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Whole, free and integrated? A Transatlantic Perspective on the European Neighbourhood

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Abstract

Since the end of the cold war until 2004, the United States and the European Union held largely complementary views towards the European neighbourhood. Washington's foreign policy mantra was that of a Europe 'whole and free', where the dividing lines inherited from the cold war were to dissolve through the gradual inclusion of Central and Eastern Europe in the Euro-Atlantic family of nations. The EU concomitantly focused on its enlargement strategy, which ensured that the transition of the former communist countries would be benchmarked and monitored, in order to attain the ultimate goal of their full integration into the EU.

Is this transatlantic goal of making Europe whole, free and integrated still valid in the post-2004 European context, and to what extent is it applicable to the new European neighbourhood?

This study sets to provide answers to these questions by offering a transatlantic perspective on the security and integration challenges characterising the enlarging Europe and its periphery. After providing a conceptual outlook of the US and the EU approaches to the wider European context, the article maps out transatlantic convergence and divergence in the countries and regions concerned. On the basis of this assessment, it ponders a set of recommendations at the normative, methodological and geopolitical levels to inspire a transatlantic agenda that accounts for the emergence of a wider European neighbourhood.

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WHOLE, FREE AND INTEGRATED?
A TRANSATLANTIC PERSPECTIVE ON THE EUROPEAN NEIGHBOURHOOD

FABRIZIO TASSINARI*

For America these countries comprise an immensely important relationship. For Europe, it is rather different. These are our next-door neighbours.

Chris Patten (2005)

Introduction

To speak of Egypt, Syria or Russia as part of an emerging 'European neighbourhood' will probably make some readers across the Atlantic raise their eyebrows. Europe's political mass, they will argue, is so amorphous and convoluted within its own borders that it is hard to imagine how the European Union (EU) can exert any meaningful influence on such countries. Yet, the emergence of this neighbourhood is not a hopelessly Eurocentric thought. As former EU Commissioner Chris Patten implies in the epigraph, physical proximity has made it an unavoidable reality.

This study sets out to reflect on this reality by presenting a transatlantic perspective on the security and integration challenges facing the enlarged Europe and its emerging neighbourhood. The relevance of this perspective is rooted in recent history. Since the end of the cold war until 2004, Europe and America's strategic outlooks towards the (then) European neighbourhood ran largely in parallel. The two sides did disagree on several occasions, most blatantly on the Western Balkans, but their mainstream discourses on the wider Europe were complementary. Washington's foreign policy mantra was that of a Europe 'whole and free',[1] where the dividing lines inherited from the cold war were to dissolve through the gradual inclusion of Central Europe in the Euro-Atlantic family of nations. The EU focused on its enlargement strategy, which ensured that progress of the former Communist countries would be monitored and benchmarked, in order to attain the ultimate goal of their full integration into the EU.

Is this transatlantic goal of making Europe 'whole, free and integrated' still valid in the post-enlargement European context, and is it applicable to the wider European neighbourhood? After September 11th, with a particularly assertive US administration and an increasingly introspective EU, the answer to these questions is hardly apparent.

In an attempt to clarify matters, this article will first offer a conceptual reading of the US and EU approaches to the European neighbourhood. It will then map transatlantic divergence and convergence in the countries and regions of the European neighbourhood. On the basis of this assessment, the third section ponders a set of recommendations to inspire a transatlantic agenda that accounts for the emergence of this wider European neighbourhood.

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[1] This phrase has been used by senior members of US administrations since the end of the cold war. The strongest statement arguably remains that of President George H. Bush in his remarks to the citizens of Mainz (West Germany) in May 1989 (Bush, 1989).

1. A Tale of Two Europes

There is one, somewhat striking, trait that characterises the growing literature on transatlantic relations in recent years: polarisation.

On the one hand, some American scholars have embraced a typically Hobbesian worldview in which life is inherently "solitary, poor, nasty, brutish, and short". In such a gloomy context, America is not only the enlightened carrier of the values of modernity and the country manifestly destined to lead the world by example. It is also the only pragmatic, responsive and effective superpower capable of manoeuvring in an anarchical world ravished by war, intolerance and terror (Kagan, 2003). The EU is credited with having created a 'post-historical' oasis of prosperity, peace and stability. But it is also regarded as a declining club that deludes itself in its ambition to 'Europeanise' the world, while it remains divided – and thereby utterly irrelevant – on all major issues of foreign policy.

The view of some Europeans on transatlantic relations appears to be similarly assertive. Jurgen Habermas and the late Jacques Derrida (Habermas & Derrida, 2005), two giants of Europe's post-war critical thought, have depicted Washington as an uncompromising, arrogant actor. America is regarded as the one international power that – especially since the Iraq war – has betrayed the very normative bases upon which it was founded. Washington has acted out of self-interest and in contempt of the international institutions created after the Second World War. They thus interpret Europe as the emerging global power that is better prepared to face the global challenges of the post-cold war era, and thus set to act as a counterweight to the US towards a more just, solidaristic and tolerant balance (see also Baumann, 2004).

Another strand of intellectuals (see Dahrendorf & Garton Ash, 2003) questions the underlying assumptions of this dialectic. They regard this gap between America and Europe as excessively politicised. For one, it is well known that perceptions within the EU and the US respectively are not as monolithic as the arguments above would suggest. In fact, some views within the EU (e.g. the newer member states) tend to be closer to what will be here presented as the 'American perspective.' And the political debate within the US can be just as diverse. To quote British historian Timothy Garton Ash, "Bill Clinton spoke like a European – which is precisely what the Republican right hated about him" (Garton Ash, 2004, p. 111).

More importantly, this other group of scholars argues, the 'West' is deep down much more united than recent occurrences might suggest. What unites it are the basic tenets of liberal democracy. These constitute the deepest, and until now most durable, bonds of any transnational community in history. In this respect, that already in the 1950s the North-Atlantic area could be envisaged (Deutsch, 1957) as a 'security community' is not the mere result of token Wilsonian idealism. It is the illustration of the deep societal, cultural, moral, economic and political sense of community traceable in (then Western) Europe and America. In the post-cold war period, this solidity of the transatlantic bond has provided convincing evidence in Central and Eastern Europe, where what Garton Ash calls the other, 'European-style' 9/11 took place: the fall of the Berlin Wall on 9 November 1989 (Garton Ash, 2004). Since then, the West has been present to offer these countries political and diplomatic support, economic aid and technical expertise. The West represented the undivided force that accompanied the transition of these countries from the Soviet yoke to economic and political freedom. Their EU and NATO membership has reified, in this part of the world at least, Francis Fukuyama's argument about the 'end of history': "the end point of mankind's ideological evolution and the universalisation of Western liberal democracy" (Fukuyama, 1989, p. 4).

The fact that the 2004 EU and NATO enlargements, the rise of violent fundamentalism and the Iraq war are taken as references to explain where the transatlantic partnership is heading is not accidental. It is revealing of a particular conceptual niche that the countries and regions lying in

the European neighbourhood have in the transatlantic partnership. In this respect, the above-sketched interpretations may result in an overall polarised picture. Nevertheless, they offer some relevant insights with regards to the American and European perspectives on the wider Europe, which is a topic that deserves a closer look.

1.1 An American perspective on the European neighbourhood

Over the past six decades, the US has been Europe's paramount external sponsor. The need for Europe's post-war recovery inspired the Marshall Plan. The Franco-German reconciliation guided America's support for the Coal and Steel Community and for the European Economic Community. Washington has relentlessly encouraged the deepening and the widening of European integration.

