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AICGS POLICY REPORT

NETWORKS, KNOWLEDGE,
AND EXCHANGE:
BUILDING A NEW
GENERATION OF
TRANSATLANTIC LEADERS

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**AMERICAN INSTITUTE
FOR CONTEMPORARY
GERMAN STUDIES**

THE JOHNS HOPKINS UNIVERSITY

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ISBN 0-941441-91-1

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FOREWORD

The transatlantic debate over Iraq revealed a marked divergence of views, both within Europe and between the United States and its traditional allies, straining a relationship that has been the cornerstone of security for both sides for over four decades. Although transatlantic relations have stabilized, the future of U.S.-European relations remains uncertain. There is a sense on both sides of the Atlantic that the parameters of the transatlantic relationship have changed fundamentally, but there is little consensus in thinking about the future of U.S.-European relations. Managing change and averting new conflicts remains a formidable challenge.

In this climate of uncertainty, the American Institute for Contemporary German Studies (AICGS), with the generous support of the Bundesministerium für Wirtschaft und Arbeit, Bereich ERP-Sondervermögen, in July 2003 initiated a project to examine the challenges of managing change in the transatlantic relationship in the “post-Iraq” context. The project was premised on the notion that the United States and Europe must look forward; we will not recreate the transatlantic relationship as it was in the Cold War but, instead, we must adapt transatlantic relations to new realities—in world politics, in Europe, and in the United States.

Over the course of this project, we have considered the repercussions of the transatlantic rift over Iraq, as well as what it tells us about the underlying divergence in world views, threat perceptions, and values. Through a series of conferences and workshops organized with partner institutions, AICGS has explored U.S.-European differences over the threats facing our societies and the role of international law, institutions, and force in countering new dangers; the implications of EU expansion for transatlantic relations; social and cultural changes in the United States and Europe; and the less tangible issue of the relationship’s societal underpinnings, including the role of societal exchanges and networks in transatlantic relations.

It has become clear that successful adaptation of U.S.-European relations to new realities will depend critically on whether a successor generation of transatlantic leaders emerges in politics, business, the media, and education. This report consequently focuses on the often neglected “third pillar” of “people-to-people” relations, the networks and dialogues, as well as the mechanisms for building the next generation of transatlantic leaders. It is intended to complement a companion report of the Institute’s concomitant project on the future of German-American relations, which has been undertaken in partnership with The German Marshall Fund of the United States. The latter report, *Reconciling Realities: Reshaping the German-American Relationship for the Twenty-first Century*, focuses both on the drivers of change in U.S.-German and transatlantic relationships as well as the prospects for inter-governmental cooperation in security and economic affairs. In this report, AICGS has sought to focus on the managers of change and role of “multipliers” in transatlantic relations, an

issue that has long been central to the work of the ERP-Sondervermögen, of AICGS, and of the countless other institutions, organizations, and businesses that constitute a truly “transatlantic community.”

We would like to express our appreciation to the host institutions that helped invaluablely in the organization and implementation of the project’s European workshops. These meetings would not have been possible without the assistance of the Transatlantic Center of The German Marshall Fund of the United States in Brussels, Belgium; the Stiftung Wissenschaft und Politik in Berlin, Germany; and the Willy Brandt Center at the University of Wroclaw in Wroclaw, Poland. We are also grateful to the many U.S. and European experts who offered generously of their time, opinions, and insights at the project’s workshops and conferences and in periodic consultations. Their contributions allowed us to cover a wide range of topics and issues over the course of this eighteen-month project.

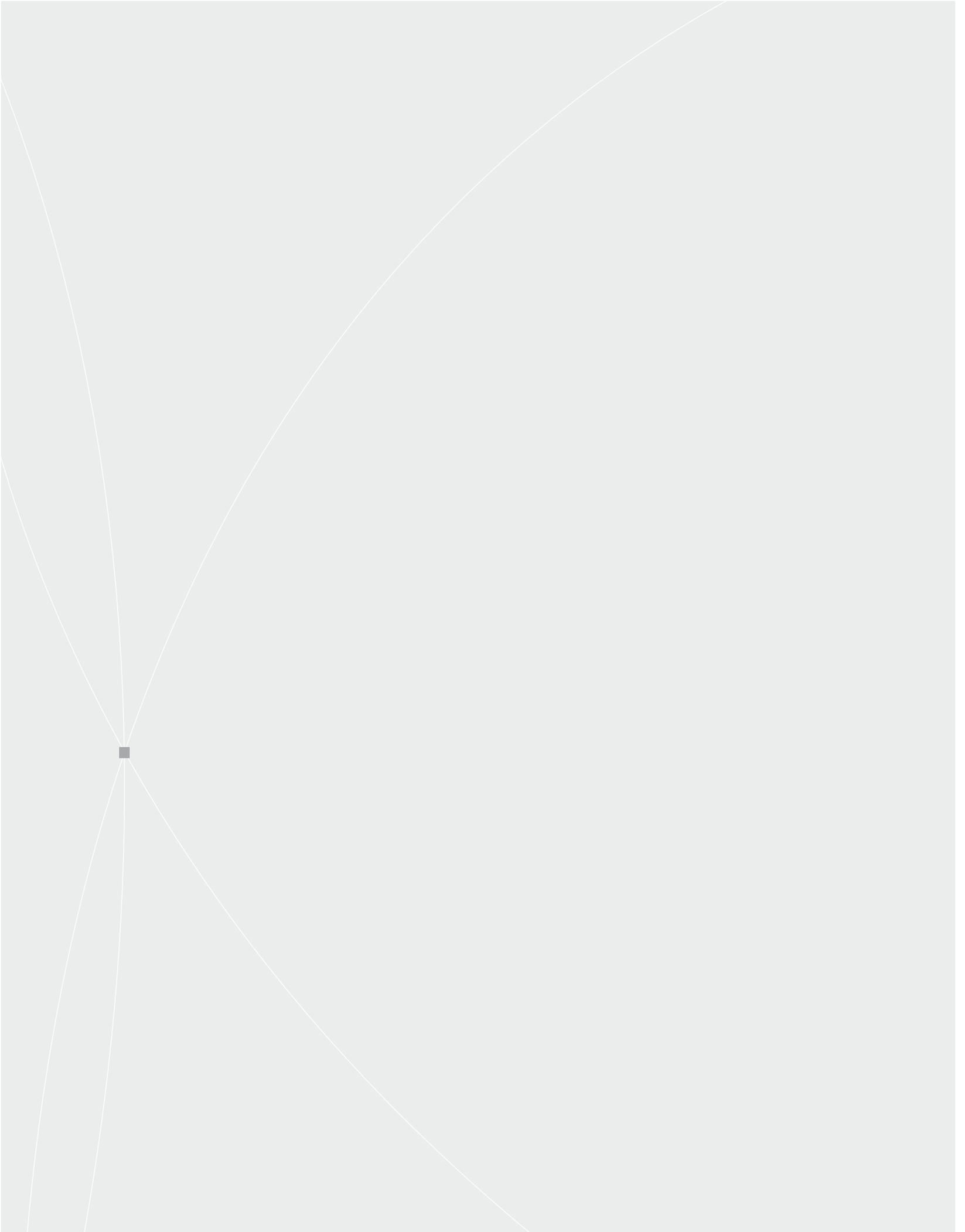
We would like to express our deep gratitude to the Bundesministerium für Wirtschaft und Arbeit, Bereich ERP-Sondervermögen for its generous support of this project and report at this critical time in the transatlantic relationship. We hope that the project discussions as well as this final report will enhance the scope of discussion and debate on both sides of the Atlantic about the future of transatlantic relations, in keeping with the mission of AICGS.



