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## **Establishment and Expansion of the Liberal Order (1941–2008)**

One of the great contributions of statesmanship at the end of the Second World War was the creation of the Atlantic partnership because it reflected the reality that neither Europe nor the United States would by themselves be able to bring about a solution of the chaos that had been created.

—*Henry Kissinger, remarks at Davos (2017)*

The West was not built in a day. With remarkable foresight, even as they were still immersed in the fog of World War II, transatlantic leaders set out the organizing principles for a postwar world. Following the Allied victory, they created a number of multilateral institutions—the United Nations, NATO, and, later, the European Communities among them—that, together, became the foundation for the contemporary liberal order. In hindsight, the path may appear to have been self-evident, but the choices were not always clear, and the decisions often were contested.

At each juncture, both U.S. and European leaders ultimately determined that their strategic interests were intertwined and that they were better off working together. The liberal order, which generations of policy-makers constructed, would eventually mature into a real partnership in the Barack Obama and Joe Biden administration.

### ATLANTIC CHARTER

President Franklin Roosevelt first met Winston Churchill in 1918, when Roosevelt served as assistant secretary of the Navy and Churchill was minister of Munitions. Their encounter had not gone well, with Roosevelt recalling that Churchill was “a stinker.” For his part, Churchill did not even remember meeting the much younger Roosevelt.<sup>1</sup>

Roosevelt was elected America’s thirty-second president in a landslide victory in 1932, in the depths of the Great Depression. Churchill became Britain’s prime minister in May 1940, only hours after Germany invaded France but months after Neville Chamberlain, his predecessor, naively proclaimed in the wake of the 1938 Munich Agreement with Chancellor Hitler that he had secured “peace in our time.” Upon hearing the news that Churchill had replaced Chamberlain, Roosevelt declared, “He is the best man for the job.”

In August 1941, with war raging in Europe and before the United States entered the fight, President Roosevelt met with British Prime Minister Churchill aboard the HMS *Prince of Wales* off the coast of Newfoundland, Canada. It was the first time they had seen each other in twenty-three years. Both leaders had sought the meeting, which had been facilitated by Roosevelt’s respected aide Harry Hopkins. At the president’s direction, Hopkins had spent six weeks in Britain in early 1941 and gained the trust of Prime Minister Churchill; Hopkins facilitated the eventual delivery of “Lend-Lease,” U.S. military and economic assistance to Great Britain.

Now, three years after the Munich Agreement, as war destroyed much of Europe, Roosevelt and Churchill committed to defeating Hitler’s Germany and rebuilding the future. At home, facing opposition from an isolationist public and a recalcitrant Congress, President Roosevelt had, nonetheless, successfully rammed the Lend-Lease program through the U.S. Congress to provide war materiel to Great Britain as well as later to the Soviet Union. Though the United States had not created a formal alliance with either country, Lend-Lease represented a fledging partnership with both nations in the fight against Hitler’s Third Reich.

In their meeting off the Newfoundland coast, Roosevelt and Churchill discussed war strategy, but more important, they laid out their common vision for a postwar world in a joint statement later known as the Atlantic Charter. The charter set out eight common principles that not only ce-

mented their alliance but, in many ways, laid the foundation for a new international order.

Roosevelt, though not an intellectual, was well acquainted with European history; he rejected the two previous historical pillars of European order: the first being the balance of power between nations—the foundation of the 1648 Peace of Westphalia—and the second being the restoration of empire based on nationalistic objectives—the overriding principle that emerged from the Congress of Vienna in 1814.<sup>2</sup> Balance of power and nationalism had at various points in its history been at the heart of British international relations, but Churchill recognized that Britain, though still a formidable empire, had suffered extraordinary losses in both blood and treasure, and would need to assume—at least until victory was at hand—the role of junior partner to the United States.

In the interests of transatlantic unity, the Atlantic Charter papered over profound differences in the way President Roosevelt and Prime Minister Churchill viewed the world. The charter called for the restoration of self-government to those deprived of it. While this principle was most clearly directed to those nations occupied by Hitler's army, such as France, Poland, and Czechoslovakia, it also included, as both leaders undoubtedly understood, such valuable British colonial possessions as India, Australia, and South Africa. Likewise, the charter made clear that there should be no territorial changes against the wishes of people belonging to a sovereign nation—again, an area where the United States and imperialist Britain had starkly different histories and, therefore, different perspectives.<sup>3</sup> To be sure, the United States had its own imperialist episodes at the turn of the twentieth century, with Puerto Rico, Cuba, and the Philippines, and its troubled history of land seizure from Native Americans. By World War II, however, those impulses had faded, and the United States conceived of its global role in liberal terms to make the world safe for democracy.

Roosevelt had long believed that free trade promoted economic prosperity, and on this matter, he and Churchill were in complete agreement. They also issued the somewhat vague call for “global cooperation to secure better economic and social conditions for all.” Other areas of agreement between the two leaders included the need in the future “for freedom on the seas, abandonment of the use of force, and the disarmament of aggressor nations.” Since assuming the office of president in 1933, Roosevelt had been pushing for a global disarmament conference and agreement but had

encountered British resistance, which he found deeply annoying and detrimental to the goal of peaceful coexistence. By specifying in the Charter that only “aggressor nations” should be disarmed—an obvious reference in Europe to Germany and Italy—the president and the prime minister made clear that only Western-style democracies would retain military power. Of course, Roosevelt was fully aware that Great Britain in 1941 was essentially bankrupt, and would, along with the rest of Europe, need to rebuild its economy. President Roosevelt did not foreclose the potential for Great Britain and France to rearm, but at least for the foreseeable future, the United States would control the agenda. Of course, both Great Britain and France did eventually become nuclear powers, but only the United States would claim the mantle of superpower.

Perhaps the most aspirational component of the Atlantic Charter was the goal that nations should work together to achieve “freedom from fear and want,” a goal that echoed Roosevelt’s “Four Freedoms” speech delivered seven months earlier, and one that resonated with the “New Deal,” his domestic program for economic relief and recovery from the Great Depression.

The president acknowledged that the Atlantic Charter did “not provide rules of easy application.” However, he insisted that “it was a good thing to have principles” so that humanity has something to aim for. He hoped the Charter would take its place beside other historically important declarations, such as the Magna Carta, “as a step toward a better life of the people of the world.”<sup>4</sup>

Although Roosevelt would not live to see the end of World War II, the Atlantic Charter inspired many of the postwar institutions that comprised the liberal order. The United Nations, NATO, and the General Agreement on Tariffs and Trade (GATT) are all, to some extent rooted, in the vision that Roosevelt and Churchill laid out on a ship off Newfoundland in 1941.

Preparing to rebuild the international economic system while World War II was still raging, 730 delegates from all forty-four Allied nations gathered at the Mount Washington Hotel in Bretton Woods, New Hampshire, in July 1944, to attend the United Nations Monetary and Financial Conference, also known as the Bretton Woods Conference. Believing the Great Depression had been exacerbated by a tendency for nations to look inward, to act independently, and to make shortsighted economic and financial decisions, delegates chose to create an economic community—undergirded by multilateral institutions—to rebuild the global economy.<sup>5</sup>

The delegates deliberated for three weeks, eventually signing the Bretton Woods agreement on July 22. Setting up a system of rules, institutions, and procedures to regulate the international monetary system, these accords established the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), which today is part of the World Bank Group.

