PART V.
REGIONAL TRENDS: PROMISE OR PERIL?

Chapter 39

The European Quest for Unity

Richard L. Kugler

Europe does not figure prominently in the recent literature on globalization, which tends to focus on other regions, especially Asia and Latin America. Yet Europe remains hugely important to world affairs and to how globalization plays out. In contrast to other regions that face serious troubles in their security affairs and economics, European nations are steadily making progress in these and other critical areas. This progress is not readily seen when attention is focused on the dust and smoke of daily political tussles. But it becomes apparent when the trends over the years and decades are examined. Europe has progressed a great deal since 1990; indeed, since 1995. It is not only removing what earlier had been a huge thorn in the side of global tranquility but also, in some ways, is providing an example for other regions to follow. If the distant and tumultuous past becomes replicated elsewhere, the future is headed toward big trouble. But if Europe's bright promise today can act as a path setter, the future is something to be welcomed.

While making progress, this region faces several important issues—not only in economics but also in politics and security affairs—that will have to be handled carefully if its glowing promise is to be fully realized. Moreover, the looming strategic task is no longer figuring out how to maintain the peace. Instead, it is determining how the strength of a unifying Europe can be harnessed, in partnership with the United States, to help bring stability and progress to the rest of the globalizing world. Precisely because the region is no longer an all-consuming source of conflict and war, it can no longer be viewed as an island separate unto itself.

Dynamics of Progress and Unity

The dominating reality today is that aside from the Balkans, Europe is not only basking in peace and prosperity but also steadily unifying. Prosperity is nothing new for the region: it has long been one of the world's most industrialized and richest regions, second only to North America. But peace and unity are decidedly new. Throughout most of the 20th century, Europe was the cockpit of global calamity, spawning two world wars and the Cold War. This unseemly track record reflected the main geostrategic feature: its division into a large number of medium- and small-

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Richard L. Kugler is a distinguished research professor in the Institute for National Strategic Studies at the National Defense University. He formerly was a research leader at RAND and a senior executive in the Department of Defense. Dr. Kugler is the author of many books and studies including Commitment to Purpose: How Alliance Partnership Won the Cold War.

sized states, all living in close proximity, and many distrusting each other intently. As far back as the Peace of Westphalia in 1648, the consequence was endless geopolitical maneuvering in which many countries were pitted against each other and seldom cooperated on behalf of enduring, collective solutions. For the Europeans, falling into conflict and war—by accident or design—came naturally.

The stage for the 20th century's disasters was set by the events of the late 19th century. Across the Atlantic, the United States surmounted its divisive Civil War of the 1860s to achieve both industrialization and political unity as a full-fledged democracy. As a result, it became strong, wealthy, and peaceful, poised to enter the 20th century as a world power. Europe also experienced war during the mid-1800s: the Crimean War and three wars triggered by Germany's unification. But it did not emerge from them as fortunate as the United States. Europe industrialized but only partly democratized: while its western countries steadily embraced democracy, its eastern countries remained mostly authoritarian. Europe's security system remained unsteady: a shifting morass anchored in military strength and tactical diplomacy, rather than common interests, values, and laws. As unified Germany grew stronger, Europe's other dominant powers—Britain, France, the Austro-Hungarian Empire, and Russia—maneuvered to protect their positions and used their industrial power to build modern armies capable of attacking each other. Europe drifted into a balance-of-power system. At first this system seemed stable, with Germany and Britain playing contributing roles on behalf of peaceful order. But as nationalism took hold, and as diplomatic intrigue gave way to military competition, this system mutated into a bipolar rivalry and became increasingly fragile.[1]

The 20th century dawned with many Europeans expecting a long era of peace and progress. Lured by economic and political atmospherics into ignoring their shaky security system, they were blind to the danger facing them. In 1914, the balance-of-power system collapsed, producing World War I, which inflicted huge damage and broke the back of Europe's optimistic spirit. As Britain's Sir Edward Grey said, the lights went out across Europe and they were not to be relit soon.[2] For a time in the 1920s, Europe seemed to be recovering its balance in a setting where no major security threats loomed. But the bitter legacy of World War I left too many wounds for true cooperation to take hold, and a number of countries fell victim to short-sighted conduct that failed to prepare for the gathering storm. That brief period gave way to the Great Depression of the 1930s, political extremism in the form of Nazism, Fascism, and communism, and, ultimately, another catastrophic explosion: World War II. Whereas World War I was heavily triggered by diplomatic accident along with interacting war plans that produced an unintended rush to calamity, World War II was an intended product of evil menace: Nazi Germany's imperialist and racist designs. That long war finally ended in 1945 with Germany's defeat, but it left Europe devastated and the Soviet Army implanted in Eastern Europe, where Stalin was free to impose his own totalitarian order while threatening a further march westward. As a result, Europe plunged into another stressful political conflict: the Cold War. That conflict never erupted into a shooting war, but for 40 years, Europe was divided down the middle in a new bipolar rivalry pitting the Soviet-led bloc against the U.S.-led North Atlantic Treaty Organization (NATO) in a nerve-wracking standoff.

Meanwhile West Europeans, exhausted from decades of self-inflicted conflict and destruction, struggled to regain their footing and their self-confidence.

The political track that Western Europe took, under the mantle of U.S. protection, was a slow but steady pursuit of unification that not only restored its health but also played a major role in eventually winning the Cold War. This process long preceded the appearance of globalization on the world stage, but it reflected some of globalization's current dynamics. The process took its first giant step when Western Europe and the United States joined together in 1949 to create NATO, which soon grew to provide a rock-solid foundation of collective defense and security. NATO performed three key functions: it drew the United States into permanent involvement in Europe's security affairs; it kept the Soviet Union and communism at bay; and it provided a mechanism for Germany, France, and Britain to bury their hatchets and begin cooperating in security affairs. Prior to NATO, the United States had adopted an arm's-length stance toward Europe's peacetime affairs, and the European countries mostly competed against each other in the military arena. Because of NATO, the Americans were now heavily involved, and the West Europeans were now cooperating, not competing.

With NATO keeping their security intact, West European countries were freed to focus on their economic recovery. They were aided by the Marshall Plan, which not only helped trigger industrial renewal but also stabilized Europe's endangered democracies. Even once-authoritarian Germany emerged as a stable democracy with a policy of multilateral collaboration. Soon the Europeans began cooperating in the economic arena. First came the European Coal and Steel Community. Then came the Rome Treaty and Common Market of the 1950s and 1960s. Then came the European Economic Community (EEC) of the 1970s and the European Community (EC) of the mid-1980s. At first, the EC lacked strong powers and was focused mostly on creating freer trade and coordinating currency values and finances. But the Single European Act was adopted in 1987, and after the Cold War ended, the EEC gave way to the European Union (EU). As a result of the Maastricht and Amsterdam Treaties, the European Union embraced the ambitious goals of achieving a monetary and then a political union. The legacy of the 1990s is the European Union of today: poised not only to continue deepening internally but also to create a common foreign, security, and defense policy (CFSP) and a European security and defense policy (ESDP) and to enlarge steadily into Eastern Europe.[3]

Explaining Europe's Success

Sir Edward Grey was right in saying that when Europe's lights went out in 1914, they would not come back on again for many years. But at long last, nearly a full century later, they are being relit. Although much remains to be done, the contrast between yesterday and today could not be more dramatic. Throughout most of the 20th century, Europe was the poster child of disunity, strategic chaos, and war. Now it has become the poster child of unity, peace, and progress. The lengthy historical process of how this dramatic transformation occurred is common knowledge. The more interesting question is: Why did it occur? Why did it unfold so powerfully in the face of historical precedents that pulled in the opposite direction? What are the core reasons

for this profound change for the better? These questions are important because they have implications for how globalization's worldwide prospects are appraised. Europe was *globalized* long before the term became fashionable. For more than a century, the small, densely packed continent has been tied together in a growing web of interacting economics, finances, communications, politics, diplomacy, and security affairs. For many decades, Europe's mounting interdependence produced conflict and war. Now it is producing the exact opposite. What do the underlying causes of this full-scale turnabout have to say about how progress toward multilateral cooperation can best be pursued in a globalizing world?

A common explanation is that the Cold War threat posed by the Soviet bloc gave the Europeans no choice but to unify and to form an alliance with the United States. Clearly the Soviet threat gave them a big impetus, but whether it left them no other choice is another matter. They could have responded in different, less-integrated ways and still aspired to protect themselves. Indeed, plenty of critics argued against a fully integrated NATO, alleging it unduly provoked the Soviets and thereby intensified the contest. EC–EU integration also had its critics, who charged that it unduly sacrificed the sovereignty of Europe's countries. In any event, creation of NATO and the European Union, their full flowering, and their robust lives after the Cold War cannot be explained solely by the external threat to Europe. Other powerful factors, deriving from internal dynamics and the transatlantic relationship with the United States, were at work.

A key contributor was the strong U.S. commitment to Western Europe's security and prosperity. In addition to extending an umbrella of nuclear deterrence coverage over Europe, the United States provided the critical mass of power and leadership that enabled the large number of smaller European countries to join together to form an effective security coalition. Absent the United States, the political and military barriers likely would have been too difficult to overcome, even if Western Europe's aggregate strength had been sufficient for an effective alliance. Equally important, the European countries, exhausted from their centuries of infighting, saw the wisdom of putting aside their long-standing hatreds in order to collaborate. The fact that many of them already were democracies gave them common values, which further enhanced their propensity to cooperate. Germany's success at embracing democracy, achieved by the mid-1950s, was critical because it meant that all Northern and Central European members saw the political basics alike. By anchoring democratic Germany in a transatlantic defense alliance with the United States, NATO transformed Western Europe from its old, fatal, balance-of-power dynamics into a truly collective enterprise aimed at promoting the common good.

