

# THE TPN PAPERS: TOWARDS TRANSATLANTIC PARTNERSHIP 2030

**ADDENDUM** 

TO

**INTERIM REPORT** 

# **CONTENTS**

FOREWORD	3
CHAPTER 1	BACKGROUND 4
CHAPTER 2	TPN PAPERS ON A NEW TRANSATLANTIC FRAMEWORK 5
	NEW INSTITUTIONS AND AMBITIOUS SECURITY COOPERATION JOHN WYLES
	NEW INSTITUTIONS FOR A NEW TRANSATLANTIC AGENDA9 BRUCE STOKES
	STRENGTHENING THE NATO SECURITY BRIDGE TOWARDS  A TRANSATLANTIC PARTNERSHIP
CHAPTER 3	POLITICAL DECLARATION
ANNEX 1	
THE SUBSTANTIVE PHASE OF TA 2030 VISION PROJECT 2021 – 2024	



In setting out the background to the Project, the successful completion of the Preliminary Phase is noted with an Interim report published in September 2020 based on 5 expert analyses. However, these analyses did not cover in detail any suggestions about what changes could be necessary for TA Institutions in the years ahead - see **Chapter 1.** 

TPN presents some thoughts about what a new Transatlantic framework could look like with 2 additional TPN Papers set out in **Chapter 2** 

- New institutions for a new Transatlantic Agenda by Bruce Stokes; and
- Strengthening the NATO security bridge towards a transatlantic partnership by Jamie Shea.

Both papers carry an identical message indicating that time is of the essence to make the Partnership more effective.

A revised Political Declaration for underpinning the TA 2030 Vision in draft form is included in **Chapter 3,** updating the original one published at the launch of the Project in July 2019 in Strasbourg, calling for the strengthening and renewing of the Transatlantic Agenda. The arrival of President Biden has been a significant game changer for this project.

Finally in **Annex 1**, TPN sets out its aims for the Substantive Phase in terms of the areas where it wishes to focus on with political leadership guiding these discussions and promoting joint actions.

We warmly thank John Wyles for his meticulous work in continuing to coordinate this TPN project.

#### CHAPTER 1: BACKGROUND

This is the first time we are holding TA Week since July 2018. Despite not meeting up since then for our annual get-together, the existence of online connection has helped enormously our ability to talk with each other and exchange ideas. So it has proved with our TA 2030 Vision Project.

An Interim report based on 5 expert analyses was published in September 2020, after being launched in July 2019, entitled "The TPN Papers: Towards Transatlantic Partnership 2030".

It offered detailed recommendations for strengthening Transatlantic Partnership that would enable getting to grips with managing the digital revolution and associated technologies, global economic and trade challenges, establishing the primacy of sustainability, and adapting to changing geopolitical and security realities driven by the emergence of China as a superpower and Russia as a disruptive regional power.

This Preliminary Phase focussed on issues but did not examine in any detail what changes could be necessary for TA institutions in the years ahead towards 2030. Instead, the Interim report provided the following promise at the time of the launch of the Substantive Phase of the Project

"This Substantive phase will be launched at TA Week in July 2021. At this occasion, TPN will present some thoughts about what a new Transatlantic framework could look like to stimulate debate over the years ahead"

These 2 papers help identify those areas where the Transatlantic Partnership needs to make critical improvements if it wishes to be more effective and deliver results to their citizens on both sides of the Atlantic. Here are the linkages for each of these papers:

- New institutions for a new Transatlantic Agenda. Bruce Stokes
- Strengthening the NATO security bridge towards a transatlantic partnership.
   Jamie Shea

#### CHAPTER 2: TPN PAPERS ON A NEW TRANSATLANTIC FRAMEWORK

# **New Institutions and Ambitious Security Cooperation**

TPN is publishing these two papers at a time when renewal and revitalization of transatlantic relations is at the top of the west's political agenda. Decisions taken and commitments given at the trio of summits in western Europe in June 2021 (G7, NATO and US-EU) have established real momentum in the direction of the Transatlantic Partnership by 2030 that TPN is doing its utmost to promote.

Our authors, Bruce Stokes and Jamie Shea, have put out for discussion proposals and questions that would create new transatlantic institutional links as well as more militarily effective and politically cohesive approaches to collective security. They take into account the headline features of the June summits.

The issues they raise will feature prominently in discussions at the online Transatlantic Week that TPN is planning for mid-July. This will raise the curtain on the substantive phase (2022-2024) of TPN's strategy for achieving an ambitious and robust Transatlantic Partnership by 2030.

TPN's Interim Report published in September 2020 offered detailed recommendations for a new Transatlantic Agenda that would get to grips with managing the digital revolution and associated technologies, global economic and trade challenges, establishing the primacy of sustainability, and adapting to changing geopolitical and security realities driven by the emergence of China as a superpower and Russia as a disruptive regional power.

#### June 2021 worth a place in history?

June deserves to be remembered as the month when the United States and its principal allies began to seriously engage with these priorities, while reasserting the importance of collective security and nurturing alliances, of multilateral institutions and of diplomacy and dialogue as the drivers of international relations.

