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Europe Challenged

J. Brian Atwood

It is a real pleasure to visit Stonehill. I thank Professor Anna Ohanyan for inviting me here today. Professor Ohanyan has done impressive scholarly work in her field. We met at the Watson Institute at Brown a few months ago participating in a symposium on the Dayton agreement on Bosnia.

I want to talk to you today about the European Project—the 50-year effort to build an integrated, secure, democratic and prosperous Europe. Even casual observers would conclude that it is not going well today. Europe is under attack from within and without.

This sad state of affairs should be of great concern to the United States; yet it appears that we are at risk of writing an American version of John F. Kennedy's 1940 book "While England Slept." Our approach to Europe today seriously underestimates the nature of the crisis.

We hear a great deal about the terrorist attacks and the refugee and migrant crisis. However, this is the tip of a very dangerous iceberg. There is no denying the stresses these issues are creating, but there are also underlying threats that receive far less attention.

Our presidential candidates tend to ignore these threats. Or worse in the case of Donald Trump who has questioned our

commitment to NATO at a time when the deterrent value of this alliance is arguably more important than ever.

Even President Obama in his now well-read Atlantic magazine interview complains that European leaders need to do more while he states his own preference to look towards Asia. This may be understandable for a President born in Hawaii, but Europe and the Middle East are making it difficult for him to look West.

There should be no debate that a peaceful and prosperous Europe continues to be a vital strategic objective of the United States. The 20th Century may seem a distant memory to most Americans, but not to Europeans. Two World Wars followed by a Cold War threat from a nuclear Soviet Union kept American soldiers and resources engaged in Europe at great cost. For decades we have invested precious resources to support an integrated Europe, an objective that serves American interests as well as Europe's.

Our response to the need for European reconstruction after World War II was more than simple generosity, though it was that as well. The Marshall Plan was the largest aid program the world has seen. Winston Churchill called it the "most unsordid act in history." It was also, as British historian Norman Davies put it, "an act of the most enlightened self-interest…"

Even in the 1940s it was becoming obvious that the American economy could not flourish without external markets. We needed Europe, and Japan as well.

We invested 2% of our GDP annually for four years in the European project, or $130 billion a year in today's dollars.

Compare that to the approximately $30 billion per year the United States invests in official development assistance today, for the entire developing world.

The Marshall Plan was more than an aid program; it also provided crucial incentives for an integrated Europe. We insisted that European economies be tied together rather than operating as before in highly nationalistic and competitive compartments.

The initial phase was called the European Coal and Steel Community created in 1950 to integrate the heavy industries of Europe. Jean Monnet was its first President. Called the Father of Europe, Monnet drove this new institution and he insisted that it was but a first step.

Next, in 1957, came the European Economic Community, or the Common Market (EEC). Britain was not initially interested in the EEC, but when the European economy grew Britain wanted in. Thanks to French President, Charles DeGaulle, Britain was twice denied entry. The United Kingdom didn't become a member until 1973, along with Ireland and Denmark.

One can only imagine the frustration Jean Monnet felt as a French nationalist blocked the evolution of the larger union. Monnet once said, "Nothing changes without [leaders]. Nothing lasts without institutions." He was a leader who clearly wanted something that would last, something that would offset the tendency of leaders like Charles DeGaulle to appeal to national identity.

It wasn't until 1993 that the EU began to take on the characteristics of a real "union." In that year the concept of the

“four freedoms” were adopted: the movement of goods, services, people and money. The “Maastricht Treaty” in 1993 and the Treaty of Amsterdam in 1999 codified these “freedoms.” The “Schengen” agreement, named after a small town in Luxembourg, took effect in 1995; it allowed freedom of travel throughout the continent. Britain never signed onto Schengen.

Respect for human rights was made part of European law and individual citizens were given the standing to take grievances against their own governments to the European Court of Human Rights..

The Helsinki Accords signed in 1975 extended the principles of human rights and respect for European borders from North America to Russia. Helsinki created the Organization for European Security and Cooperation (the OSCE). I will say more on this important organization in a moment.