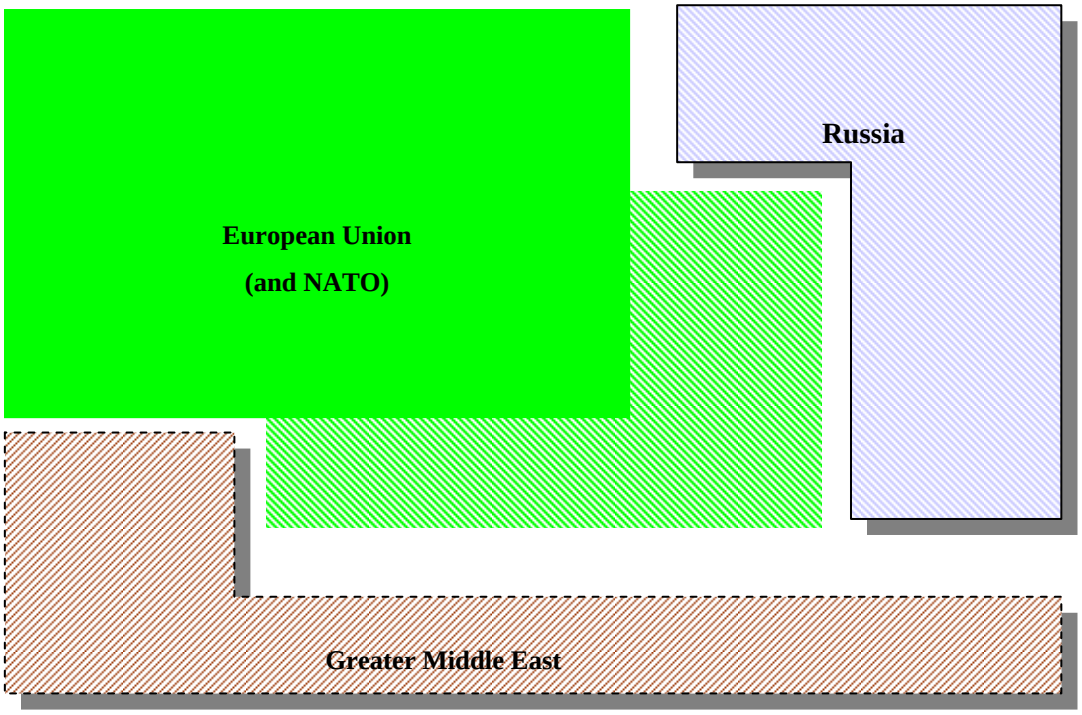
At the same time, the US has traditionally tended to underestimate the geo-political implications of European integration (see Kupchan, 2002, p. 132). The story of the US vision for Europe has been one where integration is primarily seen as a grand economic project, which has provided tools to achieve peace and stability on the continent. On the other side of the Atlantic, NATO is entrusted with the task of ensuring security in Europe. The EU is a highly sophisticated and particularly successful functional experiment of regional economic integration, which has benefited the US inasmuch as it has benefited its trusted European partners. That the gradual deepening of EU integration could lead to the emergence of a united European political actor is regarded as the result of a slightly unintended, if welcome, spill-over effect.

The US foreign-policy establishment, in this sense, does recognise the 'soft' power of Europeanisation in the absorptive – almost inertial – sense of the word. It has acknowledged the EU's capacity to permeate and thereby transform the domestic systems of its member and candidate countries. Yet, the US has implicitly discarded the perception of the EU as an actor and as a polity in the making. It has downplayed the 'harder', strategic implications of the widening and deepening of EU integration for the power constellation in Europe.

As Washington fails to identify the EU as an emerging polity, it logically follows that America also has reservations about looking at Brussels' neighbourhood initiatives as a form of genuine foreign policy. In the 1990s, this aspect was admittedly less evident. The US strongly supported the EU's Eastern enlargement because of its ideological and moral value (i.e. the 'Europe-whole-and-free' argument) and because of the enlargement's objective effectiveness to embed candidate countries in a system of strict rules that made them more stable and prosperous. In the post-2004 European neighbourhood, America's (mis)perception of the EU actorness has begun to have more visible repercussions. Simplifying mightily, it has produced what could be defined as a *Westphalian* understanding of the wider Europe.

This proceeds principally from America's interpretation of the question of sovereignty. The US maintains an intrinsically modernist approach to sovereignty, insofar as it regards the nation as the ultimate depository of political power. Both the EU enlargement strategy and, to a lesser extent, the various forms of EU engagement with its neighbours are characterised by the ambition to fundamentally transform this traditional understanding of sovereignty. The adoption and implementation of EU rules and norms are a gradual process that requires a conscious devolution of some of the powers and prerogatives that are traditionally attributed to the nation state. The European neighbourhood, in this sense, represents a magnifying lens of America's perception of Europe precisely because this pooling and sharing of sovereignty is inherently at odds with America's approach to sovereignty and, thereby, to power.

Figure 1. An American perspective on the wider European neighbourhood



This Westphalian way of perceiving Europe generates a dialectic, binary map of the wider European neighbourhood (Figure 1). If indeed the EU is geared to contribute to Europe's stability, peace and prosperity, then widening is primarily regarded as the tool to further these goals. That the EU's internal cohesion, decision-making mechanisms and ultimately its governance system might suffer as a result of continuing enlargement is regarded as an unavoidable side-effect. The enlargement strategy itself, and thus the EU actorness, might be gradually weakened, but this should not bog down the imperative of extending freedom, security and prosperity in Europe.

In the new neighbourhood context, this means that the priorities of Euro-Atlantic integration are gradually being decoupled from the pursuit of security in the continent's periphery. Washington unequivocally supports membership in the EU and NATO where this is deemed to have a realistic prospect of engaging and transforming the countries concerned – e.g. the Western Balkans, Turkey and even Ukraine or Georgia. Where the EU (or NATO) membership prospect is not in sight, Washington may maintain a degree of multilateral engagement, but the bulk of its policies – e.g. in the South Mediterranean, Middle East or Russia – are defined bilaterally or, in some cases, unilaterally. Put another way, where the prospect of further enlargement is in the cards, the US regards Euro-Atlantic integration as an effective instrument to further its strategic goals in the region. In the absence of such a perspective, America tends to downplay the security potentials of Euro-Atlantic integration and, as we will see, addresses its priorities in the region in other ways.

1.2 An EU perspective on the European neighbourhood

The EU is now a bloc of 27 countries and almost half a billion citizens: the world's largest common market. It stretches from the Atlantic to the Black Sea and from the Arctic to the Mediterranean. These new borders bring to Europe's doorstep a broad array of challenges and threats: from Islamic fundamentalism to energy security; from migration to organised crime.

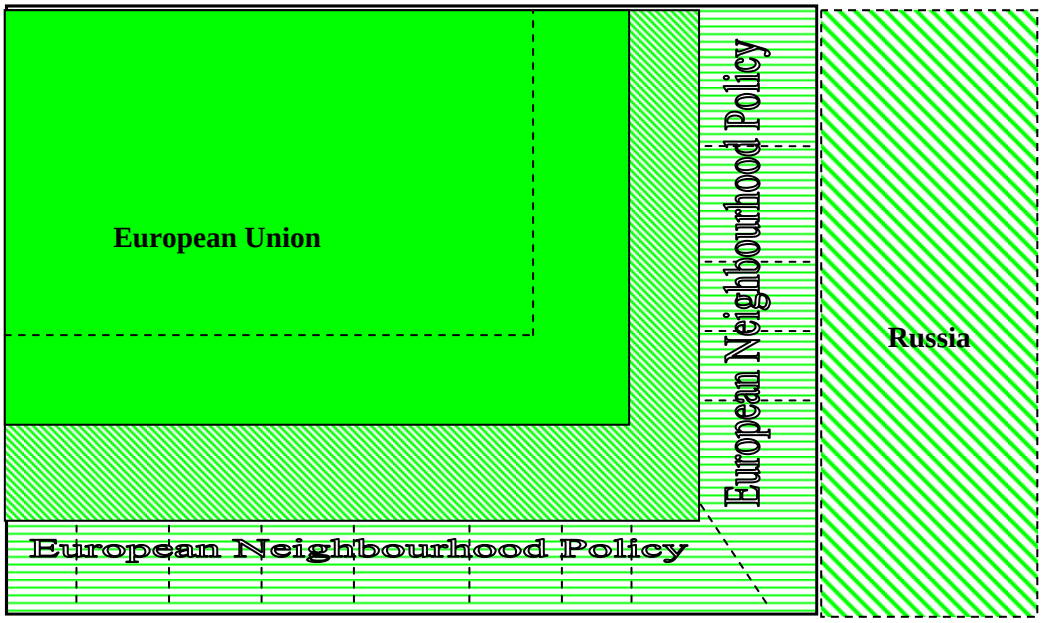
Notwithstanding the idiosyncrasies of the EU's governance system and foreign-policy making, these basic facts make it logical and unavoidable that the Union seeks to provide itself with a more coherent approach towards its neighbourhood.

The metaphor of the *neo-medieval* empire has become familiar as an interpretation of how the EU has gone about addressing this challenge. According to this representation, the European power constellation is characterised by a hierarchical system with a single power centre, whose influence progressively decreases the more the system approaches its periphery, in a concentric-circled sort of fashion (Wæver, 1996).

The inextricable correlation between security concerns and the integration process has been pivotal for converting the EU into this neo-medieval model. One of the principal objectives of the EU has historically been to make security in Europe increasingly less of a concern and to pursue integration in order to achieve this goal. This was the rationale behind the economic integration initiatives since the 1950s and behind the enlargement process, particularly the latest one towards Central and Eastern Europe. Enlargement is regarded as the EU's most powerful foreign policy tool to date precisely on the ground that it has succeeded in defusing real or potential security concerns through the gradual absorption of European norms, values and institutions in the domestic realms of the candidate countries.

