



THE PROMISE OF PARTNERSHIP:
U.S.-EU COORDINATION
IN THE MIDDLE EAST

Jon B. Alterman

The American Institute for Contemporary German Studies

T H E J O H N S H O P K I N S U N I V E R S I T Y



AICGS POLICY REPORT #10



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ISBN 0-941441-79-2

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FOREWORD

The September 11 terrorist attacks, followed by the U.S.-led military campaign against the Taliban and Al Qaeda in Afghanistan and the recent war in Iraq, have underscored the centrality of the greater Middle East to both the United States and Europe. Yet, although the United States and Europe have significant interests and even common goals in the region, they often disagree over priorities and the best means to advance the Israeli-Palestinian peace process, promote moderation and reform in the Arab world, and combat proliferation and terrorism in the region.

The United States has long played the part of broker in the Middle East peace process. The EU, dismayed by the perceived tilt in U.S. policy toward Israel and increasingly resentful of being relegated to the role of paymaster, has sought a greater diplomatic role for Europe to play in the Middle East peace process. The Germans, and Foreign Minister Joschka Fischer in particular, have developed an increasingly activist role for Germany in the Middle East.

With the support of the German Marshall Fund of the United States, AICGS in 2002-2003 convened a Study Group to examine the evolving roles of the United States, Germany, and the European Union in the greater Middle East. A key aim of the project was to identify salient areas of potential conflict and assess the opportunities for cooperation between the United States and Europe in the region. The project was piloted by Dr. Jon B. Alterman, Director of the Middle East Program at the Center for Strategic and International Studies (CSIS), and former member of the Policy Planning Staff at the U.S. Department of State. While at the State Department, Alterman also served as special assistant to the Assistant Secretary of State for Near Eastern Affairs. The work of the AICGS Study Group was coordinated with a companion group directed by Dr. Peter Rudolf at the Stiftung Wissenschaft und Politik (SWP) in Berlin. The project entailed two workshops, the first in January 2003 in Washington, D.C. and the second in May 2003 in Berlin. Convened a few months before the release of the “road map” for peace in the Middle East, the first meeting focused primarily on the role of the Quartet, composed of the United States, Russia, the European Union, and the United Nations.

The second workshop in Berlin examined differing U.S. and German policies and perceptions toward the Middle East, especially in light of the war in Iraq. The project was undertaken at time of considerable strain in transatlantic relations. In the months preceding the Iraq war, differing threat perceptions, priorities, and policies for change soured relations and spurred mutual recriminations across the Atlantic. With major hostilities declared at an end, the United States and Europeans are confronted with the challenge of defining a sensible division of labor in the region.

The challenges they will face in doing so are formidable. In his policy report, *The Promise of Partnership: U.S.-EU Coordination in the Middle East*, Alterman examines the divergences between U.S. and European views on the Middle East, arguing that while the United States and Europe share the same strategic goals, they often differ on the means of achieving them. While the potential for transatlantic conflict remains, the Middle East offers the United States and Europe an opportunity to craft a new, common agenda based on shared strategic goals. If effective, cooperation in the greater Middle East could offer valuable lessons for future coordination in other regions and perhaps strengthen the transatlantic partnership in the process.

AICGS would like to thank the German Marshall Fund of the United States for its generous support of the project and publication and the Stiftung Wissenschaft und Politik for hosting the workshop in Berlin. We are also grateful to Study Group pilot Jon Alterman for his insightful guidance of the project, and to the members of the Study Group—Muriel Asseburg, Nora Bensahel, Dalia Dassa Kaye, Volker Perthes, and Peter Rudolf—for their outstanding contributions to an important and timely endeavor.