Although a majority of the delegates adopted the agreement, the deal had been primarily negotiated between the United States and the United Kingdom. The final draft reflected the impending postwar economic dominance of the United States, which controlled two-thirds of the world's gold. U.S. negotiators insisted that the Bretton Woods system rest on both gold, which had replaced sterling as the international reserve currency, and on the U.S. dollar.<sup>6</sup>

Soviet representatives attended the conference but later declined to ratify the final agreements, claiming the United States manipulated the conference to create institutions that were “branches of Wall Street.” This was an early sign of a clash between ideologies that would devolve into the Cold War. Nevertheless, after ratification of the Bretton Woods agreement in late 1945, a new international economic infrastructure became operational the following year. A half-century later, Bowman Cutter, a former deputy chair of the National Economic Council under President Clinton, described the agreement as “perhaps the most successful and sustained effort to create a community of cooperating nations in the history of the world.” According to Cutter, “it produced a rapid postwar reconstruction in Europe and the subsequent flourishing economies of the West. It was sufficiently flexible to include recent World War II enemies, Germany and Japan.” Most important, as Cutter notes, “It made vast improvements in the lives of hundreds of millions of all these nations. And it played a crucial role in strengthening the Western democracies, enabling them to sustain successfully a fifty-year confrontation with the Soviet Union.”<sup>7</sup>

## UNITED NATIONS

The European Allied nations, as well as the Soviet Union, had recognized the importance of unity when confronting the Axis powers, but in 1945, they had very different visions for the postwar order. The economies of Europe were in desperate shape. The United States emerged from World

War II not only with the strongest military but with the strongest economy, as well. As Henry Kissinger wrote, “American idealism and exceptionalism were the driving forces behind the building of a new international order.”<sup>8</sup> The responsibility for that world order and the indispensability of American power fell to President Harry Truman, a man with virtually no experience in international relations. Truman’s first test would be to realize a critical component of the Atlantic Charter’s vision by establishing the United Nations.

On April 25, 1945, representatives of fifty governments from around the world met in San Francisco for a conference convened to draft the Charter of the United Nations. Adopted in June, the organization’s objectives closely tracked a number of the principles laid out by Roosevelt and Churchill four years earlier in the Atlantic Charter, including maintaining international peace and security, protecting human rights, and upholding international law. At its founding, the United Nations had fifty-one member states, but from the beginning, its mission to preserve world peace was complicated by competing visions of international order by the Europeans, the United States, and the Soviet Union.

The Soviet Union, decimated by war, had lost 25 million people, but its leader, Joseph Stalin, was determined that the American vision of a new international order—with the United States at its center—should not go unchallenged. As Kissinger has written, Marxist ideology challenged the legitimacy of Western institutions, rejecting them “as forms of illegitimate exploitation.”<sup>9</sup>

In the end, the United Nations adopted a dual mechanism for decisionmaking that provided member nations an open and transparent forum for discussing differences and potentially finding common ground but also hampered both the efficiency and the effectiveness of the institution. Delegates agreed that the UN General Assembly would be universal in membership and based on the doctrine of “one state, one vote.” However, the real power within the organization—most notably authorizing the use of force outside of each country’s inherent right to self-defense—would be vested in the UN Security Council, consisting of the five major powers: the United States, Britain, France, the USSR, and China, along with a rotating group of additional countries (currently ten nonpermanent members). The “permanent members,” as they are known, would have veto power over any resolution adopted by the Security Council.

However, the compromises made to ensure maximum participation in the United Nations turned out to be incompatible with the emerging reality of existential conflict between the West and the Soviet bloc. Instead of allowing free and fair elections in the Central and Eastern European countries it controlled, and thereby abiding by the UN Charter's principle of noninterference in domestic affairs, the Soviet Union installed puppet regimes and imposed its will across the region. Fault lines emerged between the liberal order of the West and the illiberal order of the Soviet Union as spheres of influence became the new balance of power. The liberal vision of the Atlantic Charter as embodied through the UN would be put on hold until nearly a half-century later. Instead, its global ambition became more geographically delimited through regional programs and institutions, such as the Marshall Plan and NATO.

### **MARSHALL PLAN**

During World War II, the Nazis destroyed most of Europe's great cities, including some of the continent's leading industrial, financial, and cultural centers. By 1945, General George Marshall received reports indicating that entire regions of Europe were on the brink of famine because the fighting had disrupted agricultural production and halted food distribution. In addition, both Allied and Axis bombing had destroyed the region's transportation infrastructure; railways, roads, bridges, and ports had all suffered extensive damage and would need to be rebuilt. Moreover, the shipping fleets of many countries had been incapacitated and, in some cases, decimated.

Planning the postwar occupation of Germany—as well as rebuilding the rest of Europe—turned out to be a chaotic, cumbersome, and often contentious process involving a number of governments and their respective bureaucracies. The democracies of Europe were organized differently, and the level of expertise within their governments varied greatly. Even when there was agreement among governments on policy and organizational issues, as Kenneth Weisbrode has pointed out, “There was never a system in place for implementing a single set of recommendations at wartime conferences.”<sup>10</sup>

In February 1946, the deputy chief of mission at the U.S. Embassy in Moscow, George Kennan, opened his so-called “Long Telegram” by stressing that the “USSR still lives in antagonistic ‘capitalist encirclement’ with which in the long run there can be no permanent peaceful coexistence.”<sup>11</sup>

The following month, Winston Churchill argued that an “iron curtain” descended across the continent threatening the return of the “dark ages.”<sup>12</sup>

Although Churchill pointed to a special relationship between the United States and the United Kingdom as the necessary condition to resist Soviet expansion, the British Empire was running out of resources and could not sustain its global commitments. In particular, the British government stated in February 1947 that it would terminate all of its economic and military aid to Turkey and Greece, exposing them to Soviet influence and domination. To forestall this turn of events, President Truman announced the following month a significant aid program to both countries, totaling over \$4 billion dollars in current terms.

In a speech at Harvard in June 1947, U.S. Secretary of State George C. Marshall pointed to the dire economic situation in Europe and the need for U.S. resources over several years to sustain it. Shortly thereafter, Kennan captured the emerging strategic thinking within the U.S. government, arguing that “the main element of any United States policy toward the Soviet Union must be that of a long-term, patient but firm and vigilant containment of Russian expansive tendencies.”<sup>13</sup>

In this strategic context, the Marshall Plan, also known as the European Recovery Program, was developed to provide much-needed aid to Western Europe. Enacted by the U.S. Congress in 1948, the Department of State disbursed more than \$15 billion (over \$150 billion in current terms) over a four-year period to help finance rebuilding efforts on the continent, including the reconstruction of cities, industries, and infrastructure that had been heavily damaged during the war. The plan was the brainchild of Marshall and his aides, but as Kissinger has pointed out, it was President Truman who had made a “strategic choice fundamental for American history and the evolution of the international order.”<sup>14</sup>

It could be argued that the Marshall Plan reflected a certain strain of Eurocentrism in post–World War II U.S. foreign policy: as Dean Acheson, the secretary of state who succeeded Marshall, stated, “Europe, we had always believed, was the world.”<sup>15</sup> Yet, the emphasis on Europe was not an end in itself, but rather part and parcel of the U.S. interest in shaping a wider liberal order that would ensure peace, prosperity, and political inclusion at home.

The Marshall Plan also envisioned the removal of trade barriers between the nations of Europe—as well as between Europe and the United States. As



price controls and other trade restrictions were lifted and currencies were stabilized, Western European countries began to expand to markets abroad and to greatly expand intra-regional trade. West Germany led the way with exports increasing by an average of 16 percent per year between 1948 and 1962.<sup>16</sup>

As the economies of Western Europe improved, the Soviet Union was locking in territorial gains in Eastern Europe. The United States was not especially worried about Soviet military aggression directed at some of the poorer countries of Central and Eastern Europe but, rather, focused on Soviet exploitation of social upheaval and political disarray facing the continent.<sup>17</sup> In addition to economic redevelopment, one of the stated goals of the Marshall Plan was to halt the spread of communism on the European continent.

America's role as the leader of a new global order was hardly undisputed. Many in Europe, devastated by six years of war, accepted America as a "European power," but even within Europe, there were competing visions. Jean Monnet, a former cognac merchant turned politician, pushed for a united Europe—one allied with the United States but, nevertheless, distinctly European.<sup>18</sup> Secretary of State Acheson and the U.S. Department of State were strongly supportive of a transatlantic alliance but had reservations about both the feasibility and advisability of a united Europe. Given its long history of war and nationalism, Acheson argued there was no guarantee that a united Europe would remain allied or even friendly with the United States. New mechanisms were necessary to facilitate transatlantic cooperation.