Jackson Janes
Executive Director

ABOUT THE AUTHOR

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ACKNOWLEDGMENTS

Over the course of the past eighteen months, I have benefited from the knowledge and insights of our many European and U.S. partners, who have helped the focus of both the project and this final report. I would like to thank Kathleen Heesch for her invaluable assistance in organizing the project's many workshops—no easy task, given the changing locales and cast of players, as well as for helping to shape the project as it progressed. I am grateful as well to Ilonka Oszvald for the preparation of this publication. Finally, I would like to express my particular gratitude to the participants of the project's final meeting on "Building the Next Generation of Transatlantic Leaders" for the valuable insights that guided the writing of this report. I am grateful to them, as well as to the many other Americans and Europeans who continue to demonstrate exemplary dedication to finding common ground across the Atlantic in difficult times.

EXECUTIVE SUMMARY

For over four decades, a dense web of leadership networks and business and civil society contacts supported security and economic cooperation between the United States and Europe. This transnational societal network helped to break down negative stereotypes, build public support for the transatlantic relationship, and instill in U.S. and European leaders a sense that Americans and Europeans belonged to the same “community of values.”

In the wake of the Iraq crisis, however, the future of these programs, as well as of the transatlantic relationship more generally, now appears more uncertain.

The Role of Networks and Exchanges in U.S.-European Relations

Despite lingering tensions between the U.S. and some European governments, transatlantic “people-to-people” ties remain strong and diverse in nature. The dense network of “people-to-people” ties includes:

- Youth and Young Professional Programs and Exchanges
- Educational, Scientific, and Cultural Programs and Exchanges
- Business and Industry Dialogues and Networks
- Issue and Policy Networks and Experts’ Dialogues
- The “New Transatlantic Agenda” Dialogues
- Civil Society Programs

Although some groups seek to impact policy directly, the influence of these networks and exchanges on the transatlantic relationship is more often indirect. Throughout the Cold War, transatlantic exchanges helped to instill in U.S. and European leaders knowledge, feelings of mutual trust, and a sense of belonging to a shared “transatlantic community.” A critical question for the future is whether transnational networks and exchanges can continue to build a new generation of transatlantic leaders.

The Transatlantic Community and Transatlantic Relations: A Weakening Foundation?

During the recent political crisis in transatlantic relations over the Iraq war, the extensive societal contacts between the United States and Europe appeared powerless to temper the rhetorical excesses of U.S. and European leaders, stem the growing tide of anti-American feeling in Europe or anti-French sentiment in the United States, or facilitate the search for common ground. The question is why the “transatlantic community” that believed deeply in the importance of the transatlantic alliance in the end appeared to have so little influence on political leaders.

Initial accounts of policymaking on Iraq in Washington and in Europe suggest that transnational advocates of U.S.-European cooperation suffered both from limited access to the key figures driving policy and the absence of powerful champions of transatlantic cooperation in the inner circles of power in the United States and in key European capitals.

The outcome of the Iraq debate in turn reflected the impact of far-reaching changes in the international, European, and domestic context of transatlantic relations. Specifically:

STRATEGIC SHIFTS

Global strategic changes have weakened the strategic rationale for and salience of the transatlantic relationship to both Europe and the United States. An entire generation of political leaders, professional civil servants, analysts, and military officers who devoted their careers to the maintenance of strong transatlantic ties is being replaced by younger cohorts with different policy concerns and priorities. For Europeans, this means the European Union; for Americans, global terrorism, the Broader Middle East, and Asia/Pacific region.

CHANGES IN THE UNITED STATES

Following the September 11 terror attacks, Americans have accepted changes in their way of life, in their political processes and institutions, and in the way they think about themselves and the world. Additionally, the United States is increasingly a polarized nation. As a result of immigration and demographic trends, a shrinking number of Americans identify culturally, ethnically, and linguistically with European countries, while values—above all, religious orientation—play a more visible role in American politics.

A CHANGING EUROPE

The face and structure of Europe have undergone fundamental changes as a consequence of the Cold War's end and an expanding European Union that is engaged in a process of deepening integration among its member states. At the same time, Europeans are facing difficult choices related to religion, identity, and politics in a Europe of porous borders and growing cultural and ethnic diversity.

Building the Successor Generation of Transatlantic Leaders

Business, non-governmental, educational, and cultural leaders can play an important role in adapting the transatlantic relationship to new international, European, and domestic relations, and managing the challenges associated with change. Specifically:

- *Public diplomacy.* Non-governmental dialogues and exchanges can help to break down stereotypes and build mutual understanding of the reasons why Americans and Europeans see the world differently. Such exchanges deserve sustained financial support; the funds devoted to such programs are a modest investment for a potentially substantial return.
- *Framing the Public Debate about Transatlantic Relations.* Leaders in business, media, and education can help to frame the broader public debate about the value of transatlantic cooperation by educating the public about the special nature of transatlantic ties, explaining developments in Europe and the United States that drive policy, and pointing to concrete, beneficial cases of transatlantic cooperation.
- *Transnational Stakeholders' Dialogues.* The Transatlantic Business Dialogue has demonstrated the value of engaging key stakeholders in early discussions of potentially contentious issues before they escalate into public transatlantic disputes. Such “stakeholders dialogues” should be expanded and strengthened.
- *Engaging in Strategic Dialogue.* The United States and Europe need to engage in a sustained strategic dialogue about critical security and economic challenges—before divisive issues escalate into political crises that further weaken the transatlantic relationship. Non-governmental groups and networks could contribute significantly to these exchanges.
- *Building Bridges to Government.* Many American and European political and parliamentary leaders and advisors no longer assign primacy to the preservation of a relationship that is seen to have served its purpose with the unification of Germany and Europe. If they are to be effective in sustaining the “human infrastructure” of transatlantic relations, the “transatlantic community” must build stronger ties to governments and legislatures in Europe and the United States.

Conclusion

The transatlantic relationship remains vitally important to the United States, to the countries of Europe, and to the European Union. Though it is no longer the focus of U.S. foreign and security policy, Europe is still potentially one of the United States’ most important global partners. Conversely, the European Union is not yet capable, nor may it ever be, of supplanting American power, engagement, and influence in the global system. And without effective transatlantic cooperation, our mutual goals will not be achieved, nor common threats averted.

Adapting the U.S.-European relationship to new realities—in the world and at home—will not be easy. Effective “change managers,” with a strong commitment to the transatlantic relationship and with a realistic sense of its new limits, will be critical to the success of that endeavor. The “special relationship” that characterized U.S.-European ties will never again be recreated. But transnational actors can play an important part in ensuring that a more realistic and well-considered transatlantic relationship continues to be underpinned by broad public support, mutual trust, and common understanding.



SECTION ONE
THE ROLE OF NETWORKS AND EXCHANGES

01

THE ROLE OF NETWORKS AND EXCHANGES IN U.S.-EUROPEAN RELATIONS

A compelling strategic purpose and deepening economic integration bound the United States and Europe in a special partnership that endured for over four decades. Though often overlooked or unseen, a dense web of leadership networks and business and civil society contacts supported both the security and economic “pillars” of the relationship. This societal network helped to break down negative stereotypes, build public support for the transatlantic relationship, and instill in U.S. and European leaders a sense that Americans and Europeans belonged to the same “community of values.”