Cathleen Fisher
Associate Director
AICGS

August 2003

ABOUT THE AUTHOR

Jon B. Alterman is director of the Middle East Program at the Center for Strategic and International Studies. Previously, he served as a member of the Policy Planning Staff at the U.S. Department of State and as a special assistant to the assistant secretary of state for Near Eastern affairs. Prior to entering government, he was a scholar at the U.S. Institute of Peace and at the Washington Institute for Near East Policy. From 1993 to 1997, Alterman taught at Harvard University, where he received his Ph.D. in history. He also worked as a legislative aide to the late Senator Daniel P. Moynihan (D-N.Y.), responsible for foreign policy and defense. The author of two books on the Middle East and the editor of a third, he is a frequent commentator on U.S. policy and the Middle East in print, on radio, and on television. Alterman is on the Board of Advisory Editors of the *Middle East Journal*, is a member of the Editorial Advisory Board of Transnational Broadcasting Studies, and is a former international affairs fellow at the Council on Foreign Relations.

ACKNOWLEDGMENTS

As someone who has spent most of his career following the Middle East, it is a real pleasure to thank those who gave me an opportunity to think in a sustained way about U.S.-European cooperation in that region. In particular, Cathleen Fisher of AICGS has been both inspirational and diplomatic shepherding this process, and Ilonka Oszvald of that organization made even difficult arrangements seem effortless. I have also benefited greatly from the ideas and comments of my German and American colleagues. Our dialogues over several months were both thoughtful and thought provoking, even if areas of deep disagreement remain. Their inability to win me completely to their points of view surely is not because they are insufficiently persuasive, but rather because I can be inordinately stubborn.

I also want to thank my colleague and the director of the CSIS Europe Program, Simon Serfaty, for his helpful comments on this paper. I take full responsibility for any errors that remain.

Jon B. Alterman
Director, Middle East Program
Center for Strategic and International Studies

THE PROMISE OF PARTNERSHIP: U.S.-EU COORDINATION IN THE MIDDLE EAST

In 2003, Middle Eastern issues served as a focal point for U.S.-EU differences over foreign policy. Looking forward, however, U.S.-EU cooperation on Middle Eastern issues holds the promise of building a pattern of partnership that can spill over into other areas. The key will be in sequencing and prioritizing such cooperation. While Europe's inclination would be to give emphasis to the Arab-Israeli arena, a more promising course would be to cooperate on Iraqi reconstruction and on largely similar, yet largely unintegrated, U.S. and EU programs to promote moderation and reform in the Arab world.

INTRODUCTION

The spring of 2003 was a busy time for alarmists about transatlantic relations, and Middle East issues seemed to be the primary wedge. By the estimation of many Europeans, the U.S. decision in March to go to war against Iraq represented a grave misjudgment. To them, the slim coalition of European countries supporting the decision to go to war at that time – and governments that did support the United States generally defied public opinion on this score – represented a troubling reminder of fundamental U.S.-European differences over approaches to policy. In addition, Europe's own divided stand held portents of tremendous difficulties ahead in coordinating a common foreign and defense policy.

But while there were – and are – deep differences in analysis and policy that divide the United States from Europe, and Europe within itself, the situation is not quite as bad as some may fear. Often forgotten in the hand wringing of the spring of 2003 was the fact that the United States and most European countries very much share strategic goals in the Middle East. Indeed, the key goals are identical: Arab-Israeli peace, non-proliferation, counter-terrorism cooperation, political stability, promoting moderation and reform, and economic development.

When discussion moves to the means to achieve those goals, however, the two sides diverge. In many cases, Americans and Europeans differ in their analysis of the causes and solutions to the problems. These differences are often most acute on the most elemental questions: what is to be done and by whom, and with what level of effort, and in what order.

These differences do not represent an unbreachable rift between the United States and Europe. Rather, they represent opportunities for greater cooperation, partnership and coordination. As my colleague Simon Serfaty is fond of pointing out, the United States and Europe represent a case of true complementarity: neither one is sufficient, and both are necessary. But to cooperate more effectively requires discipline, and in the minds of many, sacrifice. Not only will neither side get what it wants, but in many cases, each side may feel it will not get what it needs. There appears to be clear sentiment in Europe to starting with the hardest, and in many peoples' minds, the most urgent, issues, and doing so on their terms. For Europeans, this means prioritizing work on the Arab-Israeli conflict. But beginning with a focus on that issue would stymie the effort, and leave all sides with lingering distrust. Sequencing is crucial to the success of the entire enterprise.

