

ATLANTIC PARTNERSHIP

NEWSLETTER



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Editorial

Howard calls for Trans-Atlantic Commission

It is my opinion that the relationship between the EU and North America is too important to be left to chance. Like all relationships, the key to success is communication. It is time to establish a formal structure to ensure that the relationship as a whole is kept under constant review.

That is why I am calling for the EU, USA and Canada to appoint a Standing Commission responsible for looking at the relationship as a whole and anticipating the points of friction – whether they be trade, environment, defence, foreign policy issues – with a view to heading off potential problems.

Too often in the recent past Europe and America have been at odds – rivals rather than allies. Yet is to this alliance, which we owe years of peace and prosperity. The devastating events of 11th September have gone some way improving the relationship. But we cannot be sure this improvement will last. Yet to guarantee peace and prosperity in the future we must be sure. That is why we must act now.

The Rt Hon Michael Howard QC MP

Statement

Tuesday's [1st September 2001] dreadful events in the United States and the reaction to them in Europe bring home to us the need for Europe and North American to continue to work closely together to combat the world's problems, including terrorism. We at Atlantic Partnership send their deepest sympathy to the people of the United States over this appalling event.

The Rt Hon Michael Howard MP

What the papers are saying

Henry Kissinger launches Atlantic Partnership breakfast series
Atlantic Partnership Patron, Henry Kissinger was in London on 1 November to launch a series of breakfast meetings for leading industrialists, businessmen, politicians and opinion formers, with the aim of facilitating greater understanding between Europe and North America.

The occasion marked the first of a series of Atlantic Partnership breakfasts giving major figures the opportunity to present their views in front of a small select audience of opinion formers and decision makers.

Michael Howard highlighted in *Business Life* some trouble areas in the 'Atlantic relationship'.
Trade relations and Honeywell. 'The decision of the European Commission in July to impose conditions on the proposed merger between Honeywell and General Electric which were regarded as unacceptable by the companies concerned. As a result a merger between two huge American companies was blocked by a European regulator.

There were far-reaching corporate consequences. The Chairman and Chief Executive of Honeywell lost his job. Other reputations took a tumble. There was a very considerable fall out. The European Commission was perfectly entitled to make this decision. Both companies trade extensively to and within the European Union. But it is hardly surprising that the decision gave rise to resentment.

Soothing sounds emerged from the regulators. Calming voices sought to mitigate the tensions. There were many expressions of intent to ensure that transatlantic relations did not suffer. But some damage was undoubtedly done. Not all recent developments have been unhelpful. The recent agreement on bananas is very welcome and a good illustration of what can be done if the effort is made.

Kyoto. [There has been a] rowdy disagreement over Kyoto. The Kyoto Treaty is not the final word. European countries, particularly the United Kingdom, have the huge advantage of natural gas, which makes achieving the Kyoto targets a much more practicable proposition. The important thing is to find a sensible and achievable solution which is unlikely to be produced by confrontation.

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What leaders on both sides of the Atlantic should remember is that they are trustees of a relationship which has been invaluable not only for the partners themselves but for the world at large. If it were to founder the world would be a less secure and prosperous planet.

So in arriving at their decisions - on the environment, trade, defence or anything else - they should always have regard to the importance of nurturing the partnership. If it survives it can continue to provide a context within which many of the most formidable challenges facing the world can be successfully overcome.

Charles Powell writes in the Daily Telegraph two weeks after the attacks on the World Trade Centre

The build-up of American and British forces implies that there will be a sustained attack against terrorists in Afghanistan and the Taliban forces that try to protect them. The Americans are wisely concentrating on that difficult task before moving on. But move on they will. Afghanistan is not the only country to shelter terrorists. Other countries know that the Americans know their past record: and they include some American allies as well as foes. They will face demands for detailed intelligence on terrorist groups, for their arrest and extradition and for verifiable guarantees that all support for them will cease. If they do not respond adequately - and in cases such as Iraq that must be probable - they will face the destruction of military installations and defence industries.