These transformative moments were made possible by the election of Joe Biden as US President in November 2020 after four stormy years in which transatlantic relations were periodically strained, bruised or ignored by Donald Trump. Biden's victory presented the EU with an opportunity to set a course towards the Transatlantic Partnership targeted by the European Commission in December 2020.

#### Towards a "Trump-proof" relationship

The strategic challenge, well understood in Europe, is to forge institutions, implement policies and establish collaborative and cooperative processes capable of withstanding a resurgence of Trumpism in the US.

The June US-EU summit, the first since 2014, was an important beginning. Pragmatic steps were taken to end lingering and unhelpful disputes that had become the cause of trade sanctions (subsidies to Boeing and Airbus, steel tariffs) while a new era for transatlantic collaboration on technology was promised with an agreement to create a Trade and Technology Council.

The Council will be driven at a senior political level with a very broad remit for growing transatlantic bilateral trade and investment, strengthening global cooperation on technology and cooperating on international standards development.

The summit did even more to create ties and dialogues that will deepen and strengthen the relationship. TPN and others called in advance for an ambitious partnership. The summit responded with positive outlooks aimed at creating a Transatlantic Green Tech Alliance, an EU-US high level climate action group, a joint technology competition policy dialogue and a partnership to ensure security of supply of semiconductors.

The two sides promised to consult and cooperate on the full range of issues involving China and to coordinate policies and actions in regard to Russia.

Fuller details will be found in Bruce Stokes' paper but all in all, the US and the EU have given themselves a lot to do together. Driving forward their common agenda will need strong political direction and a readiness to compromise on some key issues, not least across the wide range of digital transformation challenges that they need to address together.

#### Introducing the papers

Readers will be struck by the fact that the authors of our papers, Bruce Stokes and Jamie Shea, are delivering the same core message that says clearly that working with the Biden Administration's people, policies and priorities my well be the EU's last opportunity to move forward on the "transatlantic agenda for global change" proposed by the European Commission in December 2020.

Both essays plead for a resilient partnership that can survive any swing of the American political pendulum back towards "Trumpism".

#### Stokes' institutional foundations for transatlantic partnership.

Inspired by Jean Monnet's insight that "nothing is possible without men, but nothing lasts without institutions" Bruce Stokes assembles ideas for a new and comprehensive institutional framework for the future partnership.

"... if the Biden-era is to be one of renewed transatlantic cooperation on issues of mutual concern, then America and Europe need new institutions to drive that collaboration," says Stokes,

His goal is coordination and where possible alignment across the policy range from climate to security, from pandemics to trade and global economic management. Institutional innovation will ensure that the partnership is politically led and built on consent.

In addition to annual summits and the soon to be launched Transatlantic Trade and Technology Council, Stokes' new institutional landscape would include a Transatlantic Assembly based on the existing Transatlantic Legislators' Dialogue and the opening of a Congressional coordination and policy-tracking office in Brussels.

#### Shea addresses "strategic misalignment?

Jamie Shea thinks the question of how to manage relations with China looms heavily over NATO and its future up to 2030. He says there is now a "strategic misalignment" between the US' primary security relationship, NATO, and the US' primary security concern, China. For more than 70 years,

NATO has operated as a defensive security alliance against Russia and Shea asks whether President will try to put China more on the NATO agenda.

He asserts that, in any case, foreign relations are not Biden's top priority. "His ability to tackle America's gaping domestic problems" will define his presidency and his prospects for a second term.

Shea has a number of recommendations for European members of NATO including more efforts to strengthen collective defence and working with Biden to persuade Congress to erect legal barriers to any attempt by a "Trumpist" presidency to withdraw the US from NATO without congressional approval.

Finally, he wants the European Union to convince the US to give stronger support to its concept of "strategic autonomy". It would be to Washington's advantage to have allies more capable of taking the lead in regional crises where the US does not want to be involved, he says.

#### Questions for future discussion include:

How do the NATO and the EU/US dialogues on China interact?

How should the EU/US dialogue relate to the evolution of NATO's internal discussions on technological questions such as cybersecurity and AI?

How should the EU/US legislators dialogue and the NATO Assembly relate to each other?





# **NEW INSTITUTIONS FOR A NEW TRANSATLANTIC AGENDA**

#### **BY BRUCE STOKES**

#### "Nothing lasts without institutions"

Amid the high hopes for a revived transatlantic relationship in the wake of the election of Joe Biden as the U.S. President, one thing is missing: how to turn grand schemes into sustainable reality. The history of the transatlantic relationship is littered with commitments to a more robust alliance—President Kennedy's "Grand Design", President Clinton's New Transatlantic Agenda and, most recently, President Obama's Transatlantic Trade and Investment Partnership. All were heartily endorsed by most European leaders and the American establishment, yet they failed to produce meaningful, lasting results.

Now Biden has recommitted the United States to closer cooperation with Europe. And the European Commission has proposed its own new transatlantic agenda. The challenge will be, as it has been in the past, to turn such ambitions into substantive and workable progress toward a deeper integration of the transatlantic marketplace and closer cooperation on the challenges we both face: global warming, technological change and the future of the digital economy, competition from China, the security threats posed by Russia and Iran, and future pandemics.

As Jean Monnet observed more than half a century ago: "Nothing is possible without men, but nothing lasts without institutions". Without the creation of new institutional frameworks for future transatlantic collaboration, the most well-intentioned ambitions of both the European Commission and President Biden will be doomed from the start.