## NATO

The Atlantic Charter's commitment to disarm aggressor nations addressed only the immediate security needs of Europe; the Charter omitted any language charging the democratic nations of the world to ensure lasting peace and provide long-term security. In the spring of 1947, British Foreign Secretary Ernest Bevin, concerned about Soviet ambition, encouraged newly appointed Secretary of State George Marshall to convene a conference of like-minded allies to establish a transatlantic defense treaty. Bevin's concept ran contrary to America's long-standing position, dating back to President George Washington, of avoiding, as Washington put it, "entangling alliances."

Chip Bohlen and George Kennan, two rising diplomatic stars in the

Truman administration, argued that Bevin's concept would backfire because Congress would never sign on to a peacetime military alliance. Additionally, Kennan argued that "non-Atlantic" countries, such as Italy, Greece, or Turkey, should not be included in the proposed North Atlantic alliance; otherwise, Kennan claimed, no geographic limits could be drawn, as countries around the world would seek protection against the Soviet Union and the United States would overextend itself. Nevertheless, Bevin continued to press the issue at every international gathering, and offered language to an early draft committing all signatories to respond together in case of attack. In addition to the United States and Canada, only European states would be able to join. Bevin's plan would evolve into Article 5 of the North Atlantic Treaty: if one member of NATO was attacked, the other member nations would come to its defense. This notion of collective defense appealed to Secretary of State Marshall.<sup>19</sup>

After months of negotiation, in April 1949, representatives from Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States gathered in Washington, DC, to establish the North Atlantic Treaty Organization (NATO). President Truman participated in the ceremony and delivered a six-minute speech that, in many respects, echoed President Roosevelt's call for Lend-Lease nearly a decade earlier. Truman maintained that the national representatives of twelve nations had come together in the interest of preserving the peace, like "a group of householders in the same locality." He viewed the treaty as a bookend to the Marshall Plan, emphasizing the need for "a cooperative economic effort." However, the Senate still needed to ratify the treaty, and Truman knew that isolationism still ran through the veins of many senators. As historian Derek Leebaert has noted, "the treaty's name—the North Atlantic Treaty was . . . necessary to emphasize the security of defending ocean, the Atlantic, and not of the sinful continent, Europe."<sup>20</sup> The NATO proponents in the Truman administration were fervent Atlanticists who successfully persuaded members of the Senate that, to check the Soviet Union, an alliance with Europe would be in the national interest. The treaty was ratified on April 12, 1949. In 1952, Greece and Turkey became members of the alliance, joined later by Germany in 1955 and Spain in 1982.

### THE GERMAN QUESTION

West Germany—a political entity created by the United States—was not originally included in NATO, a decision consistent with the original promise of the Atlantic Charter that World War II aggressor nations should disarm. Even more important, by 1949, Germany had emerged as a flashpoint in Europe between the Western democracies and the Soviet Union.

At the conclusion of World War II, the Allies divided Germany into four zones, with the United States, Britain, France, and the Soviet Union each controlling a zone. In 1946, reparation agreements broke down between the Soviet Union and the Western zones after France, Great Britain, and the United States merged their zones in 1947.

By combining the three Western zones into one area, the West hoped to revive the battered German economy. However, the Soviet Union feared the combined zone would threaten it politically by potentially subsuming its area. On June 24, 1948, one day after the Western powers introduced a uniform currency into the Western zones to facilitate trade with the rest of Europe, the Soviet Union imposed the Berlin Blockade to block Western assistance to West Berlin. The blockade ultimately failed, but it signaled the start of the Cold War and the West's determination to halt Soviet expansionism in Europe.

Aligned with the democracies of Europe and with the United States, West Germany eventually became a member of NATO in 1955, but it was not without substantial controversy and opposition, both from within Germany and from its neighbors, especially France, which had serious reservations about permitting its former adversary to rebuild its military.<sup>21</sup> Indeed, French foreign minister Robert Schuman—one of the founding fathers of European integration—vigorously opposed German rearmament.

Nevertheless, President Dwight D. Eisenhower and Secretary of State John Foster Dulles prevailed. They had a clear set of objectives for Germany. First, they wanted Germany integrated into the Western community of nations, as Secretary of State Dulles put it, “to diminish danger [of] resurgent German nationalism.” Second, they wanted to contain the Soviet Union, which by 1953 had become a nuclear power. And third, they wanted to solidify the United States' leading role in Western Europe.<sup>22</sup>

Spurred on by the creation of the Council of Europe in 1947, many countries in Western Europe experienced a convergence of national inter-

ests during the 1950s. Britain and France, once mighty empires, began to shed their global colonial possessions. Consistent with its commitment to the Atlantic Charter, but with extreme controversy and difficulty, Britain navigated the emergence of Pakistan as it separated from India in 1947. Three years later, India gained its full independence. France, which had not been a party to the Atlantic Charter, became mired in a military quagmire in Algeria, which, after a protracted, bloody war, gained independence in 1962.

However, for the most part, the rapidity with which Britain, France, and other European nations separated from their former colonies during the decade of the 1950s was stunning: Britain from nearly twenty former colonies and France from fifteen. Though decolonization denied Britain, France, and other European nations the imperial status they had once enjoyed, it had little negative effect on their growing national economies. One of the most significant components of the Atlantic Charter had been successfully realized, but the question still remained: How could Europe come together so that war would never again divide it?

### EUROPEAN COMMUNITY

Besides serving as an important transatlantic security pact, NATO represented the first step toward European unity. West German Chancellor Konrad Adenauer stated to President Eisenhower: “there is a saying that the Americans are the best Europeans, and there is much truth to that.”<sup>23</sup> Not long after the creation of NATO, the French offered an economic proposal for cooperation with the Germans, the Schuman Plan, in the area of coal and steel, key industries on the continent. Four other countries joined the Schuman Plan—Belgium, the Netherlands, Luxembourg, and Italy—creating an incipient common European economic system. Trade among the six countries expanded, with steel production rising over 40 percent over the next few years. In 1957, the six nations established a formal structure under the European Economic Community (EEC) with the goal of eliminating tariffs and abolishing customs barriers. By 1963, the EEC had emerged as the leading exporter and importer of raw materials and a global powerhouse in steel production. Perhaps most significant, EEC countries collectively boasted a population of 165 million consumers.

Great Britain had pegged international trade initially to the Common-

wealth and their relationship with the United States. However, as Europe prospered, Britain saw its trade and economy as comparatively uncompetitive with the nations of the EEC. In 1961, Britain began talks to join the EEC, but French President Charles de Gaulle vetoed their application for membership in both 1963 and 1967. De Gaulle claimed that “a number of aspects of Britain’s economy, from working practices to agriculture” had “made Britain incompatible with Europe,” and that Britain harbored a “deep-seated hostility” to any pan-European project. In 1973, after de Gaulle had left the stage, Britain’s application was finally approved.<sup>24</sup> Great Britain’s participation in the EEC not only benefited its economy but, as the EEC evolved eventually into the European Union, London served as a kind of portal for the United States into Europe, greatly strengthening the transatlantic relationship in the process.

To meet the needs of the growing economy, Europe welcomed an influx of immigrants. In 1961, the foreign-born population in Great Britain totaled approximately 2.5 million. Belgium and Switzerland had an even higher proportion of immigrants, though most were from other parts of Europe and not from overseas. In France, the number of Algerians who immigrated doubled over the course of the decade to approximately 700,000.<sup>25</sup> Notwithstanding these high levels of immigration, the countries of Europe never relinquished a strong sense of their national identity. Unlike the “melting pot” of the United States, Europeans remained more homogenous and less welcoming to “outsiders.” Issues surrounding immigration have been debated for decades in Europe, but would not reach their apex until 2015.

While Western Europe enjoyed unparalleled economic growth during this period, it also became increasingly ensnared in the nuclear arms race conducted by the United States and the Soviet Union. In 1950, the United States had fewer than 300 nuclear weapons, but by 1962 it had more than 27,000. Although the Soviet Union had nowhere near the capacity of the United States, it rapidly expanded its arsenal of nuclear weapons. The Soviets shocked the world in April 1957 when they successfully tested the first intercontinental ballistic missile, and then five months later, using the same missile, launched the first space satellite, known as Sputnik. Europe, divided into West and East, became the epicenter of a Cold War between the United States and the Soviet Union.

