

Obama's Europe: An Alliance in Flux

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RÉSUMÉ

L'optimisme initial de l'élection du président Barack Obama ne s'est pas traduit en un renouveau complet des relations trans-atlantiques. Alors que Washington a recentré ses priorités internationales, l'Union européenne doit encore redéfinir son rôle mondial. Le gouvernement américain est frustré par les divisions persistantes de l'UE dans la formulation d'une politique étrangère cohérente et la réticence de celle-ci à assumer des charges de sécurité plus rigoureuses, ainsi que par ses capacités chancelantes dues à une soft power. Inversement, la Maison Blanche d'Obama a été critiquée pour sa négligence à l'égard de ses Alliés et sa réticence à exprimer clairement les intérêts de sécurité et les objectifs stratégiques des États-Unis au sein de l'Europe élargie. Certains analystes estiment qu'un nouveau paradigme est nécessaire puisque les mantras de la liberté et de la démocratie ne sont plus un facteur de motivation important. La question reste à savoir ce que le contenu d'un nouveau paradigme entraînerait s'il devait inspirer les Américains et les Européens à travailler ensemble pour une cause commune.

ABSTRACT

Initial optimism surrounding the election of President Barack Obama has not translated into a comprehensive revival of trans-Atlantic relations. While Washington has refocused its international priorities, the European Union has yet to redefine its global role. The U.S. administration is frustrated with the EU's persistent divisions in formulating a coherent foreign policy, its unwillingness to assume more onerous security burdens, and its faltering soft power capabilities. Conversely, the Obama White House has been criticized for its neglect of Allies and its unwillingness to clearly articulate U.S. security interests and strategic goals in the wider Europe. Some analysts believe that a new paradigm is needed as the mantras of freedom and democracy are no longer a major motivator. The question remains what the content of a new paradigm would entail and whether it would inspire Americans and Europeans to work together again in devotion to a common cause.

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Trans-Atlantic relations under the Barack Obama administration have not developed in the optimistic manner that was initially predicted. Rather than an exhilarating and comprehensive revival of the American-European relationship, many of the fundamental disputes and divisions between the allies have been even more starkly exposed since Obama's inauguration in January 2009 and EU officials can no longer lay the blame principally on President George W. Bush.

While the new U.S. administration has restructured and refocused its international priorities and adopted a more conciliatory form of diplomacy worldwide, the European Union (EU) needs to soberly reevaluate its global role and its impact on major international developments. Many U.S. analysts have concluded that while the Union is respected for its internal stability, relative prosperity, and trading potential it is no longer viewed as an ascending power.

The Obama White House has been criticized by several EU capitals for its neglect of Europe, for its narrower international focus, and its preoccupation with Afghanistan and Iran. Conversely, the U.S. administration is frustrated with the Union's fixation on perpetual internal problems and complex institutional arrangements, its persistent divisions in formulating a coherent foreign policy, its unwillingness to partner with the U.S. by assuming more onerous security burdens, and its faltering soft power capabilities.

Tradition Does Not Bind

The U.S. and the EU maintain an extensive economic relationship and together generate approximately 60% of global Gross Domestic Product (GDP). The value of U.S. goods and services exported to the EU is over five times the value of U.S. exports to China and between 2000 and 2008 over half of U.S. Foreign Direct Investment (FDI) was located in Europe.¹ In the security arena, the U.S. and Europe maintain the strongest military-political alliance in history, the North Atlantic Treaty Organization (NATO) that has expanded during the past decade to include 27 European and North American states. However, traditionally strong trans-Atlantic economic, political, cultural and social connections do not ensure a radiant future of problem-solving cooperation.

Following the election of President Barack Obama in November 2008, both sides harbored high expectations about their trans-Atlantic partner and what could be achieved together. Overblown hopes can lead to disenchantment and

EU leaders have become increasingly disappointed by Obama even while most European publics continue to hold the U.S. President in high esteem. Many EU capitals claim that Washington conducts insufficient consultation or actually ignores the views of its European allies in a less confrontational but still visible form of unilateralism. Paradoxically, while the EU was pressing for a diminished U.S. role under the Bush administration it is now complaining that Washington has scaled down its international agenda and is focusing more on Asia and the Middle East than on Europe.

As a result of more restricted resources and a focus on regions beyond Europe, Washington is not investing significantly in developing relations with the EU and is no longer prodding Union enlargement. Obama's non-appearance at the U.S.-EU summit in Washington in February 2010 was interpreted as a poignant snub regarding the limited results such summits bring. Tellingly, the President also missed the 70th anniversary commemorations of the start of World War Two in Gdansk, Poland, and the 20th anniversary celebrations of the fall of the Berlin Wall. Pundits speculated that this underscored Obama's shifting international priorities in dealing primarily with Afghanistan, Iran, China, Russia, and other security and economic challenges that transcended Europe and trans-Atlantic relations. Washington's approach was underscored by the focus on the Group of Twenty (G-20) economic format rather than the narrower Group of Eight (G-8) forum to include the rising powers and diminish the prominence of European participants.