Although Mr Bush has handled the crisis impeccably, there have been disappointments. One is attacks on individual Muslims and their places of worship. The message must go out that, far from being hostile to Muslims, America was their main defence in Bosnia and Kosovo, doing more for them than any Muslim government. Incidentally, America is the main provider of emergency aid to Afghanistan.

Another disappointment is the cancellation of international meetings, notably the IMF/World Bank's Washington conference. They have let themselves be disrupted by terrorism and the threats of anti-globalisation protesters. Israel's conduct has been cynical to a degree - and I say that as a life-long supporter. If ever an act was calculated to destroy sympathy for the Palestinian cause and remind everyone what Jews have experienced for so long, it was the attacks on the World Trade Centre. Instead of using the moment to start fresh negotiations,

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Ariel Sharon, Israel's prime minister, continues to build settlements. Such selfishness gravely undermines Israel's moral standing.

Nor have financial markets distinguished themselves, despite the heroic efforts to re-open in New York. Investors have led the scamper to the bomb shelters. Given reductions in interest rates, the massive liquidity injected into the markets by central banks, tax cuts with the promise of more to come and the heavy additional public spending now promised in America, eventual recovery is programmed into the system. No one would suggest that patriotism alone is sufficient reason for investing. But it is disappointing that markets cannot show more self-confidence and less short-termism.

Some good will come of the grim experience to which America has been subjected. As with victory in 1945 and the end of the Cold War in 1989, what previously seemed impossible suddenly becomes achievable. The cards are thrown in the air and land differently. Over the past two weeks, there have been signs of unprecedented willingness to work with America from Russia and China, and even from Iran.

Could this presage a new pattern of international co-operation, transcending previous hostility? Could we see America launch a renewed effort to achieve settlement between Israel and the Palestinians? Could this spell the end of ambivalence about terrorism; not just "terrorism with a global reach", in the cautious words of diplomats, but all terrorism, including the IRA's? Might Nato take on a new lease of life as the prime forum of transatlantic co-operation? So-called European defence institutions have been distinguished by their total irrelevance to recent events. All these changes are achievable if America and its allies maintain the resolve they have demonstrated these past two weeks.

Lord Powell was private secretary to the prime minister, 1983-91

Questions Answered

What was signed at the ABM Treaty?

The Antiballistic Missile Treaty was agreed between the United States and the Soviet Union in 1972. It was later extended to Russia and other ex-Soviet nuclear states. Each side agreed:

- **not to deploy or provide a base for ABM systems for a defence of the territory of its country;**
- **not to develop, test, or deploy multiple interceptor missile launchers or rapid reload capability for AMB launchers;**
- **not to develop, test, or deploy ABM systems or components that are sea-based, air-based, space-based or mobile land-base; and,**
- **not to transfer to other states, or deploy outside its national territory, ABM systems or their components.**

(New York Times, 2nd August 2001)

What, basically, is national missile defence?

It's a proposed system to intercept and destroy missiles before they hit their targets. President Bush's proposed version would involve land, sea and space-based weapons to intercept missiles.

How is missile defence supposed to work? Radars are intended to detect the launch of hostile missiles. Anti-missile weapons then are deployed to intercept them, either at the "boost phase" - soon after the hostile missile is launched - or later in the missile's flight.

Does Bush plan a system to defend the United States only? No. The president says the system also should protect "our friends and allies and deployed forces overseas." He has not given details on how this would occur.

What do our European allies think of Bush's plan? Most European leaders are dubious about - if not outright hostile to - the U.S. missile defence proposal. They fear it could trigger a new arms race involving Russia and possibly other nations.

Can the U.S. build a missile defence system without abrogating major arms treaties? No. Bush says it's time to do away with the 1972 Anti-Ballistic Missile Treaty with Russia, which bans national missile defence systems. Russia wants to keep the ABM treaty intact.