In the post-2004 European neighbourhood, however, the security-integration nexus becomes fuzzier and inevitably contested. For one, while producing a process whereby multiple political loyalties are allowed to coexist, this neo-medieval model does not necessarily imply a diminution of the role of nation-states within the EU. The interests and identities of member countries remain factors of the utmost importance in defining the nature, limits, prerogatives and finality of the European polity. This inherently 'Westphalian' factor assumes a particular importance when delimiting the final conceptual and geographical scope of the neo-medieval constellation, as the current debate on future EU enlargements demonstrates.

Figure 2. The EU map of the wider European neighbourhood



Further to the concentric-circled logic, moreover, the ability of the EU to 'desecuritise' by means of its integration process diminishes the farther one stands from the power centre. This is apparent if one maps the different policies that the EU has devised for its neighbourhood (Figure 2).

The enlargement process of course remains the most comprehensive and 'least' neo-medieval among EU instruments towards the neighbourhood. As we will discuss below, however, the possible 'safeguard clauses' and other restrictions on full membership that are embedded in the current negotiations, particularly towards Turkey, point at a more 'gradated' application of the enlargement strategy.

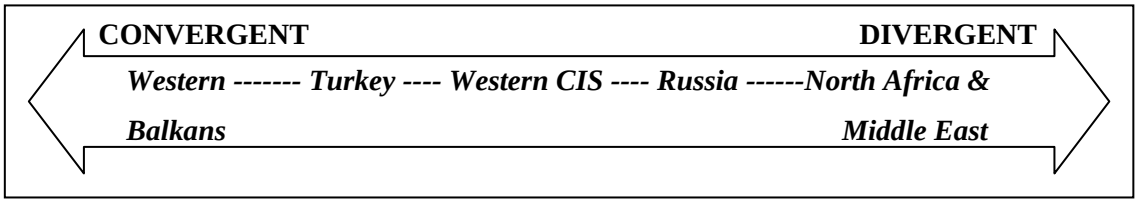
Next comes the group of countries currently covered by the European Neighbourhood Policy (ENP): the Southern Mediterranean and Middle Eastern countries, the South Caucasian Republics and the western-most former Soviet states. Here the concentric-circled logic is primarily embodied by the exclusion of the EU membership perspective. The ENP sets to establish the closest possible tie between the EU and these neighbouring countries by encouraging overarching political and economic reforms in exchange for a gradual and partial integration into the EU. Apart from that, the gradated logic is also intrinsic to the political, economic and cultural differences among the countries concerned. The resulting ties between the EU and the ENP countries can thus range from some kind of enhanced partnership – e.g. with the Southern Mediterranean partners – to deeper economic integration – e.g. with countries such as Ukraine or Moldova.

Russia represents the last 'ring' of this structure. The very idea of developing a 'strategic partnership' between the EU and Russia suggests that the centripetal influence that Brussels can exert on Moscow is more limited than in the previous cases. Russia is a larger country, and according to some (ibid.), a European 'empire' of its own. This notwithstanding, the prospect of Russia's 'Europeanisation' and of the partial approximation of its legislative and regulatory system remains a goal for some policy-makers both in Brussels and in Moscow. The current difficulties that the parties face in attaining this goal, however, confirm the argument that the concentration of power in this neo-medieval constellation is inversely proportional to the conceptual and geographical distance from Brussels.

2. Transatlantic Convergence and Divergence in the European Neighbourhood

To substantiate this general argument about America's 'Westphalian' posture and the EU's 'neo-medieval' understanding of the wider Europe, this study now proceeds to schematise the two sides' respective approaches to several regions and countries of the European neighbourhood.

Figure 3. Spectrum of transatlantic convergence and divergence in the neighbourhood



While this representation (schematised in Figure 3) does not pretend to be an exhaustive portrayal of Washington and Brussels' multifaceted policies in the various cases, it does aim to interpret the sources of transatlantic converge and divergence in the region.

2.1 The Western Balkans

American and European policies on the Western Balkans are here regarded as convergent. The rationale behind this convergence goes back to the shameful bloodshed of the 1990s. On that occasion, the transatlantic community displayed profound disagreements, mixed with a dose of acquiescence, as to how to deal with the parties involved in the Yugoslav civil war.

At the time, the United States did little to hide its perception of being disproportionately involved in the Western Balkans. Surely, there were important instances that made that claim justified. It was Washington that first got its NATO partners to threaten air-strikes in Bosnia in the early 1990s; Washington put the diplomatic weight behind the 1995 Dayton accords; US aircraft were deployed in the 1999 NATO operation against Serbia (see Daalder, 2001). Yet, in Washington, there was the thinly concealed perception that the US did not 'have a dog' in the Balkan fight, as then Secretary of State James Baker put it. The spiral of violence involving the former Yugoslavia barely touched US national interests, and at times, politicians found it difficult to justify the country's involvement to the American public.

These perceptions are largely misplaced. For one, the wars that devastated the Balkans harmed US foreign policy inasmuch as they showed that America's – and Western – core political values could be openly and repeatedly vituperated. In an historical phase in which the world was adjusting to the post-cold war 'unipolar' balance, such state of affairs – in the heart of Europe – represented a blow to America's credibility and legitimacy in the world. Secondly, America's 'disproportionate' involvement in the Balkans was also overstated. In fact, it was always Europe, EU member states and subsequently the EU that carried the vast majority of the burden in the region, both in economic and military terms (ibid.). This notwithstanding, Washington provided the one thing that Europe failed to produce: political leadership. America did not carry most of the load in economic and military terms but it did in political terms. Here is where America's calls for a bolder European involvement were perhaps warranted.

1999 was a watershed year in this respect. The NATO bombings put an end to Milosevic's reiterated attempts to 'cleanse' ethnic diversity from the former Yugoslavia. Kosovo was placed under a UN administration. The US and the EU joined forces in the Stability Pact for South-Eastern Europe, the regional mechanism coordinating the efforts of the international actors in the region.

Since then, Europeans have progressively taken the lead in politically and diplomatically steering the future of the region. First, and most importantly, there is the 'European perspective' of the region. This perspective materialised for Slovenia in 2004, with its accession to the EU. Croatia and, possibly, the Former Yugoslavia Republic of Macedonia are next in line. But the important fact here is the commitment to bring the whole region in the EU, a long process that started with the negotiations of the Stability and Associations Agreements and will be concluded only by full EU membership of the Western Balkan states.

Second, there is the part concerning military assistance. In December 2004, EUFOR took over from the NATO mission to secure and police Bosnia. As noted, European countries were already carrying the majority of the military burden before the EU stepped in. Nevertheless, this shift represents an important step, not least at a symbolic level, concerning the political commitment mustered at the EU level for the region. Thirdly, there is the gradual transformation of the Stability Pact from a largely top-down initiative agreed by the international community into a regional initiative that is locally owned by the countries of the region, a shift that also finds the EU and the US aligned.

Unarguably, there still remain major uncertainties facing the transatlantic community in the region: from frailty and viability of state institutions in Bosnia-Herzegovina, to the resurgence of nationalism in Serbia, to the final status of Kosovo. But the US and the EU have displayed coordination and convergence on them, most practically in the 'Contact Group' context. Perhaps more notably, the respective strategies of the US and the EU appear now to be consistent as to where the burden of political leadership between the two should lie. Surely, the role of the US in the region will remain fundamental to accompany the transition. The path to political and economic reforms in Serbia, and more crucially, Bosnia should continue to rely on America's pressures and involvement. Moreover, as former US envoy to the region James C. O'Brien recently noted: "Kosovo's Albanians will look to Washington for guidance" (O'Brien, 2006, p. 84), if and when the status question will be settled. The US can also encourage the inclusion of the Western Balkans into NATO, which is indeed one of the messages that came out of the last Summit of the Alliance in Riga.[2] But it is clear that the EU is tasked with providing the overall strategic guidance for the future of the region. The imperative is to correlate progress in the reconstruction, domestic transformation and intra-regional trust with the gradual inclusion of the countries in the EU: what the International Commission on the Balkans calls "member-state building" (International Commission on the Balkans, 2005, p. 29).

Washington and Brussels' views on this part of the European neighbourhood are thus convergent not only as a result of the tragic spiral of violence of the 1990s. They are convergent also because in the Western Balkans there is a reasonably clear commitment on the part of the EU to replicate the well-rehearsed, rigorous conditionality machine that characterised the enlargement process towards Central Europe. The United States acknowledges its credibility and regards it as an effective tool to further its own goals in the region.