In sum, the decade of the 1950s saw the emergence of Western Europe as a political entity.<sup>26</sup> NATO provided collective military security; the Mar-

shall Plan provided economic stimulus and greater opportunities for trade; and a number of national leaders championed a postwar political commitment to democracy and the rule of law as the best alternative to the repression and ideological rigidity of Soviet-style communism. Western Europe experienced a period of unparalleled growth and prosperity. Germany, remarkably, led the charge, as European economic output climbed 30 to 35 percent higher than it had been before World War II. Inflation barely registered, and employment reached record levels. While the United States and individual countries in Western Europe certainly had disagreements—most notably the Suez Crisis of 1956 in which Britain and France invaded Egypt over the objections of the United States—the transatlantic relationship was generally positive.

### EVOLUTION OF NATO'S MILITARY STRUCTURES

Henry Kissinger describes President John Kennedy as delivering the most “articulate of American principles—a new endeavor,” by which JFK meant, “not a balance of power but a new world of law.” It would be a “grand and global alliance” against “the ‘common enemies of mankind.’” It was, according to Kissinger, “a specific blueprint for global action.”<sup>27</sup> This was especially true in the area of nuclear weapons. However, the Soviet Union had little interest in abandoning balance of power politics for a new world of law. And, while Kennedy and subsequent presidents achieved historic nuclear agreements with the Soviet Union, within Europe, France proved to be an outlier to the global alliance.

General de Gaulle returned to the presidency of France in 1958, two years before Kennedy's election. De Gaulle did not believe a natural alliance existed between the United States, Britain, and France, especially in opposition to the Soviet Union. Instead, he felt that France, along with the rest of Europe, was caught in the middle of superpower ambitions, most clearly evidenced in the nuclear arms race. In the long run, he questioned America's commitment to Europe. Stubborn and arrogant, but more than anything a committed nationalist, de Gaulle believed that France, because of its history, its culture, and its people, should aspire to the status of world power. For this reason, he insisted on a French nuclear deterrent even though it was unpopular, hugely expensive, and of limited military value.

De Gaulle also considered that the nations of Europe, notwithstanding

their ideological differences, had more in common with one another than with either the United States or Russia. Yet, he did not envision European political unity, and initially opposed the Common Market. He saw France as participating both politically and economically in a loose confederation of sovereign states. Interestingly, however, de Gaulle believed that European security and prosperity depended on close cooperation between France and Germany—bitter enemies in two world wars.

In 1959, President de Gaulle ordered that all French naval units be removed from NATO's Mediterranean command. De Gaulle's disengagement of his navy had an insignificant impact since France's presence in the Mediterranean was small, but the French president sent a message that he would repeat over the next several years. Finally, in 1966, de Gaulle refused to integrate France's nuclear deterrent with other North Atlantic powers or to accept any collective form of control over its armed forces. By withdrawing France from the U.S.-led integrated military command, de Gaulle downgraded France's membership in NATO, although the "twenty-year rule" prevented France from completely leaving NATO altogether.<sup>28</sup>

De Gaulle further distanced his country from the United States by ordering the closure of U.S. military bases in France. NATO subsequently moved its headquarters from Rocquencourt, France, to Mons in Belgium. It would be another four decades before President Nicolas Sarkozy, with the support of the French Parliament, returned France to full participation in NATO's military structures.

Until this point, the United States had enjoyed a generally good relationship with the nations of Europe. America was supportive of NATO and of the European Communities,<sup>29</sup> and both had become pillars of the international order. The transatlantic relationship seemed to benefit both sides of the Atlantic: America continued to project power in Europe through NATO, and the EC provided an enormous market for trade. Europeans did not necessarily like having their defense policy largely dictated by the United States—but neither did they have to devote as large a percentage of their GNP to security, leaving them the capacity and flexibility in their budgets to fulfill other needs. France's decision to leave NATO's military structures and de Gaulle's open disdain for the United States represented a low point for the transatlantic relationship. It would take years to repair the damage.

Notwithstanding the tension between France and the United States

during this period, the Soviet Union reminded both the United States and Western Europe on numerous occasions of its commitment to spheres of influence. In 1956, when a student protest in Hungary grew into a national revolution, a large Soviet military force invaded Budapest and other regions of the country. Over 2,500 Hungarians and 700 Soviet troops were killed in the conflict, and 200,000 Hungarians fled as refugees. Five years later, East Germany began construction on the Berlin Wall to prevent its citizens from fleeing to the West. Germany was already divided into two countries, and the wall quickly became the most potent symbol of the Cold War and the divide between the communist Soviet bloc and the Western democratic, capitalist bloc.

In 1968, students in Czechoslovakia rose up to protest authoritarian rule. As Ian Kershaw notes, “the protests blended into growing pressure from wider sections of the population for more democracy and liberalization of the system . . . . Protests [in Czechoslovakia] attracted support across the social and age spectrum, largely prompted by widespread economic discontent.”<sup>30</sup> As the demonstrations grew, the challenge to communist authority came from within the party itself. Moscow feared that if communists in Czechoslovakia were allowed to undertake radical reform, the viability of the entire Warsaw Pact could be undermined. On August 20, 1968, a half million soldiers from five Warsaw Pact countries, supported by 7,500 Soviet tanks and 1,000 planes, began their invasion of Czechoslovakia. The challenge to Soviet domination was quashed.

While the West had based its lexicon on law and values, cognizant of power realities and interest calculations, the Soviet Union, in contrast, established an illiberal order based on the Warsaw Pact and the Comecon (the Soviet counterparts to NATO and the Marshall Plan). Its institutional structures reflected naked power, protected by a secret police to enforce its edicts. Periodically, the Soviets reinforced their rule using military muscle to crush resistance, as during the Hungarian uprising, the Prague spring, and, later, in 1981, the imposition of martial law in Poland.

The two orders coexisted uneasily in the world, most notably in an awkward balance of power between freedom and oppression within the United Nations, which accommodated both liberal values and illiberal participants.<sup>31</sup> Paradoxically, the UN was constructed to make the world safe for democracy (through its references to human rights and political freedoms)



as well as to make the world nonthreatening to authoritarians (through its protection of sovereignty and political independence).

For Western Europe, in particular, the liberal order during the Cold War provided the necessary structural conditions to establish supranational institutions of the EC, as well as to establish democratic governance in countries such as Germany, Italy, Spain, Portugal, and Greece. NATO's Article 5 guarantee—under which an attack against one ally was deemed an attack against all allies—and the presence of U.S. troops in Western Europe took the historical security concerns among the European states off the table.

According to Lord Hastings Lionel Ismay, NATO's first secretary-general, the aim was "to keep the Soviet Union out, the Americans in, and the Germans down."<sup>32</sup> Similarly, European political and economic integration framed the national interest for EC member states, especially for West Germany, from a European-wide perspective.

For the first post–World War II generation, the events in Eastern Europe reinforced the value of the West and the liberal order: NATO, GATT, the EC, and the UN all provided some measure of collective security, economic prosperity, and political inclusion at home. Truman, Eisenhower, Churchill, and Adenauer understood intuitively the need for transatlantic cooperation because their own survival had depended on it. Yet, this general consensus began to fray over time with the next generation of leaders.

### **TRANSATLANTIC TENSIONS**

Beginning in the early 1970s, West Germany, led by Chancellor Willy Brandt, sought a *détente* with East Germany, leading many Atlanticists to fear that the transatlantic ties uniting the West against the Soviet-dominated Eastern European bloc were eroding. Yet, events outside of Europe had a much greater impact on the transatlantic relationship, especially in South Asia, where U.S. foreign policy led to increased tension.<sup>33</sup>

The United States had first become involved in Vietnam a decade earlier, during the administration of President Eisenhower, when Secretary of State Dulles feared that a communist insurgency might lead to a domino effect in South Asia. Dulles envisioned the use of the NATO model to contain communist-controlled North Vietnam, and he sought to employ a Marshall Plan model for the economic and political rehabilitation of democratic

South Vietnam. Eisenhower introduced American military advisers to shore up the democratically elected government of South Vietnam, and by 1968, America's commitment to the Vietnam War peaked when the number of combat troops reached a high of 550,000.