***Extracts from 'Primer on Missile Defence' By Charles Babington
washingtonpost.com staff writer,
Tuesday, May 1, 2001; 1:21 PM***

A View from American

John O'Sullivan, of the New Atlantic Initiative, reflects on the 'Resistible Rise of Euro-Nationalism'.

There are some very dubious aspects to Euro-nationalism: notably, that within Europe it has an ambiguous attitude towards democracy, and that outside Europe it is developing superpower ambitions that threaten to bring it into conflict with the U.S.

It is, however, the EU's international ambitions that are of most interest to the U.S. Euro-nationalists, who used to be coy about their super-power ambitions, now admit them frankly-but they place them in a comforting context. They argue that unipolarity (i.e., the situation in which the U.S., with the assistance of multiple weaker allies, exercises a broad geopolitical dominance) is an unhealthy and unstable state of affairs; that it imposes excessive burdens on the U.S. as well as on others; and that it therefore requires some balancing from a united Europe.

In the case of the EU, the drift to a rival and perhaps hostile set of policies is made more likely by two other factors. The first is that much of the psychological drive for Euro-nationalism is provided by anti-Americanism. The second factor is political culture. Europe's political culture, though it varies from country to country, is to the left of America's when considered collectively. It is more statist than libertarian in economics, more wedded to welfare than to workfare, more respectful of international organizations than to national sovereignty, more devoted to arms control than to defence, and in general more bureaucratic and less democratic in its domestic politics than America.

Hence the growing number of European complaints about American "unilateralism" on such matters as the Senate's rejection of the Comprehensive Test Ban Treaty. When examined, these invariably boil down to the U.S. disagreeing with either an instinctive or a painfully achieved European consensus. Hence too the recent list of European actions which show a rampaging desire, rather than a reluctance born of necessity, to challenge the leading U.S. position in world politics. Among such actions: the recent EU delegation to North Korea; the quiet complicity in the plot to oust the U.S. from its seat on the UN Human Rights Commission in Geneva; and the EU's

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attempts to curb U.S. influence in Middle East politics on the grounds that it is insufficiently even-handed (i.e., too favorable to Israel.)

Europe's international policy today is to create a world in which the EU rather than the U.S. reshapes international politics and world bodies in its own image. In trade policy, they largely agree-hence the Zoellick-Lamy message of consensus. But in international environmental regulation, the EU is currently urging Japan and Russia to join with it in signing the Kyoto treaty on the grounds that there will then be enough signatures to make the treaty binding on the U.S. through the agency of customary international law. That is the not-so-innocent meaning of "soft power."

Can anything be done? Quite a few things-but the first step is to recognize that Euro-nationalism is a gale blowing through Europe and that it will blow the U.S. back across the Atlantic...if no obstacle is placed in its way.

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Transatlantic News round-up

War Against Terrorism

An immediate response:
'President Bush vowed tonight to retaliate against those responsible for today's attacks on New York and Washington, saying that he would "make no distinction between the terrorists who committed these acts and those who harbour them" *New York Times*, 11th September)... "make no mistake the United States will hunt down and punish those responsible for these cowardly acts...the resolve of our great nation is being tested. But make no mistake: we will show the world that we will pass this test. God bless"

US Foreign Policy in Flux

'There must be a better way to win friends and influence nations than walking out of conference, denouncing treaties or sitting on your hands while the Middle East burns. The Bush administration seems unable or unwilling to demonstrate to the world it can find that way... Withdrawal is rapidly becoming the leitmotiv of the Bush diplomatic era (*International Herald Tribune* 6th September)

'Problems with European friends are not new, but they seems to be growing reflecting Europe's rising strength and increasingly different worldview. There are basic disagreements over issues such as missile defence, global warming and the death penalty, than differences on such immediate issues as Arab-Israeli violence and Saddam Hussein. There are always economic arguments' (*International Herald Tribune* 12th September)

In just one month, George Bush' view of America and the world has been "transformed", said Anthony Lewis in the *New York Times*. He now accepts the principle of "nation building" that he once scorned. He has embraced China whom he once demonised, and openly supports the creation of a Palestinian state. His old unilateralist convictions have vanished.