The European Parliament was organized according to ideological rather than national party groupings. This was yet another effort to minimize national identity and to create alliances of like-minded politicians across borders.

Unfortunately, the Parliament initially had much less authority than the bureaucrats of the European Commission. The dense bureaucratic regulations of the Commission often seemed to disregard local sensibilities and this began to energize national populists. In those days the consensus for unity was much stronger than the dissent of the nationalists, but that seems to be changing.

The Treaty of Lisbon was initially an effort to create a European constitution. When some member-states rejected that version,

the drafters reverted to a series of amendments to the original agreements. These amendments were significant. They not only gave citizens and their representatives in the European Parliament more of a voice on policy questions, they also increased European powers over border control, asylum and immigration, judicial and police cooperation in both civil and criminal matters. This Treaty went into effect in 2009, but as we have seen, it was easier to approve the new cross-border approach than to implement it.

In the late 1990s negotiations were started to create a common currency, the Euro. To many in Europe this was seen as the final step in creating a truly united Europe. Bringing the 500 million Europeans under a single currency had the potential to create economic power greater than that of United States.

However, the challenge of creating a single currency for such a disparate group of economic entities was badly underestimated. The European Central Bank (ECB) possessed far less authority than did the American Federal Reserve system. All worked well when the global economy was booming. However, when the American mortgage derivative collapse precipitated a global banking crisis in 2008, the European system's weaknesses were exposed. So were America's, but our Federal Reserve had the authority to use monetary policy to avoid an even deeper crisis. That and President Obama's stimulus package produced a slow but steadily improving recovery in the United States.

In the absence of a dynamic central bank and a stimulus, the 19 Euro zone nations are still struggling. Tensions between the stronger and more disciplined economies of the north and the weaker ones to the south are great. Only over time was the European Central Bank given more control over monetary

instruments and authority and to purchase state bonds to stimulate the southern economies. The debt accumulated by countries like Greece, remains a significant drag on the Euro. The 9 EU countries not yet in the Euro zone now have little incentive to join.

The Euro crisis and the refugee influx represent a perfect storm for Europe. Last year Europe was forced to absorb close to 2 million refugees and migrants. Most of these are legitimate refugees protected under international law. They come mainly from Middle East conflict zones in Syria, Afghanistan and Iraq. And sadly, it is the southern EU countries like Greece that are least able to manage the crisis.

The terrorist attacks in Paris and Brussels were major shocks to the system and they have exposed weaknesses in social integration and security. Many of the terrorists were home grown. They had never been integrated fully into European society and some were susceptible to recruitment by the Islamic State. Police and intelligence agencies were too often still operating within national borders. Even when the attacks were seen as imminent, they did not have the means to prevent them.

Despite today's challenges, the European Project remains a story of unprecedented progress. Never before in world history has a group of nations come together this way, yielding sovereignty over major policy areas and integrating economic, social and political sectors so completely. It may sound counterintuitive, but the answer to today's problems is more integration, not less.

It continues to be in America's vital interest to promote a united Europe. Republican and Democratic American Administrations

have supported the evolution of the European Union for 5 decades.

The North Atlantic Treaty Organization (NATO), part of an effort to "contain" the Soviet Union, supported the political evolution. After the Berlin Wall fell and the Soviet Union broke apart there was an aggressive effort to expand NATO into the territory of the old Warsaw Pact, in Central and Eastern Europe and into the Baltic region.

Nations in these regions wanted the deterrent protection of NATO's Article 5, meaning that an attack on one was an attack on all. While there were efforts in the Clinton Administration to bring Russia into a Partnership for Peace with NATO, the Bush Administration seemed more interested in encircling Russia. They invited nations like Ukraine and Georgia to join NATO and, after abrogating the Anti Ballistic Missile Treaty; they convinced Poland and the Czech Republic to place ABMs on their land. The overall effect was to encourage Russia to rebuild its military capacity and to aggressively defend Russian speakers in its "near abroad. " This aggression led to the Russian invasion and occupation of Ukrainian territory in Crimea and to a direct confrontation with the European Union and NATO.

