



Initiative for A Renewed Transatlantic Partnership

April 1, 2004

Vol. 1, No. 1

March 1

NSPD-23 Task Force
First session

March 12

NSPD-23 Task Force
Second session

March 16

Working Group on "The Impact of Demographic Trends on Europe and Transatlantic Relations"
First session: "Defining the Challenges"

March 29

Transatlantic Dialogue with British Ambassador David Manning

April 6

Ambassadors' Dialogue: "The Role of the UN in International Security"

April 19-20

Transatlantic Dialogue on Global Terrorism, Second meeting, Washington, DC

April 20

Working Group on "The Impact of Demographic Trends on Europe and Transatlantic Relations"
Second session: "Implications for the Economy"

April 24-27

Congressional staff visit to the European Parliament, Brussels, Belgium

Four Co-Chairs for the *Initiative*

G iuliano Amato, Harold Brown, Carla Hills, and Lord George Robertson have agreed to co-chair the *CSIS Initiative for a Renewed Transatlantic Partnership*. In this capacity, they are helping the director of the *Initiative*, and CSIS Europe Program Director, to establish a Steering Committee to guide the work and related activities of the *Initiative*.



Giuliano Amato has been a Member of the Italian Senate since 2001. He served as one of the two Vice Presidents of the European Convention and has twice been Prime Minister of Italy. Mr. Amato has also served as Treasury Minister twice, Minister for Institutional Reforms, and President of the Italian Antitrust Authority. Mr. Amato was a Member of the lower house of Parliament from 1983 to 1993.



Harold Brown was Secretary of Defense from 1977 to January 1981 under President Carter. Prior to his nomination, Dr. Brown served for eight years as President of the California Institute of Technology. From October 1965 until February 1969, he held the post of Secretary of the Air Force, following earlier responsibilities as Director of Defense Research and Engineering. Dr. Brown joined CSIS in 1992 as a CSIS Counselor and Trustee.



Carla Hills served as United States Trade Representative from 1989 to 1993 under President George Walker Bush. Previously, she served in the Ford Administration as Secretary of the Department of Housing and Urban Development. Ms. Hills, who is currently Chairman and CEO of Hills & Company, International Consultants, is a CSIS Trustee and Co-Chair of the CSIS Advisory Board.



Lord George Robertson served as NATO Secretary General from 1999 to 2003. Prior to this, he was Defence Secretary of the United Kingdom from 1997 to 1999. Lord Robertson served as a Member of Parliament from 1978 to 1999, having been reelected five times and serving as Opposition Spokesman in various capacities. Lord Robertson is currently Deputy Chairman of Cable & Wireless.

The Steering Committee is expected to be in place later this spring. It will include former senior officials from the U.S. and Europe (deputy secretary level or higher), political and military leaders, the chief executives of companies that represent strong transatlantic business interests, and recognized opinion leaders. A plenary meeting of the Steering Committee is scheduled for November 8, 2004 in Washington, DC.

Recommended Literature

The Choice: Global Domination or Global Leadership. By Zbigniew Brzezinski. New York: Basic Books, 2004, 256 pp.

La Tentation Impériale. By Simon Serfaty. Paris: Odile Jacob, 2004, 208 pp.

Visions of America and Europe: September 11, Iraq, and Transatlantic Relations. Christina V. Balis and Simon Serfaty, eds. Washington, DC: CSIS Press, 2004, 248 pp.

Quote of the Month

“Today we see a monstrous assault on European democracy and all of Europe must stand shoulder to shoulder with the people of Spain as they find themselves in the front line against the evil of world terrorism.”

-Denis MacShane, UK Minister for Europe, “The New Fascism,” *The Guardian*, March 11, 2004.

NSDP-23 and Allied Participation in Missile Defense

On December 16, 2002, the White House issued National Security Presidential Directive 23 (NSDP-23), a statement of national policy on ballistic missile defense. Following on the National Missile Defense Act of 1999, the directive states that United States “policy is to develop and deploy, at the earliest possible date, ballistic missile defenses drawing on the best technologies available.” Furthermore, the directive instructs that “The Secretary of Defense shall also structure the missile defense program in a manner that encourages industrial participation by friends and allies, consistent with overall U.S. national security.”