As Henry Kissinger, President Nixon's secretary of state, later described the roots of America's early involvement in Vietnam, "The Marshall Plan and NATO succeeded because a political tradition of government remained in Europe, even if impaired. Economic recovery could restore political vitality. But in much of the underdeveloped world, the political framework was fragile or new, and economic aid led to corruption as frequently as to stability."<sup>34</sup> Kissinger was correct about the political fragility of less developed nations, but for the United States, the war in Vietnam represented the larger struggle against global communism. Over the course of twenty years, the United States became increasingly mired in Southeast Asia, pouring tens of thousands of soldiers and billions of dollars into an unwinnable war. Vietnam represented the apex of postwar balance of power politics and, in many respects, an acknowledgment that much of the Atlantic Charter had failed on a global scale.

The Vietnam War was also deeply unpopular in Europe, and led to a souring of transatlantic relations. France, which predated the United States in conflict with South Vietnam, scorned America's involvement, while the rest of Europe simply viewed the United States as misguided and foolish for wasting its blood and treasure. Not only were there protests against the war in the United States, major demonstrations against the war took place in France, West Germany, Italy, and other parts of Europe.<sup>35</sup> Notably, in contrast to the Korean War, when six European countries participated, none sent troops during the Vietnam War to support the United States.

Other economic and foreign policy issues also roiled the relationship between the United States and Europe. On August 15, 1971, President Richard Nixon, concerned about rising inflation in the United States, announced without warning that he was suspending the gold convertibility of the U.S. dollar. Almost overnight, currencies that had been pegged to the price of gold were subject to sudden and wide fluctuations. Business confidence plummeted.<sup>36</sup> As Ian Kershaw has written, "With that move, the Bretton Woods system—the basis of the postwar economy—was dead."<sup>37</sup> Many European economies were suddenly adrift.

Two years later, in the wake of the Arab-Israeli War, both Europe and

the United States experienced a nearly fourfold rise in the price of oil, leading to a global recession. Germany saw its economic growth dwindle to half of what it had been only years earlier, while France registered zero growth. Britain not only suffered record low growth, it experienced 16 percent inflation.<sup>38</sup> In 1976, Great Britain's sagging economy forced the government to seek a \$3.9 billion loan from the IMF. Then, in 1979, there was another oil crisis, and the price soared to almost \$50 a barrel. According to Kershaw, "The crisis marked the end of the optimism that had characterized the previous two decades."<sup>39</sup> It also exposed another fissure in the transatlantic relationship. The United States continued to maintain its close relationship with Israel, the Middle East's only democracy, while the EC showed increasing sympathy for the plight of the Palestinians.

Perceived American adventurism in Vietnam had left many in Europe with a dim view of the United States. Anti-Americanism was further fueled by NATO's decision to install intermediate nuclear weapons in Western Europe. By this point, Europe, theoretically, had the manpower and resources to defend itself and feared the United States might somehow involve it in a conflict with the Soviet Union. At the same time, Europe was far from united and still dependent on the United States' defense umbrella. Instead of resolving their differences, the United States and Europe coexisted in what was now an uneasy alliance, with tension over a number of issues bubbling just below the surface.

While the 1970s was a decade marked by both military and economic difficulties and disagreements in the transatlantic relationship, there were also positive developments related to both the prospect of European unity and to the future of transatlantic relations. In a speech titled the "Year of Europe," Kissinger noted that the United States and its Western European allies at that time—a period of heightened political integration in Europe with the European Political Cooperation process in 1970 and West Germany's *Ostpolitik* outreach to the Soviet Union—had entered a period of strategic "drift": no longer bound by the unity imposed by necessity in the aftermath of World War II and without a renewed sense of purpose for new common challenges and threats. This "dramatic transformation of the psychological climate in the West" required "a new era of creativity," argued Kissinger. Otherwise, the Atlantic partnership would "atrophy" or "erode through neglect, carelessness or mistrust." Kissinger emphasized that the "United States will continue to support the unification of Europe," but that

“European unity is what it has always been—not an end in itself but a means to the strengthening of the West.” Most importantly, he observed that “the perception of common interests is not automatic; it requires constant redefinition.”

Having just extricated the United States from the Vietnam War in January 1973, the Nixon administration sought a renewal of the transatlantic alliance. But the Watergate scandal derailed President Nixon’s fledgling attempt to strengthen the alliance. The following year, Nixon resigned under threat of impeachment. Yet, even during these turbulent times, both Europe and America developed the concept of multilateral transatlantic summits, beginning in 1973 with four finance ministers and culminating in 1975, during the Gerald Ford administration, with the G7—the United States, West Germany, the United Kingdom, France, Italy, Japan, and Canada. The United States also began regular consultations with the European Communities starting in 1974. The Helsinki Final Act of 1975, brokered with the Soviet Union, in part codified the balance of power in Europe, and, in part, opened the possibility for the liberal order’s expansion in 1989, with its references to democracy and human rights.

Other positive developments in Europe expanded prospects for the liberal order. In 1973, the military dictatorship in Greece was overthrown; one year later, the Portuguese dictatorship was defeated; and in 1976, after the death of Francisco Franco in 1975, Spain celebrated its first democratically elected government in over forty years.<sup>40</sup> These events led to several major changes during the 1980s among the countries of the EC that were to have a lasting impact.

Having been composed solely of the industrialized countries of northern Europe for many years, with the UK, Ireland, and Denmark joining in 1973, the EC opened its doors to the emerging democracies of southern Europe, with the accession of Greece in 1981 and Spain and Portugal in 1986. While creating political stability and economic development in Europe’s Mediterranean region, there remained significant economic and social obstacles impeding the integration of these mainly agricultural countries into the highly industrialized EC.

Indeed, the economic disparity between northern and southern Europe highlighted the need for a common regional policy, but achieving greater integration was difficult due to a global economic downturn. During the 1980s, European unemployment reached levels that had not been seen

since the Great Depression. The annual unemployment rate in the EC rose sharply in 1981, and continued rising until 1985. Protracted negotiations and lengthy transitional periods would prove necessary for the successful integration of the new member states.

In February 1986, the EC adopted the Single European Act (SEA), which set out an objective of establishing a single market by December 31, 1992. This phase of European integration included the establishment of a regional identity without internal borders. The implementation of a new migration paradigm had not only economic implications but social and political ones as well. Moreover, while previously the relatively small number of nations in the EC allowed for a relatively uncomplicated decisionmaking process—as, for example, on the creation of a common market, a common agricultural policy, and various European funds—that changed after the mid-1980s. As the EC grew larger and more complex, internal debates became more contentious, with increasingly clear contrasts between supporters and opponents of the European project.

For the second generation of policymakers after 1945, the enduring truth of transatlantic cooperation was less obvious, as there was clear disagreement over issues such as Vietnam or détente, and the global economic environment was more contentious. European leaders focused on internal economic and political integration, and Nixon's overtures to renew the West had limited impact. The main geopolitical activity occurred in places other than within the West: rapprochement with the Soviet Union, opening of diplomatic relations with China, and conflict in the Middle East. At the same time, NATO persisted; the EC expanded its membership and deepened its authority; and the G7 began to emerge as a focal point for regular consultation within the core of the liberal order, which now included Japan.

### **FALL OF COMMUNISM**

A seminal year for advancing the liberal order was 1989. While autocrats in China crushed a fledgling pro-democracy movement at Tiananmen Square in June 1989, Polish democrats half a world away cast their ballots in the first free elections in Central and Eastern Europe since 1945. By the end of the year, Communist authoritarianism crumbled when the Berlin Wall fell.

Talks surrounding reunification of East and West Germany soon followed. While some in Europe worried that a united Germany could mean

a resurgence of German nationalism and dominance over Europe, the democracies of Europe in 1989 were much stronger and much closer to one another than they had been in the 1930s. Most European leaders hailed the possibility of German reunification as signaling the beginning of a new democratic era rooted in the free flow of capital, goods, and people.