For the first time, Britain, Germany, and France no longer had reason to fear each other. Indeed, the transatlantic defense bargain forged in the mid-1950s committed Britain, France, and the United States to West Germany's defense, in exchange for that country's pledge to fully integrate its rebuilt army into common defense plans. In the northern region, exposed Norway was assured of its security, and while Sweden chose to remain outside NATO, it benefited from the Alliance's stabilizing influence. In the southern region, Italy was given an influential role in NATO, exposed Turkey was brought into NATO and assured of its security, and efforts were made to dampen

the never-ending Greek-Turkish rivalry. Something similar had been attempted by the League of Nations in the 1920s, but it foundered when its collective security pledges of political help in crises proved hollow. Learning from this painful lesson, NATO went a big step beyond by creating firm collective defense pledges of powerful military help, not only in crises but also in peacetime. Especially because they were backed by U.S. military power, NATO collective defense commitments were credible enough to be decisive. Western Europe's old geopolitics of maneuver and competition turned into a new, healthy geopolitics of mutual collaboration and multilateralism. In essence, collective defense helped turn the key, opening the door to a brighter future of restored progress.[4]

Owing to shared strategic interests and common political values across Western Europe and in the transatlantic relationship, the traditional fear that gains for some countries would spell losses for others steadily disappeared. All participants now had an incentive to see each other, and help each other, grow more secure and prosperous. Not only did cooperation bring peace among the Europeans, but it also enabled them to greatly magnify their strategic powers, thereby allowing them to pursue ambitious goals that otherwise would have been well beyond their ken. NATO brought them considerable security at relatively low cost, and the EC–EU played an important role in accelerating economic progress. As the years unfolded, the costs and sacrifices of both institutions came to be overshadowed by the gains achieved. As a result, the idea of integration became increasingly popular, as did both institutions, which came to symbolize much of what was new and good about Europe.

Another key contributor is that both NATO and the EC–EU acted as more than political debating societies and showcases for meaningless summits. They developed an ability to use the democratic process to make strong decisions, based on consensus, that not only made strategic sense but also respected the interests of all participants. In the 1960s and 1970s, NATO employed its democratic mechanisms to surmount dangerous political problems that arose as a result of its debates over defense strategy and détente. In 1967, it adopted the new strategy of flexible response, which harmonized the need for continuing nuclear deterrence with the growing imperative for a stronger conventional defense. In the early 1970s, it agreed to pursue a careful détente with the Soviet Union while further strengthening its defenses. A main effect was to keep West German interests aligned with those of the United States and Britain: the anchor of NATO effectiveness in the following years. As the Common Market evolved into the EEC and EC, it took similar harmonizing steps. Rejecting the call by France for a separate path to European unity, it decided to pursue unity within the transatlantic partnership and open its door to a large number of qualified countries, not just a small core.

Moreover, these two institutions developed the capacity to perform successfully in implementing their strategic decisions. This especially was true for NATO. From the earliest years onward, it created institutions—its political headquarters and its integrated military command—for carrying out concrete plans and programs. Owing to its ability to forge a consensus behind a coherent strategic agenda, it became a powerful institution for assembling and employing the assets that were needed to achieve agreed-upon goals. Never a perfect alliance, it often generated intense frus-

tration, but overall, it developed a reputation for effectiveness, often starting slowly on a new enterprise, but then finishing with a flourish. The EC–EU was slower to evolve along these lines. But from the start, West European policies helped lower trade barriers and facilitate flows of capital and finances in ways that enhanced economic progress for its members. Eventually, the EC–EU developed its own political organs and administrative bureaucracies that provided a growing capacity to plan and carry out ambitious programs on behalf of common goals.

Both institutions began gaining steam in the late 1970s, and as the 1980s unfolded, they both were operating at high throttle, thereby helping the Western alliance steadily pull away from the Soviet bloc in power and purpose. Led by the Reagan administration but with strong European support, NATO carried out major defense modernization efforts by deploying long-range intermediate nuclear force (LRINF) missiles and pursuing its Conventional Defense Improvement (CDI) plan. The European Union stepped up its community-building efforts even as European countries emphasized market reforms to stimulate their economies into faster sustained growth. Meanwhile the United States and Western Europe drew closer together in politics, economics, diplomacy, and defense affairs. The effect was to eliminate any lingering prospect that the Soviet Union somehow could prevail in the contest for mastery of Europe's destiny. Indeed, the Soviet Union was left bankrupt, presiding over a Warsaw Pact alliance that was discredited in Eastern Europe and an outdated political-economic system that was discredited at home. General Secretary Mikhail Gorbachev's decision to withdraw the Soviet army from Europe was not tactical: it reflected the new, irresistible strategic tides of the time.

When the Cold War ended suddenly in 1990, the Europeans were compelled to perform a strategic stock taking. It hardly came as a surprise that, with U.S. support, they wanted to continue cooperating and integrating: not only to prevent a damaging backslide into their regretful past but also to march further along the path toward progress. They also wanted to retain both NATO and the European Union as vital bodies. Although their original rationales had mutated, both institutions were seen as potent contributors to Europe's future visions. Because both institutions already were deeply implanted, the Europeans were not compelled by the new era to start over from scratch. Instead, they merely had to retool two institutions that already had a reputation for effectiveness and seemingly possessed the power and flexibility to adapt to the new era. The 1990s were mostly consumed with this agenda of retooling and adaptation. The record shows that considerable progress has been made. Both NATO and the European Union see themselves as productive, forward-looking institutions for the future, not as outmoded relics of the past. Meanwhile, nearly all continental countries have grown enchanted with the idea of taking advantage of an historic opportunity for unity. Their common goal is not only to cement their peace but also make the region wealthier and more secure on the world scene, and thereby better able to control its destiny. In this setting, unification has grown from a distant dream into a true political ideology, with a real agenda of its own.

Lessons Learned

While the future remained unknown, the European drive toward progress and integration had a distinct pattern of cause and effect. Europeans and Americans already had the advantage of a mostly shared commitment to democracy when the Cold War began. Their growing political cooperation in the security and defense arena seemed to jump-start their march into the future on multiple fronts. Their multilateral defense collaboration did more than create a deterrent shield against the Soviet threat. It also lessened their apprehensions about each other and made them increasingly comfortable with the idea of working together in ways that benefited all of them: first in defense affairs, and then in other arenas. Former enemies came to see each other as valuable allies and partners—not only in war but also in peacetime. Behind their defense screen, moreover, the secure political conditions were created that allowed democracy to deeply entrench itself nearly everywhere.

As for their efforts in the economic arena, their mutual commitment to recovery from the devestation of World War II began at about the same time that NATO was formed. Virtually all countries recognized that they could not sustain their physical safety and their democratic values unless they reignited their economies. But while all European countries eagerly accepted Marshall Plan assistance from the United States and set about to rebuild their prosperity, their efforts to integrate their economies in ambitious ways did not get fully under way until later. The European countries worked within the Bretton Woods accords and participated in GATT negotiations aimed at lowering trade tariffs. But they mostly set about to manage their national economies, industries, and welfare policies in separate and independent ways. In essence, transatlantic defense cooperation and NATO came first, and European economic integration came afterward. To an important degree, the former helped empower the latter, not the other way around.

This pattern was the case because of necessity and opportunity. From the onset, the Europeans and Americans faced a critical need to work closely together in the security arena in order to protect their own safety. European economic integration was seen as a worthwhile vision in some quarters, but more as a future luxury, not an immediate necessity. Equally important, a political consensus on both sides of the Atlantic formed early on behalf of security and defense cooperation. No such consensus existed for ambitious economic integration agendas. Both the Europeans and Americans soon came to value their security and defense cooperation so much that they did not allow growing economic frictions from market dynamics to pull them apart. By the early 1970s, Western Europe had recovered its industrial strength to the point where it was now becoming an economic competitor with the United States. Political frictions soon emerged, but both sides made the necessary adjustments in trade and currency relations that were needed to prevent their security collaboration from being damaged. Inside Europe, meanwhile, a similar dynamic unfolded. By the 1970s, Central and Northern Europe had pulled ahead of Southern Europe in wealth and economic competitiveness. But rather than drifting apart because their economic lives were now so different, the Europeans decided instead to stick together by con-

tinuing to collaborate in NATO and gradually expanding the EC–EU southward to include new members as permitted.

The great lesson of the past 50 years in Europe and transatlantic relations stands out like a beacon on a dark night: Strong multilateralism is needed in order to transform big problems into major progress, and while it is not easy, it can work when serious-minded countries decide to take full advantage of its opportunities. Whether this model for achieving progress applies elsewhere can be debated, but it undeniably worked well in the European case over the past half-century, and its causal dynamics seem simple and clear. For the most part, common political values and security collaboration reinforced each other from the onset to create a solid foundation for community building. Governmental policies, not markets, were the source of progress in building this foundation. To be sure, economic growth helped too, but more as a means to facilitate this collaboration, not a central mechanism of collaboration and progress in itself. In Europe, major economic integration was eventually pursued and is now being attained. But at the time when European unity was starting to take shape and for several decades afterward, its primary role was to provide the superstructure of progress, not the foundation.

Indeed, this mentality of seeking security arrangements as a still-important basis for pursuing progress in economics and politics remains alive today, more deeply implanted than many observers realize. When the Americans and Europeans start thinking about how to cooperate on a new endeavor, they typically turn first to political endeavors and security affairs, and only then to economics. Experience has taught them that this approach normally provides the best avenue not only to reach a common understanding but also swiftly and effectively to achieve something truly enduring in more ways than one. It is no accident that when they decided to enlarge into Eastern Europe, they chose to expand NATO first and the European Union afterward. NATO had the political capacity to move faster than did the European Union, which is impaled on complex decision procedures and demanding admission requirements. In addition, there was a widespread belief that NATO enlargement could quickly lay a foundation of security, thereby creating the conditions that would encourage democracy and market reforms to take hold, in ways that would allow new members to qualify for eventual entrance into the European Union.