BUILDING BLOCKS FOR SUCCESS

There is plenty of hard work to do in other arenas. Two promising ones to start with are first, cooperating on Iraqi reconstruction, and second, coordinating a broad range of diplomatic and commercial efforts to promote moderation and reform in the Arab world. Some may consider this counterintuitive, and others a fool's errand. Critics on the European side might complain that cooperation on such issues is peripheral to the core issues affecting the region.

To many Europeans, solving the Arab-Israeli conflict is the singular key to solving the problems of the region. Efforts in any other direction miss the point, are doomed to failure, and can only be window dressing for failure in that vital arena. Three preliminary responses can be offered. The first is that if cooperation cannot be built on the easier issues, then it will not be able to be built on harder ones. There is no glory to be had in failing at something difficult, especially when a more circumspect approach could make success in the longer term more likely. The second response is that such a series of initiatives are the best way to build cooperation with a U.S. administration that is often resistant to international coalitions. The third is that failure to prioritize U.S.-European cooperation on Arab-Israeli issues is not to drop the subject. Rather, it is to accept that there will be fundamental disagreements in principle that cannot be resolved in the short term. Instead, each side would continue to work on the problem from its own angle with its own resources, doing so until such time as close cooperation became more feasible.

There are several reasons to begin with the two issues highlighted earlier. Success in Iraq and the promotion of moderation and reform in the Arab world are considered vital American goals. Both such efforts are far more likely to meet with success if backed by a broad international coalition rather than pursued unilaterally. The resultant pattern of consultation and coordination could then be enlarged to encompass other areas of Middle East foreign policy. Following such a course will not provide instant gratification for Europeans who feel ignored by American foreign policy, but it is the course that is most likely to lead to desirable cooperation in the future.

At the same time, the U.S. leadership must become more receptive to international cooperation on negotiated terms, rather than ones it imposes by itself. Indeed, a heightened awareness of the value – and in many cases, the necessity – of greater multilateral involvement on key strategic issues has been missing, and in many cases has detracted from the U.S. ability to achieve its goals. While multilateral involvement is neither an unalloyed good nor a sufficient goal by itself, evolving notions of U.S. leadership appear to belittle anything other than pro-forma consultation. In so doing, they undermine the U.S. ability to achieve its goals.

DIFFERENT POINTS OF DEPARTURE

As a first principle, one must consider the extent to which the United States approaches Middle East issues from a completely different starting point than a European country like France or Germany. The first difference is one of capabilities. Not only is the State Department backed by the world's most powerful military, but it is also a mighty bureaucratic actor by itself. The Near East Bureau of the State Department has more than 60 professionals in the bureau itself, assisted by additional Middle East specialists scattered throughout the building in Foggy Bottom. All told, more than 100 American diplomats in Washington spend all their time on Middle East issues, and many more spend at least a large proportion of their time devoted to the region. American embassies in the Middle East are not uniformly large, but many are. The U.S. mission in Cairo is the largest in the world, with hundreds of American employees. Those Americans not only represent U.S. interests, but they also help spend \$2.1 billion in bilateral assistance to Egypt per year. The military bureaucracy is just as powerful: in peacetime, the Tampa, FL based U.S.

Central Command, with responsibility for the Middle East and Central Asia, has more than 3,000 staff. That is larger than the entire Washington-based staff of the State Department.

Compare this to a country like Germany, where a total of seven German diplomats work full time in the Middle East department. There are not billions of dollars in development assistance to spend, nor hundreds of diplomats to shuttle around the region. By reason of basic arithmetic, German diplomats must be more modest in their ambitions and their activities than their U.S. counterparts.