The end of the Cold War appeared, at least initially, to have little effect on this invisible “third pillar” of transatlantic relations. Indeed, in the mid-1990s, the United States and European Union endeavored to give new life to the societal networks underpinning their relationship. In the 1995 “New Transatlantic Agenda,” the two partners declared their commitment “to strengthen and broaden public support for our partnership” through the deepening of “commercial, social, cultural, scientific and educational ties among our people.”¹ The New Transatlantic Agenda spawned new dialogues among U.S. and European business, consumer, labor, and environmental stakeholders, and foundation leaders. Other transatlantic leadership, parliamentary, and professional dialogues, educational and cultural programs, and youth and civil society programs appeared to affirm the enduring importance of the transatlantic link.

The future of these programs, as well as of the transatlantic relationship more generally, now appears

more uncertain. During the recent political crisis in transatlantic relations over the Iraq war, the extensive societal and business links between Americans and Europeans appeared powerless to temper the rhetorical excesses of U.S. and European leaders, stem the growing tide of anti-American feeling in Europe or anti-French sentiment in the United States, or facilitate the search for common ground.

As Europeans and Americans look beyond the Iraq crisis, it may be tempting to ask whether fifty years of networking and leadership cultivation were all for naught. Why did transnational networks and “people-to-people” contacts apparently have so little impact on the perspectives of leaders in the United States and Europe and on public perceptions? Conversely, what impact, if any, has the crisis in political relations had on the “transnational actors” that have supported the relationship, either directly through leadership roles, or indirectly, by building knowledge and correcting misperceptions? What influence can

transnational actors have on the U.S.-European relationship, given the enormous changes in the world, in Europe, and in a post-9/11 America? Perhaps most importantly, how can a “successor generation” of transatlantic leaders—in politics, business, media, and education—be cultivated to manage and direct the changes in the transatlantic relationship that now appear inevitable?

The answers to these questions could be critical to the future of the U.S.-European relationship. In the wake of the dispute over the Iraq war and the reelection of President George W. Bush, there is growing consensus that the transatlantic relationship will never again be as close nor as cooperative as it once was. On the other hand, a sobering of mood is evident in Europe and the United States, supplanting the emotionalism of recent years, as both sides acknowledge that sizeable economic stakes and common security challenges compel the United States and Europe to find ways to resolve their policy differences and better manage change in the U.S.-European relationship. A new generation of political, business, and societal leaders committed to the adaptation and preservation of the transatlantic relationship could be decisive to the success of that undertaking.

This report explores the roles, influence, and future of so-called “transnational actors” in the U.S.-European relationship—the dense web of individuals, multinational companies, non-governmental organizations, leadership exchanges, and policy and issue networks that operate across national boundaries. The first section examines the activities and impact of these networks and exchanges on inter-governmental relations. Section II assesses the future of these transatlantic networks and exchanges in light of the Iraq debate and changes in the strategic, European, and domestic context of transatlantic relations. The concluding section considers the challenges of building a successor generation of transatlantic leaders and outlines several steps that should be taken to cultivate a new generation of “change managers.”

“People-to-People” Contacts in Transatlantic Relations: Activities and Influence

Transatlantic relations have never been a government monopoly. A dense network of societal contacts and networks has long supplemented the “official” relationship between Washington and European countries.

This “transnational” societal web comprises individuals, multi-national corporations, non-governmental organizations, and issue and policy networks.² Although these groups, networks, and exchange programs pursue widely varying—and sometimes conflicting—aims (e.g. business and consumers or environmental groups), they generally share a common belief in the importance and continued relevance of the transatlantic relationship.

The impact of businesses and societal networks on U.S. and European political leaders and policymaking or on inter-governmental relations is sometimes direct, but more often its effect is indirect or latent. For example, business, industry associations, and policy and issue networks often seek to influence developments, regulations, or policies in the United States, European countries, or the EU that affect their interests. Whether they succeed or not depends on many factors. In general, good access to key decision-makers is necessary, but not sufficient, to effect changes in U.S. and European policies or actions. Beyond access, businesses and non-governmental groups must be able to create or encourage the formation of a “winning coalition” among key domestic and governmental players.³

In many other cases, however, the impact of transatlantic societal networks, exchanges, and programs is indirect. For example, youth, educational, and young professionals’ exchange programs can have an important indirect influence on transatlantic relations, to the degree that participants in these programs subsequently pursue careers in politics or government

service, and in the media, business and non-governmental sector. In this sense, transatlantic exchanges help to “seed the future” of transatlantic relations by creating a successor generation of leaders in many different fields, who share feelings of mutual trust and a sense of belonging to a shared “transatlantic community.” Though often latent in effect and intangible, such programs and networks help to create a “we-feeling” that binds Europeans and Americans together even in times of political strife.⁴ Even more, political leaders who share this sense of transatlantic community are more inclined to take into account U.S.-European ties when defining national interests or making policy decisions.⁵

A critical question for the future is whether transnational networks and exchanges, indeed, are continuing to “seed the future.” That will depend, in part, on whether Europeans and Americans remain interested in participating in exchanges and dialogues, either for pragmatic or normative reasons. Even more important is whether the “transatlantic community” remains connected with political leaders and advisors, and legislators and their assistants. Both the current state of transatlantic exchanges and their connection—or disconnection—to political leaders and government decision-makers is considered below.

The “Transatlantic Community” Today

Despite the recent crisis in inter-governmental relations, transatlantic “people-to-people” ties remain strong and diverse in nature. The principal types of actors, their motivations and activities, are described very briefly below.⁶

YOUTH AND YOUNG PROFESSIONAL PROGRAMS AND EXCHANGES

Youth exchange programs have been active in transatlantic relations since the early postwar period.⁷ Many of these early programs reflected the ideals of a generation that hoped to heal the wounds of World War II by providing younger Europeans at an impres-

sionable age exposure to American culture and living. Over the decades, such exchange programs, which offer students the opportunity to spend a period of weeks, several months, or a year at a secondary school, have given generations of Americans and Europeans first-hand experience of culture, language, and family and community life on the other side of the Atlantic. Though these programs may impart practical knowledge or skills (e.g. knowledge of culture, language, history), they also reflect a normative belief in the value of youth exchanges and experiential living experiences in fostering mutual understanding between nations.

The number of participants in U.S.-European youth exchanges does not appear to be declining significantly, although some programs report a drop over the last three years in the number of applicants. Whether this decline is due to the political strife between the United States and Europe, purported anti-Americanism, or reports of visa problems and fears of renewed terror attacks in the United States, is unclear. Students may simply be opting for more “exotic” or novel exchange destinations.

Young professionals’ and young leaders’ exchanges, such as the Internationale Parlements-Praktika Internship Program (IPP), the Marshall Memorial Fellowship Program, or the Young Leaders Program of the American Council on Germany, are targeted at rising talent in government, business, the media, and other professions. Young leaders’ programs and leadership exchanges are often intended to awaken an interest in transatlantic relations in future leaders who may have had little to do with U.S.-European affairs, and/or instill in them a commitment to transatlantic cooperation. Other programs may aim to ensure that “transatlanticists” remain involved in the U.S.-European relationship in some capacity. Since the end of the Cold War, particular efforts have been directed toward engaging younger parliamentarians from the United States and Europe in sustained exchanges. Whether these programs will prove successful in reviving interest in transatlantic relations

in the U.S. Congress, national parliaments, or the European Parliament remains to be seen.