2.2 Turkey

The transatlantic position on Turkey is regarded as convergent as far as the ultimate strategic goals are concerned but increasingly divergent as to the means to be employed to achieve them.

The US is an adamant supporter of Turkish EU membership, which Ankara began negotiating in October 2005. At a time when the modernisation and democratisation in the Arab-Muslim world appears to be so blatantly trumped by escalating religious violence, Turkey's integration in the EU is a litmus test to demonstrate how a secular but predominantly Muslim country can embrace western-style liberal democracy. Several EU member states share this vision and support Turkey's accession. Some other member states are visibly irritated at Washington's public display of support in what is deemed as an inappropriate and unwelcome interference in EU internal affairs.

Notwithstanding this rather forthcoming approach, and Ankara's firm place in the Atlantic alliance through its longstanding NATO membership, US-Turkey relations have had their share of troubles in recent years. In 2003, the Turkish Parliament rejected a resolution that would have allowed the transit of US troops on their way to open a second, northern front, in Iraq. This was due not only to the perceived risks coming from an area – predominantly Kurdish – that remains highly volatile for Turkey's own security. Ankara's refusal was arguably also a demonstrative act against Washington's unilateral choice on Iraq. Moreover, Turkey is a staunch defender of the 1936 Montreux Convention, which gives Ankara rights to control passages of war vessels

[2] It was decided there that Albania, Croatia and the former Yugoslav Republic of Macedonia would have a NATO membership prospect for 2008. Bosnia and Herzegovina, Montenegro and Serbia, on the other hand, have been invited to participate in the Partnership for Peace programme.

through the Dardanelles straits. This privilege is now particularly problematic, especially in view of Romania and Bulgaria's accession to NATO in April 2004.[3]

As far as the EU is concerned, relations with Turkey have also been animated by the goal of furthering Turkey's modernisation and democratisation through deeper integration in the Union. But the way in which this goal should be attained has become an increasingly contested affair in recent times. As Enlargement Commissioner Olli Rehn warned, Turkey's accession negotiations might be heading for a 'train wreck'. This prediction partly materialised in December 2006, when the European Council decided to freeze talks on eight out of the 35 'chapters' of legislation that form the basis for EU-Turkey negotiations. The reasons for this decision, in this specific instance, concerned Turkey's reluctance to recognise Cyprus and to open its ports to it. But both the EU and Turkey well know that the malfunctions that could eventually cause a crash of the enlargement train are much more profound. They relate to Turkey's size, population and wealth distribution; to Europe's growing uneasiness with multiculturalism. Perhaps more importantly, the controversies and ambiguities surrounding the present negotiations relate to the fundamental questions about the conceptual and spatial limits of Europe that Turkey's possible EU membership raises.

The stipulations of the EU-Turkey negotiating framework reflect these concerns and contain unprecedented possible restrictions on Turkey's full membership. They indicate that, in the case of the Turkish accession, "negotiations are an open-ended process" and that "long transitional periods, derogations, specific arrangements or permanent safeguard clauses" may have to be considered (*EU-Turkey Negotiating Framework*, 2005, p. 6). These provisions effectively mean that Turkey might – temporarily or permanently – never be fully integrated into the EU in fields such as free movement of persons, structural policies or agriculture.

This widening transatlantic divergence on the means to be employed to engage Turkey is revealing of a more profound disagreement over the implications that deeper relations between the EU and its neighbours have on the EU as a polity and as a governance system. Washington's position on Turkey is a good example of its 'Westphalian' understanding of the evolution of the European integration process. The EU enlargement process has proven to be the most effective strategy to address security problems in Europe. The overall strategic importance of Turkey makes the case for its full inclusion in the EU self-evident, notwithstanding the possible implications that this might have for the functioning and cohesion within the EU.

On the EU side, the Turkish case is emblematic of the joys and perils of the above-mentioned 'neo-medieval' model. In principle, the EU's diversified and inclusive mode of governance is well placed to address the cultural, economic and political challenges posed by the Turkish issue. On the other hand, at a time of deep introspection like the present one, the very fuzziness of this model makes policy-makers and the public wary about the ability of the EU to sustain Turkey's accession.

2.3 The Western CIS countries

The US and EU policies on Belarus, Ukraine, Moldova and the Republics of the Southern Caucasus are largely convergent. The two sides, however, increasingly disagree on the place that these countries are to occupy in the Euro-Atlantic institutional setting.

Since the end of the cold war, the US has supported the transition of former Soviet republics. During the Clinton period, for example, Ukraine used to be the third-largest recipient of US aid.

[3] Interviews conducted by the author at NATO headquarters, Brussels, May 2006.

This support slightly declined after 9/11, also because Vladimir Putin's Russia was considered an indispensable ally in America's war on terror (see Kuzio, 2006). The 'coloured revolutions' in Georgia and Ukraine of 2003-05 symbolically marked a change of tack. These coincided, on the one hand, with Washington's disillusionment vis-à-vis an increasingly autocratic Russia. Most importantly, these revolutions were regarded as a victory of freedom and democracy, which made a perfect match with the foreign policy doctrine of the Bush administration.

The US has also displayed a pro-active approach with the other countries of the region. The US has had an "almost exemplary" (Popescu, 2005, p. 35) coordination with the EU on the 'frozen conflict' in Transniestria. Most notably, the 2003 unilateral Russian proposal to solve that dispute – known as the 'Kozak memorandum' – was averted thanks to joint EU and US pressure on the Moldovan leadership. The current Bush administration famously listed Belarus among the world's 'outposts of tyranny', and in 2004 Congress passed unanimously a Belarus Democracy Act to support democracy and human rights. Lastly, the US has been engaged in the security situation in the Southern Caucasus, for instance through the so-called Group of Friends assisting the UN Secretary General on the Abkhazian conflict; through the OSCE Minsk Group on Nagorno-Karabakh, and, less directly, by sponsoring regional mechanisms like the GUAM, grouping Georgia, Ukraine, Azerbaijan and Moldova.

The EU, for its part, has had a rather standardised approach towards these countries. In the 1990s, it signed Partnership and Cooperation Agreements (PCA) with all of them. It set up the TACIS programme to support their economic and political transition. The ENP was originally designed specifically for some countries in this region.[4] Although its role in the field of conflict resolution remains negligible, the EU has also tried to step up its diplomatic role in the region. Evidence of this is provided by the appointment of EU Special Representatives for Moldova and the Caucasus and by the launching of the EU Border Assistance Mission in Moldova.

At the same time, the EU remains uncertain as to the overall strategic guidelines of its policy towards these countries. While some of these countries, most notably Ukraine, Moldova and Georgia, have repeatedly requested recognition of their European aspirations and perspective, the EU prefers to stick to the rather ambivalent approach of the ENP. Part of the reason behind this state of affairs is the increased heterogeneity of foreign policy positions within the EU member states. More fundamentally, the current state of relations between the EU and the western-most former Soviet countries represents a textbook case-study for the detractors of the neo-medieval model. The pursuit of gradual and diversified EU integration is, in principle, a sensible approach to engage with countries whose reformist credentials remain shaky. Yet, the present state of uncertainty looming over the EU and its institutions makes policies like the ENP less credible and worryingly insufficient to spur the comprehensive transformation that characterised the enlargement process.

This point is also at the core of the widening transatlantic divergence over the place that these countries will occupy in the Euro-Atlantic institutional setting. In recent times, NATO, and the US therein, has proven more forthcoming in offering some of these countries closer institutional ties, possibly leading to membership. The paradox is that for these countries such a pro-active approach risks being counterproductive. Most of the countries in this region have major territorial and military disputes to be resolved before a NATO membership path can be realistically initiated. The historical background of the region raises sensitive questions too. For example, the rumour that a NATO Membership Action Plan (MAP) could be offered to Ukraine at the Riga Summit, sparked loud public protests in the southern part of the country.

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[4] All this does not apply to Belarus, where the EU froze bilateral relations, has applied sanctions against the Lukashenko regime and provides limited support to Belarusian civil society through the ENP.

In contrast, the EU is set to continue with its 'half-open, half-closed' door policy for the foreseeable future. A substantial deepening of the bilateral relations with some of the countries in the region will be part of the deal. This is for example what is happening in the case of Ukraine, with which the EU is in the process of negotiating a new 'Enhanced Agreement' that will include the prospect of a 'deep' free trade area. But as the EU continues its soul-searching process of internal reorganisation, a 'European perspective' is unlikely to be in sight for any of these countries.

2.4 Russia

Although the US and the EU have not adopted fundamentally different policies on Russia, the two sides diverge in their assessments of Moscow's place and role in the wider European neighbourhood.