The European Union is still working out how to pool its resources to compete with U.S. capabilities, and while much has already been achieved, much more work remains to be done. Even if much more coordination were possible, having a score of different foreign ministries means that much of the manpower would be devoted to duplicative (if not occasionally contradictory) efforts, rather than rationalized under one leadership as it is in the U.S. It is true that the U.S. bureaucracy is often unwieldy and fights against itself, both within departments and between them. But there are also bureaucratic fights in each individual European government, and between them, and the possibilities for being at cross-purposes is even stronger than under the unitary U.S. system.

The second difference is one of history. The U.S. feels tied by bounds of affinity rather than of history to the Middle East. Traditionally reluctant to accept empire in the region, the U.S. was quick to recognize the state of Israel in 1948, but then kept the country at arm's length for 20 years. The close U.S.-Israeli relationship is of more recent vintage, being driven in its early days by electoral politics and Cold War considerations, and more recently by a combination of religious revivalism among conservative Christians and a growing sense of estrangement among many Americans from Israel's Arab neighbors. The U.S. imports relatively little oil from the Middle East as a percentage of total consumption, and Middle Eastern markets are marginal for many U.S. companies. While some Americans have personal reasons for ties to the Middle East, for the overwhelming percentage it is terra incognita.

None of this can compare to Europe's deep bonds of historical connection to the region. The first bond is Europe's own colonial connection, first pursued in the eighteenth century and consolidated in the early twentieth. While many European countries played a peripheral role in the colonial enterprise, a combination of tourists, soldiers and businessmen left a deep impression on

the region. At the same time, the creation of Israel was deeply tied to Europe, both in the development of historical Zionism and in the creation of the state following World War II. Germany in particular feels a sense of responsibility toward Israel that is unparalleled in the world.

A third difference is over the issue of international legitimacy. The United States, along with Britain, created most of the structures of international law that we have come to recognize in the twentieth century. But the Cold War experience led many Americans to distrust international institutions, and the UN in particular. Veto threats in the UN Security Council tested that body's ability to play a constructive role in many international conflicts, and a belief that sentiment in the General Assembly was irrevocably hostile toward the United States led the U.S. government to ignore most of its decisions.

With the DeGaulle period fading into distant memory, most Europeans cannot remember a time when Europeans professed the same hostility to the UN that some U.S. officials now do. Even moderate U.S. officials sometimes marvel at the way European policymakers continue to worry over whether policies are permissible under international law. U.S. policymakers certainly appreciate the need to justify their actions under international law, but most often the determination of legality follows from rather than shapes policy decisions. In the absence of accepted adjudicatory bodies who could dismiss their actions as illegitimate means that the U.S. and European governments feel very differently toward the necessity of obtaining international, as opposed to national, sanction for their activities.

A fourth difference is one of migration. Most Arab-Americans are descendants of Christian families that came over a century ago. They are highly integrated into American life, and as a community are not perceived to pose a threat to U.S. national security. If anything, some Arab-Americans worry that they are so assimilated that they have become an invisible minority in the United States. While some have risen to high-level positions in the U.S. government (such as current Secretary of Energy Spencer Abraham, former Director of the Office of Management and Budget Mitch Daniels, and former Senate Majority Leader George Mitchell), they often downplay their Arab-American identity to broader audiences. The clout of the Arab-American community pales to that of the American Jewish community, an ethnic group that also largely immigrated in the late nineteenth and early twentieth century. Pro-Israel political action committees outnumber pro-Arab ones thirty-to-

one, and while American Jews are major campaign contributors for hundreds of American politicians, the Arab-American community continues to struggle for political clout.