Structuring the program in a way that encourages industrial involvement by allies and friends calls for a supporting framework of government-to-government agreements that define broad national security objectives of participating governments, define objectives for each cooperative initiative (both policy and systems), and regulate the flows of vital technologies and sensitive information essential for cooperation. Furthermore, the environment thus created by governments must also facilitate, not simply allow, industry to function in ways that permit it to perform effectively and in a manner consistent with upholding the financial interests of its shareholders—not only domestic companies but also companies located throughout the world.

The *Initiative*’s NSPD-23 Task Force gathers a few public and private sector thinkers who are examining what has been done to fulfill the cooperative goal outlined by the President’s directive with regard to both government-to-government cooperation and the degree and nature of industry involvement. Conclusions and recommendations will be presented to the Administration, Congress, other governments, and industry later this spring. The Task Force is led by Frank Cevasco, a widely known defense expert, and most recently a Vice President of Hicks & Associates Inc.

Defense Specialization

In an effort to strengthen European defense at a time of declining defense budgets and capabilities, voices are being heard increasingly on both sides of the Atlantic for greater role specialization and pooling of resources in NATO and/or the EU. Questions are daunting. What would greater specialization specifically look like? What incentives exist for countries to pursue this strategy? Would specialization, however defined and implemented, benefit equally the larger and smaller European countries? Is it possible—and if possible, is it desirable—to move specialization from ad hoc arrangements to a more formalized process within an intra-Alliance framework?

These and other questions will be addressed by a small group of military leaders, led by General Joseph Ralston, former SACEUR and Vice Chairman of the U.S. Joint Chiefs of Staff, and General Klaus Naumann, former chairman of NATO’s Military Committee and Chief of Defense in Germany. CSIS President John Hamre, a former deputy secretary of defense, will be actively involved with this effort, which is directed by Michèle Flournoy, a senior advisor in the CSIS International Security Program. An initial meeting of this group is scheduled to take place in Europe in June 2004.

“The United States and the countries of Europe are bound together in an expanding community of compatible interests and consistent values. Our common challenge is to form a community of action whenever these interests and values are deemed to be at risk.” — CSIS Joint Declaration, May 14, 2003

The Impact of Demographic Trends on Europe and Transatlantic Relations

Current demographic trends in Europe point to a continent that is turning older, smaller, and more culturally diverse. The United States, meanwhile, is expected to become more populated, relatively younger, and equally more diverse.

These diverging trends raise daunting questions about the dynamism of Europe's economy, the evolution of its political system, and the cohesion of its society. With regard to Europe's relations with the United States, these trends also raise questions about the nature of the transatlantic community as a community of shared values and converging interests. Indeed, these demographic trends, including Europe's dependence on immigration flows, could affect its ability to produce and utilize power, transforming the very basis and conduct of Europe's future role in the world.

It is to deal with these broad issues that the *CSIS Initiative for a Renewed Transatlantic Partnership* has launched a working group on "The Impact of Demographic Trends on Europe and Transatlantic Relations." Relying on an impressive range of experts drawn from various disciplines, this group will examine the many dimensions and consequences of Europe's demographic trends.

Discussions will be based on a number of papers commissioned for the occasion, including studies conducted by political economist David Earnest, from George Washington University, and national security expert Dan Gouré, from The Lexington Institute. This project also relies on in-house expertise provided by Richard Jackson, the director of the CSIS Global Aging Initiative. A series of four meetings has been arranged for the spring, and the project is expected to continue this fall with a series of nation-specific studies sponsored by the Europe Program.

Decision for AGS?

A *CSIS Initiative for a Renewed Transatlantic Partnership* Task Force on "Challenges and Opportunities in Transatlantic Defense Industrial Cooperation" is examining the terms of an upcoming decision for NATO's adoption of a common Air to Ground System (AGS). Pierre Chao, Director of Defense Industrial Initiatives at CSIS, is directing this effort, and a report is expected later this spring.

The process of selecting an AGS points to the difficulties faced in multinational armaments decision-making. Bearing in mind that barriers to U.S. technology transfer can, at times, be severely restrictive, European governments and industry must attempt to negotiate program terms and conditions that mitigate the sense of risk enough to justify the commitment of financial resources.

Although the AGS program has made significant technical advances, efforts to fulfill the alliance's AGS requirement have dragged out for nearly ten years. With two proposals currently under evaluation, many now insist that a contract be awarded at last—by the end of 2004, for full production beginning in late 2006. Delays have been largely political, namely, an inability of the governments involved to coordinate quickly and effectively with each other and with industry. Bureaucratic requirements, too, have raised serious and time-consuming obstacles.