Winston Churchill's dictum about being 'magnanimous in victory' fittingly describes Washington's Russia policy after the dissolution of the Soviet Union. America's main concern was to stabilise Russia's transition and to control its huge and unsafe military capabilities. In order to avert instability, the US has painstakingly sought to keep Russia engaged on the global scene, despite Moscow's limited economic weight and uncertain foreign policy direction.

This basic approach was laid out during the erratic presidency of Boris Yeltsin. In the 2000s, under Vladimir Putin, Russia has become wealthier, thanks to its oil and gas revenues. It has also become more assertive abroad, especially towards the former Soviet countries. And it has reverted to a semi-authoritarian state, curbing civic liberties and media freedom. Senior members of the current US administration have sporadically condemned this involution,[5] while foreign policy circles have displayed growing uneasiness and dissatisfaction. These sentiments notwithstanding, strategic considerations have continued to define the main traits of Washington's Russia policy. In some cases, as in relation to Iran's nuclear enrichment programme, the desire to keep Russia engaged is justified by Moscow's potential contribution to the resolution of the disputes. In other cases, this is more controversial, as for example in the case of Moscow's fully-fledged membership in the G8.

Overall, it is apparent that the scope of the US-Russian bilateral relationship has considerably expanded in recent years, including issues such as energy security, the rise of China and the fight against terrorism, for which Russia is regarded as a trusted ally in view of its decade-long civil war in Chechnya. In the wider European context, the NATO-Russia Council also deserves to be mentioned. This effectively grants Russia a seat around the table with the members of the Alliance, in order to tackle matters of common interest from the proliferation of weapons of mass destructions (WMD) to counter-terrorism.

The EU's approach towards Russia shares with the US the heritage of the cold war containment policy vis-à-vis the Soviet Union. The metamorphosis of Europe's power constellation in the 1990s, epitomised by the enlargement process, was therefore always counterbalanced by a 'Russia first' policy aiming at enhancing political, economic and societal engagement with Moscow.

In recent years, this approach has been consolidated by a somewhat unexpected diplomatic convergence on the international stage and by ever-deeper economic interdependence. Concerning the former, some European countries and Russia found themselves on the same side in opposing the choices of the US in the greater Middle East, particularly in Iraq. Arguably,

[5] See, for instance, the speech of US Vice-President Richard Cheney in Vilnius (Cheney, 2006).

Europe and Russia's reasons for opposing the war were not identical. But Russia does share with some EU member states, most notably France, a multipolar view of world affairs, in which regional powers like Russia and the EU should play a more active and influential role in offsetting US global supremacy. More importantly, the EU and Russia are mutually dependent, as the EU is Russia's first economic partner and increasingly reliant on its energy resources.

This interdependence has made a closer institutional cooperation between the two sides all the more necessary, as underlined by the creation of the so-called 'four Common Spaces' on economic issues, internal and external security and cultural affairs. This initiative, as well as the forthcoming 'Strategic Partnership' agreement between the two sides, underlines a desire on the part of the EU to deepen Russia's alignment with the EU's governance system and, more importantly, its adherence to its fundamental norms and values. This also represents the sticking point within the EU as to how to further relations with its large neighbour. Large EU member states that depend on Russia's gas imports (mainly Italy, France and Germany) are often excessively deferential towards Moscow. Newer EU member states, particularly the former communist countries in Central Europe and the Baltic states, have naturally been less compromising vis-à-vis their former ruler.

This outline of the US and EU positions is revealing of an underlying difference in the transatlantic approach on Russia. Especially during Putin's second term in office, Russia has become more confident and assertive both at home and abroad. To summarise what Russia stands for nowadays, the Kremlin has coined the term 'sovereign democracy'. This succinctly summarises the path of a country that is willing to carry out economic and political reforms but that will do it on its own conditions, pace and more importantly, safeguarding its national interests.

The notion of 'sovereign democracy' cuts neatly across the transatlantic divide on Russia. Moscow's posture in the international area is that of a power with regional ambitions that aims to be treated as an equal, strategic counterpart to the EU and to the US. Although Washington's views do not always coincide with Russia's, there is an implicit compatibility between this posture and America's 'Westphalian' mindset that was observed above.

On the other hand, the overarching 'neo-medieval' idea of shared sovereignty and gradual integration that animates the EU's neighbourhood approach appears unlikely to be absorbed in today's Russia. The current difficulties of the two sides to agree on a new bilateral agreement replacing the outdated Partnership and Cooperation Agreement provide compelling evidence in this respect (Emerson et al., 2006).

2.5 The Middle East and North Africa

In the Southern neighbourhood, the general argument has been that the US and EU approaches are divergent. A plethora of contingent and structural circumstances justifies this claim, from the Iraq war to the continuing disagreement over the Middle East Peace Process. A schematic sketch of the policies of the two parties, however, reveals that the transatlantic approach to the Middle East and North Africa is not as polarised as is often depicted.

The mainstream perception, especially in some 'old' European quarters, has been that the strategic and national security considerations have prevented Washington from approaching this region in an even-handed way. The US policy towards the countries of this region is regarded as assertive, short-term oriented and driven by an 'ideological' agenda. Washington's priorities are seen as unduly influenced by its bias in favour of Israel,[6] its lack of respect for existing

[6] See, most recently, the much-cited and criticised piece by Mearsheimer & Walt (2006).

multilateral fora (most notably the UN), and its thirst for hydrocarbons. Critics further point that such approach has resulted in strong, and often questionable, ties with countries such as Egypt and Jordan, while the US has ostracised – through diplomatic isolation, unilateral sanctions or pressures for 'regime change' – other countries such as Iran, Syria or, until recently, Libya.

While evidence to support these claims abounds, this portrayal of US policies is somewhat distorted. For one, as we will see more thoroughly in the next section, US policies for promoting political and economic reforms in this region have been reasonably gradual and arguably more effective than those of its European counterparts (see Youngs, 2004). Secondly, Washington has not discarded regional engagement in this area, as the cases of the Middle East Partnership Initiative, the G-8 Broader Middle East and North Africa Initiative (BMENA), or even the NATO Mediterranean Dialogue demonstrate. Lastly, while America's multilateral commitment has been unquestionably tattered by the Iraq war and its aftermath, Washington has to a certain extent returned to engage in multilateral contexts, and with its European partners in particular. The negotiations conducted by France, Germany and the United Kingdom, and endorsed by the US, on Iran's nuclear ambitions are a primary example of this trend. So was Libya's 2003 decision to give up its WMD programme. Multilateral diplomacy has inevitably been more problematic in the Middle East, as the paralysis of the so-called 'Quartet' (Russia, the UN, the EU, and the US) and its impalpable 'Roadmap' suggests. Yet, one can still point at, for example, American and French coordinated action that, in 2005, pressured Syria to withdraw its troops from Lebanon, or at the American and European efforts in the summer of 2006 to reach a ceasefire between the Hezbollah militias and Israel.

The EU's approach to the greater Mediterranean region has also developed some distinctive features. The EU's contribution has been pivotal in fostering a holistic approach to the challenges emerging from the Mediterranean. This has most notably materialised in the establishment of a Euro-Mediterranean Partnership (EMP) framework since 1995. In the EMP, regional cooperation proceeds along three 'baskets': the political and security basket; the economic basket; and the social, cultural and humanitarian affairs basket. Moreover, the EU has engaged with the countries of this large regional framework (spanning from Morocco to Jordan) at the bilateral level, through legally-binding Association Agreements and, more recently, through the detailed Action Plans of the ENP.

The merit of this approach, particularly in the social sphere, has undoubtedly been to foster an inclusive discourse that embraces the historical and civilisational heritage of the countries surrounding the Mediterranean basin. Apart from that, however, the EMP has underperformed. For one, the EU has failed to engage the Southern Mediterranean countries in the regional process. Notwithstanding the inclusive rhetoric of European policy-makers, it was indeed self-evident from the outset that the EMP prioritised issues such as immigration and economic cooperation rather than political and security affairs. Emblematic, in this respect, are the exclusion of the Middle East Peace Process from the first basket of the EMP and the failure of the partner countries to agree on a 'Charter for Peace and Security'.

Second, the EU has not been successful at engaging the grassroots level in North Africa and the Middle East. This is partly due to the excessive bureaucracy that characterises EU's funding opportunities. Moreover, the EU has relied excessively on the regimes in the region to implement political and economic reforms. Quite remarkably, for example, EU assistance to civil society provided through the MEDA instrument and Anna Lindh Foundation is carried out mainly in coordination with the local, and often undemocratic, governments (Youngs, 2006). If the goal is to promote human rights, democratisation and societal modernisation, this seems a contradiction in terms.