Other Russian efforts to undermine the European Union are not quite as obvious to Americans. Populist parties that support "traditional values" are being financed by Russia. Soft-power propaganda in the form of news programs that challenge the concept of a united Europe is being used as well.

These efforts to produce Anti- Europe sentiment have reached dangerous levels and governments all over Europe have had to find ways to make accommodations.

Poland and Hungary have given in. In these countries leaders practice what the Hungarian Prime Minister called "illiberal" democracy. This is a poorly disguised form of authoritarianism that clearly contradicts European values and law. Political parties that hold similar views have made progress in recent elections in France and Germany as well. A recent vote in the Netherlands to reject an EU loan to Ukraine most likely was caused by a combination of Russia's propaganda efforts and concerns about corruption in Ukraine.

The United Kingdom is in a different category; its population has had a skeptical view of Europe from the beginning. Rejected in its first efforts to join, the British have taken advantage of EU membership while trying to hold the EU at arms length. Populist voices constantly question European Commission regulations and the common currency is a non-starter in Britain. Conservative Party governments have held off negative sentiment toward Europe by promising referendums on continuing EU membership.

Prime Minister Cameron has recently negotiated a "special status" agreement with the EU in anticipation of a June referendum that will once again give the British people a vote on a "Brexit." Key members of Cameron's own party have announced their opposition to staying in the Union and competing studies that attempt to calculate the costs of leaving seem to have confused the issue further. Anti-Europe Tory politicians may be as much motivated by their desire to replace Cameron as leader as by the substance of the issue.

There is little doubt that the consequences of a Brexit would be very serious for both the EU and Britain. This would also impact

the “special relationship” the United States has with Britain. Part of the value of that relationship is Britain’s membership and voice within Europe. The Obama Administration has underscored this point publically.

As mentioned, the European Union and its legal and political architecture was reinforced in 1975 by an even broader set of agreements involving the United States and Canada and the nations of Eurasia including Russia. The four “baskets of the Organization for Security and Cooperation in Europe deal with borders, human rights, political and military issues, trade and scientific cooperation, freedom of emigration, cultural exchanges and freedom of the press.

Some in the United States were skeptical of these Helsinki Accords in the days of the Cold War, but when the Berlin Wall came down and the Soviet Union broke apart, these agreements gave sovereignty and territorial integrity in the former Warsaw Pact more meaning. They also gave a voice to those seeking free expression. The conferences held periodically to implement Helsinki facilitated an important dialogue on these issues.

In 2014 I was privileged to lead the US delegation to the Human Dimension Implementation Conference in Warsaw, Poland. The 57 member states were arrayed around a huge conference table. The meetings went on for a week. Government representatives and individual citizens were allowed to voice their complaints and concerns about political prisoners, infringements of the rights of minorities, freedom of the press and the treatment of journalists, travel restrictions, and all manner of human rights abuses.

Hanging over the meeting like a dark cloud was the most significant breech of the Helsinki Accords in the 40 years since it's signing: the Russian invasion of Crimea. This sad fact—despite Russia's denials-- went to the very relevance of the legal framework of the OSCE itself. If this act was to be tolerated, was the institution itself compromised beyond repair?

The answer was not immediately obvious, but over that week I became convinced that this was a forum that must be continued. Russia was in the docket of an international court of public opinion and its conduct was severely criticized, and not just over Crimea. Over 30 Russian journalists in Russia had been murdered in the past two years for investigating corruption and abuse of power. Minority groups told stories of discrimination and suppression of political dissent. Yes, Russia was on trial. As were other countries, including the United States, mostly over the death penalty (only two members of the OSCE, Belarus and the United States still use the death penalty).

I was moved by a group of Hungarian citizens concerned about their government's crackdown on non-governmental organizations and journalists investigating corruption. IIn a plenary session I expressed deep disappointment over the authoritarian tendencies of Prime Minister Victor Orban's government.

A day later I received a death threat from an anonymous Hungarian. I will leave out the names he used to describe me. What was more interesting was his reference to "the man Putin who will take over the Trans-Carpathian region and return it to Hungary."

