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**Crisis in transatlantic relations: what future will we choose?**

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**Celebrating NATO's 70<sup>th</sup> Anniversary**

Danish Atlantic Council

Thank you! It's a pleasure to be back in Denmark, one of NATO's most committed allies. I thank the Danish Atlantic Council for inviting me to participate in this celebration, and the US Embassy for its sponsorship.

Over the course of this year of celebrating NATO's 70<sup>th</sup> anniversary, I've reflected on the somewhat scary fact that I've been working on European security issues for 50 of those 70 years. And I don't plan to stop anytime soon.

Today, I'll discuss the internal and external challenges facing the alliance and the West more broadly, including a few historical reflections.

I then will suggest three possible futures for the alliance and its key institutions.

First, I want to make it clear where I'm coming from.

- I support liberal democracy as the best, albeit not perfect, political system for our countries.
- My outlook on how to defend the West is influenced as much by this ideological bias as it is by the need for governments to defend against physical threats.
- Finally, in my years of working on transatlantic relations I've analyzed and written about many "crises."
- It's my judgment that the crisis currently facing the West is the most dangerous of any seen in the past seven decades.

Some earlier crises appeared, at the time, to threaten the future of the transatlantic bargain struck between the United States and its European allies in 1949.

And yet, every time the clock has struck midnight at the end of each crisis, Western democracies have decided that cooperation in a transatlantic framework remained in their best interests.

No ally has left NATO.

Until Brexit, no member state has decided to leave the European Union.

Of course, "the West" is more than the transatlantic alliance

When the term is defined broadly, it certainly includes Eastern democracies such as Japan, South Korea, Australia and New Zealand.

Ultimately, however, the members of NATO and the European Union represent the heart of what we call "the West."

The well-being of the transatlantic relationship is the critical key to the survival of the West.

Not all members of this core group have always met the high standards set in the North Atlantic Treaty, or by the guiding principles of the European Union.

But Western nations aspire to and judge themselves against the goal of governing with systems that honor individual liberty, electoral democracy, human rights and the rule of law.

Principled American leadership for 70 years has been the main sustenance for the transatlantic relationship.

The current crisis did not start with Donald Trump, even though he certainly has brought it to a head.

From an historical point of view, the crisis has its roots in NATO's formative years.

The distribution of costs and benefits of the alliance has always been an issue.

Commentators and even politicians sometimes forget that popular support for leaders of democratic states depends on the leaders' ability to deliver the necessary level of security at a price deemed reasonable by the voters.

Each member of the alliance therefore tries to ensure the level of security desired by its citizens at the lowest possible cost.

The value placed on defense, and willingness to devote scarce resources to it, varies between countries, depending on contemporary threat perceptions, economic conditions, and other factors.

Consequently, the transatlantic alliance will be perpetually plagued by a "burdensharing" problem.

That reality will require constant negotiations and adjustments of the burdens to find a balance of costs and benefits acceptable to all nations that benefit from the system.

But, as President Macron argued to President Trump in London, the alliance is not just about defense spending.

Both presidents, perhaps, should be reminded that Russia remains a threat, not just a military one but also one that is targeting our democracies.

Today, the transatlantic alliance is in crisis not just because of burdensharing, but perhaps more importantly because the value foundation of the alliance is under attack and has been eroding.

Democracies can be slow to adapt to changing realities and to reform themselves.

If a political system – like the democratic ones of the United States and its European allies – is built on a solid constitutional foundation, major changes need to be considered seriously and tested before public opinion.

That said, democracies that do not deal effectively with the concerns of the populace are vulnerable to pressure from fear-based populist appeals.

Such pressures have troubled most of the transatlantic democracies in recent years.

Those pressures have been aided and abetted by politicians seeking to build their power through playing on popular fears and making promises of strong leadership to respond to those fears.

At the same time, states with undemocratic political systems are increasingly taking advantage of the openness of liberal democracies to undermine the democratic systems that they see as threats to their more centralized and controlling regimes.

If I were a European who believes in Western values, I'd be worried – very worried, at least as worried as this American is.

Meanwhile, the American guarantee of European security has, under President Trump, become very uncertain.

Mutual trust among leaders of alliance nations is at an all-time low.

The London meeting did little to reassure us.

And, the threat from Russia has become even more intrusive.

Russia's Putin is getting a helping hand from our president as well as from radical right populist politicians here in Europe.

At this point, let me reflect on something from NATO's history.