#### Fireproofing transatlantic relations

Institutions are the skeleton for any strategic, diplomatic, or economic cooperation. They are the repositories of a reservoir of experience, they facilitate follow through and ensure continuity given the notoriously short attention span of both politicians and publics. Today institutions are particularly needed. As Rosa Balfour, director of Carnegie Europe, has written: "the EU should invest in <u>rebuilding its partnership</u> with the United States precisely to fireproof transatlantic relations from a return of Trumpism—or indeed from victories of the European far right." And that requires new institutions that can anchor the relationship to weather turbulent political times.

Unfortunately, existing transatlantic institutions are inadequate to the task of meeting the challenges facing both Europe and the United States. They are a product of the era in which they were created, have not aged well and are not purpose fit for current challenges. Like any skeleton, they may prove unable to bear the weight of new demands placed upon them.

So new institutions are needed. Now is the time. And the advent of a new administration in Washington provides the opportunity to reimagine our transatlantic institutions and to restructure them or invent new ones that can facilitate closer U.S.-European collaboration on the pressing issues of the day.

A major step toward that objective was taken at the recent U.S.-EU Summit held in Brussels in June. The leaders of the EU and the US met to renew their Transatlantic Partnership and set a Joint Transatlantic Agenda for the post-pandemic era, committing to regular dialogue to take stock of progress, with a number of proposals to promote high-level dialogues in a number of areas. The key innovations agreed are set out below

#### AN ANNUAL U.S.-EU SUMMIT

In 2021, the United States and the European Union held their first U.S.-EU summit since 2014. This was the necessary first step to better coordinate Biden-era U.S.-EU cooperation across a range of initiatives. But the summit needs to be an annual affair, with a dedicated staff to prepare the agenda and implement decisions. The agenda needs to be narrowly defined and strategic in nature and worked out ahead of time.by the permanent staff. The summit staff should work closely with the leadership of both the U.S. Congress and European Parliament to coordinate the summit agenda, agreeing the necessary follow-on legislative action.

As happened this year, the senior leadership of the EU represents the European Union. But there should be provision for the participation of other countries or international organizations should the agenda require it. As in the past, the U.S.-EU summit could be timed in conjunction with NATO summits or G7 or G20 summits.

# A TRANSATLANTIC TRADE AND TECHNOLOGY COUNCIL AND SUPPLEMENTARY DIALOGUES

The second institutional innovation introduced at the U.S.-EU Summit is the high-level Transatlantic Trade and Technology Council. This builds on the now moribund Transatlantic Economic Council, created in 2007.

# Purpose - to align US-EU technology policies

The new Trade and Technology Council, composed of economic policy principals on both sides of the Atlantic, will focus on technology standards cooperation (including AI, Internet of Things, and other emerging technologies), climate and green tech, data governance and technology platforms, the misuse of technology threatening security and human rights, export controls, investment screening,

global trade challenges, and promote innovation and leadership by U.S. and European firms, among other things, all technology challenges of the emerging digital economy.

At the same time, the U.S.-EU Summit launched other institutional initiatives to supplement the work of the Trade and Technology Council. A U.S.-EU COVID Manufacturing and Supply Chain Taskforce was created to deepen cooperation around expanding vaccine and therapeutics production capacity, maintaining open and secure supply chains, avoiding unnecessary export restrictions, and encouraging voluntary sharing of know-how and technology. There was a commitment to build a U.S.-EU partnership on the rebalancing of global supply chains in semiconductors. And a U.S.-EU Joint Technology Competition Policy Dialogue was launched. Such cooperative, institutionalized efforts will provide a much-needed broader and updated ambition in technological collaboration.

#### POLITICAL DIALOGUES TO ASSIST DEEPER COOPERATION

The third institutional innovation is the joint determination to build a more democratic, peaceful and secure world. This includes supporting democracy across the globe by defending media freedom and advancing a free and open internet, announcing their intention to partner in the Summit for Democracy.

Specific confirmation is made to closely consult and cooperate on the full range of issues in the multi-faceted approaches to China, which include elements of cooperation, competition, and systemic rivalry. Similarly, a high level EU-US dialogue is planned for Russia. But how many more dialogues should be created over time?

And the EU and the US agree to work jointly to raise the level of NATO-EU ambition in order to strengthen this mutually reinforcing key strategic partnership. But how will this be possible? This is discussed below.

While greater transatlantic cooperation between executive branch officials is necessary, it is not sufficient for dealing with the challenges that lie ahead. These institutional initiatives need to be implemented, leading to action in consultation with the US Congress and the European Parliament, political institutions whose support will be necessary to realize these ambitions.

#### A TRANSATLANTIC LEGISLATORS ASSEMBLY

The issues facing Europe and the United States increasingly require new budgetary commitments and regulatory changes that are not the sole purview of the executive. They include the input and assent of national parliaments in Europe and state legislatures in the United States.

Roughly 10% of Congress attended the Munich Security Conference in February 2019, the largest such delegation ever. And 17 Senators and 56 members of the House of Representatives were part of the bipartisan delegation in Normandy to mark the 75<sup>th</sup> anniversary of D-Day. Such engagement reflects a growing Congressional appreciation of the importance of transatlantic relations to U.S. interests.