Third, the EU's approach on the Mediterranean has proved to be fragmented and muffled because of the different interests and cleavages of EU member states in the region. For one, there is the colonial heritage that ties, and clouds, the positions of several, influential European countries. No less important in shaping the position of European countries are factors such as their dependency on energy supplies and demographic pressures coming from the South. Last, veiled protectionism and contrasting economic interests of certain EU member states have made the EMP's ambitious goal to turn the Mediterranean into a free trade area by the year 2010 utterly out of reach.

From a neighbourhood perspective, this brief outline of the US and EU's approaches to Europe's Southern periphery reveals a tacit acceptance of the Westphalian model on both sides. While policies on the ground may reveal a more cautious and gradual approach, it cannot be denied that strategic considerations have affected and, in a number of cases, driven America's policies in the region. In this wider European context, however, argument can be made that Washington's 'Westphalian' take on the region is also accentuated by an objective difficulty in qualifying the EU's contribution to the reform processes in the wider Mediterranean area.

As far as the EU is concerned, indeed, policy guidelines for this region continue to declaim the open, inclusive rhetoric of the 'mare nostrum', while the reality on the ground has revealed the inapplicability of such a model. The implementation of the ENP, in this respect, is a case in point. North African and Middle Eastern countries were included in the policy thanks to the pressures of Southern EU member states and of the then EU Commission President Romano Prodi. The way in which the ENP has progressed over the past biennium, however, reveals a widening gap between the Eastern and the Southern flanks of Europe's periphery. In the former case, despite the disappointment of some of the countries concerned, a gradated, concentric-circled model is slowly taking shape. In the Mediterranean, one can point at some cases where partial, gradated integration is possible – e.g. Morocco or Jordan. Yet, the picture emerging from the region as a whole reveals an ever-more visible dividing line between Europe and non-Europe.

3. Bridging the Neighbourhood Gap

Nobody in Brussels or Washington would object to a country like Ukraine developing into a transparent and prosperous market-based economy or that North African countries are transforming themselves into stable and mature democracies. The irritating paradox, in this transatlantic perspective, is that such taken-for-granted understanding on the essential goals to be pursued and the values to be promoted has made the two parties initially complacent and then prickly over each other's approaches. In this sense, bridging the neighbourhood gap between the United States and Europe means refocusing thoroughly and frankly on what the two sides, in principle, already agree.

I shall distinguish here three broad and deeply interrelated arguments – each encompassing a number of recommendations – that should inspire a more focused transatlantic agenda.

3.1 The normative argument: Unravelling the democracy conundrum

This is arguably the most obvious and at the same time the most contentious question facing the transatlantic alliance in the European neighbourhood.

Virtually all the countries in the wider Europe are not mature, functioning liberal democracies. According to Freedom House, none of them – with the exception of Israel – can be categorised as 'free'. Some of them, in North Africa, the Middle East as in the former Soviet republics, may claim to be moving towards a free and fair system of elections. Notwithstanding the credibility

of such claim, the guiding principles of liberal constitutionalism – division of powers, the rule of law, independence of the judiciary, etc. – are generally still not complied with. Moreover, in a majority of these countries, there is no mature, established middle class, which has historically been a building block for the consolidation of liberal democratic institutions (see e.g. Zakaria, 2003).

In principle, this state of affairs should provide the most solid and committed basis for transatlantic cooperation. Both the EU and the US regard democracy as the deepest foundation of their polities and, in principle, make it a top priority of their policy outlooks in this region. However, both parties have calcified distorted perceptions on each other's work in this field. The US is portrayed as an actor postured on the offensive, guided by an ideological agenda, and naïvely aiming to 'export' democracy. The open civil war now ravaging Iraq is of course there to remind some Europeans about how correct their assessment was back in 2003.

The EU, for its part, is perceived on the other side of the Atlantic as a hopelessly muffled democratiser, affected by a sort of chronic 'Algerian syndrome', named after the unwelcome outcome of a democratic process which eventually led to civil war in that country. It prefers to focus on low-key, technical assistance – tellingly labelled 'good governance' – and does not address comprehensively the root causes of the democratic deficit in the region. An example that Americans can point at is provided by the way in which Europeans watered down the US Greater Middle East Initiative, which in 2004 became the BMENA. The resulting G8-sponsored enterprise lists ambitious goals but is endowed with less-focused and less-coordinated tools than the US had initially proposed.

The reality on the ground, however, is not as polarised. In fact, American and European initiatives to support democracy in the European neighbourhoods have some remarkable similarities in both their assets and liabilities. The US governmental and quasi-governmental agencies in charge of democracy promotion, like USAID and the National Endowment for Democracy, have a gradual, deep and long-term-oriented approach (see Raik, 2006, p. 24). As Richard Youngs put it: "take Iraq out of the equation […] and it would be more convincing to fault US strategy for its extreme caution than its undue heavy-handedness" (Youngs, 2004, p. 11). Likewise, Europeans are particularly effective, comprehensive and proactive when it comes to work done at the national level by some EU member states, through government agencies (e.g. the Swedish Sida or the Danish Danida) and foundations (especially the German *Stiftungen*). Admittedly, the EU level is still looking for a convincing way to replicate the successes of its enlargement strategy in the broader neighbourhood, a question we address more thoroughly in the next section. But it has demonstrated a willingness to step up its democracy support efforts, for example through the European Initiative for Democracy and Human Rights and the recently proposed Governance Facility under the heading of the ENP.

More worryingly, the US and European strategies are afflicted by similar shortages. This is primarily because, for both the EU and the US, the democracy question remains sandwiched in the false dilemma that opposes stability and chaos. Security-based and strategic considerations continue to be prioritised in a number of important cases in the neighbourhood and greatly damage the credibility and legitimacy of both sides. The Israeli-Palestinian conflict is the most blatant example, but so is Bosnia-Herzegovina – where the international community's support for the High Representative's gubernatorial powers has so far hindered the emergence of a truly owned democratic process. Plus, of course, there is the case of Russia, where both Americans and Europeans largely continue to appease Vladimir Putin's semi-authoritarian rule out of strategic and economic considerations.[7] It is also notable that when strategic considerations are

[7] See, for an interpretation of the EU position on these three cases, Emerson et al. (2005).

prioritised, the US and the EU may more easily disagree, which can be exploited by the countries in the region to play the two sides against each other.

Where to go from here? At least two facets of this story can be distinguished. The first is 'external' and concerns the coordination between the two sides. Since the Iraq war, Europeans have come to develop a sort of 'Pavlovian' negative reaction to US democracy promotion policies. The widespread tendency is to instinctively distance oneself from what Washington proposes. In view of what the US actually does on the ground, this attitude is counterproductive, especially if it is not followed by sensible, constructive proposals. Likewise, the general European argument that security and the resolution of conflicts precede political reforms has too often been a fig leaf with which to cover inaction over sensitive issues. The US, for its part, should appreciate that the EU's multi-layered and diversified governance system can represent an important asset when promoting political reforms in the neighbourhood. Also, the fact that the EU as an actor can be less divisive than the US could encourage Washington to step back and let Brussels take the lead in certain parts of the Southern neighbourhood.[8] Lastly, issues such as debt relief and trade liberalisation do not directly involve political reforms but are closely tied to them and have often proven to be intractable.

In other words, improving transatlantic coordination does not require that Brussels and Washington hold identical views on the strategic challenges of the region. But it does require a genuine political willingness to share the burden of implementation and to complement each other's assets and liabilities.

The second facet of this story is 'internal'. In order to be effective, democracy support initiatives need to be sustainable. And consolidation relies heavily on the extent to which the local communities 'own' the democratisation process. It is therefore crucial that both sides seek to reach out to the deeper strata of society, civil society in particular (see Asmus et al., 2004). In this respect, one shortcoming, especially on the EU side, is that democracy assistance mechanisms are a jungle of red tape impenetrable to some democracy activists. The result is that the assistance tends be awarded to the same organisations and to become an aseptically technical and apolitical exercise. What is worse, there is a risk that democracy assistance will backfire altogether if projects, initiatives and organisations eligible to receive funding have to be selected together with the local, often undemocratic, governments. This practice, regrettably, will be perpetuated in the new European Neighbourhood and Partnership Instrument. In this respect, the European Parliament's proposal for a 'European Foundation for Democracy through Partnership' as well as the more ambitious idea of a Euro-Atlantic Foundation (Asmus et al., 2004, p. 11) are worthy of note.

