R-Neb) member of the Foreign Relations Committee, said "if the Europeans go forward with [plans to create a non-NATO military force] there will be a cultural change, unintended consequences that will change the dynamic of the transatlantic relationship" (The Washington Post 5<sup>th</sup> February)

In an interview with the International Herald Tribune (15/1), Madeleine Albright said: '...there is a lack of understanding (in the US) more and more about where the Europeans are on a variety of issues, whether it is mad cow disease or bananas or beef hormones, or about what is going on in Europe in terms of the NATO-EU relationship....I have always been wary about a synchronization between the European criticism of US influence..'

Speaking to the EPC, Richard Morningstar, US Ambassador to the EU (11.4.01) said that 'running what many see as the most important political and trade relationship in the world does pose difficulties and the EU-US dialogue has a long way to go....The ambassador acknowledged that the relationship was not always easy "if this is the most important relationship in the world, then it is also arguably one of the most difficult to manage on a day to day basis"'.

Steven Simon and Richard Sokolsky of the Financial Times (20<sup>th</sup> April) argue that 'after years of US nagging, Europe is finally beginning to flex its economic and political muscles on a global scale. If Europe is prepared to make tough and informed choices on security issues, European acceptance of global security responsibilities could contribute to international stability and strengthen transatlantic ties. So far, however, Europe's effort leaves much to be desired...at the same time, America's Euro sceptics much accept that a more confident Europe will begin of form its own foreign policy, which is bound to conflict from time to time with American preferences'

Roger Cohen writes for the New York Times (7<sup>th</sup> May) 'a torrent of hostile articles in Europe has greeted Mr Bush's first three months in office. Their chief theme has been the arrogance of what the German weekly Der Spiegel recently called "the snarling ugly Americans...ON its web site the well respected Munich daily Sueddeutsche Zeitung lists seven articles summing up the themes of Mr Bush's first 100 days. They are not

unrepresentative of widespread European views. The titles include “selling weapon to Taiwan: Bush Throw His Weight Around in the Pacific”: “North Korea: Bush Irritates the Asians”: “World Court: No support From United States”: “Iraq: Bombing Instead of Diplomacy”: and “Climate Agreement: The United States Abandons the Kyoto Protocol”.

### **The birth of a European rapid reaction force**

One of the most controversial of recent issues is the proposal, agreed to at the Nice Summit in December 2000, to establish a European rapid reaction defence corps and the repercussions of such a decision on the future of NATO.

USA Clinton administration was originally positive describing it as a “strong positive development” that will strengthen Nato (Daily Telegraph, 22<sup>nd</sup> November), but others like Casper Weinberger (Daily Telegraph 23<sup>rd</sup> November) were dismissive: “...It will unquestionably undermine the American commitment to NATO and risk the loss of fragile public support in the United States.... finally, though few will say it, there is an increasingly visible undercurrent of anti-Americanism in the EU’s leadership, particularly France’

Cohen warned that “NATO could become a relic of the past” he said, “that’s not something that the United States desired, not something that we foresee”. (International Herald Tribune, 6<sup>th</sup> December 2000). The International Herald Tribune wrote

(12<sup>th</sup> February) ‘a little phrase from Rudolf Scharping, the German defence minister, recently caused US military commanders to shudder “As the European Union develops its security and defence policy and becomes an independent actor, we must determine our security policy with Russia, our biggest neighbour’

’Colin Powell, the United States Secretary of State, and Donald Rumsfeld, the hawkish Defence Secretary, have adopted noticeably different approaches to the European project – reflecting opposing views on foreign and military policy....Mr Rumsfeld said that he was a little worried about the European force. “it would not be positive to Nato”. General Powell said that , provided British assurances were fulfilled, there was “no reason to see this as a destabilising force” ....it is our common belief that it will strengthen Nato’. (Daily Telegraph, 11<sup>th</sup> February)

***Reassured by the British?*** 23rd Feb New York Times ‘ President Bush endorsed a European rapid-reaction force, telling Prime minister Tony Blair of Britain that the United States had no objections to a separate military arm to help keep peace in Europe as long as that force was clearly secondary to Nato’

The Times leader 26<sup>th</sup> Feb: ‘Mr Bush chose publicly to take on trust Mr Blair’s assurances that the EU’s rapid reaction force “is something that can strengthen NATO”. He did not even press for a clear British commitment to support US plans for missile defence.