Europe is well on the way toward achieving unity. In major ways, the increasingly visionary and powerful European Union is leading the way. It is no longer a purely economic and political body. Having learned that security still matters, even in an era when no single big threat looms immediately on the horizon, it is transforming itself into a body capable of carrying out a coherent diplomacy and defense policy. Moreover, most European countries plan to retain NATO, with its heavy U.S. involvement, as their premier security architecture, within which growing EU capabilities are to be fitted. The overall plan is to build a unifying Europe through a network of interlocking institutions: NATO, the European Union, the Organization for Security and Cooperation in Europe (OSCE), and others. Empowering them is to be a widely shared commitment of all participating countries, backed by the United States, to unity and progress in security, politics, and economics.

To some critics, the current European and transatlantic strategy for progress is too cautiously anchored in security. They argue that in today's world, security can be taken for granted, progress can best be made by focusing on economic prosperity and democratizing politics, and these gains can be achieved by relying on market dynamics and natural historical forces. But Europe has the benefit of knowing its checkered history. Within the past century, it twice has seen progress temporarily gain momentum on its own, attention to security foolishly fade into the background, and calamity ensue in ways that were obvious in the aftermath, but not foreseen. Owing to this history, Europe's current practice of being proactive and careful about handling peacetime security affairs in an era of dynamic, unpredictable change comes across as understandable and wise.

The current strategy, however, is not locked in the Cold War. The old model of pursuing progress by creating security first and economic cooperation afterward seemingly is giving way to a new, more balanced model that is still a work of art in creation. The new model is not the polar opposite: economics first, and security afterward or not at all. Instead, it is a model of security progress and economic progress moving in tandem, in hand-in-hand fashion that takes into account their interplay, their different properties, and their mutually reinforcing qualities. This new model of NATO and the European Union acting in strategic tandem seems a reasonable approach for building the future of growing unity in Europe and continued strength in the transatlantic partnership. After all, security and economics are different things. Progress in one does not automatically beget progress in the other, but damage in one can cause damage to the other. In the final analysis, these two activities affect each other to the point where they are two sides of the same coin. The new European and transatlantic model reflects this judgment, which arises from Europe's turbulent but successful history of the past 50 years. The question is whether this model, or some other model, provides a viable path to progress for other regions that face problems of their own in a globalizing world.[5]

Guiding Unification: Strategic Issues Ahead

Although Europe is pointed toward further unity and progress, its success should not be taken for granted. Much will depend upon how several critical issues are handled: the EU internal development, further enlargement by NATO and the European Union eastward, relations with Russia, troubled Balkan affairs, and Turkey's shaky status. The manner in which these strategic issues are resolved will affect not only the kind of unified Europe that emerges but also its ability to play a role on the world stage in partnership with the United States. A united, confident Europe that is master of its own destiny and able to act strongly in world affairs is one thing. Something else again is a dithering, inward-looking Europe—one so immersed in still-messy continental affairs that it cannot look outward, much less act there. Whether one or the other outcome unfolds will be determined by how Europe handles the key issues on its plate in the coming years.

Pursuing EU Integration

Beyond question, Europe approaches these thorny issues from a position of considerable economic strength. Europe as a whole totals about 600 million people, a $10 trillion economy, and an average gross domestic product (GDP) per head of about $17,000 annually. But these aggregate figures conceal the big differences among Europe's various subregions. Whereas wealthy Western Europe, with its 380 million people, has an average GDP per head of nearly $26,000, Eastern Europe and the Balkans, with more than 200 million people, are poorer, with an average GDP per head of only about $4,500. Turkey, a longstanding NATO member with 63 million people, barely tops $3,000 per capita. Even across the western half of Europe, there is a considerable difference between the northern wealthy and the southern less wealthy. Italy's economy is similar to that of its northern cousins, but the GDP per head in Spain, Portugal, and Greece average only about $11,000, which is well below the overall average. Europe's economic growth has been slow for the past several years, although it has picked up recently. Europe's best endowed economies—Germany and France—have been struggling with high unemployment, bloated welfare spending, and high wages that elevate the cost of goods on foreign markets, thereby dampening exports. Although inflation has been low, national debt and budget deficits remain high, posing long-term problems. European businesses and industries have not responded to the information era with the same alacrity as have American firms, which have downsized, merged, and networked. All these factors produce a sense of continuing economic struggle in Europe, albeit in a setting of far greater wealth and better living conditions than enjoyed by most regions.[6]

Europeans anticipate that the new Euro-currency will help stimulate their long-term economic growth and otherwise provide the benefits that come from a strong currency capable of influencing finances, capital flows, and investments inside and outside their continent. European Economic and Monetary Union (EMU) took full effect in early 1999, when the new Euro made its initial appearance as one currency among the plethora of still-existing national currencies. To the surprise of skeptics, 11 EU members took part in the new currency, and a new Central Bank was created to help coordinate Europe's integrating monetary affairs. By 2002, the Euro is scheduled to replace most national currencies. Although it enjoys the support of Europe's main finance ministries and banks, thus far it has suffered ups and downs on international markets in relation to the dollar, yen, and other currencies. Its adoption has been greeted not only with fanfare but also controversy. While the Euro marks a major step toward Europe's unity in economic affairs, critics charge it will deprive individual countries of flexibility in setting monetary and fiscal policy in stressful situations. Fearing this constraint and resenting their own loss of identity, Britain and Denmark have refused to adopt the Euro as their sole currency (Greece and Sweden have not yet qualified). Those countries that fully support EMU are struggling to make it work, but while difficulty lies ahead, the Euro is a reality whose time has come, not only because it enjoys considerable support but also because, in the eyes of many Europeans, it makes economic sense. [7]

A principal advantage of the Euro is that it will speed financial exchanges and lower transaction costs across Europe. It provides a strong mechanism for enforcing disciplined fiscal and monetary policies in all national capitals. Indeed, a number of countries had trouble reining in their national debt and budget deficits enough to qualify for EMU entrance under its rules. Those that responded had a tough time adjusting, but they are now better off for the effort. The Euro reduces the instability that comes from fluctuating exchange rates among multiple currencies, eases the creation of multinational European businesses, and helps make European investments more attractive on the world scene. Its effects on exports and imports will depend upon its value in relation to other currencies, but it provides Europeans a greater sense of continuity in gauging the complicated dynamics of trade and financial flows. As the Euro takes hold, doubtless it will have a positive effect on Europe's economic growth, but the extent of the impact is to be seen. In the coming years, a wealthier Europe likely will continue its steady march toward becoming a single market with one dominant currency. At that juncture, the central issue will be whether Europe acts as an inward-looking regional economic bloc or uses its growing cohesion to play an active role in guiding the world economy as a whole.

Now that EMU and the Euro are being implemented, the main challenges facing Europe's drive to unification are more political than economic, that is, they deal with the fundamentals of governance rather than the orchestration of money and markets.[8] Achieving economic integration has been difficult enough, but it is less ambitious than is pursuing political integration. The task facing Europeans is very different from that faced by the United States when it unified more than a century ago. America had the advantage of beginning as a set of colonies located on the eastern seaboard. At the onset, it was able to create a constitution, a dominant political culture, and a single approach to governance, and to replicate this approach as it marched westward to populate its wide-open continent, spawning a growing number of like-minded states in the process. Europe's situation is the exact opposite. The continent already is fully settled, marked by a large number of deeply entrenched countries with unique histories, cultures, identities, sizes and strengths, and views about sovereignty. The task is made easier by the fact that nearly all countries are full democracies with market economies and modern societies. Yet Europe is far from uniform: while homogeneous in some respects, it is highly heterogeneous in others, and each country has its own needs, priorities, and instincts. This makes the task of creating a common approach to governance, and the distribution of political power and authority, a truly daunting one. The inevitable consequence is an integrative effort that moves slowly, builds a consensus from the bottom up, gradually adding powers to the union as it proves its ability to govern fairly and effectively.

The Maastricht and Amsterdam Treaties proclaimed that the European Union is to become an ever-closer political union, but exactly what does that mean? Europeans have been debating this question intently since these treaties were signed, with no end in sight. The two treaties pointed the European Union on a slow upward trajectory in this arena but did not specify the exact endgame. Countries favoring the enterprise (for example, Germany, France, and their neighbors) began talking in terms of visionary horizons. But a negative reaction soon took hold in Britain and Den-

mark, and among other members. The result was agreement on the principle of subsidiarity, which states that powers not definitely needed by the European Union are to be left in national hands. Another concept has been flexibility, which holds that some members might band together to pursue union in various arenas to greater degrees than other countries. These and other concepts allegedly put brakes on centralizing authority in Brussels and provide room for different paths to political integration.

Even so, they have not halted the EU momentum toward greater internal unity and institutional deepening in recent years—as evidenced by a steady stream of visionary proclamations coming from EU summits and ministerials, each often outdoing its predecessor in boldness. Nor have they blunted the European Union involvement in a growing array of policy issues, including public health, environment, justice, agriculture, education, job creation, fisheries, energy, and transport. Especially now that Britain has become a more enthusiastic member under Prime Minister Tony Blair's government, the EU Commission, Council of Ministers, and Parliament have grown stronger and more ambitious. This trend especially applies to domestic affairs, but the European Union is now branching out to create a common foreign and defense policy, complete with regular summits, diplomatic and military staffs, and plans to create a modest-sized EU military force for Petersberg tasks, including peacekeeping and peacemaking.[9] The decision to move toward a robust ESDP has been ratified in accords at St. Malo, Cologne, and Helsinki. Doubtless, additional agreements will follow in the coming years.

Precisely where this trend will lead, and at what speed, is uncertain. Most Europeans talk of a future in which they unify, but in a manner that fully respects the still-important rights and identities of each sovereign country. They are less clear about exactly how this precarious balancing act is to be carried out so that unity and diversity live happily together under the same roof. The reality is that a "political union" can mean many things, and its definition can mutate over time. At a minimum, it could mean a loose union of countries that preserve their full sovereign rights over strategic decisions in domestic and foreign policy, but meet regularly to forge a consensus on common matters and employ EU institutions to carry out some of their policies. At the other end of the spectrum is a full-scale federation, in which the European Union acquires a single constitution for all its members, a fully empowered Federal Government is created, and Europe's nations become the equivalent of states in the United States. Both extremes seem implausible. The idea of a loose political union underestimates what Germany, France, and other influential countries have in mind. But the idea of a full federation any time soon appears more ambitious than most countries are willing to contemplate at the moment. Currently, the EU budget is only a tiny portion of total government spending, and it does not seem likely to grow greatly in the coming years. The European Union, thus, will lack the control over major resources that is a hallmark of a truly powerful state.