The climate change summit in Copenhagen in December 2009 was also a setback for the EU. The fact that the discussions culminated in a closed-door session between Obama and his counterparts from China, India, Brazil, and South Africa, "compounded the sense of rapidly declining European influence."² For its part, EU leaders were disappointed that Obama has not done more to curb carbon emissions and address climate change.

Probably the main motive for EU criticisms of the Obama administration is its exposure of persistent weaknesses and divisions within the Union itself when dealing with foreign and security policy. According to some European analysts, Brussels, Berlin, and Paris no longer have the excuse of President Bush for their own inaction, but subconsciously blame Obama for revealing their own inadequacies.³ The conventional rhetoric of shared values and common interests rings increasingly hollow as there seems to be no real impetus or momentum in the relationship.

The Obama team is frustrated and disappointed by EU capitals which are unwilling to play a larger global role in support of the U.S. and more effectively deploy their substantial resources. The most telling example has been the war in Afghanistan where most EU governments have been loathed to increase their military contributions especially in volatile combat areas. Several countries have applied “caveats” that restrict where their troops can be deployed and what missions they can conduct, thus undermining flexible, adaptable, and effective Allied operations. This also indicates a diminution of EU hard power to a softer and non-lethal variety.

Washington is convinced that EU leaders lack willpower, are increasingly inward looking, seem to spend more time on process than substance, and take little foreign policy initiative. For example, while the Obama administration deliberated for three months on its policy in Afghanistan the EU did not issue any proposals while waiting for the U.S. to assume the lead. The choice of the EU’s new President of the European Council and the High Representative for Foreign and Security Policy has also demonstrated that EU capitals prefer slow and laborious consensus-builders and institutional coordinators rather than strong, ambitious, and charismatic leaders.

The Lisbon Treaty was welcomed by Washington as a mechanism to strengthen Europe’s role in world affairs and concretize the partnership with the U.S. However, after years of debate there is a dawning realization that the treaty will take years to clarify and implement. In many respects, it has created even more confusion in Washington as to who will make foreign policy decisions for the EU, to what degree the consensus principle will apply, and whether national governments will diminish in importance. The Treaty itself has merely glossed over major differences between EU capitals on important foreign policy and security issues.

In the context of these mutually critical observations, the trans-oceanic relationship can be usefully examined through three prisms: the debate on the future of NATO and of trans-Atlantic security in general; the search for a common and coherent EU foreign policy; and the impact of Washington’s détente with Russia on the EU and the wider European region.

Divisions Over NATO's Future

Internal debate about the future of the Alliance assumed some urgency following the Russo-Georgia war in August 2008, especially for new NATO members concerned about the effectiveness of territorial defense and the

viability of Article 5 security guarantees.⁴ The importance of defining NATO's *raison d'être* was further reinforced by the focus of the Obama administration on pacifying Afghanistan and using the Alliance as the primary tool.

Two main positions on NATO's future have emerged: the traditionalist and the globalist. For traditionalists, a regionally anchored NATO must focus on its main functions of defending allies and securing the European theater. Traditionalists do not believe NATO is equipped or capable of effective nation building and failure could discredit the Alliance. In contrast, globalists assert that the Alliance must manage a range of crises and unconventional threats and engage with non-NATO countries and international organizations; otherwise the organization would lose its rationale.

Supporters of NATO enlargement include several globalists, such as the U.S. and the UK, while some traditionalists such as Germany and Belgium oppose further expansion. The Central-East European (CEE) states are both enlargers and traditionalists although willing to participate in a globalist framework primarily to maintain an active alliance with the U.S. In the European context, one can distinguish between enlargers, who support an expanding and effective NATO that can defend its members, and restrictors, or proponents of a smaller and less militarized organization with a reduced American role and more primacy given to European security structures.⁵

Fears are evident in CEE that the transformation of NATO into a globally active organization could undermine the validity of article five guarantees and the future of European security. Paradoxically, many of these countries have contributed significantly to U.S. and NATO operations in Iraq and Afghanistan to demonstrate that they are dependable allies and as an insurance payment for their own future security. They fear that any perceived failure of the International Security Assistance Force (ISAF) mission in Afghanistan could endanger U.S. commitments to NATO in general as a credible security and defense organization.

Even while NATO debates its future role, it faces internal problems stemming from the limited political and financial commitments of member states. This has been highlighted by the Obama administration. In February 2010, U.S. Defense Secretary Robert Gates challenged European allies to stop cutting support for NATO in the face of current and emerging threats.⁶ In his estimation, "the demilitarization of Europe, where large swaths of the general public and political class are averse to military force and the risks that go with it," has become an obstacle to long-term security. Shortfalls in funding and

capabilities make it difficult for the Alliance to operate in confronting security threats. According to Gates, only five of 28 allies have achieved the established target of spending two percent of GDP on defense.