This was more than tactful....So Mr Blair may well think. ....All Mr Bush has done is to “begin with trust”. Mr Blair, he said (President Bush) had “assured me that Nato is going to be the primary way to kept he peace in Europe”. He “assured me that the European defence could in no way undermine Nato. He also assured me that there would be a joint command”.

William Safire remained cynical: ‘Bowing to Blair ...he [Bush] gave Blair what he wanted, embracing the non-American force, and in return – when it came to British support for missile defence – got from Blair only a medium hello’

Donald Rumsfeld is certainly not convinced: On the Euro defence force ‘Mr Rumsfeld warns that the plans could “inject instability” into the Nato alliance and “put at risk something that is very special”.....Mr Rumsfeld makes clear that the new Republican administration remains deeply concerned about the project. Invited to confirm that he is “relaxed” about the European Union’s proposals, Mr Rumsfeld conspicuously declines to do so’ (Daily Telegraph, 18<sup>th</sup> March). Mr Rumsfeld says: “As in so many things in life, the devil is in the detail., And the details haven’t been worked out. The way the planning mechanism is handled could make an enormous difference. But arranged in a way that didn’t really look out over the long term.... then it could put at risk something that’s very special’. (interview with Daily Telegraph, 18<sup>th</sup> March)

### **US Commitment to the Balkans?**

The suggestion by George W Bush and Ms Rice that the US commitment to Bosnia might be revised, became the most notable foreign policy issue to arise during the USA Presidential campaign. Once in government Powell affirmed US’s role in the Balkans, quoted in the Financial Times 27/2.

“We [Nato] went in together and we will leave together”.

But New York Times reported General Powell visit to the Balkans (14<sup>th</sup> April) ‘the Bush administration was constantly looking for ways to reduce the number of American combat troops’

### **National Missile Defence System (NMD)**

Europe’s concerns over USA plans to launch a national missile defence system – or ‘son of star wars’ have not been fully met.

‘Outside American, there are very few enthusiastic advocates for the so-called National Missile Defence system – the idea of protecting the US with a son-of-Star-Wars anti missile shield....’, says an Financial Times editorial (15/1).

The New York Times reports that ‘The Bush administration has put its European allies on notice that it intends to move quickly to develop a missile defence and plans to abandon or fundamentally alter the treaty that has been the keystone of arms control for nearly 30 years’ (30<sup>th</sup> April 2001)

'...The Bush administration has failed to overcome deep concerns over whether its proposals to erect a broad array of missile defences and abandon a major arms control treaty would undermine the strategic balance and promote an arms race', writes New York Times in Moscow 12 May). Russia's foreign minister, Igor D Ivanov said " We live in hope, and Russia will do everything it can to ensure that as a result of these talks, international security will be strengthened and no harm will be done to anyone's interests'

'Despite a frenetic round of telephone calls to world leaders, President Bush's missile defence plan has met, at best, muted support in Europe, ill-disguised irritation in Moscow and outright hostility in Beijing' (Daily Telegraph, 2<sup>nd</sup> May)

'Mr Bush is expected to deliver the blunt message to European leaders. ...That he would like their support for plans to build a missile defence shield, but is willing if need be to press on without it' (Daily Telegraph, 3<sup>rd</sup> June)

### **Trade Relations**

The rising tension between the US and Europe in matters of Trade is a dominant theme in the press. Guillaume Parmentier of the International Herald Tribune, calls for an Atlantic Trade Partners Forum to help problem solving (11 January 2000). Reporting on yet another outbreak of sanctions across the Atlantic, concerning new projects from Airbus and Boeing-McDonnell

Douglas, Parmentier complains that "there is no permanent forum today in which American and Europeans can address their differences on issues not pertaining to security....[this] would indicate that it is time to think about creating such a forum'.

### ***Bananas***

'Britain has been taken off America's "banana war" hit list' (10<sup>th</sup> April, Daily Telegraph)

'The United States and the European Union reached an agreement yesterday that ends a costly trade war over European banana imports' (New York Times 12<sup>th</sup> April)

'Pascal Lamy, the European Union trade commissioner, said yesterday that Washington had accepted a compromise formula to end the acrimonious tit-for-tat trade argument. After many years and many difficulties, we struck a balance between all parties', Daily Telegraph, 12<sup>th</sup> April.