This leaves a tight political union, or some form of strong confederation, as a likely target for the coming decade and somewhat beyond. Although many European countries seemingly agree with this idea, they often fall into disputes when the details are discussed. For example, Germany and France are now discussing a joint effort to lead a cluster of countries farther along the path of political integration than being

pursued by other EU members. But whereas Germany wants the European Union executive and administrative agencies to become more powerful, France wants future EU powers embedded in the legislature, where they can be directly influenced by national capitals. These two countries are far from the only actors with visions of their own, including differing attitudes toward majority rule and veto powers. Britain has its own instincts, as do the Low Countries, the northern countries, the southern countries, and prospective new members from the east. The future will depend on what the political traffic of consensus building will bear.

Critics decry the alleged sheer hopelessness of the enterprise. But the record shows that because the instinct to unify has grown stronger over the years, a great deal more progress has been made than anything that seemed possible at each stage of the enterprise. The continuing pattern has been one in which the Europeans wallow in fractious debates for a few years, but at the critical juncture, rise above the clamor by making sensible decisions to move a few steps farther down the path of integration. As Europeans know, the United States owes its strength and health heavily to its unity. Well aware of this history, most Europeans want to take advantage of the historic opportunity at their doorstep to create the kind of stronger political union that works for them. For as long as this widespread consensus exists, further political integration seems in the cards. The effort likely will lose steam only when a prevailing consensus is reached that sufficient benefits have been achieved and further integration would be more trouble than it is worth, or not provide added gains that exceed the costs. Where and when this equilibrium point will be reached is uncertain, but clearly it lies in the distant future.

The bottom line is that Europe is not creating a new superstate any time soon, but it is adding a potent layer of government and economic management atop its system of many countries. Critics worry that centralization ignores globalization's call for decentralization, that further bureaucratization will be stultifying, and that cultural homogenization will deprive Europe of its charm. The prospect of Brussels-based bureaucracies regulating Europe's wine and cheese industries—to say nothing of its entire economy—adds some weight to these complaints. But Europeans, who are familiar with bureaucracy and regulation, seem to be taking such things in stride. Experienced in the perils of disunity and dead-set against any reappearance of crippling nationalism, they have their own approach to handling globalization's pressures in their region. The challenge facing them will be to balance unity imposed from atop with healthy diversity bubbling up from below.

Whether and how today's debates will give way to a new consensus on additional steps toward integration is to be seen. If the past is prologue, the European Union will continue acquiring greater powers in the coming years, but in slow and evolutionary ways. In the meantime, Europeans will continue debating, arguing, and jostling over how political unity is to unfold. The practical consequence could be that so much time, energy, and political chips are spent on defining the future that many European countries have few resources left over for other endeavors. Self-absorption has been far from uniformly true or totally stifling in recent years. For example, the Europeans are enlarging NATO and the European Union, and they have risen to the occasion in Bosnia and Kosovo. Yet self-absorption often has been a noticeable pattern, and if it

continues, it could result in Europe's continuing to be mostly inward-looking, not outwardly active.

Once unification reaches its final destination, it may transform Europe into a big and powerful continent capable of acting with far greater purpose and dispatch than it does now. This is the ultimate strategic payoff of unification, provided it produces a Europe that acts for the general good of mankind, not solely on behalf of its own interests and causes. But until then, a looming risk is that the European Union and Europe might remain as hesitant, cautious actors, with only a few countries (for example, Britain) willing and able to strike out on their own in specific situations. If so, this trend will enhance the importance of retaining NATO as Europe's premier security architecture, for it has a proven capacity to act decisively when the chips are down. In any event, the Europeans will need to balance their unification efforts with their larger responsibilities on their continent and around the world. Doing so will be one of the biggest challenges facing them in the coming years.

Enlarging Eastward

Although EU internal development is important, the further enlarging of NATO and the European Union may have even bigger strategic consequences. Enlargement by both institutions has already begun. The idea was new and unsettling a few years ago. NATO took 5 years to adopt and begin implementing it. The European Union took even longer, not only by putting applicants through years of preaccession negotiations on technicalities but also by squabbling internally over the EU budget, common agriculture policy, and institutional adaptations to enlargement. But since then, initial steps have been successful, many East European countries are showing that their political and economic reforms are enduring, and both NATO and the European Union are getting comfortable with the enterprise. The issue now is: Where is enlargement headed, and what is to be its ultimate destination? A future that includes only a few East European countries in NATO and the European Union will be one thing. A future of nearly all such countries in these institutions will be something quite different—not only for the new members but for NATO and the European Union as well, for they will be much larger and more far-flung than now.

Regardless of what transpires, enlargement decisions will play a major role in determining Europe's overall unity as well as its future stability, peace, and progress. These decisions involve the United States, and they necessitate difficult judgments about who should belong to Europe's premier bodies and under what conditions they should be allowed to join. Both NATO and the European Union will have a wide range of options at their disposal. The option they select likely will be influenced heavily by their core strategic purposes for enlarging and their visions of the kind of NATO, European Union, and Europe they are trying to create. Especially since the politics of the matter create a great deal of blinding smoke, being clear about purposes and visions is necessary but far from easy.

Enlargement came to be a key strategic initiative of the United States, Germany, and other European leaders for a powerful reason. These governments felt that the vast zone stretching from the Baltics to the Balkans—especially Central and Eastern Europe (CEE)—could not be left out in the cold. Doing so would leave aspiring de-

mocracies in that region vulnerable to the internal instabilities and geopolitical vagaries that so often had consumed them in the past, in ways that damaged Europe as a whole. A judgment was reached that through enlargement into this region, the goals of promoting democracy, markets, and peaceful security affairs could be decisively advanced. Even so, enlargement provoked controversy when it first began gaining steam in the mid-1990s. In the United States, EU enlargement was widely applauded, but NATO enlargement triggered strong protests from critics who feared that Russia would be unduly offended or NATO would be unwisely diluted. In Western Europe, by contrast, NATO enlargement was widely accepted, but EU enlargement triggered less enthusiasm because it meant absorbing new members with weak economies. Ultimately, governments on both sides of the Atlantic agreed that NATO and the European Union should enlarge broadly in tandem—not in identical ways, but in similar strategic terms. The reason is that the two institutions perform different functions and have complementary capabilities that do not substitute for each other. Whereas NATO provides defense and security, the European Union provides economic and political integration. Because both contributions are needed, the prevailing theory held, enlargement by both institutions is required, and together they will have a powerful magnifying effect.[10]

For obvious reasons, East European countries showed enthusiasm for joining both bodies and promptly applied for admission to them in large numbers. NATO began the process by admitting Poland, Hungary, and the Czech Republic in 1999. It is now appraising the applications of nine other countries, all of whom participate in the Partnership for Peace (PFP) and Membership Action Plan (MAP) programs: Latvia, Lithuania, Estonia, Slovakia, Romania, Slovenia, Bulgaria, Macedonia, and Albania. The European Union has not yet admitted new members, but it is now negotiating with 13 candidates: the three Baltic countries, all five CEE countries, Bulgaria and Slovenia, plus Malta, Cyprus, and Turkey. How many of these applicants will gain admission is to be seen, but if all are eventually admitted, both NATO and the European Union will grow in big ways. Whereas today NATO has 19 members and the European Union has 15 members, an open-ended enlargement will leave each with fully 28 members. Moreover, both NATO and the European Union will find themselves heavily imprinted on all three subregions of the Baltics, the CEE region, and the Balkans. Indeed, there will be few parts of Europe's heartland that they do not cover.[11]

The idea of a dual NATO–EU enlargement this big finds its appeal in the vision of unifying nearly all of Europe in its entirety: lock, stock, and barrel. One such approach, favored by some, is that of a single big bang for NATO enlargement in which most or all applicants would be invited to join sometime soon. Regardless of whether NATO moves in one step or several steps, the EU enlargement likely will be more deliberate, but if this ambitious vision is adopted, all viable applicants likely will join it as well. A first group of seven countries might be led by Poland, Hungary, and the Czech Republic; a second group of six countries might be led by Romania and Bulgaria with Turkey coming last. Short of such a big bang, the process for both organizations might begin in 2002–2003, intensify during 2005–2007, and finish by 2010 or thereafter. The exact timetable aside, the key point is that owing to actions by both

bodies, a big enlargement, if pursued, will begin in the next few years and largely culminate during this decade: a fast pace for a strategic change of this magnitude. In essence, the effect would be to redraw the political and military map, remove the last residue of the Cold War, and organize virtually the entire continent on the basis of Western values and institutions.

Arguing against a big enlargement by both organizations—in one step or several stages over a few years—is the cautionary judgment to move in slow, careful ways that suggest a measured response to Europe's natural, organic evolution. Otherwise, this argument holds, a big dual enlargement will be too ambitious and too shocking, coming across as a crude power grab at the expense of countries not invited to join, including wary Russia and even Ukraine, which allegedly might be driven into Russia's waiting arms. An equally potent part of this argument is that for reasons of their own, NATO and the European Union must be selective and demanding about exactly who is allowed to enter the fold. This consideration alone sets up powerful roadblocks against a big enlargement, and thus far, it has found official expression in policies.