In politics, as well as policy making, there is no substitute for the trust and good will created by personal relationships developed through direct interaction.

#### Need for wider focus than the North Atlantic Assembly

For six decades, the North Atlantic Assembly has brought together national legislators from all the members of the Atlantic Alliance to provide an ongoing link between NATO and parliaments of member nations that must ultimately approve funding for their armed forces.

But, like NATO, the North Atlantic Assembly's focus is too narrow. Increasingly, the challenges both Europe and the United States are grappling with are nonmilitary in nature and were here-to-fore considered purely domestic in nature: food health and safety, the regulation of the insurance industry, government procurement, to name just a few.

Unless directly elected representatives of the public, those who set the rules and fund politically sensitive issues relating to these and other looming issues, such as climate change, privacy and regulation of the digital economy are fully engaged in transatlantic regulatory cooperation, voters' fears over the loss of national sovereignty and domestic prerogatives will consign such collaboration to the legislative graveyard.

#### Boosting Congressional participation in Legislators' dialogue

The bipartisan Transatlantic Legislators' Dialogue has existed since 1999. It meets regularly with its European Parliament counter parts. But while roughly five dozen European Parliamentarians participate, Congressional participation has been much more limited.

One way to increase American participation would be to make the Dialogue a statutory group, embedded in law. The NATO Parliamentary Assembly is a statutory body. A similar status for the Dialogue would enable support by the Congressional leadership in the form of airplanes to take members of Congress to such meetings and the willingness to provide legislators with political cover when they are absent from their districts while overseas.

#### A consultative Transatlantic Legislators' Assembly

To complement such an initiative, to sensitize parliamentarians and Members of Congress to the international scope of their duties, and to the enlist them in joint problem solving, the European Union and the United States should create an annual Transatlantic Legislative Assembly of members of Congress and the European Parliament, based on a focused agenda of priorities for joint action. Representatives of national parliaments in Europe and state legislatures in the United States might participate as well when the issues to be discussed involve national or state jurisdiction.

The Assembly would be a consultative forum, not a rulemaking body. Meeting annually, before or after the North Atlantic Assembly, to facilitate broader participation, it would provide an opportunity for legislators to share concerns and upcoming priorities, alert each other to legislative initiatives that might impact the other and sensitize lawmakers to how others view issues in the increasingly integrated transatlantic economy. In the face of shared internal and external threats to Western liberal democracy, one initial effort might be to work on how best to counter external disinformation and the undermining of electoral systems and how to become more transparent and accountable to citizens.

#### Technology is making interaction easy

Over time, the Assembly would help facilitate greater transatlantic legislative engagement during the year. Given the ubiquitous use of Zoom, WebEx and other online media during the Covid-19 pandemic, such interaction is now common practice and can be done without costly and time-consuming travel. Members of the European Parliament should be called to testify regularly before Congress on issues of shared interest, especially where legislation in Congress may affect European interests. Similarly, members of Congress should testify before the European Parliament.

To supplement the work of the Assembly, to complement the effort of the new U.S.-EU executive level dialogue on China, and to provide an ongoing legislative focus on relations with China, the U.S. Congress and the EU Parliament should build on the Inter-Parliamentary Alliance on China by creating a separate transatlantic China caucus to coordinate China-related legislative initiatives.

#### A CONGRESSIONAL OFFICE IN BRUSSELS

Congressional-Parliamentary interaction is likely to be more consistent and timelier if it is anchored in an institutional foundation. The European Parliament has long had an office in Washington. It tracks legislation on Capitol Hill facilitates meetings between Members of the European Parliament and Members of Congress and works with the EU delegation in Washington in support of European Union interests.

A U.S. Congressional office in Brussels to provide the complementary legislative coordination pillar on the European side of the Atlantic is long overdue. An estimated 50-60 members of Congress visit Brussels each year on legislative business. A Congressional presence would help expedite those

visits and take over some of the logistical responsibility for those meetings from the already overtaxed executive branch officials stationed at the U.S. Mission to the European Union.

Of even greater day-to-day significance, stationing even one Republican and one Democratic Congressional staff member in Brussels would facilitate timely interaction between European Parliament and Congressional staff members, building the professional relationships between the political and substantive specialists on Capitol Hill with their counterparts in the European Parliament.

In the past, a Congressional outpost in Brussels has been privately endorsed by both Republican and Democratic Speakers of the House of Representatives. And legislation to create such an office was introduced a decade ago. But nothing has happened. Now the need has never been greater. The Biden administration has promised to work more closely with its European allies on a range of issues: the response to the Covid-19 pandemic and a coordinated economic recovery, climate change, China, regulation of technology platforms and defense of democracy.

#### Success of EP office in Washington makes the case

None of this can be accomplished without the support of the U.S. Congress and the cooperation of the European Parliament to provide the funding, the regulatory changes, and the political support necessary to be successful.

Bureaucratic rivalries and jurisdictional disputes should not stand in the way. Initially, the European Commission objected to the European Parliament opening an office in Washington. But its usefulness to the broader mandate of the EU delegation rapidly became apparent and the initial three-person contingent has grown to a dozen.