This illustrates a larger point about the potential of a breakdown of the consensus that has brought peace and stability to the European region for the past 50 years. European borders in most cases are the result of the peace agreements ending the two world wars. The borders created related to the spoils of war. The victors wanted to punish the vanquished, and in many cases this stranded some ethnic groups on the wrong side of a border.

Helsinki was designed to acknowledge this reality and to offer protections. The rights, language and customs of these minorities were to be respected. Yet nationalists like Orban and Putin continue to agitate, raising false hopes and challenging the sovereignty of European states.

Independence movements are not just a problem for Eastern Europe. In the United Kingdom Scottish and Welsh nationalists are agitating for independence, as are the Catalans of Spain. Ethnic groups in Europe are generally satisfied when the economy is strong, but hard times breaks down collective efficacy and one's sense of community becomes more parochial and more jingoistic.

The refugee crisis has exacerbated all these problems and strengthened the appeal of populist politicians. The EU has recently reached a highly controversial agreement with Turkey to return refugees to that country for processing. This violates an important principle—that refugees are to be processed in the country where they first disembark. However, given the challenges facing Greece, this plan may be a practical one. Unfortunately, Turkey's recent crackdown on journalists and its recent human rights violations do not make it an ideal European partner.

All this is to say, that this is not the time for the United States to sit back and watch the unraveling of a European project that was born of American goodwill and self-interest. This is not the time to turn our backs on Europe. We are helping on some fronts, but we need to do more. For example:

- The refugee crisis is overwhelming the European Union and the UN High Commissioner for Refugees. We strongly support UNHCR, but we can do even more to relieve the situation. That means providing more resources to UNHCR, using US forces based in Europe to build decent refugee camps and sending experts to help process refugees.
- It also means increasing the numbers of refugees from the Middle East that we take in here. The US has taken in only 2104 Syrian refugees since 2012. Canada took in 16,000 in a four-month period at the beginning of this year. Screening these people is important, but when it takes over two years to process a refugee it is clear that the US is not devoting adequate resources. We are doing too little to relieve the worsening situation in Europe.
- The US Government also needs to show more flexibility in negotiations over Syria. We needn't change our view that Assad must go—eventually-- but his immediate removal is a recipe for more war. The humanitarian consequences of this war have become more important than Assad.
- The United States can help Europe integrate its new populations. This is only one aspect of confronting terrorism, but it is potentially the most effective thing we can do. We have first-generation Americans who can identify with counterparts in Europe and can work with NGOs and governments on integration programs. The

sharing of intelligence and police techniques is vital, but there is more we can do on the social and economic front.

- The effort to strengthen NATO's deterrent capacity to prevent Russian interference in the Baltic nations should be continued. Troop deployments and training exercises should demonstrate Western resolve. At the same time, we should expect our Baltic region allies to treat Russian speakers within their borders with the same respect accorded to all citizens.
- The United States should join with other European nations to engage with Russia to reinforce the ceasefire agreement on Eastern Ukraine reached under the auspices of the OSCE in Minsk. Diplomatic engagement with Russia on other fronts as well will enable a better understanding of the common interests that bring us together. I give high marks to Secretary John Kerry for his diplomatic efforts here.
- The United States shares responsibility for the financial crisis in Europe and it should use its good offices at the International Monetary Fund and the World Bank to ease the credit crisis in Greece.

Finally, these various pieces should be woven together to create a new strategic approach to Europe. They are individually important but they should be presented in such a way as rise to the level of a Marshall Plan in the minds of the American people.

When presidential candidates question the value of NATO, express opposition to a trade agreement that hasn't yet been negotiated and ask European leaders to do more when their house is burning, something is wrong. When these

isolationist and anti-European ideas gain popular support in the United States someone is missing the bigger picture.

It is time to ring the alarm bells. The European Project we helped create remains in place, but it is under great stress. It is time to tell the American people why a democratic, stable and prosperous Europe is in their interest. It is time to do much more to help Europe help itself.