Voices on both sides of the Atlantic have been calling for closer NATO-EU cooperation and several governments in CEE see the forging of a deeper partnership as essential for deterring threats against any European state. Such collaboration would need to be enacted at both the consultative and operational levels so there is no competition between NATO and the EU in the security arena. Ideally, NATO's hard power and the EU's soft power capabilities could be combined in conflict prevention, counter-insurgency operations, peace enforcement, and post-conflict reconstruction. However, relations between the two organizations remain undeveloped in terms of joint planning and integrated operations, while the financial crisis has focused attention on the limited resources available and the necessity to avoid duplication in military capabilities. In addition, some EU capitals remain suspicious that a closer NATO-EU partnership would enable Washington to play a more prominent role in European affairs.

Elusive Common European Policy

From an American perspective, the EU needs to reevaluate its global role and impact on major international developments. Despite attempts to centralize and better coordinate EU foreign policy, the results of the Common Foreign and Security Policy (CFSP), initiated under the Treaty of Amsterdam in 1997, have been limited. In an effort to ensure greater coordination and consistency in EU foreign policy, the Lisbon Treaty, which went into effect on December 1, 2009, created a High Representative of the Union for Foreign Affairs and Security Policy, *de facto* merging the post of High Representative for CFSP with the European Commissioner for External Relations. Additionally, the security-oriented European Security and Defense Policy (ESDP) was renamed as the Common Security and Defense Policy (CSDP).

Unfortunately, these structural and institutional alterations may have generated more confusion than clarity concerning the Union's foreign policy decision-making and implementation. Although the new EU's High Representative for Foreign Affairs and Security Policy, Catherine Ashton, will eventually have at her disposal a separate diplomatic corps, the External Action Service (EAS), decisions on major foreign policy questions will evidently remain tethered to the principle of consensus among 27 national foreign

ministries rather than operating through qualified majorities.

The EU's most obvious security failure has been its inability to develop a large deployable combat force, even though it has conducted small-scale peacekeeping and humanitarian missions in several conflict zones. Defense budgets have shrunk across Europe, with only a handful of countries spending above 2 percent of GDP, and the CSDP has not encouraged EU governments to boost their military capabilities. Even while the Obama administration is open to NATO-CSDP cooperation, the latter lacks sufficient credibility and muscle and avoids "hard power" tasks. Its main point of complementarity with NATO seems to be in post-conflict peace keeping, policing, and humanitarian response.

The EU has planned for several years to develop a Europe Rapid Reaction Force (ERRF) with readily available battle groups. However, despite formal EU approval for such units in 2004, progress has not been rapid. The initial idea was for member states to contribute 60,000 combat troops to assemble for training and operations outside the EU, including civilian assistance, contributions to UN peacekeeping forces, and intervention to separate warring factions. In all these areas the EU would deploy if NATO decided not to be involved. The ERRF force, consisting of several units of 1500 deployable troops, was supposed to be available by 2007, and planning was initiated to prepare 13 battle groups ready for action within ten days of a policy decision.

However, problems have bedeviled the ERRF from the outset. It is difficult to convince EU members to mobilize forces for EU missions while they are simultaneously boosting contributions to NATO operations around the world. NATO itself has not been able to establish an effective 25,000 strong rapid reaction Response Force (NRF) because member states lack the money, troops, and equipment to contribute to various UN, EU, and NATO missions. The EU's ERRF faces the same problems and is in competition with NATO for scarce resources. Critics of the ERRF also contend that it will undermine NATO and discourage U.S. involvement in Europe. In addition, the U.S. has expressed concerns about a separate EU military planning apparatus which could draw on military resources currently at NATO's disposal.

With regard to foreign and security policy, despite the passage of the Lisbon Treaty and the consolidation of some EU institutions a more unified approach is not imminent. On the contrary, it may highlight even greater differences between member states unwilling to be bound by a single decision-maker. Among a multitude of problems, the EU remains uncertain on how to deal

with its “eastern neighborhood” or with Russia. While its failures as a hard power have been evident in its disunited foreign policies and its shrinking military capabilities, the EU’s political and economic model may also wane as a soft power instrument if it closes its doors to further enlargement, a sentiment that has grown among EU publics during the economic recession.⁷

The EU will be severely tested over the coming decade as it has failed to ensure its position as a global power and even its long-term economic growth is under question given the economic downturn, the heavy indebtedness of several EU governments, and questions over the future of the Euro monetary zone. According to Ivan Krastev, a prominent Bulgarian analyst, it was due to America’s global hegemony that the EU emerged on to the world stage as a superpower.”⁸ The U.S. security umbrella enabled the EU to focus on economic development and political integration without developing military power. However, as America’s dominance diminishes, the EU will become more exposed to global security competition, but without its own coordinated “hard power” capabilities and with steadily weakening soft power tools.