### ***Honeywell- General Electric deal rejected***

Mario Monti, Europe's antitrust regulator on Tuesday began trying to heal the rift with the US following the European Commission's historic decision to block the General Electric's \$43 billion takeover of Honeywell...calling for greater transatlantic cooperation between regulators, Mr Monti,...said that the decision to veto the world's biggest industrial takeover was " a rare case " of "well-meaning competition

authorities” coming to different opinions about the effect of a deal on the global market”. “It is a divergence” he said, “it is not one right decision and one wrong decision”. It is the first time that EU regulators have blocked a deal that had been approved by their US counterparts and has angered the US government. (Financial Times, 4<sup>th</sup> July 2001)

‘Hours after the European Commission rejected the \$45 billion acquisition by General Electric of Honeywell International, Michael R Bonsignore, the Chairman and chief executive of Honeywell, tendered his resignation..’ (New York Times, 4<sup>th</sup> July 2001)

‘The Commission’s proposal to block GE-Honeywell is “off the wall...They are the closest thing you can find to an autocratic organisation that can successfully impose their will on things that one would think are outside their scope of attention’ Paul O’Neil, US treasury secretary, 27<sup>th</sup> June 2001, (quoted in the Financial Times, 6<sup>th</sup> July)

‘I deplore attempts to misinform the public and to trigger political intervention. This is entirely out of place in an antitrust case and has no impact on the Commission whatsoever. This is a matter of law and economics, not politics’ Mario Monti, 18<sup>th</sup> June 2001 (as quoted in the Financial Times, 6<sup>th</sup> July)

#### **Climate talks blown off course**

Recrimination was the name of the game between the US and Europe when climate talks broke down at the

end of 2000. ‘Recrimination for the collapse of the talks was the order of the day on Sunday as the US and the European Union blamed each other while activities and poor nations poured scorn on both. EU members even turned on one another’ (FT, 7<sup>th</sup> November 2000). IHT reported Mr Prescott as “gutted” with Frank Loy the US negotiator saying “We will not give up”, Mr Lowy said, “the stakes are too high, the science too decisive and our planet and our children too precious”. (27<sup>th</sup> November )

President Bush said last week that for America to confirm to the protocol [Kyoto] “Makes no sense” (Daily Telegraph, 3<sup>rd</sup> April)

#### **Despite Bush’s charm offensive to Europe – the policy differences remain**

‘President Bush admitted last night that he had “a lot of work to do” to ease tensions between the United States and Europe. He said “This is a President who values the common heritage and values that united us...I am an optimist; I am a positive person and I believe this is an incredibly important relationship and I’ll work hard to nurture it” (Daily Telegraph, 12<sup>th</sup> June)

Despite President Bush’s charm offensive in Europe - especially in the direction of “landslide” Blair and Italy’s premier “I’m very pleased to see the human qualities of President Bush” said Silvio Berlusconi (NYT 16<sup>th</sup> June) - profound policy differences remained.

Kyoto “We are agreed that this is an important issues and that we must cooperate” said Bush, “But we do not agree that implementation of the Kyoto Protocol is the best way to achieve results. We have to find new channels of cooperation” Bush quoted in EU-US summit conclusions.

‘he is still confronting profound apprehensions about abandoning the 1972 Anti ballistic Missile Treaty between Washington and Moscow (New York Times, 14<sup>th</sup> June)

The Guardian leader harshly summed up the European view of the visit:

Guardian leader (19/6//01) ‘If Bush’s European tour proved anything, it is that charm is no substitute for common sense. he showed no interest in listening to Europe’s arguments on the Kyoto protocol...this blind assertion of national interest was matched by barely finessed intransigence on missile defence...coming transatlantic trade disputes. can be discussed, but in the end the US will have its way...And no, there will be no US backing for more active Balkans peacemaking....in other words after a week spent (in theory) consulting the “freedom loving peoples of Europe” Mr Bush exist stage right, still signing dictatorial Dixie”

The US papers seemed equally adamant. Toby Harnden noted reactions for the Daily Telegraph saying that Mr Safire, a conservative, wrote witheringly “Ex-Trotskyites in France consider us barbarians for imposing the death penalty on a mass murderer, though more prisoners in

French jails committed suicide the past year than were executed in the US. Michael Kelly of the Washington Post said European public opinion as represented in the European press was “mostly limited to elite opinion”. This was nothing new because “for decade this elite class has generally cherished a sneering and jingoistic contempt for America and American values’. On Kyoto, Mr Kelly reflected many commentators who argues “Bush did not kill Kyoto...he buried its mouldering corpse’. The Wall street journal argued that much opposition to Bush’s proposals on national defence came from centre-Left governments. (18<sup>th</sup> June)

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