EDUCATIONAL, SCIENTIFIC, AND CULTURAL PROGRAMS AND EXCHANGES

Transatlantic educational, scientific, and cultural exchanges continue to bring significant numbers of students, academics and artists across the Atlantic. Numerous American and European universities have study abroad programs, which offer students the opportunity to spend a semester or academic year at a host institution in Europe or the United States, respectively. U.S.-European participation in scholarly exchange programs reportedly has not diminished significantly. Since 1946, the Fulbright Program, the flagship American program, has supported more than 250,000 students worldwide; a significant number of Fulbright foreign students—43 percent in 2003—continue to come to the United States from European countries, with Germany awarding the most grants to visiting U.S. students.⁸

In recent years, the Fulbright program and other bilateral exchanges have been supplemented with educational programs focused on enhancing Americans' knowledge of the European Union. At the initiative of the European Commission and under the "New Transatlantic Agenda" (see below), fifteen EU Centers have been established at universities across the United States with the financial support of the European Union, host universities, and other donors.⁹ Across the Atlantic, various European universities have American Studies Centers. Additionally, scholars of both the European Union and of Transatlantic Studies now have their own professional associations.

University exchanges are supplemented by the work of American and European research institutions ("think tanks") that focus, at least in part, on developments in Europe, the United States, and the European Union, and on transatlantic relations. The activities of many of these organizations are supported, in turn, by a group of U.S. and European foundations, which are themselves engaged in a dialogue intended, among

other things, to strengthen transatlantic programs, identify and raise awareness of transatlantic issues and trends, and mobilize funding partners for critical issues.¹⁰

Although, in general, transatlantic educational exchanges and programs appear to be functioning well, there are some troubling signs on the horizon.

U.S.-European exchange programs have prospered, in part, because of the sustained interest of students and scholars in developments across the Atlantic and in transatlantic relations. The recent decline in applicants to transatlantic youth exchange programs may or may not be a sign of waning mutual interest. On the other hand, students who do apply to transatlantic exchange programs may be more strongly motivated than their predecessors, who had fewer exchange options.

Similar patterns may be emerging at the university level as well. The rising cost of higher education as well as the difficulties encountered by foreign students and researchers in obtaining visas to study in the United States could dissuade an increasing number of Europeans and other foreign nationals from attending or pursuing graduate studies at U.S. universities. Among American students, despite a purported spike in interest in international affairs after 9/11, only a small fraction participate in study abroad programs. Moreover, many students interested in international affairs no longer gravitate to studies of Europe, but instead are focused on areas of emerging geo-strategic or economic salience, such as Asia/Pacific and the Broader Middle East. For European students, the region of growing salience may be Europe itself. The number of students participating in intra-European exchanges has surged in the last decade under the ERASMUS and SOCRATES program, growing from some 28,000 in 1990/91 to more than a million in 2002/2003. These programs also enjoy substantial financial support, with the program budget for the year 2004 totaling more than EUR 187.5 million.¹¹ If sustained, these developments would appear to signal a decline in the relative importance of transatlantic educational and research exchanges,

as Europeans and Americans focus their attentions and energies on other parts of the globe.

Finally, funding for transatlantic exchange and educational programs remains a perennial concern. The U.S. government has cut support for U.S.-European exchanges at various levels. While European and, in particular, German support for transatlantic educational exchanges continues, a critical question for the future is whether the U.S. or European governments, facing pressing budgetary demands, will continue to support transatlantic exchanges to the same degree as during the Cold War. This is particularly important in the case of Germany, which initiated and funded a significant number of transatlantic exchange programs.

BUSINESS AND INDUSTRY DIALOGUES AND NETWORKS

Multinational corporations (MNCs), and business and industry associations are very active players in transatlantic relations. Reflecting the impact of globalization, many large companies with significant operations in Europe and the United States have adopted a unified business culture with strong American influences and use English as the company's working language. Business associations and chambers of commerce also maintain representative offices across the Atlantic, as do their trade union counterparts.

Large transatlantic corporations, as well as business and industry dialogues and networks for the most part are motivated by pragmatic aims in service of their companies' and stakeholders' interests. Their activities include advocacy of specific policy solutions, for example, as they pertain to trade or regulatory policy at the national or EU level; the monitoring of developments that impact business (new laws, regulations, appointments); and the gathering, analysis, and dissemination of information related to business or industry interests. As responsibility for an increasing number of laws and regulations migrates to the European Union, business and industry groups are also becoming more engaged in "policy shaping" at the EU level. Additionally, both during and after the

political dispute over the Iraq war, companies and business groups sought to call attention to the significant economic interdependence between the United States and Europe and the importance of continued strong transatlantic ties.¹²

ISSUE AND POLICY NETWORKS AND EXPERTS' DIALOGUES

A wide variety of policy networks and experts' dialogues are active across the Atlantic. Transatlantic action networks quite often are focused on specific sets of global issues (e.g. global climate change, small arms trafficking, human rights, arms control),¹³ and may include policy research organizations, experts, advocacy groups, and grass roots activists. Other experts' exchanges and policy networks have emerged in recent years as technological changes and emerging security threats have brought new issues to the fore. These include, for example, transatlantic dialogues on terrorism financing, the Data Protection Dialogue, and the Information Society Dialogue. Policy networks and experts' dialogues commonly disseminate and analyze information and often facilitate exchanges on developments in the United States or Europe that may affect a specific policy community or the transatlantic relationship more generally.

THE NEW TRANSATLANTIC AGENDA DIALOGUES

The New Transatlantic Agenda, which the United States and EU launched in 1995, has led to the creation of several transnational dialogues that bring together business, labor, and non-governmental stakeholders with government or EU officials on specific issues. The New Transatlantic Agenda Dialogues have sought to revitalize and provide greater structure to the transatlantic network. These dialogues include: the Transatlantic Business Dialogue (TABD) created in November 1995; the Transatlantic Consumers' Dialogue, created in September 1998; the Transatlantic Environmental Dialogue, started in May 1999; and the Transatlantic Labor Dialogue, launched in January 2000. Additionally, in January 1999, ongoing parliamentary

exchanges between members of Congress and legislators in the European Parliament were formalized in the Transatlantic Legislators' Dialogue.¹⁴

To date, the Transatlantic Business Dialogue appears to be both the most active as well as the most influential exchange.¹⁵ The TABD, which brings together a select group of CEOs of American and European companies with senior government officials from the United States and the European Union, is intended to promote closer commercial ties and cooperation between the United States and Europe.¹⁶ The Transatlantic Environment, Consumers', and Labour Dialogues have been less active than the TABD and, according to some reports, have had less influence and more limited access to government officials. The Transatlantic Legislators' Dialogue comprises bi-annual meetings of European Parliament and U.S. Congress delegations, as well as a series of teleconferences on topics of mutual concern (e.g. the internet and information technologies, freedom of information, climate change, U.S. restrictions on steel imports). Recent legislators' exchanges have focused primarily on issues related to the transatlantic market, including intellectual property rights, regulatory systems, financial services, and competition policy.