Most Arab immigrants to Europe are far more recent arrivals. They have ties not only to their countries of origin, but also to political and social movements in those countries. Indeed, some political activists migrate to Europe for political freedom, and use their position to exhort their countrymen to revolt. As such, some in Europe regard them as a sort of fifth column, inciting broad populations, spreading hatred and even terrorism. Arab immigrant communities are numerous and visible in Europe, and their allegiance and behavior constitute vital domestic issues. Enthusiasm for homeland security-inspired mandates notwithstanding, that is simply not the case in the United States.

DISPARATE APPROACHES

Not only do the United States and Europe come to this issue from different points of departure, but they also are accustomed to acting in different ways. While the United States has long fostered multilateral institutions, it has often seemed most comfortable prosecuting its policies alone. Accustomed to the privileges (and responsibilities) of superpower status, the U.S. government has rarely been afraid to act unilaterally, and it only infrequently considers negotiation to be a positive good in and of itself. The North Atlantic Treaty Organization may operate by consensus, but there is little question where true power in the organization lies.

Contrast this to Europe, a region wracked by two world wars in this century, and increasingly consumed with the effort to build a European Union and make it work. Deeply multilateral in spirit and orientation, it has a penchant for discussion and compromise that has no parallel in recent U.S. history. Indeed, as the EU fleshes out its combined role in foreign policy, it is especially keen to coordinate its efforts on a range of issues.

If the United States and Europe have deep differences in orientation and capabilities, the differences are even more significant in the area of analysis. Nowhere is this difference so large as in the instance of the Arab-Israeli conflict. No country in the world has devoted as much high-level time or as many resources to solving the Arab-Israeli conflict as the United States, with the possible exception of the parties themselves. But the U.S. approach to solving the conflict is often a unilateral one, carried out on U.S. terms and on a U.S.

timetable. U.S. negotiators are often fond of pointing out that the U.S. played a direct role in every significant Arab-Israeli agreement of the last half century. Indeed, some observers suggest that the best indicator of when the U.S. government is serious about making an effort to achieve peace is when it brings Arabs and Israelis together without the involvement of the international community. The grand multilateral processes, such as Madrid, have never succeeded in producing an agreement, while closed-door huddles have produced peace deals between Israel and Egypt, Jordan and the Palestinians.

In addition, the U.S. strategy toward making peace is generally to reassure Israelis rather than pressuring the government directly. While there certainly have been times when the U.S. government has communicated strong messages to Israel, it has steered away from threats or overt pressure. This approach is partly dictated by American domestic politics, and partly by a conviction that greater isolation provokes Israel to lash out rather than accommodate. This approach reached its apex during the 1990s. In the middle of the decade, U.S. negotiators concluded that Israeli Prime Minister Yitzhak Rabin had the courage, vision, political skills and desire to lead Israelis toward a peace agreement. They were somewhat less enthusiastic about Prime Minister Ehud Barak, but their tempered enthusiasm for him may have reflected the tempered enthusiasm of much of the Israeli electorate. In both cases, the U.S. role was not so much to wring concessions from the Israelis as to ensure that Israeli concessions would meet with concessions from the other side.

In more recent times, the Bush Administration has been supportive of Prime Minister Sharon, not so much because it believes he will lead Israel toward peace, but because many in the administration share Prime Minister Sharon's view that there is no peace to be had in the short term. In the post-September 11 environment, Prime Minister Sharon was very successful putting forward the view that Israel and the United States share a common enemy – radical Islamic terrorism – whose thirst for destruction will not be slaked by negotiation or accommodation.

The European view has often been quite different. On the one hand, many European countries profess a feeling of responsibility toward Israel because of Europe's history. But on the other, Europe lends Palestinians a far more sympathetic ear than they receive in the United States. European news coverage of Arab-Israeli violence is often outspokenly critical of Israel, and Prime Minister Sharon is vilified for his past actions in Lebanon and beyond in a way

that would be most unfamiliar to a U.S. audience. Some of this orientation surely comes out of Europe's leftist political tradition, but Israelis often interpret it as a reflection of deep-seated European anti-Semitism. European involvement in peace efforts is anathema to many Israelis, because of a belief that Europeans are deeply anti-Israeli, if not anti-Semitic. Europeans profess a hard time understanding why the Israelis react so strongly to them, and sometimes write it off as an Israeli preference for a biased broker – the United States – rather than an honest one in peacemaking efforts.