The *Financial Times* wrote, 11 November. 'Mr Bush came to office amid fears that conservatives in his administration would adopt a more unilateralist foreign policy strategy. But the polite applause for his UN speech..hid the concerns of many in his

audience that the president's conversion to multilateral since September 11 is evident only to the extent that other countries follow the US lead...A senior US official said last week "we do not view it that countries that join the effort against terrorism are somehow doing us a favour., On the contrary we think this is a common problem that is facing all civilised societies'

'Neither has the US changed its mind on important issues that had previously encouraged the unilateralism accusation'. Mentioned were, Kyoto, the position on an international Criminal Court, its objection to the wording of a draft convention on biological weapons, their approach on the Middle East.

British response

What Tony Blair has been saying:

When recalling Parliament, he said: "this was not an attack on America alone, this was an attack on the free and democratic world everywhere and this is responsibility that the free and democratic world has got to shoulder, together with America...It is important that the Americans know that their allies and friends around the world do stand shoulder to shoulder with them", Mr Blair, quoted in *The Guardian* 13th September.

'In retrospect the Millennium marked only a moment in time. It was the events of September 11 that marked a turning point

in history...it was a tragedy. An act of evil. From this nation goes our deepest sympathy and prayers for the victim and our profound solidarity with the American people. We were with you at the first. We will stay with you to the last' (Mr Blair, Labour Conference speech, as reported in the *Daily Telegraph* 3rd October)

Acting together - the 'special relationship' reinvigorated.

'There are signs that the special relationship between Britain and America, which seemed to be in danger of going into decline when Bill Clinton left the White House, has been transformed by the attacks on the World Trade Centre and the Pentagon...the Prime Minister's sometimes derided notion that he could make Britain a bridge between America and Europe was not only turned into reality, but ... extended to more distant areas of the world' *Daily Telegraph* 23rd September)

'Today President Bush and Prime Minister Tony Blair of Britain stood side by side at the White House as unwavering allies joined by war, national self-interest and what their aides say is a growing personal chemistry..."We've got no better friend in the world than Great Britain", Bush said..."I've got no better person I would like to talk to about our mutual concerns than Tony Blair" (New York Times, 8th November.

Tony Blair and Europe

'Tony Blair has broken the first rule in European diplomacy.

By convening and then extending a restricted “war council” in Downing Street, he has alienated small countries, offended the Brussels bureaucracy and lent an element of farce to efforts to forge a common European strategy in the Afghan crisis...more damaging is the charge that the Afghan crisis has created a new division of Europe between countries that count – Britain, France and a newly self-confident Germany – and countries that risk being marginalized. (FT, 5 November)

Criticism in the British press
‘When President Bush used his emotional speech to both Houses of Congress to declare that the United States had “no truer friend than Great Britain”, he even declared himself honoured that Tony Blair had taken the trouble cross the Atlantic and show his solidarity...many people in Britain and the EU, on the right as well as the left, dislike the “poodle” posture of Britain as America’s noisiest cheerleader – not so much an English-speaking Atlantic bridge as an echo...the paradox of Mr Blair’s enthusiasm is that he is the man who wants to commit Britain decisively to Europe and the euro...Downing street insist here is no need to choose between Europe and America – Britain can remain the bridge. Only time will tell.’ (The Guardian 22nd September)

‘There is an alarming and growing gap between the heady

words of Tony Blair in promising a grand coalition to wipe out terrorism worldwide and the reality confronting Whitehall, Washington and soldiers faced with trying to implement them...One of the Whitehall planners said “We don’t have an exit strategy. And we don’t have an entry strategy either.... others are uncomfortable with Britain being so close to the US and would have preferred Mr Blair to have adopted a position similar to France or Germany: supportive but maintaining distance’ (The Guardian 29th September)

‘Let us be clear about one thing. This is not a war, and it is not very helpful to keep calling it that...The British have rightly never called the conflict in Northern Ireland a “war”...If you fight “wars” against terrorists, you appear to justify their cause’ (Quentin Peel writing in the Financial Times 30th September)