The U.S. Mission to the European Union in Brussels currently hosts representatives of more than a dozen executive branch agencies not part of the U.S. Department of State. The number of such personnel has grown over the years as U.S. interests in Europe have grown to include not only trade and agriculture, long-standing transatlantic issues, but a range of new bilateral concerns: counterterrorism, climate change and migration, among others. As the European Parliament and the U.S. Congress increasingly legislate on such matters, a Congressional office attached to the U.S. mission in Brussels will prove essential in ever greater transatlantic policy coordination.

There is ample precedent for such non-State Department activities abroad. The plethora of executive branch agencies who now maintain personnel in Brussels demonstrates that. And the Library of Congress maintains a half dozen offices around the world to acquire, preserve and distribute library and research materials.

#### **CONCLUSION**

In a populist era, institution-building has an establishment odor. And while Europeans are process-driven, Americans often disparage process in favor of action. But no actions are sustainable—be it on climate or China or economic recovery—without institutions to support the initiative. And if the Biden-era is to be one of renewed transatlantic cooperation on issues of mutual concern, then America and Europe need new institutions to drive that collaboration.

Given the extraordinary breadth of the tasks set in the Joint Transatlantic Agenda, and the real need to bring the legislators into the evolving framework, something stronger and more durable will need to be considered longer term to guarantee the effective functioning of the Transatlantic Partnership by 2030 – A Transatlantic Partnership Agreement. As the TPN Interim report indicated in its Foreword, "the future of this partnership is more important than ever. We believe it needs a stable and lasting framework that will be the natural successor to the New Transatlantic Agenda (NTA) of 1995".



# STRENGTHENING THE NATO SECURITY BRIDGE TOWARDS A TRANSATLANTIC PARTNERSHIP

#### **BY JAMIE SHEA**

The Biden administration is both an opportunity and a challenge for NATO and for the transatlantic security relationship more generally.

It is an opportunity first and foremost to reboot this relationship. Biden is a committed transatlanticist. He has spoken of NATO as a "sacred duty". Yet while seeking to restore trust after the four years of Trump in the White House, Biden speaks of the need to "revitalise" the transatlantic security partnership. This implies that more US engagement in NATO is not designed to return to the status quo ante Trump bellum, but to push the alliance into new directions more closely aligned with the administration's foreign policy objectives.

The NATO summit in June was a starting point for work which must precede the next NATO summit in Spain in 2022. The June summit went largely as predicted. The key deliverables were all heavily trailed in advance and there were no last minute surprises or changes. The key message was alliance unity and "the US is back" rather than a mass of policy detail.

However, a number of items of "old business" were not taken forward at the summit, but they will not go away and will require sustained attention.

- How to reinforce NATO's collective defence capabilities in Eastern Europe where Russia has a worrying local conventional superiority?
- How to engage Russia in risk reduction and transparency measures?
- Will Afghanistan have a place in NATO's priorities post September 11.

#### **US FOREIGN POLICY PRIORITIES**

#### 1. China and the Indo-Pacific

As it currently stands the Alliance is focused on Russia, not China, and after Russia's annexation of Crimea in 2014 has largely returned to territorial defence tasks in Europe. So this is a case of strategic misalignment as the US's primary security relationship is not focused on the US's primary security concern.

Will Biden try to rectify this by putting China more on the NATO agenda and having the allies more involved in Indo-Pacific security, through for instance more maritime deployments and freedom of navigation missions in the South China Sea? Will the European allies be ready to take on these new engagements or will they prefer to play a largely diplomatic role in the Indo-Pacific, leaving the military heavy lifting in the region to the US and its partners in the Quad?

The Biden administration will be happy with the NATO summit's emphasis on the more global NATO, particularly the detailed and strong language on China ("systemic competitor", criticism of China's lack of transparency regarding its military programmes) and also the role given to space (link to Article 5), cyber attacks (lower threshold for collective NATO response) and emerging and disruptive technologies (creation of a new technology accelerator to promote innovation).

Yet here we had the broad outlines rather than the policy details. How will NATO deal with the challenge of China? What will be its specific focus? How will NATO's work relate to the US/EU strategic track on China?

Some have speculated that the US would like to use NATO as the forum to coordinate the grand strategy of the Western democracies vis a vis China, embracing technology, supply chains, military modernisation, soft power diplomacy and influence networks. NATO has the consultation machinery and policy planning and intelligence fusion staffs to take on this role, and it has already structured partnerships with Asia-Pacific democracies, such as Japan, Australia and South Korea who would need to be brought into this process. But is NATO the preferred instrument of the US (and the post-Brexit UK) in this regard, as compared to the G7+ or a new D10 or Alliance of the Democracies?

The US cannot take Russia out of NATO and put China in instead. The interests of too many allies are focused on the more immediate Russian threat. Yet can Washington open up a space in NATO to deal with China as well as Russia? For an alliance used to dealing with just one adversary at a time (be it Moscow in the Cold War, Belgrade in the 1990s or the Taliban after 9/11), this would be quite a big ask.

#### 2. US domestic priorities are shaping foreign policy approaches

The facts show that Biden's overwhelming focus is on domestic affairs. A foreign policy for the middle class means that international engagements have to show results on the jobs front at home and in the order books of US companies.