During the 1990s, the United States and the EU devised a division of labor in which Europe contributed funds to the Palestinian Authority, while the United States largely ran the closed-door diplomacy. In time, the U.S. Congress barred direct U.S. government assistance to the Palestinian Authority, making European aid all the more vital. But the pattern also aroused resentment in Europe, as Europeans believed that the United States was monopolizing the diplomatic process while the Europeans got stuck with the bill – or to use another image, “The U.S. cooks the dinner, while Europe does the dishes.”

BEYOND THE QUARTET: THE ARAB-ISRAELI CONFLICT AND IRAQ

When the current Palestinian uprising began in the fall of 2000, Western Europe – acting as Europe – began to edge into a different role. First in the abortive Sharm al-Shaikh summit of October 2000, then in the Mitchell Committee Report of May 2001 and after, European diplomats gained a place at the table of negotiations as part of the “Quartet,” a structure that brought together the United States, Russia, the EU, the UN. In truth, the Quartet was created largely to ensure unity in the international community and ensure that Palestinians could not play one party off against another. The Quartet was not conceived to have a formal role, or even a creative one, and throughout the parties understood that the United States remained in control of peace negotiations. But the Quartet has represented an important opportunity for U.S.-EU cooperation.

What it has also done, however, is remove an external source of pressure on American peacemaking. Because Europe is committed to supporting the Quartet Process, it is unlikely to criticize it. In many ways, the Quartet has allowed the United States to co-opt Europe, without giving it a substantial role. This is partly due to the fact that the United States is a strong and unitary

actor as described above. But it also reflects the fact that Europe has no strong alternative role to supporting the Quartet.

Where this causes immense frustration is over the timing and pacing of U.S. efforts toward Arab-Israeli peacemaking. The view became popular in Washington in the winter of 2002-2003 that the "Road to Jerusalem is through Baghdad." That is to say, a convincing and decisive demonstration of American force against Iraq would change the face of the Middle East, deal a decisive blow to tyranny, and make a solution to the Arab-Israeli conflict more likely. Europeans were far more likely to adhere to the view that the "Road to Baghdad is through Jerusalem," which is to say a concerted U.S. effort toward Arab-Israeli peacemaking would help win Arab and European support for military action against Iraq. In the event, both sides are likely to be proven wrong. The United States demonstrated convincingly that it did not need broad international support in order to wage war against Baghdad. The "Arab street" did not erupt in protest, nor did friendly Arab or European governments cut their ties.

But neither did military action against Iraq appear to make Arab-Israeli peacemaking easier. A continuation of the "go it alone" strategy that was successful waging the war appears to be hampering Iraqi reconstruction, making the demonstration effect tenuous at best. Indeed, Iraqis and other Arabs see continued U.S. difficulties imposing security, repairing infrastructure and supplying basic utilities to ordinary Iraqis as an exercise in collective punishment rather than the earnest efforts of an awesome and benevolent superpower. The cost of U.S. operations in Iraq are running at more than \$4 billion/month, in an economy whose GDP is \$2.6 billion/month. Something will have to change.

Many Americans perceive a certain *Schadenfreude* in the European response to their difficulties in Iraq, and some U.S. government circles remain hostile to internationalizing Iraqi governance, either to involve specific European countries or the international legitimacy conferred by a UN mandate for action. The U.S. government's decision to pursue negotiations to win a UN imprimatur for U.S.-led reconstruction in Iraq is a victory for the Bush administration's multilateralists, but it may be a Pyrrhic one. The Department of Defense continues to shut out other U.S. government agencies from decision-making in Iraq, and one would be hard pressed to expect a warmer welcome for advice from the Quai D'Orsay than from Foggy Bottom.