The concrete incentives that the neighbours can expect in return for political reforms represent the logical *trait d'union* between these external and internal facets. Arguably, strict conditions need not be attached to civil society and democracy aid (see Raik, 2006, p. 15). The very fact that a country is undemocratic provides the rationale for supporting actors and initiatives that are willing to produce democratic changes. Still, it is also fair that well-performing countries are rewarded and encouraged to enact further reforms. This calls for a reflection on how conditionality should be framed in a transatlantic context, which is what we address next.

3.2 The methodological argument: Calling conditionality by its name

When it comes to the wider European neighbourhood, both the US and the EU appear to have been gradually weakening conditionality of its core meaning.

[8] For an elaboration of these arguments, see Youngs (2004).

The EU carries a good part of the responsibility for this state of affairs, if only because it made conditionality the crucial mechanism behind its enlargement process. In the case of Central Europe, conditionality worked because benefits coming from the EU membership perspective were regarded by the candidate countries as greater than the costly, overarching reforms imposed by Brussels. This basic mechanism does not seem to apply in the same way for the countries under scrutiny here.

Countries in the Western Balkans and Turkey now perceive the distinct possibility that their membership perspective will at some point be severely limited (through the above-mentioned 'safeguard' clauses) or even turned down (for instance, as the result of a popular referendum in an EU country). This state of affairs generates uncertainty and undermines the credibility of the EU's offer. Governments in the candidate countries perceive the costs of compliance as too high or less defensible vis-à-vis their domestic constituencies. Their reformist impetus slows down or, in the worst case, reverses.

The 'positive conditionality' of the ENP is also intrinsically deficient, due to its lack of concrete, appealing incentives that will justify painful political and economic reforms in the neighbouring countries. The EU Commission shifted from offering neighbours the opportunity to participate in the EU's 'four freedoms' to proposing a more blurred 'stake' in its internal market. In both cases, the common denominator is the categorical refusal to include any explicit 'European perspective' in the package. Admittedly, uncertainty was also a crucial feature of the enlargement process towards Central and Eastern Europe. In the enlargement case, uncertainty was intrinsic to a process that was painstakingly monitored and benchmarked. In that case, however, the EU did not waver about membership as the final outcome of the process. In the ENP, uncertainty surrounds the very incentives that neighbours should aim for, i.e. the key element that should trigger compliance. The forthcoming ENP Governance Fund, as well as the explicit offer of 'deep' free trade areas for all the ENP countries (see European Commission, 2006) are welcome additions to correct the course of the policy.

As for Russia, the EU appears unable to circumvent Moscow's refusal to deal with the EU on the basis of the *acquis communautaire* and of its standards. In fairness, Russia is not an EU candidate country and has no obligations in that respect. However, given the deterioration of the rule of law and of the democratic institutions in Russia, the fact that Brussels and Moscow should define a different, *ad hoc* negotiating basis constitutes a subtle blow to the ability of the EU to act in foreign policy.

The US, for its part, has had a controversial take on conditionality and on EU conditionality in particular. Its bilateral relations with countries lying in the European neighbourhood are too diverse to define a pattern. The correlation between economic incentives and pressure for political reforms has been weak and disputable in its relations with such countries as Egypt or Russia. On the other hand, The US has resorted quite frequently to the practice of what one might broadly define as 'negative conditionality' – ranging from freezing of bilateral relations to sanctions and the threat of military action – if one looks at America's position vis-à-vis Iran, Belarus or Syria.

On this basis, one could be tempted to conclude that the US approach is too politically-driven to provide a coherent pattern on its use of conditionality. In our neighbourhood perspective, however, this assessment also reveals that where the EU policy and overall strategy is sufficiently credible – e.g. Turkey, the Balkans and prospectively even Ukraine – the American position has proven to be generally supportive of EU conditionality-based mechanisms. Conversely, the cases where the US approach to conditionality is most controversial coincide with those where EU conditionality has been less effective, e.g. North Africa, the Middle East and Russia.

If positive or negative conditionality are to trigger real domestic change in the countries concerned, the current state of affairs calls for a more thorough reconsideration of the issue on both sides and in a transatlantic perspective.

The EU needs to be more explicit about what the 'stake in the internal market' promised in the ENP will eventually amount to: arrangements like the European Economic Area,[9] 'partial' EU membership or possibly something else. Likewise, the EU should generally get more serious about negative conditionality. The ENP Action Plans are not legally-binding agreements and the possibility to exert some meaningful pressure on non-compliant countries will rely on what legally ties the EU with the individual country. It is well known, for example, that the Association Agreements with the Mediterranean partners contain a suspension clause, which has never been seriously considered.[10]

The US needs to undertake a serious reassessment of its conditionality-based policies, particularly in North Africa and the Middle East where, in the words of an analyst: "there is as yet no clear answer to the question of how to make conditionality effective, [or] how to prevent conditionality on political reforms from exacting costs in terms of Arab cooperation with strategic American goals in the region, especially in the peace process and the war on terrorism" (Cofman Wittes, 2004, p. 80).

In a transatlantic perspective, the EU and the US should engage in a much more frank dialogue about the whole spectrum of possible incentives and penalisations facing the individual countries. When the approaches converge, or in order to encourage convergence, it would be logical if the two parties could systematise the transatlantic dialogue in country/region-level formats of discussion modelled on the Contact Group on the Balkans.[11] This could enormously facilitate the exchange of information, lessons learned and best practices about implementation of the work.

Along the same lines, it is also imperative that both the EU and the US seek the highest possible degree of convergence when they decide to go for 'negative conditionality'. This is not only because sanctions are less effective if one party goes for them and the other does not.[12] It is also because sanctions tend to be ineffective if the penalties are not followed by a genuine, concerted attempt to enter into dialogue and negotiate directly with the sanctioned country. This was one of the lessons coming from Libya's abandonment of its WMD programme (see, for example, Jentleson & Whytock, 2006). In the European neighbourhood, it is applicable to cases such as Belarus and Iran.

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[9] The European Economic Area concerns relations between the EU on the one hand, and Norway, Iceland and Liechtenstein on the other. The three countries are included in the EU Single Market (except for specific sectoral policies such as trade, agriculture and fisheries), but they do not have the possibility to influence EU decision-making bodies on the issues concerned.

[10] Notably, in November 2006, the EU Finnish presidency "recalled [the] existence" of such clause in relation to Azerbaijan (see Beatty, 2007).

[11] See, for a similar argument applied to the case of the greater Middle East, Daalder et al. (2006, pp. 240-241).

[12] In this respect, the story of European and US relations with Iran over the past three decades is instructive (see Pollack, 2006).

3.3 The geopolitical argument: Decoupling and recoupling Euro-Atlantic integration

The EU and NATO enlargement processes towards Central and Eastern Europe were complementary and mutually reinforcing in guiding Europe's transformation and reunification. One could probably foresee a looming divergence between the EU and the US with respect to the implications of the double enlargement for the power constellation in Europe. Yet, the two sides, and the candidate countries, regarded these processes as part and parcel of the overall continental transition towards democracy, security and prosperity.

The Western Balkans today represent the missing piece of this puzzle. Left out in the early 1990s by fratricidal hatred and the reservations of the West, their integration in both the EU and NATO represents now a natural completion of the grand project that started in Central Europe. This background, for one, may be a plausible explanation for the rather smooth NATO-EU cooperation in the region. More importantly, in the face of the growing difficulties concerning sovereignty, rule of law and statehood that the EU is facing in the region, this background may allow the parties to adjust the NATO-first path tested in Central Europe to the specific circumstances and cleavages of this region. The decisions of the Riga Summit provide fresh evidence in this respect.

At the same time, a frank reassessment of the Euro-Atlantic partnership implies that the EU and the US acknowledge that the process of parallel enlargement and integration is not going to be replicated in countries of the European neighbourhood. More than that, the two sides have to acknowledge that the implications of this shift are noteworthy.

NATO may be transforming into an alliance with global aspirations that can in principle encompass countries well beyond Europe. The EU will inevitably follow a different path as the vast majority of its neighbours are not eligible for EU membership. In the other cases, *vide* Ukraine and Georgia, the prospect of NATO membership raises controversial domestic questions, which make the NATO-first strategy inapplicable.

Moreover, the last enlargement round has complicated the bilateral relations between the two bodies. As the saying goes, the EU and NATO continue to be based in the same city but live on different planets. What formally obstructs closer relations is indeed an offspring of the 2004 enlargement: the Cyprus-Turkey dispute. Cyprus is not a NATO member or a participant in the Partnership for Peace framework, and Turkey has blocked its participation in joint EU-NATO meetings. Some EU member states uphold the principle that decisions within the Union should be taken unanimously and, as a result, the scope of EU-NATO dialogue narrows down to discussing only each other's military capabilities and what the two sides are already doing together (see Keohane, 2006).