By necessity rather than by choice, Biden realises that the success of his presidency, and chances of re-election in 4 years time, depend overwhelmingly on his ability to tackle America's gaping domestic problems. Whatever the talk about containing China or pushing back against Beijing's bullying and human rights violations, Biden knows that the only long term answer to the systemic challenge from China is to out-compete it, rather than out-confront it. The priority to the domestic agenda means that the Biden administration will shed burdens wherever they can, and try to shift them within existing alliances.

The record so far indicates that Biden will try to avoid taking the lead on crisis management. His aversion to sending large numbers of US forces overseas on peacekeeping or stabilisation operations goes back a long way.

The conclusion is that Europe will have to take care of its own security needs for most contingencies that do not involve a major attack by Russia on a NATO member state. This will particularly apply to European engagements in the Sahel and elsewhere in Africa.

EU defence cooperation now has a triple justification: it will allow Europe to act alone in cases where the US is slow or reluctant to act (Libya during the Obama administration was already a foretaste of this); it will help Europeans to argue for US investment in their defence because they have real capabilities to bring to the table; the possibility of Trump or an acolyte returning to the White House in four years time is an urgent incentive to insure against a return to America First isolationism and nationalism.

#### 3. A unique opportunity for Europe

The Biden administration is staffed throughout with senior diplomats, think tankers and policy wonks who have made their careers dealing with Europe and have the continent (despite all their occasional frustrations with proud France, disappointing Germany or Brexit Britain) in their political and cultural DNA. Just like their boss in the White House.

So if Europe and the United States cannot use the next 4 years to resolve their differences (particularly in the trade and burden sharing areas) and rebuild a stronger transatlantic partnership to master the global security challenges of the 21st century, it almost certainly will never happen under any future US administration. Even if the Trump Republicans fail to regain the White House, a Democrat of the post-post-Cold War era may well wonder what the return to the US could be from making major investments in European security. Transatlanticists need a common strategy to build a renewed security structure for the democracies while the political constellation is still in our favour.

#### SIX BUILDING BLOCKS FOR RENEWING TRANSATLANTIC SECURITY STRUCTURE

Below are 6 proposed building blocks that will need to be fleshed out in the months ahead.

#### 1. Shore up support for NATO in the US Congress

There is still strong bipartisan support for the alliance in the wake of indications that Trump was thinking of withdrawing from the Alliance. The Biden administration could seek new legislation in the Senate to prohibit a future US President from taking steps to withdraw from the NATO treaty or commitments without Congressional approval.

#### 2. Burdensharing

The administration should maintain the pressure on the European allies, particularly Germany, to meet their commitment from the Wales summit in 2014 to spend 2% of their GDP on defence. This Defence Investment Pledge has shown some signs of success. The non-US allies have increased their budgets by US\$ 150 billion. Despite the impact of the Covid pandemic, last year NATO defence spending (non-US) went up by 4.3%. Over half the allies have met the NATO target to spend at least 20% of their budgets on modernisation. Two per cent of GDP is a powerful signal to Washington of Europe's willingness to raise its game; but it is also necessary to plug NATO's capability shortfalls and to enable the EU to achieve its higher level of ambition and true Strategic Autonomy.

But the US should also accept that cash is not the only benchmark and that capability delivery in the shape of new procurement and acquisitions, as well as contributions to NATO, EU and UN missions or coalitions of the willing, should also be taken into account in assessing fair burdensharing. The State Department and Pentagon could present an annual report to Congress itemising how all the European efforts and investments are contributing to alliance objectives and making the US itself more secure.

Collective defence is also important. Russia continues to pose conventional and nuclear threats to the allies in Europe. Moscow's build-up of military bases in the Arctic, the ongoing modernisation of its armed forces and their capacity to disrupt the reinforcement of NATO's eastern flank in a crisis cannot be ignored.

The US has invested in strengthening NATO's collective defence posture, even in the years of the Trump administration. A US brigade is stationed on a rotational basis in Poland, new bases have been opened in Norway while military equipment has been prepositioned in Europe. Biden has helpfully cancelled Trump's order to withdraw 12,000 US troops from Germany, and added 500 specialist troops trained in electronic warfare and cyber defence.

Yet now is the time to secure more US capabilities. For instance, in Romania and the Black Sea where the alliance's posture is lighter than in the Baltic region. Also to have more US air and missile defence and electronic warfare assets located in Europe, more heavy armour and more fighter wings (especially F35s and F117s with stealth capabilities). As Poland has done already, European allies could make attractive host nation support offers to the US to offset the costs of these additional deployments.

#### 3. How to handle China?

Over the next four years the transatlantic community has to decide on a coherent, long term approach towards China. It is less an immediate nuisance and short term threat to NATO than Russia, but is a much more formidable systemic challenge in the long run. NATO has to deal with China in a way that satisfies US expectations but without giving those allies concentrating on Russia the sentiment that NATO is taking its eye off that particular threat.

This will not be easy as the deterrence and defence strategies that apply to Russia cannot simply be recycled for China. If NATO is not to engage in deployments to the Indo-Pacific, leaving those to individual allies such as the UK, France, Germany, the Netherlands and Belgium which have all sent warships to the region this year, then it needs to find other ways to be relevant. One idea is to use the alliance as a technology forum to analyse the impact of China's progress in disruptive military technologies, such as AI and synthetic biology. Chinese space capabilities (such as anti-satellite missiles and cyber weapons in space) are also a concern.