The AGS decision still faces many unanswered political, technical, economic, and legal questions. The *Initiative* AGS Task Force relies on briefings by industry and government officials to identify and discuss these obstacles, and suggest ways that might help overcome them and thus improve cooperation between allied governments, and between government and industry, in this specific case as well as in future cases. The *CSIS Initiative for a Renewed Transatlantic Partnership* may develop parallel Task Forces on such other important questions as the Buy America Act, Galileo, new steps in export controls, defense budget issues, and other significant security developments.

"...the fundamentals that underpin the transatlantic relationship remain intact. The democratic values and economic prowess of a united Atlantic community are solid foundations for our global future. It is the base upon which to build an effective response to the challenges of terrorism, weapon proliferation, and increasing political, economic, and social dislocations currently experienced in important regions of the world."

Philippe Camus
CEO, EADS

Rainer Hertrich
CEO, EADS

THE CSIS INITIATIVE FOR A RENEWED TRANSATLANTIC PARTNERSHIP aims to bring together politicians, business leaders, and key individuals in the Atlantic community to reflect on emerging strategic priorities for the United States and Europe, define the dimensions of common interests and shared values, and identify the complementary actions needed for a Euro-Atlantic community of action in the twenty-first century.

Key *Initiative* activities include:

- Joint Transatlantic Declarations—formulating consensus statements by political, business, and military leaders to define and describe shared strategic challenges
- Transatlantic Policy Dialogues—initiating timely policy dialogues and reviews on significant security and business issues and providing the necessary background information and analysis of specific issues of concern
- Legislative Dialogues—strengthening the linkages between U.S. Congress and European Parliamentary leaders to develop common perspectives and complementary legislative approaches to issues of shared concern
- Institutional Partnership—improving cooperation with European partner institutions and think tanks to encourage parallel thinking on current or emerging issues of interest

Transatlantic Dialogue on Global Terrorism

With the active participation of CSIS Senior Fellow Dan Benjamin, the Transatlantic Dialogue on Global Terrorism project aims to address the non-military dimensions of the ongoing war against global terror, including the most effective ways to develop Euro-Atlantic approaches to getting and sharing intelligence. An assumption inherent in this effort is that American and European policies must be kept complementary even when they cannot be truly common.

Three meetings are being planned, beginning with an initial conference that was held in Brussels, Belgium, last January 26-27, when the keynote speaker was French judge Jean-Louis Brugière, one of Europe's leading authorities on these questions. A second meeting is scheduled to take place in Washington, DC, on April 19-20, with a concluding session expected to be held in Spain later in June. This dialogue receives additional support from the European Commission, as well as from the German Marshall Fund of the United States, whose Transatlantic Center in Brussels hosted our January meeting. A report detailing our findings and recommendations is expected for late summer 2004.

Congressional Staff Visit to Brussels

The personal and institutional ties that used to link U.S. and European parliamentarians have been somewhat looser in recent years, as a new generation of political leaders has risen to national prominence. The *CSIS Initiative for a Renewed Transatlantic Partnership* proposes to launch a number of new activities designed to “re-seed” these relationships in coming years. To this end, our first project involved the development of an inter-parliamentary dialogue between U.S. congressional staff and members and staff of the European Parliament.

Organized in conjunction with the Transatlantic Policy Network (TPN) and International Security Information Service (ISIS) Brussels, a group of twelve to fifteen senior congressional staffers responsible for transatlantic policy issues will visit Brussels on April 24-27 to engage their European Parliament counterparts and meet with senior European Parliament members. While the formal agenda for this congressional dialogue will emphasize a variety of current and upcoming security issues, several informal events will be held in order to encourage frank discussion about the transatlantic relationship and promote long-term linkages and enhanced cooperation.

The CSIS Initiative for a Renewed Transatlantic Partnership was launched at a dinner honoring John Warner, Harold Brown, and Sam Nunn held of September 16, 2003. The Initiative follows a dialogue begun in May 2003 with the release of the CSIS Joint Declaration on “Renewing the Transatlantic Partnership,” endorsed by a high-level, bi-partisan group of former U.S. officials. The Initiative, which is supported through generous grants from EADS North America and others, is managed by the CSIS Europe Program, which receives generous support from the German Marshall Fund of the United States.