Both institutions have stated that while their doors are open, they will scrutinize applicants carefully, admitting them not because they want to join but because they deserve to belong. NATO and the European Union have not tabled joint criteria. But the implication of their separate stances is that new members must meet democratic standards in politics and economics, have persuasive reasons for joining, be able to meet the obligations of membership fully, advance NATO and EU interests, and contribute materially to Europe's overall stability and prosperity. Because both organizations can afford to be selective, they each bring their own cost-benefit calculus to decisions. Both have reason to sniff the political wind before they act, including the larger climate, not just the merits and demerits of the applicants. Both have reason to avoid becoming bloated or saddled with draining new members that subtract more than they add. Both have reason to enlarge slowly in bite-sized pieces so that new members can be properly absorbed without causing indigestion. NATO has an incentive to select new members that can produce security as well as consume it, that is, countries that have strong military forces, occupy strategically important terrain, can physically be defended, will support the alliance's policies and strategies, and are willing to participate in new missions. The European Union—whose technical standards are more elaborate than those of NATO—has an incentive to admit new members that have strong, functioning market economies and stable democratic governments so that they support overall EU policies and do not drain its resources with endless demands for assistance.

While these standards make sense, they provide ample justification for scrutinizing candidates in multiple critical ways, and for foot dragging if there is no burning reason to act. If these stiff-minded standards continue being applied, they dictate that NATO and EU enlargement likely will continue being slow and limited, even if any lingering impulse to drag feet gives way to a more forthcoming attitude. A core reason is that larger atmospherics aside, most applicants fall down in one or more ways because of their shortfalls in government, economics, or military strength. Virtually all are still trying to recover from communist rule, and while their progress is encouraging, it is slow and sometimes checkered. Moreover, many are small countries that

could acquire political influence in NATO and EU ruling bodies in excess of their contributions to either institution. On balance, countries from the CEE region present the most attractive résumés, but these résumés are far from unblemished. The Baltic countries are equally qualified, and perhaps more so, but their admission, especially to NATO, could inflame Russia. Small Slovenia offers plausible credentials, but the Balkan countries present more problems than opportunities. The main argument for admitting them is that the step could help prevent their region from going up in flames. The problem is that NATO and the European Union could find themselves caught up in flames if they enter the Balkans, as it currently exists, in permanent, deeply entangling ways.

Notwithstanding its rigorous technical standards and prudent instincts, the argument against a big enlargement often is criticized for lacking moral fiber and for failing to see the forest through the trees. Critics allege it discriminates against aspiring European democracies that are crying for help, do not deserve to be victimized by crass indifference, and might make a worthy contribution if given the chance. Critics further assert that the argument against big enlargement is so consumed by cautious passivity and shortsighted calculations of self-interest that it misses a golden, and perhaps fleeting, opportunity to unify Europe. In the final analysis, it would perpetuate two Europes: privileged insiders and unprivileged outsiders. Why, critics ask, should there be two Europes when one Europe is desirable and possible? How can the insiders ever be truly secure if the outsiders are left vulnerable to the dangers of the new era? Why kowtow to weakened Russia's worst instincts if the effect is to leave part of Europe vulnerable to an eventual Russian reassertion of power and control over its neighbors? Why not unify Europe while working with Russia and Ukraine to ensure that their legitimate interests are respected and that a strong Europe supports their healthy progress in helpful ways?

Critics ask additional questions. Why should NATO and the European Union enlarge only into situations where stability already exists when their raison d'être, and powerful capacity, is to transform instability into stability? Why should aspirants be required to present airtight credentials when this was not the standard for earlier admissions during the Cold War, and when membership would greatly aid their progress? Why would bodies of about 30 members be more difficult to lead and manage than already-large bodies of 15 to 20 members? Moreover, critics point out, NATO did not rise to prominence by being narrowly choosy and self-serving. It anchored itself in a moral vision, opened its doors to those who shared this vision and were able to join, healthy or crippled, and acted accordingly. So, for that matter, did the EC–EU in its early stages. Now that these two bodies have reached maturity and embraced pragmatic conservatism, critics ask, have they so lost their youthful idealism and visionary spirit that they fail to recognize how progress is truly achieved or what Europe should stand for in the 21st century?

How are these two arguments—one favoring a big enlargement and the other against it—to be appraised? Clearly, both raise valid points, and neither is transparently triumphant over the other. They suggest the need for a reasoned compromise and synthesis. Conceivably, a new strategic theory can be forged that balances the imperatives of enlarging boldly with the incentives to behave prudently. Future

enlargement need not be an either-or proposition of doing almost nothing or virtually everything. Perhaps a sensible theory will produce an enlargement that is neither small nor large, but medium-sized, and neither slow nor fast, but medium-speed. The European Union might admit some countries, but not NATO, or the reverse. The result might also be a sequential approach to the subregions: admitting the CEE region first, then the Baltics, and finally parts of the Balkans. If additional countries eventually decide to apply, they can be considered on the strategic merits. If some countries are left out, perhaps their legitimate needs can be met in other ways. After all, NATO and EU membership may be important, but it is not a passport to heaven and, as Switzerland shows, its absence is not a one-way ticket to hell. Perhaps new, innovative ideas can be crafted for bringing security and prosperity to subregions that do not fully join NATO and the European Union. If greater multilateral cooperation can be fostered in Northeastern and Southeastern Europe, this step will elevate both regions and qualify more countries for NATO and EU membership.

The idea of NATO and the European Union remaining mostly anchored in the western side of Europe and only lightly engaging the eastern side lacks strategic vision and morality. Conversely, the notion that both bodies must be extended to the far corners of Europe, in order for Europe to be whole, purchases one kind of moral vision at the risk of losing strategic wisdom. Implanting these two bodies everywhere is not necessarily an engine of progress or the hallmark of unity. Equally important, Europe's future depends on these two bodies' remaining vibrant. If Europe is to be peaceful and united, both NATO and the European Union need to enlarge in ways that strengthen them, not overextend them or plunge them into undrainable swamps. A European unity that is defined in terms of its two key institutions will not be healthy if these two bodies are weakened by enlarging too far or too fast, trying to do too much, and attempting the impossible. The best kind of unity might be one in which these two bodies cover much of Europe, but not all of it, provided those remaining on the outside are given ample opportunity and support to prosper as truly healthy European countries, even if they do not belong to all of its key institutions.

All contending approaches need to be weighed carefully. The basic point is that NATO and the European Union need more than technical standards and political wind gauging to guide enlargement. They also need a coherent strategic theory of sensible goals and means, one that defines their future identities and Europe's essence in the long haul. In striving to avoid the risks of being too stingy or too indulgent, they need to avoid making enlargement decisions through bazaar politics, herd instincts, and impulses of the moment. In the final analysis, the political professionalism of the process may matter more than do the size and timing of enlargement. Because there are good ways and bad ways to enlarge, the challenge is to pursue the former and avoid the latter. Since the proper path is unclear, the issues surrounding enlargement doubtless will be debated and studied in the coming years. The manner in which they are resolved will determine how Europe handles one of the hottest issues on its plate, and whether it emerges from the effort healthy or otherwise.

Dealing with Russia, the Balkans, and Turkey

These three issues create the troublesome side of Europe's drive to unity and future continental security politics. Of them, relations with Russia have undoubted strategic importance for Europe and the United States. A Russia that is their friend and partner will ease their agenda. A Russia that is sullen and angry about Europe's actions, and U.S. support for them, will create considerably less pleasant prospects. On the surface, European relations with Russia seem tranquil, even encouraging. Summits and diplomatic exchanges occur regularly, information is flowing back and forth, symbolic accords are being signed, trade and investment are growing, and, above all, armies are not poised to attack. Beneath the surface, however, trouble may be taking shape. While the trends are unclear, the worrisome problem is that if events are not handled well by all participants, the future could evolve in the wrong direction. In the early 1990s, talk of warm partnership was in the air, and Russian policy endorsed the idea of an Atlanticist foreign policy. Since then, things have taken a turn for the worse, and Russian policy now speaks of its national interests, not Atlantic partnership. Moscow publicly blames Washington for their global frustrations, but in Europe, it is the dynamic of unity and enlargement that menaces their geostrategic conceptions. If a downward spiral takes hold, Russia will be the biggest loser, but Europe and the United States will also suffer.

A core strategic change taking place is that by enlarging, Europe is absorbing countries and terrain occupied by the Soviet Union during the Cold War. When the Russian government withdrew its army from Eastern Europe, it proclaimed that the geostrategic zone between Germany and the former Soviet Union's borders should remain a neutral zone, free from alliances. The ongoing enlargement by NATO and the European Union rebuffs this wish and expectation. The Russians complain most vociferously about NATO enlargement, but the reality is that EU enlargement will also greatly reshape political, economic, and security affairs across this zone. After all, ESDP and Helsinki defense goals mean that it will no longer be a purely economic and political bloc, but will have security visions and military teeth of its own. To Europeans, their dual enlargement eastward is a natural step that merely returns lands, countries, and cultures that were strongly European for centuries before the Cold War. To Russians, the act is not innocently natural, but an inherently geopolitical step that wipes away a strategic buffer. Perhaps the Russians are guilty of old think in the Information Age, but long experience in conflict and war over control of this zone has made them that way.[12]

The Russians complained angrily when NATO admitted Poland, the Czech Republic, and Hungary. But they agreed to live with the step when they were offered the Founding Act, a formal consulting relationship with NATO, PFP membership, and other assurances that their interests and influence in Europe would be respected. This enlargement by NATO, however, was a limited step. How will Russia react if, during the coming decade, both NATO and the European Union spread out across all of Eastern Europe? What will happen if they go farther eastward and enter the territory of the former Soviet Union, for example, by admitting the Baltic states into these organizations or developing greatly enhanced ties with Ukraine? Russian spokesper-

sons already have said that such steps will cross the line of diplomatic acceptability. Evidently Russia fears not only an American presence too far eastward but also the actions of Germany and Poland, neither of whom they trust. The prospect of all three countries joining together to alter strategic affairs along the old invasion corridors to Russia magnifies concern. Whether Moscow fear this change out of a desire to protect themselves, or reassert their influence westward, or serve other purposes seems less important than the larger point. For reasons deeply embedded in their strategic calculus and national psyche, they are already unsettled about this prospect, and may become more disturbed as it becomes reality.