Members of President George H. W. Bush's administration also supported German reunification, and discussed the role the United States should play in the process.<sup>41</sup> One possibility was to simply let the two Germans determine the process themselves, understanding that, due to agreements at the end of World War II, the Soviet Union, Britain, and France would also continue to have input into Germany's future. Second, administration officials considered allowing the thirty-five members of the Conference on Security and Cooperation in Europe to hammer out the details. However, this plan was not widely supported because of the likelihood that the process would bog down due to input from so many countries. A third suggestion was a framework that became known as "Two-plus-Four," which contemplated resolution by the two German states and the four World War II victorious powers, including the United States.

On December 4, 1989, President Bush visited NATO headquarters in Brussels and, during a press conference, made what was to become the definitive statement on German reunification. He declared that the German people should decide the future of Germany, and that a unified Germany should be free to choose its alliances.

In February 1990, the Two-plus-Four approach was formally approved. East and West Germany dealt with the internal details while the four victors of World War II worked with the two Germans on external issues. The talks began in May and finally concluded in September 1990. An American team of negotiators headed by Secretary of State James Baker represented the United States. The principal controversy surrounding reunification was whether a united Germany would be part of NATO. The Soviets initially opposed the proposition, preferring it to be part of the Warsaw Pact or exist as a neutral, nonaligned country. In the end, the Bush administration helped broker a compromise: Germany would be part of NATO but no NATO troops would be stationed in East Germany. In addition, Soviet troops would have three to four years to withdraw from East Germany, and Germany agreed to provide economic assistance to the Soviet Union. In part, the subsequent Russian narrative included the argument that Western

leaders promised Gorbachev that NATO would not expand further east beyond East Germany. However, there was no written or binding commitment to this effect by the alliance or from individual Western leaders. There may have been sporadic oral statements suggesting as much as part of the overall aspirational debate about the post-1989 European order,<sup>42</sup> but such foundational issues would have required codification, such as the subsequent NATO-Russia Founding Act of 1997, to signify real obligations.

By refusing to declare victory over the Soviet Union, both President Bush and Secretary Baker avoided a backlash from hardliners in Eastern Europe. Bush and Baker had not wanted to jeopardize future negotiations with the Soviet Union, and, indeed, in the same month the two Germanys reunited, President Bush attended a summit with Soviet President Gorbachev in Malta, where the two leaders discussed arms reductions and strengthening their relations. At a summit in Washington, DC, six months later, Bush and Gorbachev signed a broad arms reduction agreement in which the United States and Soviet Union consented to decreasing their nuclear arsenals.

As the year ended, Brent Scowcroft, President George Bush's national security advisor, offered an optimistic view of opportunities for the liberal order: "When those creators of the 1940's and 1950's rested, they had done much. We now have unprecedented opportunities to do more, to pick up the task where they left off, while doing what must be done to protect a handsome inheritance."<sup>43</sup> Scowcroft specifically envisioned a Europe that was free, democratic, and prosperous—and closely aligned with the United States.

Given the cooperation of the Soviet Union on arms control and the reunification of Germany, President Bush sensed a broader opening for renewal of the transatlantic relationship that had been slowly eroding over the previous twenty years. In 1990, at a summit meeting of the Commission on Security and Cooperation in Europe (CSCE) in Paris, President Bush, Prime Minister Giulio Andreotti of Italy, and European Commission President Jacques Delors, signed the Transatlantic Declaration. The Declaration established a framework for transatlantic discussions with language that in many respects echoed the aspirations of the Atlantic Charter nearly fifty years earlier.

The Declaration set out six common goals and described four general areas of cooperation. Perhaps most important, the Declaration con-

tained a broad and ambitious commitment to align the United States and Europe: "To achieve their common goals, the European Community and its Member States and the United States of America will inform and consult each other on important matters of common interest, both political and economic, with a view to bringing their positions as close as possible, without prejudice to their respective independence. In appropriate international bodies, in particular, they will seek close cooperation."<sup>44</sup>

Though nonbinding, the Transatlantic Declaration marked an important renewal of transatlantic relations. However, the Declaration was overshadowed by events the following year in the Soviet Union.

In August 1991, Soviet President Gorbachev's opponents attempted a coup to oust him from power. Although the coup failed and Gorbachev retained his position, the Soviet Union was in evident decline. There were many contributing factors. Economic stagnation had hobbled the country for years, and the "perestroika" initiated by Gorbachev's reforms only exacerbated the problem. Mismanagement of fiscal policy made the country vulnerable to external factors; a significant decline in the price of oil plunged the Soviet economy into debt; and the government supported increases in wages by printing money, fueling an inflationary spiral. Meanwhile, Soviet military spending continued to rise, ranging between 10 and 20 percent of GDP.

In addition to budgetary matters, the decade-long war in Afghanistan was a key military factor in the breakup of the USSR. As many as a million Soviet troops participated in the ten-year occupation, and approximately 15,000 soldiers were killed, with thousands more wounded. Finally, the Soviet public was fed up with the widespread corruption endemic to the Soviet state, tired of its inefficiency and ineffectiveness, and tired of being lied to.

Throughout the fall of 1991, the Soviet Republics began to declare their independence from the Soviet Union, and in December, Russia, Ukraine, and Belarus announced a new confederation, having signed the Alma-Ata Protocol formally establishing the Commonwealth of Independent States (CIS).

On Christmas Day 1991, President Gorbachev called President Bush to tell him that he was resigning; the Soviet flag flew over the Kremlin for the last time the following day. While the Soviet Union disintegrated, Russia remained a military power, albeit devoid of its empire and hobbled by a lack of confidence for the future. It marked the beginning of a decade described by *Washington Post* columnist David Ignatius this way: "The Russians re-



member that time as a great national humiliation.” According to Ignatius, “They talk about Boris Yeltsin,” the buffoonish, former mayor of Moscow, who succeeded Gorbachev, “as a shameful symbol of their country’s pathetic, drunken, feeble state at the time.”<sup>45</sup>

For the most part, the end of the Soviet Union and disintegration of the Soviet bloc in Eastern Europe did not alter existing geographic borders as had happened after both world wars. However, the Baltic States, which Stalin’s army had occupied in 1940, proved the exception and applied for membership of NATO and the EU. Estonia, Latvia, and Lithuania all became NATO members in March 2004, and joined the European Union in May 2004. To date, they remain the only former Soviet states to have joined either organization.

After the fall of communism in 1989 and the dissolution of the Soviet Union in 1991, the liberal order began to enlarge rapidly. Institutions on both sides of the transatlantic alliance recognized the utility of laying out general organizing principles to guide the expansion. NATO’s periodic strategic concepts, European strategies, and U.S. national security strategies consistently focused on the importance of democracy, human rights, and market economy around the world. In short, the hopes of 1945 were validated by subsequent decades of historical experience, notwithstanding occasional setbacks and a number of contentious disagreements along the way. The fundamental commitment on both sides of the Atlantic to each other’s security, prosperity, and political inclusion remained steadfast and grew stronger over time, with the prospect of expansion of the liberal order to other parts of the world.

### **LIBERAL ORDER AFTER THE COLD WAR**

The Revolutions of 1989 in Germany and Eastern Europe, combined with the 1991 breakup of the USSR marked the end of the Cold War. However, it also removed the original rationale—the Soviet threat—for the Atlantic Alliance, and many feared that NATO would wither on the vine.

Just a few months after the collapse of the Soviet Union, on February 7, 1992, representatives of the EC convened in Maastricht, the Netherlands, and signed the treaty establishing the European Union. The treaty led to the creation of the single European currency, the euro, and greatly expanded the capacity, expertise, and power of the EC.

Perhaps the most significant change as a result of the collapse of the Cold War was what J. Bryan Hehir has called “the relativization of nuclear weapons.” While both the United States and Russia retained large nuclear arsenals, Hehir claimed that “the possibility of a massive nuclear exchange” had been “radically reduced.”<sup>46</sup>

Without the specter of the Soviet Union to confront, the question of NATO’s future became a hotly debated question in both Washington and the capitals of Europe. Not surprisingly, defense spending within NATO during this period decreased as member states focused on building up their national economies. At the same time, a number of newly independent nations in Europe sought membership in NATO. The transatlantic military alliance would expand, but it had yet to be seriously tested.