One of the chief complaints of U.S. government officials scornful of international involvement is a sense that the United States is better at most

missions than many other countries. That Hungary's contemplated contribution of several military truck battalions requires the United States to donate trucks able to operate in Iraq is merely one example of the larger issue. But there are some issues in which European expertise is undeniable. Germany's process unveiling the activities of the *Stasi* in East Germany, and the national reconciliation that followed, is an experience that has direct relevance to the tasks Iraqis will face in the coming years. Germany also has experience unsorting the tangled finances of an authoritarian government, in quickly reinvigorating an extant judiciary, and in police training (and retraining) that could play a remarkably constructive role helping Iraqis take care of themselves. Germany also has the experience of a federal system that allows for somewhat more independence among states than is true in the U.S., and which might be better adapted to the future of Iraq.

Other countries have other capabilities, from financial administration to banking and financial reform to social services. In most cases, what is needed is not the long-term provision of services, but an effort to reconstitute and retrain a extant Iraqi capacity that either warped or atrophied under all the years of Ba'ath rule in Iraq.

ACHIEVING COOPERATION IN IRAQ

There is much debate as to whether the United States should approach Europe and the UN on bended knee, asking forgiveness for going it alone in Iraq, or whether it is the Europeans and the UN who should submit to the victorious Americans so as to gain a role and demonstrate their relevance. In point of fact, what is more important than the style of the approach is that it occurs, and swiftly, not only for the sake of transatlantic relations, but for the sake of Iraqis as well.

In addition, it is probably best if the approach takes place in the context of bilateral cooperation to start with, rather than at the EU level. The goal for the EU should not be to go into Iraq as a single entity, but rather to go in piecemeal and then quietly consolidate a European presence from there. This is surely a contentious issue in Europe, which continues to search for tasks that are better done in Brussels than in a score of other capitals. But in point of fact, most of the institutional capacities and specialties that would be most useful in Iraq remain lodged at the national level. In addition, U.S. cooperation with individual states is less likely to descend into a rivalry than broad cooperation with the

EU might. Once on the ground in Iraq, EU members can begin to coordinate their efforts and put a European face on some aspects of reconstruction.

The advantages to European states of going in individually and staying collectively would be several. First, arguing from “inside the tent” would improve the EU’s bargaining power, partly because member states would be providing vital services, and partly because such argument would benefit from on-the-ground experience (which would also help inform Europe’s goals in Iraq). In addition, it provides a way for the EU to sidestep a “staring contest” with the United States in which each side is waiting for the other to apologize for its bad behavior.

The reason for swift and effective European intervention in Iraq is not to solve the Americans’ mess, but rather because doing so is deeply in Europe’s interest. Instability in Iraq would jeopardize the oil markets on which Europe is far more dependent than the U.S., and would threaten Europe’s interests throughout the Middle East. Europeans enjoy no “bye” from Middle Eastern hostility directed at the United States; much of it is directed at “the West” more generally, of which Europe is most decidedly a part. In addition, demonstrating capacity in Iraq gives Europe a firm claim to relevance in what will surely prove to be one of the major international events of the decade. Should Europe demonstrate itself unable either to prevent the war or help recover from it, the continent’s claim to be a major actor on the world stage would be seriously in doubt.

ADVANCING REFORM IN THE ARAB WORLD

It is precisely this mix of protecting Europe’s interests, defusing hostility, and demonstrating capacity that makes it similarly crucial for the EU to play a coordinated and constructive role promoting moderation and reform in the Arab world. Arabs themselves made the case for reform quite eloquently in the Arab Human Development Report, issued in 2002. That report pointed to three deficits in the Arab world: the knowledge deficit, meaning knowledge was not being used to produce value; the women’s empowerment deficit, meaning females were not contributing as much as they should to national development; and the freedom deficit, meaning that continued authoritarian rule harms economic and social development, in addition to political development. There is no single solution to these challenges, and much of the solution must come from the Arab world itself. But positive change is necessary,

and could be facilitated significantly if there were a greater coordination and pooling of external incentives for good behavior and penalties for bad.