Obama's Rapprochement with Russia

The George W. Bush administration did not consider Russia as a major international player but as a relatively weak post-imperial state that could be ignored in many policy decisions. Although Russia regained some of its strength during the last decade, it still contributed little to international problem-solving, exaggerated its capabilities, and resisted constructive engagement.⁹ Indeed, Russia could be viewed as a declining power benefiting from a brief resurgence driven by temporarily high energy prices and with a leadership that sought to stifle the development of a more secure Europe tied to NATO and the U.S.

During the first half of the Obama administration Russia has been publicly depicted as a key partner for the U.S. However, in looking more closely at Obama’s approach, Russia is courted in a narrow range of security-related issues and is not viewed as strategically or economically ascendant. Washington’s purpose in highlighting a Russian partnership appears aimed at placating its elite’s sense of global importance while tapping Moscow’s cooperation and preventing its leaders from sabotaging U.S. interests.¹⁰ The absence of extensive economic connections, where trade with Russia amounts to less than 1% of the U.S. total, indicates that in the event of renewed political conflicts common material interests are unlikely to reduce tensions.¹¹

The notion has been widely disseminated that improved U.S.-Russia relations enhance security throughout Europe. This is certainly true if it helps restrict Russia's aggressive moves to undermine the sovereignty of neighboring states and results in a less confrontational relationship with NATO. However, the practical long-term impact of the U.S.-Russia détente needs to be more thoroughly assessed and counter arguments may also be valid.

For instance, Moscow may calculate that bilateral cooperation over Afghanistan and Iran are such paramount U.S. interests that Washington would be willing to retreat in other arenas to make sure that it succeeds. The Obama "reset" button in itself raised Russia's global stature. It was initially viewed with some suspicion and distrust in Moscow, although several pro-Kremlin analysts claimed that Washington had finally acknowledged that Russia had recovered from its post-Cold War torpor and would again be treated as a great power.¹² A number of analysts believed that the "reset" actually indicated U.S. weakness in the midst of two wars and an economic recession.

Some analysts even asserted that Obama's policies signaled a "grand bargain" with Moscow in which the U.S. would permanently halt further NATO enlargement and accede to a Russian sphere of primary influence in the former Soviet Union in return for Russia's diplomatic and practical help with Iran, Afghanistan, North Korea, and other security concerns. To demonstrate closer consultations at high official levels, a U.S.-Russia Bilateral Presidential Commission with thirteen working groups was established in the aftermath of President Obama's visit to Moscow in July 2009. When Washington announced in May 2010 that Russia's military occupation of Georgia presented "no obstacle" to U.S.-Russian civilian nuclear cooperation and other collaborative ventures, Moscow understood that the new détente was clearly working to its advantage.¹³

Warming U.S.-Russia ties raised suspicions in parts of CEE, especially in the Baltic states and Poland, over Washington's potential concessions to Moscow. As a result, U.S. officials made strenuous efforts to underscore that they did not support direct security trade-offs with Russia or the consolidation of Russian and American spheres at the expense of other states. Vice President Joe Biden's visit to Kyiv and Tbilisi in July 2009 was intended to reinforce such arguments. Biden's remarks that Russia was a country in economic crisis and needed an arms control agreement much more than the U.S., was interpreted in Moscow as "plan B" to the Obama "reset button." Russian analysts believed that if Moscow did not make the required compromises and the U.S. did not

gain benefits from the Kremlin over Afghanistan and Iran, then Washington would aim to push Russia to the periphery of world politics.¹⁴

However, Biden's assumptions that Russia's economic difficulties ensured that the government will be more accommodating are debatable. Indeed, in the short-term Moscow could become more belligerent to disguise and deflect from its internal problems unless treated as an important international player. Furthermore, the White House left unclear what it considered to be the "red lines" of Russia's behavior in Kremlin attempts to re-establish demarcated spheres of influence. Red lines become blurred and diluted where Russia's influence seeps in through unconventional instruments such as energy blackmail, corrupt business connections, conflict manipulation, and peace-keeping deployments.

Obama's announcement of a new *détente* with Russia in early 2009 had little immediate impact on concrete policy making in Moscow. The Kremlin eventually approved the transit of logistical supplies across Russia to NATO forces in Afghanistan and backed a new set of UN sanctions against Iran in June 2010. However, Moscow reserved the right to close its territory to NATO passage and continued developing economic relations with Tehran. Moreover, Russia's leaders periodically tested American reactions by ratcheting up tensions with selected pro-Western neighbors, such as drafting legislation to make it easier to send troops abroad to avowedly defend Russian citizens.