In the United States, at the dawn of the new order, the administration of George H. W. Bush produced a final national security strategy that noted “an extraordinary possibility that few generations have enjoyed—to build a new international system in accordance with our own values and ideals, as old patterns and certainties crumble around us.”<sup>47</sup> It observed that “democracy was gaining ground as were the principles of human rights and political and economic freedom.”<sup>48</sup> And it determined that the interests of the United States “are best served in a world in which democracy and its ideals are widespread and secure.”<sup>49</sup>

William Clinton defeated President Bush in November 1992. Though he served only one term in the presidency, George H. W. Bush had significantly reinvigorated the transatlantic relationship. As it turned out, the “inheritance” Scowcroft had predicted was far greater than he or anyone else had could have imagined. Few among President Bush’s advisers had believed a unified Germany could be realized in less than a year. Even more surprising was that a united Germany became a member of NATO. And, to top it off, the Soviet Union and the Warsaw Pact had been dissolved, yet relations between the United States and Russia appeared stable with constructive dialogue. U.S. strategy shifted from containment of the Soviet bloc to enlargement of the liberal order.<sup>50</sup>

President Clinton and his administration elevated democracy promotion as one of the three pillars of U.S. national security strategy, noting that “all of America’s strategic interests—from promoting prosperity at home to checking global threats abroad before they threaten our territory—are served by enlarging the community of democratic and free market na-

tions.”<sup>51</sup> It even set out as a long-term goal “a world in which each of the major powers [including Russia and China] is democratic, with many other nations joining the community of market democracies as well.”<sup>52</sup>

However, President Clinton faced a significant international crisis during his first term when Yugoslavia broke apart. Border disputes and ethnic conflicts in the Balkans disrupted a tenuous peace among the six former republics of Yugoslavia. When Bosnia proclaimed its independence from Yugoslavia in 1992 after a national referendum, its Serbian population, led by Radovan Karadzic and backed by Slobodan Milosevic, a Serbian nationalist and former president of Yugoslavia, resisted and threatened bloodshed. The Luxembourg foreign minister Jacques Poos declared: “This is the hour of Europe—not the hour of the Americans. . . . If one problem can be solved by the Europeans, it is the Yugoslav problem. This is a European country and it is not up to the Americans. It is not up to anyone else.”<sup>53</sup>

The Serbs wished to create a nation only for Serbians, and Milosevic deliberately created conflict between Serbians, Croatians, and Muslim Bosniaks (the three main ethnic groups in the region). Only days after members of the EC and the United States recognized Bosnia’s independence, Serbian forces launched an offensive, bombing Bosnia’s capital, Sarajevo. The region was suddenly mired in an ugly war, described by Kissinger as the reenactment of “century-old bloodlusts.”<sup>54</sup> More than 150,000 combatants and civilians were killed during the decade-long conflict.

The Balkans conflict exposed important differences not only within Europe but between the United States and Europe as well. In essence, the post–Cold War relevance of NATO was being tested. Europeans were deeply divided within the twelve-member European Union. While Germany, Austria, and Italy pleaded for a confederation of sovereign states, France and Great Britain favored Milosevic’s approach of a reconfigured federation (even if they did not approve of his highly centralized perspectives). While EU members dithered, failing to agree on a model of Balkan cohesion, the bloodshed and killing continued. The United States played a critical role when it spearheaded NATO’s interventions in the Balkan War and succeeded in bringing the various factions to the negotiating table.<sup>55</sup>

At the same time, a number of newly independent nations in Europe sought membership in NATO. According to Celeste Wallender, “thanks to the internal cohesion created by its democratic values, and the incentives its standards created for aspiring new members, the alliance defied predic-

tions.”<sup>56</sup> Instead of becoming a relic of the Cold War, NATO reinvented itself, maintaining its status as a pillar of transatlantic security.

By safeguarding democratic gains in Europe, the United States added to the allure of the Western model predicated on human rights, free speech, and free trade. Lurking beneath America’s success, however, was what Scowcroft and another former respected national security advisor, Zbigniew Brzezinski, referred to as the hubris associated with Francis Fukuyama’s argument about “the end of history.”<sup>57</sup> Brzezinski explained that the United States had adopted the view that “we could sit back and enjoy this new imperial status . . . The arrogance was we thought that we could now define the rules of the game in an international system that was still somewhat interdependent, in spite of our overwhelming power, and that these new rules would permit us to decide when to start wars, how to start wars, how to pre-empt wars and prevent them.”<sup>58</sup> The “arrogance” described by Brzezinski would have a profound impact on the transatlantic relationship.

But hubris and overconfidence were not limited to the United States. French President Jacques Chirac told Polish foreign minister Bronislaw Geremek that Poland had to choose between Europe and America, EU or NATO: “whether Poland wanted to be part of Europe or be ‘the 51st state.’”<sup>59</sup>

Ultimately, however, most Europeans viewed both NATO and the EU as integral to the wider liberal order. As two observers have written: Europeans “expected their model would spread naturally, whether through the enlargement of NATO, the extension of EU ties to states on the union’s periphery, or the ascent of global institutions that enshrined European norms.”<sup>60</sup> During the 1990s, the EU and NATO continued to add members; Sweden, Austria, and Finland joined the EU in 1995, and the Czech Republic, Hungary, and Poland joined NATO in 1999. In just one year, 2004, ten countries of Central and Eastern Europe joined the EU.

Indeed, there was enormous optimism among the leaders of Europe in 1999 when the European Union adopted the euro as the single currency for its members. There had been concern that a monetary union would mean countries forfeited the ability to devalue their currencies, thereby depriving them of a tool to improve their country’s trade balance by increasing exports at a time when the trade deficit might have become a problem. But supporters of the single currency successfully argued that financial crises could be avoided through adherence to the Maastricht rules designed to

prevent countries from accumulating too much debt. They would turn out to be terribly mistaken.

The European Union completed the transition to the euro as the single currency for its members. It was, in many respects, the capstone to the vision of European federalism, with politicians and economists alike predicting growth due to increased efficiency, and less inequality among member states. Trust in the institutions of the European Union was higher in many countries than trust in national political institutions.

However, the single currency failed to deliver the economic miracle many had hoped for. While the single currency facilitated travel and trade, each country maintained its own fiscal policy, and the budgets and economic models of each country varied greatly. This led to significant economic imbalances within the EU. In fact, only Germany significantly prospered during the ensuing decade. Most of Europe stagnated, and countries such as Greece, Spain, and Italy—countries that had accumulated extensive public and private debt—experienced credit squeezes leading to high unemployment and a reduction in state social services. The disparity of national wealth and economic prosperity led to a high degree of consternation within the EU and significant friction among member states.

Europe's malaise was exacerbated in 2000 when George W. Bush, son of the forty-first president, was elected president of the United States. While European leaders had admired and respected his father, almost immediately the forty-third American president got off on the wrong foot with U.S. allies in Europe. In June 2001, President Bush, notwithstanding intense lobbying by German Chancellor Gerhard Schröder, withdrew the United States from the 1997 Kyoto Protocol to control greenhouse gas emissions. Europeans considered the protocol an important step in combatting climate change, and given that the United States was at the time the largest emitter of greenhouse gases, Bush's decision felt like a betrayal. It was only the beginning.

The 1990s represented the golden age for the West: internal confidence, external enlargement, and a sense of convergence around a common vision for global success. Norms and institutions of the liberal order, many of which had sprung from the Atlantic Charter, had taken root and expanded around the world. The United Nations appeared to resume centrality in international politics and was the premier forum for questions of international peace and security, as well as crisis management. The General Agree-

ment on Trade and Tariffs transformed into the World Trade Organization in 1995, and opened accession negotiations with China and Russia. Economic liberalization was not only intended to promote global prosperity but also political liberalization. In 1997, the G7 invited Russia to join its club. And in 1999, finance ministers of the top twenty economies began meeting in the G20 format, on the model of the G7 established more than a generation earlier.

The West was partly a victim of its own success, as it was less clear what, if anything, united the transatlantic allies in contrast to the rest of the international community. Soon, the whole world stood as one with the United States in the aftermath of the worst terrorist attack ever carried out on American soil.