OTHER CIVIL SOCIETY PROGRAMS

Finally, transnational actors in the U.S.-European context include various civil society activities, including numerous civic partnership or "sister city" programs, and community exchanges and partnerships. As part of the "dialogue process" of the New Transatlantic Agenda, several initiatives were launched in the mid-1990s to encourage, structure, and sustain a broader civil society dialogue across the Atlantic. These include the Transatlantic Information Exchange Service, the Transatlantic Community Network Dialogue, and the Transatlantic Civil Society Dialogue.



SECTION TWO
THE "TRANSATLANTIC COMMUNITY"

THE “TRANSATLANTIC COMMUNITY” AND TRANSATLANTIC RELATIONS: A WEAKENING FOUNDATION?

As the brief survey above demonstrates, “people-to-people” contacts across the Atlantic appear to be quite healthy, despite the recent tensions between the U.S. and European governments over Iraq and other issues. Whether the “third pillar” of transatlantic relations will remain strong is less certain, however. The divisive Iraq debate and its aftermath, as well as changes in the global strategic environment in Europe and in the United States, are weakening the foundation of transnational relations.

The “Transatlantic Community” and the Iraq Dispute

The recent crisis in transatlantic relations has complex and deep roots, which have been the subject of extensive commentary and analysis over the last three years. Of interest here is why the “transatlantic community”—the companies, non-governmental organizations, leadership networks, and individuals that believed deeply in the importance of the transatlantic alliance—in the end had so little influence. Why were there apparently so few champions of the transatlantic alliance where it mattered the most? And what does the Iraq debate suggest about the role of transatlantic dialogues, networks, and exchanges in building a new generation of transatlantic leaders?

Initial accounts of Iraq policymaking in Washington and in Europe suggest that transnational advocates of U.S.-European cooperation suffered both from limited access to the key figures driving policy, and the absence of powerful champions of transatlantic cooperation in the inner circles of power in the United States and in key European capitals.

In the United States, the post 9/11 concentration of power in the executive branch and the centralization of Iraq policy in the hands of a few closely allied supporters of war within the administration effectively

blunted the influence of those in and outside the government arguing for a more tempered U.S. approach to America’s long-time European allies. At the most senior level of government, Secretary of State Colin Powell often appeared to be the lone voice arguing the value and relevance of international cooperation, including with the United States’ European allies, in the face of forceful and, in the end, successful resistance by proponents of a unilateral course in the Department of Defense, the vice president’s office, and the White House. In the end, the constellation of power in the Bush administration left proponents of consensus building with the United States’ European allies with few points of access and little influence. European leaders, American CEOs, and less senior government officials who might have favored a more consensual approach found a receptive ear in the U.S. Secretary of State. But Powell was unable to build a “winning coalition” in favor of more concerted efforts to work with the Europeans to find a compromise resolution to the Iraq issue.

In Europe, national capitals were of course divided over the decision to go to war, in part, because they were divided over the importance of relations with the United States relative to other factors. Moreover, champions of transatlantic cooperation both within and outside of government likely found their position weakened by earlier decisions of the Bush adminis-

tration (e.g. the Kyoto protocol, the International Criminal Court, the ABM Treaty), which had outraged European publics, as well as the Bush administration's perceived rejection of NATO's invocation of the Article V mutual defense pledge after September 11. In both Paris and Berlin—two critical players in the transatlantic dispute over Iraq—the apparent concentration of decision-making power in the hands of a small “kitchen cabinet” and emergence of an inter- and trans-governmental alliance between France and Germany effectively excluded those arguing for a more conciliatory approach, particularly when other factors were in the balance. German Chancellor Schröder was facing a tough reelection campaign; cooperation with the United States on Iraq was a losing proposition in the face of popular anti-Bush sentiment and Germans' historically rooted aversion both to unilateral action and the use of force.

Policy differences between U.S. and European governments of course had existed before. But the transatlantic dispute over Iraq appeared qualitatively different in several respects. First, while U.S. and European political leaders during the Cold War at times disagreed vehemently over strategy or policy, they both generally made efforts to abide by certain tacit rules governing their mutual relations. These included prior consultation and a certain modicum of restraint in public rhetoric. Moreover, in disputes prior to 1989, political leaders and legislators did not question the primacy and relevance of the Atlantic alliance; in the face of a commonly perceived Soviet threat, the United States and its European allies were compelled to find consensus in order to limit the damage to the transatlantic alliance. In contrast, in the Iraq war debate, both American and some European leaders were prepared to see significant damage done to the transatlantic link in pursuit of other policy goals.

Third, even at the height of past policy disputes, Americans and Europeans continued to believe in a shared “community of values.” Today growing numbers of Americans and Europeans report a sense of increasing alienation and question whether the United States and Europe continue to share the same values. For example, though they often agree on the nature of threats in the post-9/11 world, in opinion surveys conducted by the Pew Research Center and The German Marshall Fund of the United States, Americans and Europeans prefer different tools for

countering terrorism and proliferation. They also have significantly different views of U.S. power and global governance. Many Americans remain committed to a transatlantic relationship that is as strong as it was in the past and even welcomes the prospect of an EU “superpower” able to divide the burdens of global leadership with the United States. But while more Americans would prefer the United States to act in cooperation with the United Nations or NATO, a majority is prepared to support unilateral military action if deemed to be in the country's national interest. Europeans, in contrast, are deeply distrustful of U.S. leadership and power, less positively disposed toward American society, and more strongly inclined to believe in the primacy of Europe to their future. In published commentary, moreover, many Europeans would appear to wonder what they have in common with an America that appears to support a unilateral and nationalist foreign policy as well as conservative social values and a religious fervor that are incompatible with a Europe that has embraced multilateralism, diplomacy, and secularism as the core of its postwar identity.

The Shifting Foundation of Transatlantic Relations

To understand the disjuncture between the “transatlantic community” and the U.S. administration and some European governments, one must look to the changed international and domestic context of transatlantic relations.

STRATEGIC SHIFTS AND GLOBALIZATION

While the cultural ties between the United States and Europe long predate World War II, the dense transnational network linking Europeans and Americans was in many ways a fortuitous by-product of the Cold War. It reflected the special nature of transatlantic cooperation in support of a shared strategic mission and the common values of democracy, freedom, and free markets.

Fifteen years after the fall of the Berlin Wall, however, the United States and Europe lack a compelling and unifying strategic purpose and often differ significantly in how they interpret, implement, and prioritize these shared values. Moreover, over the course of the last decade, the United States and Europe have begun to

reorient their foreign and security policies significantly, a process that has been accelerated in the United States by the Bush administration following the 9/11 terror attacks.

The United States enjoys a preponderance of military, economic, and political power, which is focused on emerging and transnational threats far beyond Europe's borders. In the aftermath of the September 11, 2001 terrorist attacks, moreover, the Bush administration has undertaken a radical reorientation of U.S. foreign and security policy focused on the nexus of terrorism, the proliferation of weapons of mass destruction (WMD), and what it terms "rogue" states. In the face of these new threats, the administration has demonstrated in Afghanistan and Iraq that it will not automatically turn to its European allies but, rather, will rely on "coalitions of the willing" as determined by the mission at hand.

While Americans truly feel themselves to be at war against an often only dimly understood adversary called "global terrorism," Europeans for the most part feel more secure and at peace than at any time in the last century. With the eastward expansion of the European Union and NATO, the "German question" and age-old problem of European security have been largely resolved, although instability in the Balkans and on the European Union's eastern and southern borders remains a source of concern to European leaders. As outlined in its security strategy, the EU's strategic focus is extending, slowly but steadily, beyond the still disputed borders of Europe, but there has been no wrenching shift in European foreign policy to match the Bush revolution. Although it is endeavoring to develop a credible military arm, the European Union remains committed to the employment of its comparative strengths—the "soft power" tools of diplomacy, economic aid, peaceful conflict resolution, and post conflict assistance.