In December 1953, President Eisenhower's Secretary of State, John Foster Dulles, threatened his fellow foreign ministers at a NATO meeting in Paris with an "agonizing reappraisal" of the US commitment to European defense.

Dulles brought to Paris the austerity concerns of the Eisenhower administration.

He insisted that the Europeans follow through on their pledge to improve their contributions to transatlantic defense by establishing a European Defense Community (EDC).

This was the first and, until the election of Donald Trump, the last time that an American government threatened to abandon its NATO commitments.

The question now is whether the Trump threat will fundamentally alter transatlantic relationships.

How seriously has trust in US leadership been damaged?

Will future US administrations be able to regain that trust?

Do Europeans still want or need an American partner?

If so, what might they do to ensure continued American contributions to their security?

That's my summary view of internal threats to the alliance.

Now, I'll say a few words about the external threats.

In the year of NATO's 70<sup>th</sup> anniversary, we find ourselves in a unique threat environment.

Russia, led by former KGB officer Vladimir Putin, for several years now has actively sought to undermine Western unity while pursuing its own geo-strategic goals.

Putin blames the West for the new confrontation, arguing that the enlargement of both NATO and the European Union threatens Russian security.

Some in the West accept this argument.

Putin, however, clearly knows that the consensus-based nature of NATO means it is very unlikely to decide to attack Russia.

What Putin fears most is that the Western model of free, rules-based societies and governments, might take popular root in Russia, threatening his authoritarian rule.

And Russia's strategy is to play on existing divisions among the NATO allies and to create new ones.

In my judgment, President Putin believes that, if the United States retreats from Europe, Europeans will not choose to replace American power with comparable European power.

Putin has constructed a convincing military threat facing the West; he's mixed it with energy dependence, and with clandestine as well as overt political manipulation, all wrapped up in the comforting cocoon of a peace campaign.

Putin offers complacent Europeans and Americans peace and stability under the Putin model of society and governance, to replace the Western model based on individual liberty, democracy, human rights, tolerance and the rule of law.

Ironically, another external threat is also aimed at destabilizing the Western system.

The strategic goal of the terrorists committed to the Islamic State, and similar groups, is to undermine faith in Western democracy.

The Islamic State has used its aggressions in the Middle East and North Africa to produce a flow of refugees to Europe seeking safety and a better future.

This, along with terrorist attacks on Western targets, destabilizes the West and disrupts European and transatlantic unity, thus advancing the Islamic State's objectives.

Now, another new element has come into the frame.

For many years, the United States has focused on the growing challenges posed by a Chinese regime whose growing economic and financial strength are managed in a political system that is the antithesis of the system that defines the West.

It is the system whose imposition the pro-democracy demonstrators in Hong Kong have been protesting.

Today, President Xi Jinping's Belt and Road Initiative has become a potent vehicle for spreading Chinese power and influence around the globe, including in Denmark's Arctic backyard.

Perhaps for the first time in recent history, Europeans are looking at China as something more than a trading partner, and increasingly as an expansionist power, relying, at least for now, primarily on its financial and economic strength for its conquests.

The combination of external and internal threats that I have just discussed will not likely disappear any time soon.

They will present continuing challenges to the survival of both liberal democracy and the transatlantic alliance.

Most NATO and EU member states will likely want to protect themselves against such threats. But whether and how they will do so remains an open question.

### **Future Scenarios**

Against this backdrop, I suggest that there are three broad possibilities for the future of the transatlantic alliance.

I've constructed them simply to stimulate thought, not to predict or advocate.

My basic assumption is that a healthy, functioning transatlantic relationship is "a good thing."

All three of my scenarios assume that:

1. Russia continues to pose political and military challenges while its economy weakens.
2. The threat of terrorist attacks will persist;
3. There will be growing concern about Chinese power mixed with opportunistic cooperative deals; and
4. I don't like it, but I also assume that the UK will leave the EU.

That said, I have not very creatively called my three broad scenarios:

1. Substantial continuity
2. Radical positive change
3. Radical negative change

#### ***First, substantial continuity***

In this potential future, very little changes the trend lines that have been laid down by history.

The United States remains committed to participate in the defense of Europe, to deploy substantial numbers of troops in Europe, and to retain military leadership of NATO with a senior American general serving as NATO's Supreme Allied Commander.

In this scenario, post-Trump administrations try to repair damage done to US leadership of the alliance, without abandoning US burdensharing concerns.