NATO could set standards for its own high tech interoperable systems and fund collaborative R&D research, providing the US and the EU lift restrictions on more data sharing across the Atlantic and more European access to DARPA and other Pentagon future of warfare programmes and trials.

NATO could also work on maritime security with its Asia-Pacific partners through a new NATO-Asia forum to exchange assessments on China and mount initiatives in the areas of arms control and confidence building.

#### 4. A new Strategic Concept for NATO

The June 2021 summit agreed to prepare a new Alliance Strategic Concept to be ready for the June 2022 summit in Spain. The future of NATO is also on the table. The Secretary General, Jens Stoltenberg, convened a group of experts to make recommendations on the alliance's future direction as part of his NATO 2030 project. This group looked in particular at how NATO can improve the quality and utility of its political consultations following the accusation of President Macron that NATO was "brain dead", functioning at the basic level as a military command but not as a political alliance sharing a common strategy or sense of direction.

The experts made over 100 individual recommendations. Stoltenberg has boiled these down to 8 specific proposals which can form the basis of the new Strategic Concept whose drafting should begin in the second half of this year.

Some of the Secretary General's proposals appear to be winning support, such as examining climate change as a security challenge and reducing carbon pollution from military operations. Also the idea to expand the scope of allied consultations to include specialist government officials such as national security advisers or experts in cyber defence and critical infrastructure protection. Yet other proposals such as setting binding Resilience Targets for individual allies, or increasing NATO's common budgets to collectively fund NATO operations have met with more hesitation.

#### 5. US must define a vision for NATO's future direction

Given the alliance's current focus on hybrid warfare and foreign interference campaigns, some experts have also been calling for Resilience to become a new fourth core task of NATO alongside collective defence, crisis management and cooperative security. With all these ideas and proposals in circulation it is time for the Biden administration to define its preferences and set out its vision for NATO's future direction over the next decade. Certainly the US could begin by giving Stoltenberg more explicit backing for his own NATO 2030 proposals.

## 6. Accommodate EU's goal of strategic autonomy

The US has traditionally been ambivalent, if not openly hostile towards the Strategic Autonomy project, either because it doubts whether the EU will ever spend the money to carry it out or because it fears that it will detract from the common effort in NATO. Yet the US knows that there can be no effective transatlantic burdensharing unless the Europeans integrate their armed forces more closely and collaborate better on R&D and procurement. So Washington needs to get behind EU initiatives like PESCO and the European Defence Fund, particularly now that the EU has come up with over €10 billion in new money to fund these programmes that will allow US companies to participate in the collaborative capability projects and have access to the funds as well. Only the EU, not NATO, can organise this major industrial effort.

Moreover, the EU has demonstrated through its 26 CSDP missions that it is stepping up in dealing with security threats in the European neighbourhood. A new European Peace Facility will have €5 billion to devote to training and equipping local forces, particularly in Africa. So now is the time for the US to give more explicit recognition of the value of the EU's crisis management and capability development efforts to overall allied security. In the next four years or less the US and the EU need to come to a more comfortable understanding of what Strategic Autonomy means for both sides and how it reinforces rather than undermines the objectives of NATO.

A closer and more operational relationship between the EU and NATO can only help here, especially if it develops in the areas of building resilience and mounting a joint response to hybrid attacks and outrages by Russia and its cronies in a more coordinated manner. It would also help the US to warm to the idea of EU Strategic Autonomy if some of the EU's new multinational capabilities could be used in Europe to augment NATO's collective defence posture and not only for crisis management tasks outside EU territory.

So Biden has to press Brussels and London to put ideology and Brexit grievances aside and work together on defence and security.

These are 6 proposals that could help ensure that the Biden is a defining moment to build a revitalised NATO and broader transatlantic security partnership for the difficult years ahead. That is why the Biden administration is both an enormous opportunity but also an enormous challenge for Europe. Yet time will pass quickly and there is not a day to lose.





The declaration is still in draft form and all comments welcome before it is finalised

## Strengthening and renewing the Transatlantic Agenda

For more than 70 years transatlantic relations have very successfully operated in a framework of shared values, commitments to close political and security cooperation, especially in Europe, and a readiness to act together in defence of common global economic and political interests.

The relationship has cleared many difficult obstacles, some self-inflicted, others presented by political and technological change. A crucial lesson learned is that the United States and the European Union cannot stand still. They must bond again as tightly and as soon as possible, urgently embracing challenges that were unforeseeable in the early post-war world.

#### **MAKING OUR PEOPLES SAFER**

Essentially, we need to put in place a resilient and effective partnership that by 2030 is helping to make our peoples feel safer from physical threats and dangers, including the impacts of destructive climate changes and recurrent pandemics.

The multilateral international system is increasingly fragile and shaken by a predatory China and disruptive Russia. Competition with the former and containment of the latter requires both the US and Europe to maximize social and political cohesion at home, and to deploy all available skills and resources to master the risks and seize the opportunities of digital transformation.