As a consequence of these changes, the strategic rationale and salience of the transatlantic relationship has diminished in both Europe and the United States. The value and purpose of U.S.-European cooperation is no longer self-evident to many Europeans and a growing number of Americans; more importantly, many American and European political and parliamentary leaders and advisors no longer assign primacy to preservation of a relationship that is seen

to have served its purpose with the unification of Germany and Europe. Transatlantic parliamentary exchanges may continue to take place, but the ranks of prominent members of Congress or leading Senators who take an active interest in Europe and transatlantic relations are rapidly thinning. In European ministries and U.S. departments of state and defense, an entire generation of professional civil servants, analysts, and military officers who devoted their careers to the maintenance of strong transatlantic ties is being replaced by younger cohorts with different policy concerns and priorities. For Europeans, this means the European Union and completion of the European project; for Americans, global terrorism, the Broader Middle East, and Asia/Pacific region.

Concomitant with shifts in the global strategic environment, accelerating economic globalization is changing the parameters of transatlantic economic cooperation. As the study by Hamilton and Quinlan documents, the United States and European economies are deeply integrated through foreign direct investment and other structural links.¹⁷

Projecting the past into the future may be misleading, however. Over time, the relative importance of the Euroatlantic economy and influence of the United States and Europe in global economic governance will decline, as new players in Asia and elsewhere demand a larger voice in international trade and finance issues.¹⁸ For the foreseeable future, cooperation between the United States and the EU will continue to be critical to the health of the Euroatlantic economy and to jobs, growth, and prosperity on both sides of the Atlantic. In the coming decades, however, some U.S. and European businesses can be expected to focus on market and investment opportunities in China and other dynamic economies. Moreover, in Europe and in new markets, while U.S. and European business leaders will continue to have significant common interests, they will also be competitors.

DOMESTIC AND INTRA-EUROPEAN CHANGES

As many have observed, Americans since September 11 feel themselves to be "at war" in a way that Germans and Europeans do not. In the months and years following the attacks, Americans have accepted

changes in their way of life, in their political processes and institutions, and in the way they think about themselves and the world. The choices Americans have faced at times have gone to the very heart of their understanding of their nation as an entity founded on individual freedom, civil liberties, and an expansive brand of civic patriotism that has facilitated the integration of immigrants of diverse ethnicities and nationalities.

Beyond the changes wrought by 9/11, the United States is increasingly a polarized nation, divided into two roughly equal political blocs. “Red America” is more socially conservative and religiously devout and is concentrated in rural areas and in the states of the southern, intermountain, and mid-western United States, while “blue America,” concentrated in the states of the northeast and far west, is more urban, secular, and socially and politically progressive. As the outcomes of the last two presidential elections testify, there is no longer one America, but two.

This polarization is reflected in the U.S. Congress, which has become more bitterly partisan in recent years. This trend is attributable, in part, to redistricting procedures that have created an ever larger number of safe congressional seats, a trend that reinforces the tendency of legislators to attend first and foremost to their core political base rather than seeking to craft centrist positions that could garner support from both political parties.¹⁹ These and other changes in the operation of Congress have made its focus more decidedly parochial. There are few career benefits to focusing on international affairs; for those that do, other global issues (terrorism, proliferation, etc.) and other regions of the world (China, Asia/Pacific, the Broader Middle East) are more powerful magnets than NATO, Europe, and the EU. The dwindling attraction of Europe is evident in the composition and focus of Congressional committees and the expertise of Congressional aides.

Whether the political polarization in the Congress and of the American polity will be sustained in the long-term is unclear, in part because of immigration and demographic trends. Over the last decades, new waves of immigrants from Asia, Latin America, and other countries outside of Europe have been

changing the face of America. Although many Americans reportedly continue to identify themselves as descendants of Europeans, a shrinking number of Americans identify culturally, ethnically, and linguistically with European countries.

Finally, in a divided America, values—and above all, religious orientation—are playing an ever more visible and important role in Americans’ conceptions of national identity and political leadership. Although the U.S. Constitution calls for a strict separation of church and state, religious perspectives and world views increasingly permeate much of mainstream public discourse and are frequently employed to justify political standpoints on issues such as abortion, gay rights and marriage, and stem cell research. The appropriate relationship between religion and politics remains much contested, but there is no denying the central role of religion and religiously-motivated voters in U.S. politics, as seen in the 2004 elections.

The infusion of political debates with religious imagery, rationales, and rhetoric is largely foreign to most Europeans, who have become increasingly secular. On the other hand, Europeans are now facing their own peculiar set of dilemmas related to religion, identity, and politics. The porous nature of borders and relative prosperity of European countries will continue to make Europe a natural magnet for those seeking better lives. Immigration could provide much-needed labor on a continent with declining birth rates and aging populations, but few European countries have demonstrated the ability to effectively integrate new immigrants or growing Muslim populations. And, unlike the United States, many European countries have never conceived of themselves as nations of immigrants. Many are just beginning to struggle with the challenges associated with being a multicultural society in a globalized world.

The face and structure of Europe has of course undergone fundamental changes in the last decade as a consequence of the Cold War’s end and an expanding European Union that is engaged in a process of deepening political, economic, and social integration among its member states. Europeans and European leaders are focused on Europe—on the successful integration of new member states, on rati-

fication and implementation of the European Constitution, on the reform and restructuring of Europe's institutions, and on the success or failure of structural reforms to ensure the continued competitiveness of European economies.

VALUES AND POLITICS

These political, cultural, and social trends are causing some Americans and Europeans to question whether the United States and Europe indeed continue to constitute a "community of values." Sloganeering about a purported "values gap" in fact masks a more complex reality. At a very fundamental level, Europeans and Americans share the same beliefs in freedom, democracy, the rule of law, and the free market economy. They often interpret, implement, and prioritize these values differently, but these differences are, relatively speaking, minor in comparison to those that separate the United States and Europe from much of the world.

Values—shaped by different historical experiences and shared cultural understandings—nevertheless permeate many transatlantic disputes. Values are the lenses through which Europeans and Americans perceive and make sense of a changed international system, and they affect the ways that both societies have responded to changes in the strategic environment, economic globalization, and the challenges of multiculturalism and social pluralism.

Yet the influence of history, culture, and values on transatlantic relations is neither direct nor necessarily determinate. In the first place, the lessons of history, as well as societal values and culture, can be hotly contested within societies, as seen in the United States, where the polarization of political opinions on many domestic and foreign policy issues reflects, in part, values conflicts within American society. Moreover, cultural influences must be channeled through parties, political leaders and institutions, public opinion and the media, or other transmission vehicles before they factor into political debates or policy decisions.²⁰ Yet, where societal values enter into transatlantic policy disputes, the resolution of conflicts can become more difficult, because values are usually deeply rooted, often unarticulated, and

sometimes mutually incompatible, as recent transatlantic disputes over the Iraq war, multilateralism, international law, or adaptation to globalization demonstrate.