All current allies remain in the alliance, despite some wavering (Turkey) and others experimenting with forms of democracy that do not conform to liberal democratic values (you can fill in that blank)

With the United Kingdom having abandoned its EU membership, the EU continues, with some modest successes, its attempts to give the Union a more substantial integrated military capacity.

The UK makes some cooperative military arrangements with its former EU partners while seeking a continued "special relationship," including intelligence sharing, with the United States.

In this potential future, several allies spend around 2 percent of GDP on defense by 2024 as was agreed at the 2014 Wales summit, while others fall short.

***Second scenario, radical positive change***

In this future, the goal of a more balanced transatlantic relationship comes more clearly into view.

The United States remains committed to the alliance while supporting European efforts to take on more burdens and responsibilities in the alliance.

The members of the EU make substantial advances in coordinating and even selectively integrating their defense establishments.

A true European army controlled by a politically united Europe remains out of reach.

But all EU members increasingly sacrifice bits of their national control in a variety of pragmatic cooperative arrangements.

The UK, despite its departure from the EU, commits to thorough defense cooperation with EU members, while remaining fully committed to NATO.

Increased European defense spending is accompanied by the revitalization of a European defense industry, with multinational firms and co-production arrangements setting up a healthy competition across the Atlantic.

At the same time, the US-European competition for sales is moderated by better transatlantic defense industrial cooperation.

The stronger European contribution to defense is acknowledged with alternating European and American Supreme Allied Commanders of NATO as a transition to a possible future in which Europeans routinely hold this post.

The role of Secretary General also alternates between prominent European and North American political leaders.

***Finally, radical negative change***

This scenario presents a much darker future.

In it, the United States essentially abandons its transatlantic commitments and leadership roles.

The European allies fall into disputes about how to maintain their security and provide new leadership.

Such a scenario could begin with the reelection of Donald Trump.

In this hypothetical scenario, Trump continues the process of abandoning US international leadership and decides to remove all US forces from Europe.

Trump tweets that he and Vladimir Putin have agreed that such a move would promote peace and security in Europe.

In response, European allies discuss creating strong, integrated European defense structures to replace the transatlantic NATO one.

But they find it too challenging politically and financially.

Even the overwhelming cost estimate projected in 2019 by the IISS for the EU members to create a defense system as capable as that of NATO turns out to be overly optimistic.

Several member countries suggest that the EU should follow the US lead and sign a peaceful relations accord with Russia, in which both sides pledge to take no aggressive actions against the other.

Even though some commentators immediately label this “the 21<sup>st</sup> century Munich,” most European governments decide they have little choice.

In addition, this move toward accommodation with Russia strengthens illiberal pro-Moscow parties throughout Europe.

That leads to the election of several national administrations that lean toward fascist forms of governance and away from liberal democracy.

As I have said, I do not predict any of these outcomes, but present them to help us consider where to go from here.

So, my next question is what can history tell us about the future?

In theory, we pay attention to history in the hope that it will help guide us to the future.

We all remember George Santayana’s words: “Those who cannot remember the past are condemned to repeat it.”

We do need to learn from history, even if it doesn’t predictably repeat itself.

In the case of transatlantic relations, two global conflicts in the last century led democratic leaders at the end of WWII to agree on some major international steps to try to avoid another repeat.

This set of creative decisions produced successful systems of political, security and economic cooperation among the transatlantic democracies for over seven decades.

With all its imperfections, this system, with its twin institutional pillars of NATO and the EU, makes its own case for preservation.

Those who argue for major changes in this arrangement must bear the burden of proving that they have a better idea.

So, will history return to somewhat more reliable and familiar patterns, as suggested in the continuity model?

Alternatively, will the allies figure out how to improve the system while preserving its core objectives?

Or will the forces of disruption steer the transatlantic democracies in very different and potentially dangerous directions?

The West is still composed, by definition, of democracies, and thus the people and governments of the member nations, will determine its direction.

The ability of the people to decide their future is a fundamental and treasured quality shared by Western democratic governments.

However, there is still the risk that electorates could make choices that will not serve their, or their descendants', interests well.

The current collision between history and disruptive forces of change poses a huge challenge to the United States, Canada and the European democracies.

We could relax and follow Donald Trump's observation that "we will see what happens."

On the other hand, I prefer that those of us who believe in liberal democracy and the transatlantic alliance take the steps necessary to ensure their future.

Thanks for listening. I look forward to your comments and questions.