An attack on Iraq is a line that must not be crossed in the current circumstances. IF the US chooses to cross it, it must do so without British support. If Tony Blair wants to go with them, he would do so without ours’ (The Guardian 10th October)

Support from Nato and European leaders
German Chancellor Gerhard Schroeder condemned the attacks and also pledged his support for the US, “this is not only an attack on the United

Stets but an attack on the civilised world. Germany stands at the side of the United States without reservation” (quoted in the *Financial Times* 12th September)

In France, Chirac said “France knows that one cannot fight effectively against terrorism without a determined, collective effort. what has happened in the United States concerns us all” (quoted in the *Financial Times* 12th September)

Lord Robertston ..”We have to stand together”, he said “ We are two organisation that speak with one voice, on strong voice hat twill not stand for terrorism” *New York Times* 13th September)

The 15 EU leaders expressed “total solidarity” with the United States (*The Washington Post* 22nd September). NATO Secretary General George Robertson said: “it is clear that all roads lead to al Qaida and pinpoint Osama bin Laden as having been involved”...”the facts are clear and compelling”, Robertson said (quoted in *The Washington Post* 3rd October.

‘For the first time in its 52-year history, Nato invoked article 5 of its treaty, obliging the alliance to vie the US assistance for such action as it deems necessary, including the use of armed force”...the backing by nato marks anew phase in Washington’s attempts to gather the widest possible international support before any possible military

strikes against Afghanistan’ (*Financial Times* 2nd October)

Europe keeps up its support of USA action despite some opposition at home.

‘the protests are growing louder every day on the streets of European capitals, but the key government are still fully behind the United States a month into the bombing campaign...the French prime minister said that France would “intensify” its support of the US...France has confirmed that it has intelligence personnel on the ground in Afghanistan...Italy’s conservative prime minister ...has offered an aircraft carrier...There is a growing unease over the way Mr Blair is conducting ad hoc war diplomacy, convening EU mini-summits that leave the smaller states - including nato members such as Denmark, Portugal and Greece - out in the cold’ (*Daily Telegraph*, 17th November)

Jackson Diehl on Europe’s ambitions, in the Washington Post 23rd November 2001

‘Behind the Bush administration’s belated move last week to invite German, Italian and other European forces into he Afghan military campaign lies an intense debate on both sides of the Atlantic about what should happen to the NATO alliance...The Europeans wanted in so as to gain more leverage over the war’s conduct...

‘For some of the dreamers, Afghanistan looks like a setting for hammering out a decade’s worth of geopolitical misunderstanding and repressed ambitions. The German government of Gerhard Schroder....considers the mere authorization of a few score commandos for possible operations against the Taliban a political breakthrough – the end of German’s military isolation...for both Mr Schroder and Mr Blair, shared duty in Afghanistan is also a way of locking the Bush administration into the multilateralism that it was thought to be abandoning before September 11 while ensuring that a struggle against terrorism that could define the world for decades revolves around a Euro-American axis.’

William Pfaff on Europe’s relationship with USA in an article, International Herald Tribune – 12th November

‘Britain’s prime minister and France’s president both visited Washington last week, after a rather bad-tempered Downing Street dinner where nine European leaders tried to find a common European stand on the war in Afghanistan. ...But its chief effect was again to demonstrate the European Union’s inability to draw from an array of indubitable good intentions anything resembling a common action plan.

...Europe finds itself once again trying to accommodate a situation where the United States is doing things that make some Europeans uncomfortable, even though they endorse Washington’s overall aims.

‘The New York financier Felix Rohatyn, America’s former ambassador to France, gave a talk a few days ago to a Paris audience that cast light on the underlying transatlantic problem, in which France is the critical actor.’