GENERATIONAL CHANGE

Finally, on both sides of the Atlantic, future generations of leaders in business, politics, and society will feel little connection to the experiences that united Americans and Europeans in the early postwar period and during the Cold War. The impact of generational experience is already evident. Before assuming office, President Bush had spent very little time abroad. As noted above, many members of Congress today are either focused on domestic affairs or on regions of growing geo-strategic salience. Across the Atlantic, European parliamentarians see little future in a career devoted to transatlantic relations; domestic politics and the European Union are the path to a successful future. At the popular level, fewer and fewer Europeans and Americans share positive associations with transatlantic relations and cooperation. Historical accounts of U.S. postwar assistance through the Marshall Plan or of President Kennedy's visit to Berlin have little influence on younger generations of Europeans, and the youngest generation of Europeans is likely to hold an extremely negative view of the United States and American leadership as a consequence of the Iraq war. In contrast, European leaders share the common, positive experience of creating and melding a new Europe, a shared narrative that is likely to bolster their commitment to forging a stronger European Union, whether as a competitor or partner of the United States remains to be seen.



SECTION THREE
BUILDING THE SUCCESSOR GENERATION

03

BUILDING THE SUCCESSOR GENERATION OF TRANSATLANTIC LEADERS

During the Cold War, societal exchanges, dialogues, and programs helped to instill in U.S. and European publics and leaders a sense that they belonged to, and needed to preserve, a common transatlantic community based on vitally shared interests and values and governed by a special set of often unstated norms and rules of behavior—above all, the obligation for regular consultation and consensus building.²¹ In the face of new global, strategic, and domestic realities, the transnational community committed to U.S.-European cooperation can no longer assume that current or future generations of American and European leaders will share this belief nor this sense of community.

If the transatlantic relationship is to be sustained, European and American leaders and publics once again must believe in the continued relevance, salience, and importance of U.S.-European cooperation in a changed world. This is the challenge facing the “transatlantic community” of business, non-governmental, educational, and cultural leaders.

The message is vitally important. In a world of porous borders, deepening economic integration, and proliferating societal contacts, neither the United States nor Europe will be able to protect their citizens, promote economic growth, or sustain core values in the face of active opposition from the other. Both will suffer. On the other hand, much is achievable if the United States and Europe can agree, at the very least,

on compatible approaches, or better yet, coordination and cooperation.

To be seen as both relevant and useful, the relationship between Europe and the United States must change. Both sides need to take near-term, reciprocal initiatives to stem the erosion of trust and establish a new track record of successful, pragmatic cooperation. In the longer term, the relationship must adapt to new global and domestic realities, including the growing importance of the European Union as a regional and global actor. Strategic engagement on the fundamental issues of the twenty-first century—terrorism, proliferation, global environmental issues, failing states—is needed, but must entail a true give-and-take rather than public posturing and rhetorical

duels that play well with domestic audiences but fuel alienation across the Atlantic. The larger aim must be to reestablish belief in the importance of transatlantic relations and agreement on, and compliance with, a new set of shared norms and tacit understandings about how the United States and Europe will deal with one another in the future.

Business, non-governmental, educational, and cultural leaders can play an important role in adapting the transatlantic relationship to new international, European, and domestic relations, and managing the challenges associated with change. Specifically:

- *Public Diplomacy.* The United States and Europe need to “modernize” their mutual perceptions. Americans know far too little about the European Union and the newly acceded member states. Europeans, as more regular consumers of American popular culture, may assume that they know a great deal about the United States, but in fact, tend to know very little about political processes and institutions, particularly the role of the U.S. Congress. In short, perceptions of realities across the Atlantic have lagged far behind the profound changes that have occurred in the United States and Europe. Non-governmental dialogues and exchanges, particularly those involving youth, rising leaders in key professions, and younger legislators are invaluable tools of “grass roots” public diplomacy and can help immeasurably to break down stereotypes and build mutual understanding of the underlying reasons Americans and Europeans see the world differently. Such exchanges should be continued and deserve sustained financial support from governments and private sources. The funds devoted to such programs are a modest investment for a potentially substantial return.
- *Framing the Public Debate about Transatlantic Relations.* As participants in civil society, education, business, and media, transnational actors also can help to frame the broader public debate about the relative value of transatlantic cooperation versus conflict, by educating the public about the special nature of transatlantic ties, explaining developments in Europe and the United States that drive policy, and pointing to concrete cases of beneficial

transatlantic cooperation. European and American journalists have a particularly important role to play in this regard, as do multinational corporations and business networks and alliances. Media representatives have a special responsibility to inform debate rather than feeding and strengthening negative stereotypes. Businesses should remind political leaders and publics on both sides of the Atlantic that jobs, growth, and prosperity in Europe and the United States are tightly interlinked in a global economy.

- *Transnational Stakeholders’ Dialogues.* The Transatlantic Business Dialogue has demonstrated the value of engaging key stakeholders in discussions of potentially contentious issues before they escalate into public transatlantic disputes. The experience of the TABD may hold valuable lessons for early conflict resolution in other policy areas.
- *Engaging in Strategic Dialogue.* The United States and Europe need to engage in a sustained strategic dialogue about critical security and economic challenges—before divisive issues escalate into political crises that further weaken the transatlantic relationship. This dialogue should address, among other issues, U.S. and European attitudes toward the use of force; the challenges of preserving security and freedom in the fight against terror; the relationship between Islam, the Broader Middle East, and western democracies; and the challenges of China’s rise and Asia’s growing importance in global affairs. Non-governmental analysts, think tanks, and academic networks could contribute significantly to such an exchange effort as well.
- *Building Bridges to Government.* If they are to be effective in sustaining the “human infrastructure” of transatlantic relations, transnational actors must build stronger ties to governments and legislatures in Europe and the United States. Transnational champions of transatlantic cooperation will face an uphill task in the United States, but must endeavor to reengage members of Congress and rising political leaders in transatlantic relations. Similar efforts are needed in Europe. Such programs must seek to educate and inform political leaders about the dangers of increased transatlantic conflict and

point to concrete, pragmatic success stories of transatlantic cooperation to address salient foreign and domestic policy issues.

Conclusion

For over forty years, the participants in a larger transatlantic community could assume that political leaders, legislators, and government officials largely shared their belief in the value and relevance of the transatlantic alliance. That is no longer the case. Indeed, the experience of the Iraq war debate suggests that the U.S.-European transnational community is increasingly disconnected from the current and next generation of political leaders and their advisors.

This disconnect is dangerous for both the United States and Europe. The transatlantic relationship remains vitally important to the United States, to the countries of Europe, and to the European Union. Though it is no longer the focus of U.S. foreign and security policy, Europe is still potentially one of the United States' most important global partners. Conversely, the European Union is not yet capable, nor may it ever be, of supplanting American power, engagement, and influence in the global system. And without effective transatlantic cooperation, our mutual goals will not be achieved, nor common threats averted.

Adapting the U.S.-European relationship to new realities—in the world and at home—will not be easy. Effective “change managers,” with a strong commitment to the transatlantic relationship yet a realistic sense of its new limits, will be critical to the success of that endeavor. The “special relationship” that characterized U.S.-European ties will never again be recreated. But transnational actors can play an important part in ensuring that a more realistic and well-considered transatlantic relationship continues to be underpinned by broad public support, mutual trust, and common understanding.