#### **TIME FOR ACTION**

This is a time for action. What is most needed is the will for a partnership nurtured by the extraordinary achievements that lie behind, but reinforced by the compelling challenges and opportunities that lie ahead. Accordingly, we must explore and experiment new ways of working together to build a repaired and renewed transatlantic partnership.

Complacent rejection or half-hearted adjustment to the new technologies and their global regulation are not options. Together, the EU and the US must set the global ethical and technical standards to ensure that they serve mankind, and are not its instruments of control and subjugation. We can use digital tools and technologies as flight paths to economic prosperity, social cohesion and collective security.

We must clearly identify jointly actionable objectives, for the short term, as well as the medium to long term, to ensure that this relationship is fit for the next decade and beyond, and thus relevant to our decision-makers and citizens alike.

#### LAWMAKERS' COLLABORATION WILL CREATE TRUST

Such a broad agenda will require the trust and engagement of peoples on both sides of the Atlantic. Consensus and credibility could best be assured by close and effective collaborations between lawmakers entrusted with the responsibilities of leadership.

Priorities for the partnership should be set by annual summits of top leaders from the EU and the US. Members of the Congress and the European Parliament should meet annually in a Transatlantic Assembly to see how best these priorities should be implemented, supported by representative offices in Washington DC and Brussels. Joint working groups could co-ordinate and even harmonise regulatory initiatives.

A new transatlantic partnership will be the surest path to fulfilling the weightiest and most important obligation of the west: to sustain liberal democracies through an uncompromising attachment to human rights and liberties, and the institutions that protect them.

**JULY 2021** 

The Preliminary Phase was completed as planned in September 2020 with the launch of the Interim report entitled "The TPN Papers: Towards Transatlantic Partnership 2030". In its foreword, the aim of the exercise was clearly delineated.

"The future of this partnership is more important than ever. We believe it needs a stable and lasting framework that will be the natural successor to the New Transatlantic Agenda (NTA) of 1995".

More specifically, the Foreword went on to say:

"During 2021-2024, TPN will be working towards developing a vision for Transatlantic Partnership to 2030. This needs to be a broadly based set of collaborations inspired by liberal democratic values, dedicated to rebuilding transatlantic trust and defending the rule of law and multilateral institutions. Its scope must range from digital regulation and transformation (absent from the original 1995 Agenda) to trade and the economy, security and sustainability."

Then, in regard to moving on to the next phase, the report indicated:

"The next phase, the Substantive, will be about examining, testing and framing ideas for the Partnership to give it both content and objectives to be achieved by 2030. Looking beyond current day-to-day events, the intention is to arrive at a vision for the Transatlantic relationship in 2030 and to develop a roadmap for getting there.

"This Substantive phase will be launched at TA Week in July 2021. At this occasion, TPN will present some thoughts about what a new Transatlantic framework could look like to stimulate debate over the years ahead".

# PROPOSED STRUCTURE FOR THE SUBSTANTIVE PHASE

It is suggested that there should be 5 specific sectors set out below:

- **Geopolitical** focussing on the political and security challenges facing the transatlantic partners for example on the rise of China; the evolution of NATO and defense policy, as well as the cybersecurity realm;
- Digital Transformation examining the policy challenges raised by digital transformation of our societies and economies such as data privacy, joint action on emerging technologies and the longer-term issues concerning the implications for the future of work and democracy;

- **Economy and Trade** covering coordination of post-Covid 19 recovery strategies, as well as economic, trade and investment issues, both bilaterally and multilaterally;
- **Sustainable Development** exploring key climatic and environmental challenges and the opportunities and benefits, including economic as well as societal, which arise from tackling them effectively;
- Transatlantic Partnership reviewing the overall partnership, in particular how the stable and lasting framework should be put together and the key political challenges addressed.

From the outset, the importance of political leadership has been recognised if anything is to change. So discussions under these headings will be led by members from the US Congress and the European Parliament, where possible online.

#### **DEVELOPING THE SUBSTANCE**

The revitalization of the Transatlantic Partnership can best be done by bringing those players on both sides who have the willingness to develop joint actions in specific sectors. New processes as well as policy initiatives could breathe fresh air into the TA relationship with the help of flexible and consistent mechanisms for joint discussion, cooperation and action.

Within TPN, from September 2021 onwards, each of these sectors mentioned above will organize regular meetings on the priority issues identified. In doing so, they can convene, as participants stakeholders from academia, civil society and business from both sides of the Atlantic. Insights and ideas will be generated across the TPN program of activities, working with like-minded transatlantic organizations to broaden support and maximize the impact of the project.

This will be done mostly by online exchanges, supplemented through specially convened events in Brussels and Washington when health conditions allow. Virtual meetings will be convened with those at the US State level and those at EU Member State level. They will be looking at ideas to progress the transatlantic relationship in each of the key focus areas, but now with a medium to long term perspective. Regular contacts should be maintained where there are informal dialogues functioning at Governmental level.

#### **TIMELINE ENVISAGED**

The role of Transatlantic Week in 2022 and 2023 will be critical to the overall process Bringing together all Network members on these occasions will facilitate the opportunity to review progress and collectively input into work being done in each of the sectors identified above. This will allow regular interim reporting on progress to date, challenges encountered and emerging opportunities. A final report will be submitted by Transatlantic Week 2024.

 $\bullet$   $\bullet$   $\bullet$