Michael McFaul, the U.S. National Security Council's senior director for Russian and Eurasian affairs and the chief architect of Obama's Russia policy, stated that Washington harbored no illusions about the worldview of Russian officials who consider the U.S. as the primary adversary.¹⁵ Given this official assessment, U.S. policy was presumably intended either to pacify Moscow through strategic engagement or to outmaneuver Moscow through diplomatic cunning. Leaders in Moscow may not fully grasp that Russia no longer occupies a central position in American strategic thinking or in its foreign and security policy.¹⁶ However, an acknowledgement of its reduced status in the U.S. worldview may encourage Russia's belligerence to provoke Washington's reaction. And this may be a useful argument for the Obama team in purposively raising Russia's esteem through bilateral arms control agreements and other forms of cooperation and thereby deflating Moscow's anti-American and conflict promoting agendas.

Rather than elevating Russia to a global power, the war with Georgia in August 2008 may have demonstrated Russia's preoccupation with relatively

minor territorial issues and its limited military capacities. Additionally, in the post-war setting the Obama White House was much more concerned in gaining Moscow's support in pressing international disputes and forging strategic arms agreements than in challenging Russia's neighborhood influence. For instance, in May 2010 Washington revived an accord with Moscow in which the two countries would cooperate on civilian nuclear energy; the initiative had been shelved after the August 2008 war.

An effective U.S. policy toward Russia needs to combine cooperation in arenas of common interest while tempering Moscow's assimilationist approach toward its neighbors. A failure to oppose Russia's assertive regional behavior could revive several dormant conflicts. Washington should not exaggerate what the Russians can offer in reducing regional threats and global crises.¹⁷ For instance, it was doubtful whether the diplomatic energy expended in gaining Moscow's support for moderate sanctions against Iran through the UN Security Council in June 2010 actually made any major difference to Tehran's intent to develop nuclear weapons. At some point the White House needs to take full stock of what the new *détente* has accomplished for international security and for U.S. and NATO strategic interests.¹⁸

The notion of a "strategic partnership" between the U.S. and Russia is premature. It assumes that Moscow and Washington share strategic objectives in terms of their global role.¹⁹ Strategic partners not only cooperate in particular endeavors, they are also bound by common interests, values, and goals. While Russia can be a tactical partner with the Alliance in dealing with specific threats such as nuclear proliferation or in negotiating arms control accords, the government in Moscow does not share the long-term strategic targets of either NATO or the EU. NATO allies respect the will of sovereign states to enter multinational institutions of their choice. They also favor and support the development of democratic systems and legitimate governments that combine national stability with respect for human and civil rights. The same principles do not apply for the Russian authorities.

Impact of New West-East *Détente*

In general terms, when U.S.-Russian relations improve, pressure is eased within Europe as the EU becomes potentially less divided in its Russia policy, especially if Moscow is not engaged in some stark new aggression in its neighborhood. This appeared to be the case after President Obama took office in January 2009 and Washington stressed the importance of collaborating with

Moscow in pursuing common security interests in Afghanistan and Iran, and in the control of nuclear weapons. The new U.S. approach was seen as generating stability in Russia at a time when the EU also seemed less focused on promoting democratic reforms. For Berlin, Paris, and other EU capitals, stability in Russia was more important than the country's systemic transformation.

Although some EU officials remained concerned that closer U.S.-Russia ties could lead to a downgrading of Moscow's relations with the EU, countries that had upheld cooperative relations with Russia throughout the George W. Bush administration felt relieved and even vindicated by Obama's policies. Indeed, policy makers in Berlin and Paris believed that the previous U.S. government was the main culprit in unsettling relations with Moscow through its actions in the Middle East and had provoked the war in Georgia by giving Tbilisi the prospect of NATO membership which convinced the Saakashvili government to act with impunity against Russia's alleged national interests. They choose to ignore Moscow's intent to recreate a regional condominium under its supervision or considered it a benign hegemony that would unburden the EU of having to support and integrate the former Soviet republics.

In the wake of the White House "reset" with the Kremlin, several EU governments who had been most outspoken about Russia's policies appeared to soften their stance and new avenues of cooperation were pursued. For example, since early 2009 London has focused on manageable questions with Moscow seeking gradual bilateral improvements.²⁰ Several CEE governments were willing to give the new U.S. President the opportunity to curtail Russia's aggressiveness and make it a more constructive international player. This was especially visible in the stance of Poland's Prime Minister Donald Tusk who sought to improve Polish-Russian relations even before Obama's election.

Russian authorities calculated that it would be more difficult to drive political wedges between the EU and the U.S. under the Obama administration as there were fewer obvious points of disagreement that they could exploit whether over Iraq, counterterrorism, human rights, or missile defense. On the other hand, a lessened U.S. focus on trans-Atlantic relations could serve Russia's long-term goal of disconnecting the Alliance. Moscow also decided to settle some enduring disputes with selected European states in order to gain greater leverage within the Union or with particular European states outside the EU to further its strategic and economic ambitions.