NOTES

1 "The New Transatlantic Agenda: Building A Bridge Across the Atlantic," http://europa.eu.int/comm/external_relations/us/new_transatlantic_agenda/index.htm

2 Risse-Kappen defines transnational relations as "regular interactions across national boundaries when at least one actor is a non-state actor or does not operate on behalf of a national government or an inter-governmental organization." See Thomas Risse-Kappen, "Introduction," in Thomas Risse-Kappen, ed., *Bringing Transnational Relations Back In: Non-State Actors, Domestic Structures and International Institutions*, Cambridge Studies in International Relations 42 (Cambridge/New York: Cambridge University Press, 1995). On non-state actors and transnational issue networks, see Margaret Keck and Katharyn Sikkink, and *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca, NY: Cornell University Press, 1998).

3 Both factors—access and a coalition of like-minded allies in government—in turn depend on the relative institutional strengths of transnational actors or available resources; even more important is the relative openness of political institutions and processes in the target state, the nature of societal structures, as well as the policy networks linking the two. Risse-Kappen, *Bringing Transnational Relations Back In*.

4 Nicole Renvert, *Transatlantische Beziehungen: Status quo plus oder minus? Zu den Auswirkungen der Veränderungen in den Transatlantischen Beziehungen auf die Bereiche Wirtschaft, Politik und Gesellschaft mit besonderem Schwerpunkt auf den Austauschaktivitäten zwischen den USA und Deutschland*. Internal Report as part of the fellowship program of the Policy Planning Department of the German Foreign Office, unpublished manuscript, 13 September 2004.

5 In Thomas Risse-Kappen's study of the influence of European allies on U.S. foreign policy, U.S. leaders reportedly very often took into account the impact of U.S. policy on Europe and the need to preserve the Western alliance in their decisions. In the case of the Korean War, "the very notion of 'American vital interests' incorporated the need to preserve the Atlantic Alliance," while "John F. Kennedy closely identified with the Atlantic community, an identity that shaped his preferences." (pp. 76 and 179). Transgovernmental and transnational alliances were often critical to other U.S. policy decisions. See Thomas Risse-Kappen, *Cooperation Among Democracies: The European Influence on U.S. Foreign Policy*, Princeton Studies in International History and Politics (Princeton, NJ: Princeton University Press, 1997).

6 A complete survey of the extensive network of transnational actors in the transatlantic context lies beyond the scope of this report. For a sense of the transnational actors involved in German-American and transatlantic relations, see German Federal Foreign Office, Office of the Coordinator or German-American Cooperation in the Field of Intersocietal Relations, Cultural and Information Policy, *Directory of German-American Relations* (Spring 2004). This directory does not include a wide range of non-governmental organizations active in specific policy areas (e.g. environment, migration, human rights), which may also be engaged in transatlantic activities.

7 Numerous organizations are engaged in promoting transatlantic and global youth and educational exchanges. An illustrative sample includes: the Academic Year in America, the American Council for International Studies, the American Institute for Foreign Study, the American Field Service, the Congress-Bundestag Youth Exchange for Young Professionals, the Brcko Academic Semester Program, the Experiment, the German-American Partnership Program, Youth Leaders Programs for Southeast Europe, and Youth for Understanding. For a complete list of international youth exchange programs, see the Council for Standards for International Educational Travel, <http://www.csiet.org/mc/page.do?sitePageld+750>. Young professionals exchanges include, for example, the Internationale Parlaments-Praktika Internship Program (IPP), and the Arthur F. Burns Fellowship Program. Young leaders' programs are organized by The German Marshall Fund of the United States and the American Council on Germany, among many others.

8 "Fulbright Student Program: Fact Sheet," 26 January 2004.

9 For more on the EU centers and their impact, see European Commission, "The EU's Relations with the United States of America: The EU Centres in the U.S." http://europa.eu.int/comm/external_relations/us/intro/ct.htm; and 2003 Impact Report of the Network of European Union Centers in the United States.

10 European Foundation Centre, "Trans-Atlantic Donors Dialogue," January 2003.

11 For information on the ERASMUS program, see "The European Community Programme in the Field of Higher Education," http://europa.eu.int/comm/education/programmes/socrates/erasmus/erasmus_en.html

12 In May 2004, for example, a group of U.S. and European business associations issued a joint statement expressing concern about "trade disputes, protectionist pressures, foreign policy and other differences particularly in the regulatory field [that] are straining the transatlantic relationship at a time when cooperation is more necessary than ever." The May 2004 statement was issued by UNICE, a group of sixteen EU businesses, along with eight leading U.S. business associations: the Union of Industrial and Employer's Confederations of Europe, the Business Roundtable, the Coalition of Service Industries, the European-American Business Council, the Emergency Committee for American Trade, the National Association of Manufacturers, the National Foreign Trade Council, the Organisation for International Investments, and the United States Council for International Business. See Lewis Crofts, "EU-US Firms Warn Transatlantic Leaders," EUPolitix.com, 6 May 2004.

13 Examples include: the Center for Clear Air Policy, International Program; International Network to Advance Climate Talks (a joint undertaking of the German Institute for International and Security Affairs and the Brookings Institution); the Migration Dialogue, Comparative Immigration and Integration Program; and the Transatlantic Environment Dialogue.

14 In addition to the transatlantic dialogues, the New Transatlantic Agenda also led to the creation of the EU Centres, described above and the launch of the Transatlantic Information Exchange Service, following a May 1997 conference on the potential for transatlantic cooperation in four areas: electronic exchange; civil society; education, culture, and youth; and partnerships in the global economy. See: External Relations, "The EU's Relations with the United States of America: People-to-People Links," http://europa.eu.int/comm/external_relations/us/pp/index.htm; website of the Transatlantic Business Dialogue, www.tabd.com

15 Official assessments of the New Transatlantic Agenda dialogues tend to be very positive. The European Commission states, for example, "The Transatlantic Business, Consumer, Environment and Labour Dialogues have made valuable contributions to the shaping of the Relationship, its objectives and activities, including recommendations to the EU-US Summit." European Commission, External Relations, "The EU's Relations with the United States of America: People-to-People Links," http://europa.eu.int/comm/external_relations/us/pp/index.htm

16 To this end, in the run-up to the June 2004 U.S.-EU summit, the TABD laid out an action agenda designed to lead to the elimination of existing barriers to free trade. See "Establishing a Barrier-Free Transatlantic Market: Principles and Recommendations," Transatlantic Business Dialogue Report to the U.S.-EU Summit in Ireland, 26 June 2004.

17 Daniel S. Hamilton and Joseph P. Quinlan, *Partners in Prosperity: The Changing Geography of the Transatlantic Economy* (Washington, D.C.: Center for Transatlantic Relations, The Johns Hopkins University, 2004).

18 W. Bowman Cutter, Paula Stern, Frances G. Burwell, and Peter S. Rashish, *The Transatlantic Economy in 2020: A Partnership for the Future?* (Washington, D.C.: The Atlantic Council of the United States, November 2004).

19 Quoted in Robert J. Samuelson, "How Polarization Sells," *The Washington Post*, 30 June 2004, A21.

20 On the role of values in German-American relations, see Thomas Banchoff, "Unilateralism, Value Conflict, and Transatlantic Tensions," 17 June 2004, <http://www.aicgs.org/c/banchoffc.shtml>

21 Risse-Kappen argues that the high degree of institutionalization in the Atlantic alliance has led to the creation of certain "informal norms and tacit rules," which both sides abided by. See Risse-Kappen, *Cooperation Among Democracies*, p. 34.

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