The matter might be less worrisome if Russia becomes a stable, confident democracy with a flourishing market economy and wealth-enhancing ties with Europe and the globalizing world. But such an outcome does not appear in the cards any time soon. Currently, Russia can best be portrayed as a quasi-democracy, with lingering but still-worrisome vestiges of authoritarian rule that could gain strength in the coming years. While its economy is partly privatized and reformed, it is far from a system of market capitalism: what stands out is its domination by plutocrats, monopoly corporations, and organized crime. Russia is suffering from a staggering loss of wealth in recent years: its GDP is well lower than it was under communism. Its economy is only slowly rebounding, its businesses are not competitive abroad, and its people are angry not only at their fate but also at the democratic West, which they partly blame for their plight. To compound matters, the central government in Moscow faces the troubling prospect of several neighboring countries trying to pull away from its control, and republics and provinces across Russia trying to do so as well. Dampening this trend is hard because Moscow no longer possesses the political and economic instruments once at its disposal. Even the Russian army—the linchpin of its internal control and external influence—has fallen on hard times. What has evolved is a turbulent geopolitical ghetto. This situation prevents Russia from mounting a serious military and economic challenge to NATO and EU enlargement. But until things improve, it hardly puts Russians in a frame of mind to accept with sangfroid what is happening in this arena.

Are there solutions to the messy, trouble-filled relations with Russia that could lie ahead as enlargement unfolds? In theory, the obvious solution is to create a single democratic community that stretches from the Atlantic to the Urals and beyond, forging a huge bloc of like-minded values and visions. Such an enterprise seemed plausible in the early 1990s, but lately it has gone up in smoke, a victim of the decaying conditions, slow progress, and outright reversals being encountered in Russia. The strategic reality is that for the foreseeable future, Europe and Eurasia will be too different to become one community. Whether the self-focused Europeans and betrayal-minded Russians even contemplate this big step is a question mark. Regardless, Russia likely will not be joining NATO and the European Union any time soon, even though this idea is sometimes given high-level endorsement as a plausible distant goal. Russia cannot meet stringent EU entrance requirements, and Europeans are not about to provide the huge amounts of economic aid that would be needed for it to do so. Russia still regards NATO as an alien body to which it is not willing to give influence over its defense plans. NATO, owing to its preoccupation with defense plans,

still keeps a wary eye on Russia. Even if this adverse psychology can be overcome, NATO likely will be unwilling to commit itself to defend Russia's border opposite China and Japan, and Russia will be unwilling to defend Europe from weapons of mass destruction (WMD) threats arising in the Greater Middle East. Barring a sea change in current conditions, such practical impediments make Euro-Russian unity implausible in the years ahead.

How about a two-community solution: a unifying Europe enjoying neighborly relations with a dissimilar but healthy Russian-led community in Eurasia? This idea seems more plausible than does a one-community solution, and it may yet prove to be the best hope for an enduring stability. But as Samuel Huntington and others have pointed out, adjoining communities often have trouble being neighborly if they have greatly different values, beliefs, and expectations in their politics, economics, and culture. The result can be communal rivalry, not harmony.[13] Beyond this, a viable community is not now taking shape to the east. Russia is struggling to maintain its own cohesion, and while some Eurasian countries seemingly want close relations with Russia, others are trying to keep their distance or break away entirely. Those located closest to Europe are the most disinterested in the idea of a flourishing, Russian-led commonwealth in their region. For many, their hearts, minds, eyes, and pocketbooks are pointed toward Europe, not Moscow.

The strategic reality is that Europe is rising in strength and appeal, and, at least for now, Russia is falling. Whether Russia has bottomed out is uncertain, but at best, its road back to power and prestige will be long and rocky. This dynamic will make it hard for Europe to put the brakes on enlargement, even if it wants to reassure Russia of its place in the sun. To be sure, the United States and Europe can draw the line on NATO and EU membership so that Russia does not become further outraged about their encroachment eastward. But this hard-headed step could mean ignoring the legitimate interests and moral claims of countries that want to be a solid part of the new Europe, not be left outside it. In any event, the growing eastward flow of European trade, finances, communications, values, and other appealing activities is a healthy trend that seems unstoppable. The Baltics, Ukraine, and several Caucasus states will be drawing closer to Europe, irrespective of whether they join its key institutions. The inevitable effect will be to further unsettle Russia if it is left feeling that it is being isolated and pushed toward the Siberian tundra.

Perhaps Russia can be brought to accept the future changes graciously. But if not, Europe's unification and enlargement seemingly mean that a messy relationship with Russia will evolve: not necessarily confrontation, but regular diplomatic friction coupled with genuine worry that parts of Eurasia could implode into violence and instability. Although the United States and Europe may not be able to solve the Russia problem, they can take practical steps to lessen it—in healthier ways than trying to buy off, appease, and otherwise mollify Russia through short-term gimmicks. As they pursue enlargement, they can show respect for Russia's legitimate security interests, while not sacrificing the interests of other countries. They can support further Russian reform by providing economic help and other aid, and by expanding trade and investments with it. They can consult with Russia on diplomatic issues, work with it to control crime and improve the environment, increase military-to-military ties, deal

constructively with it through arms-control negotiations, and help secure its nuclear material—steps already being taken today that will remain necessary tomorrow and may need to grow stronger. Above all, they can acknowledge Russia's importance in the strategic firmaments. A strong Russia often has been a big problem in the past, but in today's world, it might become too weak for the West's own good: an effective and responsible Russian state is a sine qua non for a stable Eurasian region capable of having neighborly relations. In any event, Bismarck once said that Russia is never as strong or as weak as it seems. His astute observation is worth remembering as the 21st century unfolds.

The Balkans and Turkey also pose thorny problems for unity and progress. The subject is too complex for detailed treatment, but basic strategic issues merit a brief discussion. The Balkan region remains a powder keg because Europe's dark history still lives in key places there: ethnic hatreds, angry nationalism, raw-boned geopolitical conduct, genocidal instincts, and no natural stabilizing mechanism. Like a century ago, Serbia remains a key troublemaker, but it is not the only culprit in the region's ongoing saga of turmoil. During the Cold War, Europe could ignore the Balkans because it was imprisoned behind the Iron Curtain and Yugoslavia was under Tito's iron control. In today's world, the Balkans can no longer be treated as a distant Dogpatch because its troubles can have a big ripple effect on Europe's overall health and on relations with other regions, including Russia, the Greater Middle East, and the Caucasus. As a result, Europe and the United States have been drawn into the Balkans. Like it or not, they now seem permanently entangled there. The challenge facing them will be to dampen Balkan fires rather than being consumed by them, as happened to two past predecessors: the Turkish empire and the Austro-Hungarian empire.

Although the challenge includes bottling up Serbia while protecting Bosnia and Kosovo, a larger conception of Balkan stability and progress is needed. NATO and the European Union seemingly have the right idea in their *Stability Pact for Southeastern Europe*, which focuses not only on today's peacekeeping but also on using outside aid to help remedy the region's underlying problems: weak governments, endemic poverty, and frustrated societies. The prospect is far from hopeless, for, unlike a century ago, the key neighboring countries—Romania, Hungary, Slovenia, Bulgaria, and Greece—are making encouraging progress. Provided their progress is sustained, today's problem—ethnic warfare growing out of Yugoslavia's collapse and Serbia's brutal actions—seems containable. Precisely how the former Yugoslavia's ethnic fires can best be dampened, however, will be a conundrum, at least until Serbia alters its aggressive course. One solution to ethnic fires is to let them die out because their fuels become exhausted, but these particular fires seem to be fanned by an inexhaustible supply of angry human emotions. Another solution is to separate the warring ethnic groups along territorial lines, but practical realities of intermeshed settlements in Bosnia and Kosovo seemingly make any extreme version of this step implausible. Perhaps the only viable solution is the current practice of using EU, NATO, and United Nations (UN) protectorates to try to sustain peace in these nascent multinational states. If so, the peacekeeping and nation-building task ahead seems a continuing one that will challenge U.S. and European skills as well as patience.[14]

The risk ahead is that these ethnic fires will explode and spread outward to consume a bigger part of the Balkans, in ways that drag big powers—for example, NATO, Russia—into conflict with each other. But if these fires can be extinguished, or at least turned into cooling coals, the future of the Balkans and neighboring countries may be brighter than is commonly realized. Progress is slow, but the former Yugoslavia aside, democracy and multilateral cooperation are making inroads. Weak economies remain a problem, but market practices are being adopted, and information-age capitalism is beginning to make its presence felt. If solid economic growth can be restored, a key barrier to progress will be lessened. Several Balkan countries are trying hard to qualify for NATO and EU membership, and eventually they might gain admission. In the best of circumstances, the Balkan region is unlikely to match Europe's health for the foreseeable future. But it may be able to become a contributing part of unity and progress. If this is what the future holds, it will transform the Balkans from a powder keg into something far better.

If the United States and Europe face a risk in becoming so consumed with the Balkans, it is that they will ignore equally important challenges in maintaining close ties with Turkey. That country has more people than the rest of the Balkans combined: 63 million versus 46 million. It is an important cultural bridge between Europe and the Islamic world. It stands at the strategic crossroads of Europe, the Balkans, the Mediterranean, the Caucasus, and the Greater Middle East. It will play an important role in determining access to the Caspian oilfields and in fostering better relations between Israel and the Islamic world. But as always, it remains an endangered country, vulnerable to internal political instability, poverty, Kurdish rebellions, and external aggression from several directions. Keeping Turkey aligned with the Western democracies is vital. Losing it would be a strategic catastrophe. Yet its current precarious position leaves it vulnerable to being lost, not because it might be conquered from outside or collapse from within but because it might drift away from Europe in frustration at being left on the outside looking in.

As matters now stand, Turkey is not a key part of Europe's unification process. After years of complaining about being rebuffed, it is now listed as a potential member of the European Union. But it stands at the end of a long line of 13 applicants, well behind tiny Malta and Cyprus. If Turkey gains admission, the step likely will not come for many years: well after 2010, and maybe much later. Turkey's economic weakness and shaky politics are part of the reason, but also contributing are its troubled relations with Greece, continuing difficulties in Cyprus, and Europe's longstanding mentality of viewing Turkey as a non-European culture. Whether the current logjam can be broken is to be seen, but this seems doubtful unless core political attitudes change. The bottom line is that while Europe is unifying, Turkey is not yet being integrated into Europe. Primary responsibility for keeping Turkey aligned with Europe and the democratic community will not lie with the European Union; instead, it will lie with the United States and NATO. Drawing Turkey into the NATO process of reform, adaptation, and preparations for new missions will be a key priority if this goal is to be achieved.