Poland's Donald Tusk government sought to improve relations with Moscow after assuming office in November 2007. Indeed, several CEE capitals believe

that the Obama administration may be taking credit for improving their relations with Moscow, whereas the Polish case demonstrates that such bilateral revivals were already underway before the U.S. “reset.”²¹ The rapprochement is largely driven by strategic considerations as Moscow views Poland as a rising power within the EU, as evident in the revival of the Weimar Triangle, a French-German-Polish initiative to coordinate their European policy. It is therefore offering closer business and energy connections between the two states to increase Russia’s influence within the Union.²² However, the bilateral thaw is not irreversible as a great deal depends on Russia’s internal developments and its external behavior during a period of outreach in pursuit of economic modernization.²³ Additionally, a new crisis in U.S.-Russia relations is likely to have negative ramifications in parts of CEE, particularly in Poland.

Wider Europe in Question

One shortcoming of Obama’s approach has been the President’s inability or unwillingness to clearly articulate U.S. security interests and strategic goals in the wider European, Caucasian, and Central Asian regions, even if these are not currently overarching national priorities. These interests can be encapsulated in at least four policy objectives: first, consolidating bilateral partnerships and regional alliances to prevent the emergence of weak, fractured, or conflicted states that undermine regional security; second, precluding the expansion of any dominant regional power or regional alliance that challenges broader American interests and even the American presence; third, involving a diverse array of states to assist Washington and NATO in combating common threats stemming from the broader Middle East and South Asia; and fourth, ensuring the development of energy resources and their secure transportation from the Caspian Basin to Europe via the Caucasus and Black Sea region to uphold the stability of America’s European allies.

Despite its assurances that it will not support the delineation of interest spheres, in practice the Obama White House concluded that it would not vigorously challenge Moscow in its immediate neighborhood and could share influence in some regions. It calculated that even if Ukraine and other countries slipped under Russia’s security and economic umbrella, this would not damage U.S. interests which center on much more vital concerns over Afghanistan, Iran, and nuclear proliferation. Indeed, closer Russian supervision over the post-Soviet republics was considered beneficial by some Western officials as such arrangement would purportedly generate fewer

conflicts with Moscow. In effect, this constituted an informal concordat with Russia over respective zones of interest. However, the effectiveness of such an agreement will be tested particularly where resistance to Moscow's pressures and encroachments results in violent conflict or impacts more directly on one of the new NATO members.

Perceptions that President Obama has disengaged from the south Caucasus grew during 2010, as evident in several missteps, including: the failure to appoint a U.S. ambassador to Azerbaijan for almost a year; public indifference or lack of a coherent strategy regarding Moscow's purchase of a French Mistral ship that will help project Russian power in the Black Sea; a fixation on opening the Armenian-Turkish border without tackling the more important and inter-linked territorial disputes between Armenia and Azerbaijan; and a growing perception that the U.S. favored Armenia in the conflict over Nagorno-Karabakh because of pressures on the White House from America's Armenian lobby.²⁴

Washington has not intensified its security cooperation with either Azerbaijan or Armenia or provide more impetus in mediating the Nagorno-Karabakh dispute. Baku in particular felt frustrated that it had been taken for granted by Washington despite its stellar record in providing transit for coalition forces to Central Asia and Afghanistan; contributing troops to U.S.-led operations; and spearheading Caspian energy development. U.S. Secretary of State Hillary Clinton's visit to the region in the first week of July 2010 was intended to dispel perceptions of U.S. disengagement, but the practical result of her presence remained unclear.

In the case of Ukraine, during the first half of 2010, U.S. reactions were barely audible to the closer integration of Russia and Ukraine, as evident in plans to absorb key sectors of the Ukrainian economy and extending the presence of Russia's Black Sea fleet. While President Viktor Yanukovich endeavored to bring Kyiv closer to Moscow, calculating that a less disruptive relationship would enhance the country's economic performance, both Washington and Brussels calculated that such moves did not threaten Western interests and could bring stability to Ukraine. Western disengagement in turn emboldened the Russian authorities and weakened Kyiv's potential bargaining position vis-à-vis Moscow. Such a short-sighted approach by the U.S. and the EU ignored the potential radicalization of Ukrainian politics precipitated by Yanukovich's policies and the likelihood of serious domestic conflicts in the years ahead.

The West Balkan Puzzle

Despite substantial military, diplomatic, and economic investment over the past 15 years, the West Balkan region does not feature at the center of U.S. government attention.²⁵ Under both the George W. Bush and Barack Obama administrations, South East Europe has been absent from Washington's top foreign policy priorities. From a White House perspective the West Balkan region has evolved into a primary responsibility of the EU, although America can still play a supportive role. Growing EU involvement is understood through the reduction of the U.S. troop presence, the increase of EU security instruments, EU incentivized structural reforms, and a roadmap toward eventual Union accession. In this regard, Slovenia was the first comprehensive success story and Croatia is now on track to join its northern neighbor in the EU. However, the rest of the former Yugoslavia remains more problematic.