He said he felt that the Soviet threat has been replaced since 1989, in the view of many French politicians and intellectuals, "by the menace of American hegemony or of an American-inspired globalisation." He thought that the two countries’ paths were diverging, and that in favouring a multipolar world, France actually wanted "to make the new united Europe not a partner of America, but an alternative to it." He implicitly ascribed France’s actions to "nostalgia for past grandeur."

Moreover, all of the Europeans really do see the European Union as an alternative to the United States. They see it as offering ways of life different from the American way, for nations with distinct histories, and cultures different from those of the United States, running market economies with standards, social emphases

and social protections different from those in the United States. ‘

Russia: ‘In the initial chaotic hours after the September 11 attacks, Putin was the first foreign leader to speak with Bush...Putin wanted to tell the president directly that Russian troops had instead been ordered to stand down, avoiding an escalation in tension on an already traumatic day...’ ‘It was a moment where it clearly said to me that he understands the Cold War is over’, Bush recalled later. (*Washington Post* 4th October)

International Herald Tribune leader, 13th November
‘Although advisers to both presidents caution that no formal arms control agreement is likely this week, the two sides are moving ever closer to an accord. Moscow is apparently ready to accept the missile defense testing that the Bush administration wants to conduct, as long as Washington does not formally repudiate the 1972 Anti-Ballistic Missile Treaty.’

Germany
‘Germany will mobilize up to 3,900 specialised troops to support the American led war against the Taliban...Mr Schroeder’s announcement marked another important step in a reunited Germany’s re-emergence...as a serious power in Europe’ (*New York Times*, 17th November)

The Muslim world and Middle East

The Wall Street Journal Europe writes ‘the brutal clarity of Bin Laden’s TV videotape has at least made the stakes obvious. If the American “infidels” lose to Bin Laden, the moderate Muslims everywhere are going to lose too’ (quoted in *The Guardian* 10th October)

“The face of terror is not the true faith of Islam” (Mr Bush quoted in the *New York Times* 18th September)

Tony Blair called for the creation of a “viable Palestinian state”....It was Britain’s strongest endorsement yet of Palestinian statehood...(*Washington Times*, 16th October)

Yasser Arafat, urged Israel on Monday to resume immediate negotiations for peace in the Middle East, and Prime Minister Blair said ..”We are in complete agreement that now is the time to reinvigorate the process”. (*International Herald Tribune* 16th October)

“The end we desire is a just peace in which the Israelis and Palestinians live side by side, each in their own state, secure and able to prosper and develop”(*Daily Telegraph* 16th October)

The Washington Post: Yasser Arafat has a dilemma. He is desperate to avoid being caught on the wrong side of the new US-led war against terrorism...at the same time he

knows that many people in the Gaza Strip and West Bank were charmed by Osama bin Laden's diatribe on behalf of Palestine's this week' (quoted in *the Guardian* 10th October)

Other news:

Mario Monti, the European Union's competition commissioner, said 'it was "premature" to talk of fining Microsoft when the US software company had still not replied to the Commission's initial findings in its antitrust investigation' (*Financial Times* 10th October)

In the midst of an economic slowdown, the last thing the world needs is a trade war between the United States and Europe. Yet that danger loomed larger with the recent ruling by the World Trade Organization that tax breaks for US exporters are illegal.' (*International Herald Tribune* 11th September)

Henry Kissinger, Atlantic Partnership's patron, launched his new book *Does America*

Need a Foreign Policy to rave reviews... Henry Kissinger remains one of the few international statesmen we should listen to' argues Michael Portillo in the *Daily Telegraph* 3rd September... 'I admit it. Henry Kissinger impresses me'. Mr Portillo writes that 'One of the issues that most worries Kissinger is the breakdown of common perceptions between the USA and its European allies. He sees European nations defining their European identity by challenging US positions, or by mediating between America and the rest of the world. As foreign policy-making migrates from nation-states to the European Union, he identifies a serious procedural problem: that America is excluded from policy discussions and is presented with a fait accompli. The proposals for a European military force concern him for precisely that reason: decisions on its use would be taken by the European caucus, before NATO ministers had met.'



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