These differences – together with the broader, fundamental question of the compatibility between NATO and the European Security and Defence Policy – are of a structural and institutional nature and can hardly serve as a prelude to a more convergent strategic outlook *vis-à-vis* the European neighbourhood in the short term. What both the US and the EU should push for is a more flexible and, if necessary, informal coordination between the two institutions.

This would imply, for one, furthering the cooperative experiences that NATO and the EU have had in recent times in the Balkans. Foreign ministers and member states' representatives at the EU and NATO should continue to meet informally and discuss issues that exceed the scope of the narrow official agenda. EU and NATO high officials could also step up exchange of information on analysis and policy planning (Keohane, 2006.).

Another way to re-couple the Euro-Atlantic integration strategy more effectively is to diversify the geographical scope of the initiatives and support those constellations of neighbouring states

willing to push for closer regional cooperation: from the Black Sea (BSEC, GUAM), to the Gulf (Gulf Cooperation Council) and the Mediterranean (the Arab Maghreb Union and the Agadir Agreement).

In the absence of a membership perspective, regional cooperation in the European neighbourhood provides a useful format to address political, economic and societal challenges that concern both the EU and the US (see Tassinari, 2005). Yet, without the commitment and political will of the countries concerned, these initiatives have usually underperformed. This is a valid explanation for the partial failure of the EU's Barcelona Process and for the decision of the international community to gradually 'transfer' the Stability Pact for South Eastern Europe to the Balkan countries themselves. Conversely, one interesting experience from the previous enlargement round was the parallel launching of the EU's Northern Dimension and of the US's Northern European Initiative. Both initiatives are regional, inclusive and have developed in accord with the countries concerned (the Baltics, Poland, Russia and the Nordic states). These features have ensured their sustainability, so much so that both policies have not been discontinued after enlargement.[13]

Lastly, transatlantic cooperation should sharpen its focus on specific themes and policy sectors. This applies to the fields of environmental protection, transport and especially the security of energy supplies. The latter, in particular, represents a key interest in the greater European neighbourhood for both the EU and the US. The EU, for its part, still lags behind in implementing its fledgling common energy strategy. Still, when it comes to the contentious issue of diversification, especially of Russia's resources, observers and policy-makers on both sides of the Atlantic agree on the pivotal role that for example Turkey is bound to play for transit (Roberts, 2004), and that NATO could play for the security of supplies.[14]

At a more general, global level, one cannot escape the fact that several countries in the greater European neighbourhood – namely, Russia, the Gulf monarchies, Iran and the Central Asian republics – constitute the bulk of the world's oil (and, possibly, gas[15]) 'cartel'. As Fareed Zakaria (Zakaria, 2006/2007), among others, has argued, such countries have so far managed to avoid modernisation and democratisation thanks to the combination of high oil prices and stable levels of demand from the West.

Both for the purpose of ensuring their energy supplies *and* for furthering their broader strategic goals in the region, the EU and the US share an interest in having market-based prices rather than "cartels or speculative manipulations. Is it too far-fetched" continues Zakaria "to imagine informal cooperation among key consuming nations?" (Zakaria, 2006/2007). For the EU and the US it would be definitely worth trying to explore this avenue too. Surely, more 'formal' instruments exist, such as the Energy Charter Treaty and its Transit Protocol. The EU and the US would be well advised to keep the diplomatic pressure on, particularly vis-à-vis Russia, for a ratification of this document.

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[13] The 'new' Northern Dimension has been recently repackaged as a multilateral framework including the EU, Russia, Iceland and Norway. And meanwhile, the Bush administration has launched the Enhanced Partnership in Northern Europe (e-Pine) as a substitute for the Northern European Initiative.

[14] US Senator Richard Lugar was one of those who advocated NATO Charter's Article 5 protection in case of a cut-off of energy supplies to an allied country (see Socor, 2006).

[15] On the possibility of a gas cartel see Socor (2007) and for a critique see Darbouche (2007). It should be noted here that the dependency of the US on gas imports is admittedly much less pronounced that the EU's. The US produces about 80% of the gas it comsumes and imports the rest primarily from Mexico and Canada. Still, US stakeholders have been very active in relation to the pipelines geopolitics in Central Asia and in the development of liquefied natural gas (LNG) technology.

4. Conclusions

Are the EU and the US committed to make the European neighbourhood 'whole and free' by means of the successful Euro-Atlantic integration strategy of the 1990s? Given the broad array of countries and challenges in this region, the picture emerging from this analysis is inevitably mixed.

This paper argued that, in a transatlantic perspective, this neighbourhood puzzle is deeply embedded in different conceptual outlooks of the two sides towards the wider European security and integration. The American posture was here labelled as 'Westphalian'. The US largely continues to support continuing EU expansion but it underestimates the actorness and the geopolitical clout that the EU can (potentially) muster in its backyard. The EU's neo-medieval model, on the other hand, has grown introspective and uncertain, as the somewhat disappointing policy-outputs of the recent years – from the ENP to the EU-Russian partnership – seem to confirm.

The schematised picture of transatlantic convergence and divergence in the European neighbours provided evidence to justify this state of affairs. Here we have countries, namely the Western Balkans, for which the post-cold war Euro-Atlantic integration strategy still applies. This partly relates to Turkey as well, although the EU and the US appear to increasingly diverge about the place that Turkey should occupy in the EU and, more importantly about the extent to which Ankara's membership will change the EU itself. The EU and the US have demonstrated a remarkable degree of convergence in Western CIS countries – Belarus, Ukraine, Moldova and the Southern Caucasian republics. On the other hand, they are drifting apart as to these countries' final place in the Euro-Atlantic institutional family. Concerning Russia, the EU and the US are both uncertain as to their position on the interest-values spectrum. At the same time, we argued that Russia holds an inherently Westphalian vision on the future of the wider Europe, which partly explains Moscow's increasing disagreements with the EU as well as its implicit convergence with Washington's worldview. Last, there is the Middle East and North Africa. Here the EU-US dialogue is still polluted by historical cleavages and diverging strategic considerations. Yet, the assets and liabilities of the respective policies on the ground present potential for complementarity.

On the basis of this assessment and its conceptual justification, this paper suggested a set of recommendations at the normative, methodological and geopolitical levels that could inspire a more consistent transatlantic agenda that accounts for the emergence of a European neighbourhood. These can be distilled in seven main points:

1. *Democracy promotion strategies.* Notwithstanding diverging strategic considerations and over-politicised misperceptions of each other, there is ample space for complementarity in the democratisation policies that the US and the EU carry out on the ground. Policy-makers on both sides have much to gain from reinforcing each other's credentials in the region and should be more explicit and unambiguous in moving their respective discourses towards the centre of the political spectrum.

2. *Civil society empowerment*. Excessive bureaucracy, lack of coordination, under-funding or political biases have made it often difficult for the US and Europe to reach out to the deeper strata of society, and particularly civil society. The creation of new non- or quasi-governmental bodies – e.g. foundations – at the EU or even at the transatlantic level could be advantageous to further this paramount goal.

3. *Comprehensive benchmarking.* The US and the EU should be more rigorous and transparent about the conditions and the incentives that are attached to their political and economic support initiatives. It is desirable that the EU and the US formalise

country- or region-level formats for transatlantic dialogue and exchange of information, along the lines of the Contact Group on the Western Balkans.

4. *Negative conditionality.* When it comes to freezing bilateral relations or imposing sanctions on a given country, it is imperative that the EU and the US seek the highest degree of convergence. The two parties should also lay down a joint, basic approach to negotiate directly with the penalised country.

5. *NATO-EU relations.* The parallel, double enlargement of the EU and NATO in Central Europe is not going to be replicated in the European neighbourhood and will further decouple the overall strategy of Euro-Atlantic integration. In order to circumvent the structural hurdles that currently prevent closer EU-NATO cooperation, they should also push for *ad hoc*, if needed informal, initiatives to improve dialogue between the two Brussels bodies.

6. *Regional cooperation.* In the absence of a membership perspective in either NATO or EU, Euro-Atlantic integration can be pursued by encouraging the formation of regional constellations in the European neighbourhood. In the Eastern periphery, as in the Black Sea, the Gulf or the Mediterranean, both the US and the EU should encourage the creation, enhancement and streamlining of regional cooperation mechanisms 'owned' by the neighbouring countries themselves.

7. *Energy security.* Washington and Brussels should account for the impact that the 'securitisation' of energy supplies is having on their broader political goals in the European neighbourhood. In order to defuse the energy question, they could intensify their work on diversification of supplies; explore the possibility of informal cooperation among key consuming countries; and heighten the diplomatic pressure to activate existing multilateral legal instruments.

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