Some voices, including Balkan experts and former officials in Washington, continue to warn about unresolved problems and potential new instabilities in the region. They have been urging Obama and Vice President Joseph Biden, who was a key player in shaping U.S. policy toward the region during the Clinton administration, to stay engaged and not allow the EU to preside over any possible deterioration in regional stability. There is a lingering suspicion among former U.S. policymakers who witnessed the horrific anti-civilian wars in Croatia, Bosnia-Herzegovina, and Kosovo concerning EU capabilities and political willpower. What they fear is that the preoccupation with the EU's internal restructuring and the focus on economic and fiscal challenges within the EU zone will lead to complacency and the neglect of niggling problems that could escalate in the years ahead, especially in Bosnia and Kosovo.

To defuse a potential Bosnian crisis, the visit of Vice President Biden to three Balkan capitals in May 2009 has been followed by attempts by U.S. Deputy Secretary of State James Steinberg, together with Sweden's Foreign Minister Carl Bildt, to mediate a new agreement on constitutional and structural reform between the three Bosnian protagonists. However, the effort seems to have stalled and some observers argue that occasional high level visits and short-term mediation efforts without sustained involvement may be interpreted as signs of desperation or detachment without sufficient pressure or inducements for the protagonists.

Kosovo's ongoing domestic and international problems also remain a source of concern in Washington. Internally, the danger of partition of northern Kosovo still hangs over the new country and some leaders in Belgrade favor

such a scenario having understood that Kosovo in its entirety will not return under Serbian government control. Internationally, Kosovo is making slow progress in gaining access to international institutions. Kosovo may be in danger of becoming a "frozen state" that cannot move toward UN, NATO, or EU membership. This paralysis may be the recipe for public unrest and new conflicts that could be exploited by militants.

Following the 2003 EU summit in Thessaloniki EU leaders recognized all the West Balkan countries as prospective Union members. Since that time, Croatia is on the final track for entry, FYROM has candidate status, while Stabilization and Association Agreements (SAA) have been arranged with all other states, except Kosovo, to accelerate reform programs and promote integration. However, the continuing economic storm rumbling through Europe may indefinitely postpone the entry of candidates and aspirants from the Western Balkans after the expected entry of Croatia by 2011. Indeed, the Balkan states could find themselves in a vicious circle, whereby denial of EU entry combined with economic stagnation and uncertainty may stall the necessary reform process. This will in turn retard economic growth and lessen each country's qualifications for EU accession by stimulating the negative forces that hinder accession.

Despite U.S. urging to include the entire West Balkan region in all pan-European institutions, some EU governments may become less supportive of the membership of West Balkan countries, arguing that they may prove to be fiscally profligate and require rescue packages at a time when support for EU enlargement is dissipating among the general public in the member states. A great deal will depend on the depth and longevity of the economic malaise and how economic improvements affect specific social sectors in individual states. Prolonged economic hardship can produce assorted extremist movements and may mobilize a frustrated segment of the younger generation. The rise of militancy may push some mainstream parties to adopt more radical and discriminatory programs toward minorities, immigrants, or political opponents. We may witness the election or inclusion in government of a greater number of populists or nationalists while widespread economic dislocation could also increase ethnic polarization and conflict.

Given this inauspicious environment two questions remain: is the EU equipped and prepared to help resolve the most pressing problems, and what will be the extent and effect of U.S. involvement? Brussels needs to find the right balance between effective incentives and effective conditionality in terms

of West Balkan membership in the EU. Too short a timeframe and weak conditionality will result in superficial reform, while an indefinite timeframe for Union accession may prove to be an insufficient incentive to reform.

Economic recovery and development will also necessitate more concrete regional cooperation through joint business projects, free trade, open borders, and the liberal movement of labor. Such measures would make the Balkans more competitive in the global market and more attractive as an investment destination. In several economic sectors, from manufactures and services to tourism the region may have comparative future value for old and new investors. Investment and reform could then reinforce economic development and speed up each country's path through the SAA agreements toward EU membership.

While the EU is being prodded to take a more active role in the West Balkans, there is speculation about an urgent need for a special U.S. envoy to the region. Although there is little immediate likelihood that Washington will appoint a presidential envoy, some important questions need to be answered about the precise role such a potentially high-level representative would play. It is common wisdom to assume that American leadership is necessary if anything serious or long-term is to be accomplished. It remains evident that leaders of all nations in ex-Yugoslavia are convinced that EU institutions do not exert sufficient leadership, are deeply divided by national agendas, and are loathed to use force or even threaten tough actions against aggressors.