Keeping Turkey close to the West will be part of a larger challenge: dealing with the entire Mediterranean region, from Gibraltar and North Africa to the Caucasus and

Caspian Sea. The strategic importance of this long-turbulent, 3,500-mile zone is growing because globalization is drawing the Greater Middle East closer to Europe. Whereas Europe is mostly profiting from globalization's economic dynamics, the Greater Middle East is not yet benefiting in appreciable ways. Indeed, the stresses arising from the Middle East's poverty, traditional societies, and unstable politics are being magnified by globalization's competitive forces and information era changes. A backlash against the Western democracies and their capitalist economies may be building there. In any event, the prospect of WMD proliferation in the Middle East and Persian Gulf poses an obvious threat to Europe, especially its southern countries.

Currently, U.S. and European policies aim at stabilizing the Mediterranean region, while encouraging progress there. Their policies include NATO and EU cooperative outreach to North African states, encouragement of Greece and Turkey to settle the Cyprus conflict, outreach to the Caucasus, and efforts to arrange a favorable distribution of Caspian Basin oil and gas while lessening tensions there. Whether this strategy succeeds, or instead the region slides into growing geopolitical turmoil, is to be seen. Much will depend on the Israel-Arab peace process, the stability of Egypt and other Western-leaning states, and globalization's uncertain effects on economic progress and political values. What can be said is that the United States and Europe, which do not always see eye-to-eye, will have their work cut out for them in dealing with Turkey and multiple other countries, all of which are struggling with old and new challenges of a globalizing world. Whereas this zone was often treated as Europe's backwater during the Cold War, it seems destined to become a hotbed of mounting attention in the coming years—in ways that will affect not only diplomacy and economic policies but also the activities of U.S., European, and NATO military forces.

Europe's Role on the World Stage

The United States has ample reasons to welcome Europe's unification. True, some Americans have apprehensions that a strong and united Europe may turn into a strategic rival of the United States. But the ties that bind these two long-standing democratic allies seem far more powerful than any forces that might pull them apart in a wholesale way. Facing a still-dangerous world, a strong Europe will have no reason to become an adversary of the United States, for it will have little to gain and much to lose if they drift apart. Its imperative will be to remain allied with the United States in order to continue benefiting from close ties with it. The same logic applies to the United States, which stands to profit from remaining close to a strong Europe. For the United States, the problem with Europe in the past has been its weakness, not its strength: its vulnerability, its inability to defend itself, and its incapacity to act helpfully elsewhere. The effect has been to obligate the United States to protect Europe while depriving it of allies for security labor in other regions. Growing strength and unity by Europe promise to help lessen this problem, if not eliminate it altogether, thereby enhancing the value of a partnership with Europe. The bottom line is that as Europe's unity grows, these two long-standing partners will still need each other's support in many ways, and will not be able to afford alienating each other.

A uniting Europe does pose some problems for the United States. A united Europe will be a stronger economic competitor. It will have a mind of its own in world affairs. It may be harder to influence in such institutions as NATO, the World Trade Organization (WTO), G–8, International Monetary Fund (IMF), and others. It may frustrate the U.S. agenda in foreign policy at times, and make the United States look less like the world's sole superpower. These drawbacks, however, are overpowered by two benefits from Europe's unity. First, Europe will be peaceful and capable of handling problems that arise on its home soil. Unlike it did in the 20th century, the United States will no longer have to work hard at preserving stability in Europe. Nor will the United States be left perpetually nervous every time it acts strongly in another region, constantly looking over its shoulder in worry that Europe will unravel while its back is turned. The second benefit is that the United States may gain meaningful help from Europe at key places elsewhere around the world. If so, it will no longer have to act like an isolated superpower, carrying the world's burdens virtually alone. The first benefit is real, an automatic consequence of Europe's unity and peace. The second benefit is contingent on Europe's willingness to take advantage of its new situation to act beyond its borders more assertively than now. Will the Europeans do so, now that their continent is finally becoming peaceful? Will they choose to play a larger role on the world stage that is commensurate with their newly emerging flexibility and power?

The answer will depend on how Europe views its future priorities. Until recently, most European governments recoiled at the idea that they should begin asserting their power and presence outside their continent. This disinterested mentality had its origins in the Cold War. A century ago, several European countries were strong actors abroad, mostly as imperial powers. But for over forty years, they retreated from this role, often with U.S. encouragement, to focus on their own continent. This turnabout made sense not only because imperialism had gone out of fashion but also because the Europeans needed to focus on dangers at home. As a result, they grew comfortable with acting only on their continent and letting the United States cope with problems elsewhere. Although the Cold War has faded into history, most European governments today seem content to spend their energy on consolidating unity and do not want to be diverted from this critical task until it is complete.

The past few years have witnessed initial signs of a change in this attitude, at least in partial ways. The Kosovo war was one prod, as were pressures from the United States and NATO headquarters to start looking outward—at least to Europe's periphery and maybe beyond. The leading proponents of new thinking have been Britain and France, which, in modest ways, retained distant involvements and power projection assets even during the Cold War. Other countries are now showing similar signs of life, albeit in less robust ways. Now that Europe has traveled somewhat in this direction, the central issue is whether it will travel further in the coming years. Only time will tell, but as unity and peacefulness gain strength, Europe will presumably have greater freedom to take this step—if it chooses to do so.

The incentives for the Europeans not to look outward are well known and amply documented. Why court trouble when you do not have to do so, or when others will handle it for you? In the face of these negative arguments, what reasons might induce

the Europeans to consider involving themselves in events outside their continent? One reason is that their own interests and safety will be at stake in a globalizing world. A second reason is that they might judge the United States cannot be relied on to adequately safeguard their interests if left to act on its own. Either the United States might become overloaded by responsibilities that exceed its assets, or it might rebel at carrying too many burdens owing to insufficient European help. A third reason is that Europe possesses ample economic, manpower, and technological assets to play a larger role on the world stage, and it can afford to spend the necessary resources for this purpose. A fourth reason is that if the Europeans assert themselves in this way, they stand a good chance of achieving their international goals. Together, these reasons of necessity, feasibility, and effectiveness provide the potential basis for a new European strategic doctrine—but only if the Europeans embrace the idea.

One incentive to craft a new European doctrine is economics. Europe's strategic stance is a paradox. Its security outlook is local and regional, but its economic outlook is increasingly global. Europe trades with more than 100 countries worldwide, annually exports about $600 billion of products outside its region, and pursues a growing portfolio of finances and business investments worldwide. In addition to its heavy economic commerce with the United States and Canada, it trades with Russia and buys natural resources from other Eurasian countries, is dependent on Persian Gulf and Caspian Sea oil, is developing close economic ties to Asia, has multiple economic involvements in Africa, and is drawing closer to Latin America. At issue is whether a Europe with such growing economic involvements in these regions can afford to be disengaged from their political and strategic affairs, which plausibly could evolve in ways that damage its profits.

A second incentive stems from the security and military dynamics now unfolding outside Europe's borders, which could damage not only Europe's strategic interests but also its physical safety. WMD proliferation is an especially worrisome concern, for it could result in adversaries' acquiring the missiles and warheads needed to rain down destruction on Europe from long distances. The Persian Gulf oil fields, upon which Europe directly or indirectly depends for a sizable portion of its oil at affordable prices, remain vulnerable to assault by adversaries of Europe. The same judgment of vulnerability applies to the sea and air lanes of communication over which Europe's external commerce passes. At critical points, these networks could be blocked by enemies, thereby choking off Europe's supplies. To the extent that Europe is apprehensive about relying on the United States and other countries to deal with these dangers, it has an incentive to help deal with them itself.

A third incentive is more fundamental. Globalization is transforming the world, making it different from the past, a more single place that is increasingly bonded together in interactive ties and that seems smaller as well. Regions that once were distant from each other are becoming more interdependent, drawing closer together in time and space. Developments in one domain can now have contagious properties, not only quickly spreading around the world but also affecting other domains in powerful ways. Events in the economic arena can affect the security arena, and vice versa—not only at the point of origin but also far away. Great changes are at work in the fundamentals of international life, and their pace is quickening. The future is far

too foggy to predict, but it has variable properties, and it seems capable of producing sudden shifts and big surprises, for either good or ill. Progress can have spin-offs and cascading effects, but so can dangers.

Owing to these developments, the idea that Europe can insulate itself from the world, basking in its own tranquility and disinterested in broader events, is part of a bygone era. Globalization means that directly or indirectly, Europe will be greatly affected by events outside its borders, including those on the other side of the world. Moreover, globalization is hydra-headed, producing good and bad trends, thereby making the future something that must be shaped and guarded against, not taken for granted. Ironically, Europe is achieving its age-old dream of peacefully unifying at a time when it can no longer live alone, oblivious to the world around it.

For Europeans, the good news is that their growing unity magnifies both their political capacity to work closely together abroad and their physical capacity to mobilize the assets needed to pursue their goals. If they marshal their willpower and consensus to act, a decade or two from now, a united Europe may emerge as a far stronger and more active player on the world scene. This, at least, seems the logic of the emerging strategic situation facing them. In the long term, their growing power, interests abroad, and capacity to contribute seem destined to cast them into the role of accepting considerably greater responsibilities for influencing how the evolves. In the near term, their activities likely will be more modest, increasing slowly as their resources and mentalities permit. But even in this period, Europe can make worthwhile contributions by acting more assertively than now in four policy arenas: economics, politics, security, and defense.