### WAR ON TERROR

On September 12, 2001, the day after Middle East terrorists flew passenger airplanes into the World Trade Center towers in New York City and into the Pentagon in Washington, DC, President Bush declared to the world: “Make no mistake—the United States will hunt down and punish those responsible for these cowardly acts.” In Berlin, 200,000 Germans marched to show their solidarity with America. German Chancellor Schröder described the attacks as “a declaration of war against the entire civilized world,” and the European Union immediately pledged its full support to the United States. The attack strengthened the transatlantic relationship, but also highlighted a new phenomenon: the globalization of insecurity.

The sheer scale of the devastation on 9/11—more than 3,000 innocent Americans lost their lives—convinced Europeans of the risk of terrorism at home. It also quickly became a test for institutions of the liberal order. NATO had originally been created to provide common defense for the United States and Western Europe in the face of Soviet aggression. But soon after the September 11 attacks, a meeting of NATO ministers invoked Article 5 to defend against a new threat. For the first time in NATO’s history, the countries of Europe would assist the United States in fighting terrorists far away from either the United States or Europe. NATO Secretary-General George Robertson declared: “These barbaric acts constitute intolerable aggression against democracy and underlie the need for the international community and the members of the alliance to unite their forces in fighting

the scourge of terrorism.” In addition to invoking Article 5, the United States and the European Union drafted a UN declaration condemning in strongest terms the attacks upon the United States. On September 13, the UN Security Council passed Resolution 1368, condemning the attacks and authorizing all necessary steps to respond to them and to combat all forms of terrorism.

The United States and Europeans also signed numerous agreements to enhance cooperation in combatting terrorist activities, including the sharing of information pertaining to threat assessments. Europol headquarters hosted liaison officers from several U.S. law enforcement agencies, including US Customs and Border Protection, the FBI, ICE, the New York Police Department, and the Transportation Security Administration.

President George W. Bush demanded that the Taliban hand over Osama bin Laden and expel al-Qaeda from Afghanistan. When the Taliban declined to deliver bin Laden and ignored demands to shut down terrorist bases, the United States, supported by the United Kingdom, retaliated by launching operation “Enduring Freedom.” A coalition of forty countries, including all the members of NATO, provided troops, war materiel, or logistical support for the war in Afghanistan. Within days, the United States and its allies drove the Taliban from power and began constructing military bases near major cities across the country.

The increased pressure on European jihadist networks and the participation of European states in the military campaign in Afghanistan angered the jihadists, who decided to retaliate and set their sights on Europe. Al-Qaeda, in particular, recruited European foreign fighters in the Middle East to return to the continent, form terrorist cells, and plan attacks. The 2004 Madrid bombings and the 2005 London attacks, which killed 191 and fifty-two people, respectively, were bitter fruits of this strategy.

President George W. Bush, unlike his father, had very little experience in international relations. He began his presidency by emphasizing the defense and expansion of the liberal order, noting that: “the great struggles of the twentieth century between liberty and totalitarianism ended with a decisive victory for the forces of freedom—and a single sustainable model for national success: freedom, democracy, and free enterprise.”<sup>61</sup> He recognized the “balance of power” struggle, but maintained that it favored “human freedom: conditions in which all nations and all societies can choose for themselves the rewards and challenges of political and economic liberty.”<sup>62</sup>

Notwithstanding Bush's soaring rhetoric and the outpouring of support for the United States in the wake of 9/11, he proved to be a difficult and unreliable ally for many Europeans. The most significant disagreement between the United States and its European allies occurred in September 2002 when President Bush argued before world leaders at the United Nations that Iraq threatened global security by stockpiling weapons of mass destruction. Five months later, Secretary of State Colin Powell amplified the president's case when he appeared at the United Nations to provide evidence—which turned out to be false—of Iraq's weapons of mass destruction. Assured of the case for military preemption, President Bush, Vice President Dick Cheney, and Secretary Powell sought to form a coalition force to topple Saddam Hussein.

Within the European Union, only British Prime Minister Tony Blair made the case for regime change in Iraq. Indeed, NATO was far from unified on the matter, with France and Germany ultimately among the most vociferous critics of the U.S. invasion.<sup>63</sup> At the Munich Security Conference, German foreign minister Joschka Fischer confronted U.S. Secretary of Defense Donald Rumsfeld, saying, "My generation learned you must make the case, and excuse me, I am not convinced."<sup>64</sup> French President Chirac scolded Central European countries that supported the U.S. position for "miss[ing] a good opportunity to keep quiet."<sup>65</sup> As historian John Lewis Gaddis wrote at the time, "the rush to war in Iraq, in the absence of a 'first shot' or 'smoking gun' [created] a growing sense throughout the world [that] there could be nothing worse than American hegemony if it was to be used in these ways."<sup>66</sup>

Europeans also began to question NATO's role in the war against Afghanistan's Taliban as well as the coalition's treatment of prisoners, deemed "terrorists" and exemplified by the U.S. Guantanamo Bay prison in Cuba. The "inheritance" Brent Scowcroft described in 1989—America's role as a benign and moral superpower, along with the world's goodwill in the aftermath of 9/11—had been squandered by the arrogance and prevarication of the George W. Bush administration. It marked a nadir in U.S.-European relations and once again called into question both the purpose and continued viability of NATO, not to mention the transatlantic alliance itself.

Nonetheless, the EU's 2003 Security Strategy—its first—proclaimed triumphantly that "Europe has never been so prosperous, so secure nor so free," with the EU's creation as "central to this development" and the



United States playing a “critical role in European integration and European security, in particular through NATO.”<sup>67</sup> It argued that the EU’s “security and prosperity” depended on an “effective multilateral system,”<sup>68</sup> and set out as the EU’s strategic objective the “development of a stronger international society, well functioning international institutions and a rule-based international order.”<sup>69</sup> During this period, the European Union doubled in membership and geographic size. Alongside EU enlargement, NATO expanded and considered (albeit briefly) the possibility of including Russia as a potential member.

While the 1990s represented the golden age for the West (internal confidence, external enlargement, and a sense of convergence around a common vision for global success),<sup>70</sup> the following decade was less optimistic, dominated by the war against terrorism. Yet, nations continued to embrace the Western model for global success. Indeed, six days after 9/11, the WTO successfully concluded negotiations with China for its entry three months later; Russia also eventually entered the WTO, in August 2012. During these two decades, the number of democracies around the world nearly doubled, and freedom was on the rise. Peace among the great powers continued and was intended to facilitate integration of China, Russia, and other states into the liberal order by adopting the same model of democracy, human rights, rule of law, and market economy.

But not everyone viewed the liberal order’s expansion as a good development, perceiving it, instead, as a fig leaf for U.S. hegemony. In 2007, President Vladimir Putin criticized what he perceived as a “unipolar world,” where there is “one centre of authority, one centre of force, one centre of decision-making.” He argued that “one state and, of course, first and foremost the United States, has overstepped its national borders in every way.”<sup>71</sup>

In April 2008, NATO announced that Ukraine and Georgia “will become members” of NATO, without specifying the exact timeline or process.<sup>72</sup> For Putin, these prospective plans, however distant, proved to be an unacceptable overreach. He told the NATO secretary-general that the alliance had crossed Russia’s “red lines.”<sup>73</sup> Four months later, Russia enforced its red line by invading Georgia and occupying two of its provinces, South Ossetia and Abkhazia—its first large-scale military intervention since Afghanistan in 1979. The twenty-year interlude post-1989 had come to an end. Within six years, Russia would also invade Ukraine.

Although the conflict with Georgia lasted less than two weeks, the

Kremlin threatened to seize Tbilisi and hang Georgian president Mikheil Saakashvili “by the balls.”<sup>74</sup> French president Nicolas Sarkozy mediated between the two sides and brokered a cease-fire that enabled Russia to preserve its gains in the breakaway provinces of South Ossetia and Abkhazia. The George W. Bush administration extended a \$1 billion aid package to Georgia and dispatched several high-level officials as a show of support. But very quickly, the West’s attention became absorbed by the global financial crisis, which replaced the sense of confidence and success that had permeated the spirit of 1989 with a new sense of fear and anxiety.