In the absence of resolute U.S. political and military intervention in the 1990s the wars and mass slaughters in Bosnia-Herzegovina and Kosova would most probably have continued for several more years and resulted in additional separatist and annexationist agendas. Croatia and Bosnia-Herzegovina may not have regained their territorial integrity, Montenegro and Serbia would probably have been at war, and FYROM may not have survived at all. However, we are now in a different era. Washington is heavily engaged elsewhere and in much more pressing trouble spots and has inevitably handed over more responsibilities to Brussels. The EU, despite its obvious shortcomings, is much more self-confident than it was in the 1990s and has developed a plan for the gradual inclusion of all countries on the peninsula.

But above all, there is no imminent threat of bloodshed, war, ethnic expulsion, armed insurgency, or mass terrorism in the Balkans. The new post-Yugoslav states may not all be fully stable but they are no longer chronically insecure. Officials in the Obama administration contend that there is no urgent

need for a special envoy as they are already closely engaged in the region. U.S. officials also ask a number of pertinent questions: what exactly would a special envoy do, in terms of their mandate and priorities, and how would he or she interact with EU representatives? After the headline announcements and photo opportunities are concluded, what would be the order of business and how effective a role could a regional envoy play? Indeed, there are pluses and minuses to such a position. On the plus side, an envoy would presumably have the direct ear of the U.S. President; he or she could launch various regional initiatives and benefit from the close attention of Brussels to such prominent American involvement. And conversely, regional players would take more seriously a high official with a well-known name and appointed directly by Obama.

However, there are also some major minuses in the appointment of a special U.S. envoy. When a war was raging or the threat of war was looming the envoy's role was clear – to end or prevent violent conflict by forcing or cajoling the competing parties into compromises and negotiating a stable peace. Absent a war, the envoy's task would be much more complex, without clear end points and with no quick fixes. This could in turn undermine the envoy's credibility as high expectations may be unfulfilled. One needs to be practical and determine what a U.S. envoy could actually accomplish in stitching Bosnia-Herzegovina into one functioning state and pressuring Serbia into accepting Kosovo's independence. In other words, what would be the consequences if Bosnia's Serb leaders continue to resist constitutional reforms or Serbia and Russia continue to block Kosovo's admittance to international institutions?

Bosnian Serb opposition to EU and U.S. requirements for functional statehood and international institutional integration will not be resolved by diplomacy, statements, conferences, or even threats of exclusion from the EU, NATO, or other beneficial multi-national bodies. An envoy would need to have teeth to be effective but what could the teeth consist of and where would they bite? NATO will not bomb Banja Luka to ensure constitutional reform in Bosnia-Herzegovina and American troops will not invade Serbia to ensure its recognition of Kosovo's statehood. Although progress can be made at the margins and a high-level envoy may initially gain more local attention, ultimately it is up to the actors in conflict to reach a compromise that is perceived as beneficial by both sides. Alternatively, they may never agree and actually stumble into outright conflict that could provoke outside intervention. Paradoxically, such a scenario may enable Washington working in tandem with the EU to play a more effective role in hammering out novel regional agreements.

What Future for Trans-Atlanticism?

In a telling speech in Strasbourg on April 4, 2009, President Obama made it plainly clear that Europe is not indispensable to the U.S. while the U.S. does remain indispensable for Europe, especially in guaranteeing the continent's ultimate security.²⁶ Such a strong message indicates two core principles for the current administration. First, trans-Atlantic relations will be primarily result oriented and measured by the concrete contributions made by each capital and the Union as a whole to specific security challenges. And second, there may no longer be any special bilateral trans-Atlantic relationships but a balance between EU states offering issue-specific partnerships to Washington.

Some analysts who criticize both sides of the Atlantic believe that a new paradigm is needed in the relationship and that the mantras of freedom, NATO, democracy, unity, and prosperity no longer convince or motivate either the public or the political leadership. However, the question remains what the content of a new paradigm or a novel vision would entail and whether it would inspire the Americans and Europeans to work together again in devotion to a common cause.

One would first need to determine concrete all-encompassing goals that are genuinely shared by the allies before establishing a strategy for achieving them. Process without purpose is demoralizing, time-consuming, and ultimately wasteful. Climate protection, fiscal reform, economic recovery, energy rationality, or counter-terrorism do not have sufficient inspirational value on either side of the Atlantic. On the other hand, grander visions such as bringing Europe and Asia closer together through extensive and intensive economic and energy linkages would require resolute and convincing leadership that may be lacking on both sides of the Atlantic.

Quite possibly, grand causes such as national liberation, freedom, and democracy only appear every few generations thus making the current phase one of blander and often disunited problem-solving. Grand goals and paradigms are usually pursued either to build or expand essential structures that benefit the entire alliance or to avert, manage, and resolve crises that threaten the entire alliance. Although the European project is incomplete and is riddled with problems, for the foreseeable future it neither generates the security nor the insecurity that would attract deeper American engagement.

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