Coordinating such external stimuli is notoriously difficult, because of the powerful incentives to cheat. Rewards are often great for the external country that breaks ranks and follows its own selfish interests. International efforts to control bribery have faced a difficult time, for example, because of the benefits that come from defying those efforts. Following such selfish interests, however, has contributed to conditions of economic stagnation, corruption, cronyism and repressive rule, none of which are in the individual interests of the outside powers.

Europe has already embarked on an effort to effect change in this regard. The EU launched the “Barcelona Process” in 1995 to promote peace and stability in the Middle East, support free trade and economic development, and build mutual understanding and tolerance. The resultant “Euro-Med Partnership” has yielded somewhat less than enthusiasts had hoped, and skeptics in the EU argue that the real purpose of the Barcelona Process is improve conditions sufficiently in the Arab world so as to stem migration to Europe. The Euro-Med Partnership has not been a total failure, however. Europeans began pursuing a regional free trade zone in the Middle East years before President George Bush announced the same goal, but the emphasis on free trade initiatives to the exclusion of others suggests just how difficult it is proving for each side to devise creative initiatives.

Were the United States and Europe to coordinate their efforts, the likelihood of success would be far higher. Together, they represent a much greater amount of international trade and international investment. Their ability to provide incentives is much greater, as is their ability to punish. But even more importantly, coordinating U.S. and EU efforts to promote moderation and reform would help ensure that such efforts would not cancel each other out in a bid to promote domestic businesses, gain regional influence and win diplomatic successes. It would also help prevent issues of reform from being hijacked by the particular bilateral diplomatic needs of any individual state. Creating a sort of unipolar “coalition of virtue” from outside the Arab world will not ensure reform, but it will undoubtedly promote it.

In addition to greater efficacy, there is an added benefit to coordinated efforts at reform from the U.S. perspective. An international reform consortium would be more palatable to most Middle Eastern countries than a solely U.S.

one. While Arab governments respect U.S. power, they do not trust it. Whether fearing that the United States is pushing Israeli interests, seeking control of Arab oil, or advancing nefarious schemes, Arabs often presume that the U.S. government has malevolent intentions in the Middle East. A joint U.S.-EU effort at reform will be far better received than a unilateral U.S. one, and will be far more effective than either piecemeal efforts by individual states, or competing concepts and structures (such as a “Barcelona Process”) by one side or another.

CONCLUSION

Cooperating with the U.S. government on Iraq and internal Arab reform while forgoing intense European interest in issues like the Arab-Israeli conflict is likely to be a bitter pill for many in Europe to take. Certainly, in the short term, it appears that Europe is merely following instead of setting the agenda. But in the longer term, proving relevance and efficacy to core U.S. efforts in the Middle East will help build a greater constituency for ongoing European involvement in solving the problems of the region. The greatest obstacle that Europe faces to deeper involvement now is the conviction of many in Washington that there is no benefit to be derived from European cooperation, and no cost to forgoing it. Military success in Iraq, despite broad European opposition to war, helped reinforce this attitude.

A dangerous phenomenon appears to be emerging in Europe, whereby the only issue on which Europeans can unite is opposition to the United States. Putting the two parties on a collision course is in the interests of neither, nor is it useful to apportion blame. For the United States and Europe to emerge on stronger footing, not only in the Middle East but also globally, Europe needs to make a better case to Americans for what it brings to the table. With overwhelming military and economic strength, the Americans remain the dominant global power, and that fact is unlikely to change in the next several decades. Consequently, the United States will have an agenda-setting function in global affairs that Europeans can share in but not control. A partnership remains very much in the interests of both the United States and the EU, but if Europeans hope to strike such a partnership, they will find that the strongest case is to be made on those issues that Americans consider most vital, not on those that Europeans do.

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