

European Challenges for the United States

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HE UNITED STATES has four fundamental strategic relationships—those with Europe, Russia, Japan, and China. This judgment remains as valid today as it was 60 years ago on the eve of World War II. A central task for senior U.S. policymakers is to concentrate attention on these key relationships and to prevent less significant problems—such as Haiti, Panama, Bosnia, Somalia, and now Kosovo—from dominating time and agendas.



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Of the four strategic relationships none is more important for this country than Europe. Europe remains a critical arena for both American leadership and partnership. Moreover, Europe today is on the cusp of fundamental change with clear and immediate ramifications for the United States.

The United States has three objectives in Europe. The first is a Europe at peace and free of domination. The second is a strong, self-confident, integrated, and outward-looking Europe. And the third is a Europe that can act with the United States as a partner on a number of challenges with which none of us, acting alone, can cope—a Europe that, in partnership with the United States, will work to find solutions to global challenges and be a leading force for world progress.

To achieve these objectives the United States must continue to further the integration of Europe by strengthening such institutions as NATO, the European Union, and the Organization for Security and Cooperation in Europe. We must also continue to make the United States and Europe even stronger partners by deepening

and energizing the already substantial consultative framework and by working to diminish growing European frustrations with perceived American unilateralism and American frustration with cumbersome European Union decisionmaking.

The United States and its European allies confront several important challenges: completing the construction of a democratic and peaceful Europe, finding a satisfactory peace in the Balkans, assuring that the expansion of European institutions eastward does not create a new divide between Russia and the West, and maintaining economic stability and promoting economic growth throughout Europe and the world.

Our common challenges do not end here. We must also confront numerous global problems, including the proliferation of weapons of mass destruction, international crime and terrorism, environmental threats, and refugee flows.

From the U.S. perspective, a critical issue is to keep NATO functioning as a force for stability and political reassurance for all the nations of Central and Eastern Europe and the Newly Independent States. Through its successful Partnership for Peace, the Alliance has brought 24 nations into training and education activities to increase civilian control of the military and expand responsibility in peacekeeping and crisis management. The recent enlargement of NATO to include three new members has been an important step in adjusting this institution to its new role in Europe.

NATO is engaged in an important humanitarian effort to return the Kosovo refugees to their homes and establish se-

by Lee H. Hamilton

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curity in that province. But the United States and NATO must recognize that their approach does not offer a solution to the problem underlying this conflict—the future status of Kosovo—and that neither military action nor the proposed settlement addresses this core question.

The crisis in Kosovo has seriously strained unity within NATO and the transatlantic relationship. Kosovo is profoundly influencing Alliance debate on the new strategic concept and the advisability of out-of-area activity. What we should avoid, if at all possible, is an open-ended, long-term NATO commitment to the region—in the capacity of either an occupation force or a nation-builder—that will drain NATO's resources, attention, and energy away from its core functions. But regardless of the outcome in Kosovo, a dialogue on the future of the alliance is appropriate.

While the United States does not have a seat at the table for discussing internal European Union issues, a more efficient, integrated Europe, an enlarged European Union with effective decisionmaking, including an enhanced role for the European Parliament, is in the U.S. interest. So too would be reform of the EU budget so that less is spent to support a common agricultural program and more to advance a European Security and Defense Identity that will give Europe a defense capability to work in harmony with NATO.

Within this process of institutional reform, several economic issues are important to the United States. For Europe to become more competitive economically, it must reduce further the role of the state and foster decentralization in political and economic decisionmaking. At issue is in-

creased privatization of the banking industry and telecommunications, as well as significantly expanding the use of information technology. Such steps would help reduce high unemployment in much of Europe and allow all citizens to benefit from sound policies of economic and monetary union and a single market.

Trade issues will continue to be important. Today, trade disputes between the United States and Europe play too large and disruptive a role. Public policy discussions on both sides of the Atlantic devote excessive attention to hormones and meat, bananas, genetically altered food, and threats of sanctions. Both the United States and Europe need to develop better machinery for resisting protectionism and for placing trade policy in its appropriate priority within transatlantic relations.

The state of U.S. relations with Europe is solid, but it will be tested, and good ties cannot be taken for granted. Resolving the Kosovo crisis in a way that maintains the cohesion of the Atlantic Alliance and restores a working relationship with Russia is imperative. Building bridges that allow the United States to cooperate with European institutional reform and encourage Europe to do more on its own in security and defense are essential. We should also seek to expand trade and investment without allowing trade disputes to dominate our public and private exchanges. Most important, common interests require that leaders on both sides of the Atlantic continue to invest their time and energy in this crucial transatlantic relationship. Stability and prosperity, not simply in Europe but the world, depend on it. ■

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