In the economic arena, Europe faces the challenge of ensuring that its approach to regionalism does not damage the pursuit of global progress. As Robert Gilpin has said, regionalism can be a stepping-stone or a roadblock to this goal.[15] Managing the world economy will require rules governing the further lowering of trade barriers, control of financial flows, and the handling of capital, foreign direct investments, multinational corporations, reform practices, and other matters. Owing to its size and far-flung economic involvements, Europe is capable of drawing other regions into a web of growing cooperation or of propelling a drift to competing regional economic blocs. Europe's actions in the WTO, G–8, IMF, and in bilateral dealings with the United States and other countries can exert a powerful influence on the future of this critical arena. Likewise, European economic aid can help the developing world overcome poverty and adjust to globalization's pressures.

In the political arena, Europe will have ample opportunities to help shape the international terrain, to promote multilateral cooperation in several regions, to dampen competitive dynamics, and to deter troublemakers from aggressive conduct. Its capacity to work closely with the United States and other friendly countries will be critical to applying its influence for constructive purposes. Likewise, Europe's helpful participation in arms control negotiations and related efforts to stem WMD proliferation will be key, especially across the Greater Middle East and nearby regions. Its own efforts to prevent the sale or transfer of destabilizing weapons and technologies can make further contributions to world peace.

In the security arena, greater European cooperation and burden sharing is badly needed by the United States. Increased activities by Europe likely will flow gradually outward from its borders, into the Euro-Atlantic area and nearby regions first, and to distant regions later. Europe especially is aptly situated to help handle security challenges in the Balkans, the Mediterranean region, the Caucasus, plus parts of the Middle East and Sub-Saharan Africa. In these places, it will be able to make major contributions to performing new security and military missions in peace, crisis, and war, thereby taking pressure off overextended U.S. forces. In defending common interests in the Persian Gulf, countries with good power projection assets (for example, Britain) seem likely to be able and willing to commit more resources than are others. The idea of a major European security contribution in Asia and the Pacific seems a theater too far for the coming era.

In the defense arena, the Europeans can take constructive action by answering NATO's call for better forces for new missions, including creation of better assets for power projection and decisive strike operations by the Armed Forces. Pursuing such practical steps as better strategic transport, multinational logistics, command, control, communications, computers, intelligence, surveillance, and reconnaissance (C^4ISR) systems, smart munitions, and self-defense assets can materially upgrade the capabilities of European forces for peacekeeping, major expeditionary operations, and counter-WMD missions. The European Union can contribute not only by creating command staffs and forces that can operate under its own flag when NATO declines to perform a mission but also by taking advantage of ESDP to pursue defense industrial cooperation, common infrastructure assets, joint weapons programs, and integrated support forces. By investing modestly in such areas, individual countries and the European Union can greatly enhance Europe's capacity to contribute to future missions and defense of common interests outside its borders.

Constructive policies in all four arenas would be marked by more ambitious goals than now, more resources, and more sustained attention by Europe as a whole. One effect would be to give Europe a larger role on the world stage, but another effect would be to enhance the odds of achieving stability and progress in endangered regions outside Europe. By acting in these ways, the Europeans could help nudge the world economy toward steadier growth and the international political system toward greater order. They could also help dampen security tensions and provide stronger defense resources for dealing with crises and wars. The world would emerge better off, but Europe would, too. It would be left better able to pursue unity free from worry that progress might be rendered moot by descent in the world around it.

Conclusion

What does this vision of Europe's future mean for U.S.-European relations? While the idea of a peaceful Europe has obvious appeal, the parallel idea of a united Europe playing an assertive role on the world stage implies, to some observers, a future of tension in transatlantic relations. Presumably, the two sides will be so unable to cooperate that they will frustrate each other's designs in ways causing them to drift apart. But the greater risk to damaged relations is an inward-looking Europe that re-

mains narrowly preoccupied with its own continent and a United States that is left overextended, coping alone with the world's dangers. In this event, they will not see eye-to-eye, and, indeed, they will have little in common because the United States will not be concerned about Europe, and Europe will be indifferent to the world. The best hope for the future is a global partnership between them, acting as leaders of the democratic community—not only to preserve healthy relations between them but also to enhance their capacity to shape the future of a globalizing world.

If such a partnership is to emerge, care will have to be taken in managing future U.S.-European relations in the coming years. Their economic frictions—for example, disputes over beef, bananas, aircraft consortia, and currency domination—need to be handled in ways that prevent serious damage to their larger political relations. The United States and Europe will be hard-pressed to act as strategic partners if they become rival economic blocs, struggling over each dollar or Euro of profit in a booming world economy that is making both rich. They also will need to coordinate their diplomacies in such contentious places as the Middle East and the Persian Gulf. Harmony may seem impossible in today's setting, but if Europe begins accepting more responsibility there and the United States takes advantage of its support, they may find themselves drawing closer together in strategic goals and policies.[16] They also will need to develop a better capacity for combined military operations outside Europe. This means that Europe will need to improve its forces for new missions, and the United States will need to work with them and share command authorities. None of these steps will be easy, but they are the stuff of the future. If they can be handled effectively, in the ways of the past, both the United States and Europe will gain, and they can look toward the future with optimism.

Clearly, the United States and Europe will need to reach a healthy accord on how NATO and ESDP are to relate to each other. While the current dialogue on consultative procedures and rules for using each other's military assets is necessary, agreement on the political basics is even more important. As in the past, future arrangements will endure only if they advance the core, legitimate interests of both the United States and Europe. NATO will need to remain the lead actor when vital U.S. interests are engaged and major military commitments are made. For cases where Europe's interests are at stake, its forces carry the bulk of the load, and there is no compelling need to use NATO, the European Union can be the lead actor. A good rule is that each institution should have authority and influence in ways that reflect its willingness and ability to carry out responsibility. Within this framework, steps can be taken sensibly to allocate strategic roles and missions among NATO and the European Union. If the two bodies are given strategic tasks for which they are well suited, and the full spectrum of future security challenges is handled effectively, both the United States and Europe likely will come away feeling satisfied. In this event, both organizations can emerge as partners in security and defense, not competitors.

Above all, dealing with the future requires a sense of perspective about the new strategic fundamentals taking shape. Europe's nations stand on the threshold of unity and peace because they learned the art of multilateral cooperation—with each other and the United States—during the Cold War. In order to capitalize on this promise, they will need to master two challenges: achieving deeper EU political integration

and facilitating NATO and EU enlargement eastward. They also will need to deal with three troubles: relations with Russia, Balkan affairs, and Turkey. As they grapple with these issues inside Europe, they will face mounting pressures to become more involved in events outside their borders. This is a difficult agenda, but Europe, working with the United States, seems likely to handle it well enough to make the next phase of its transition a success. If this proves to be the case, a decade from now Europe will be more unified, more peaceful, and better able to contribute to an orderly world than now.

The future is uncertain, and setbacks may occur. But as of now, the dominating trend is clear. In contrast to its dark history, Europe apparently is becoming a continent that works and that succeeds in crafting a good life for itself. The ability to apply multilateral, transatlantic cooperation to the complex issues now on its doorstep seems to be its key for further opening the door to a bright future. In the past, issues such as these tore Europe apart, consigning it to conflict and war. Because that is no longer the case, the globalizing world will benefit as a whole. Whether Europe's progress provides a model for other regions to follow is for them to determine. But if they decide to investigate this idea, they likely will emerge no worse for the wear, and perhaps a good deal better off in the bargain.

Notes

[1] David Thomson, *Europe Since Napoleon* (New York: Alfred A. Knopf, 1964).

[2] John Bartlett, *Familiar Quotations* (Boston: Little, Brown and Company, 1980). For a portrayal of European political psychology before World War I, see Barbara Tuchman, *The Proud Tower* (New York: Bantam Books, 1989).

[3] CFSP added defense preparedness to the EU agenda.

[4] For more historical detail, see Richard L. Kugler, *Commitment to Purpose: How Alliance Partnership Won the Cold War* (Santa Monica, CA: RAND, 1993). For a skeptical analysis of the EMU future, see Niall Ferguson and Laurence J. Koltkoff, "The Degeneration of EMU," *Foreign Affairs* 79, no. 2 (March/April 2000).

[5] For a related analysis, see Elizabeth Pond, "Come Together," *Foreign Affairs* (March/April 2000).

[6] For economic and military details, see International Institute for Strategic Studies, *The Military Balance: 1999–2000* (London: Oxford University Press, 1999). For GDP growth rates and similar data, see the International Monetary Fund, *World Economic Outlook, October 1999* (Washington, DC: International Monetary Fund, 1999).

[7] See International Institute for Strategic Studies, *Strategic Survey, 1998/99* (London: Oxford University Press, 1999).

[8] See *The European Union in 1999* (Brussels: European Union, 2000).

[9] Ibid.

[10] For more historical detail, see Richard L. Kugler, *Enlarging NATO: The Russia Factor* (Santa Monica, CA: RAND, 1996). See also George W. Grayson, *Strange Bedfellows: NATO Marches East* (Lanham, NY: University Press of America, 1999).

[11] See General Report, chapter V: Enlargement (Brussels: European Union, 1999).

[12] Russia has been invaded several times across the corridors from Europe. Early in its history, the Poles drove to the gates of Moscow. In the early 18th century, Sweden's Charles XII invaded and was ultimately rebuffed by Peter the Great. In the early 19th century, Napoleon invaded and seized Moscow before being forced to retreat by winter weather. In 1941, Hitler's Germany invaded, driving to Lenin-

grad, Moscow, and Stalingrad before being pushed back. For this reason, a consistent principle of Russian foreign policy has been to maintain a buffer zone on its western borders.

[13] See Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon and Schuster, 1996).

[14] For an appraisal of how population settlement patterns affected the Dayton negotiations over Bosnia, see Richard Holbrooke, *To End a War* (New York: Random House, 1998).

[15] Robert Gilpin, *The Challenge of Global Capitalism: The World Economy in the 21st Century* (Princeton, NJ: Princeton University Press, 2000).

[16] For analysis, see Robert D. Blackwell and Michael Sturmer, eds., *Allies Divided: Transatlantic Policies for the Greater Middle East* (Cambridge, MA: MIT Press, 1997).