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**NATO Parliamentary Assembly**

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PARLIAMENTARY TRANSATLANTIC FORUM

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1. The National Defense University once again hosted the Transatlantic Parliamentary Forum, which it organized along with the NATO Parliamentary Assembly and the Atlantic Council of the United States. Some 80 parliamentarians attended this year's meeting, along with a range of Washington based policy experts and government officials. The meeting took place at a critical juncture for American and European foreign policymakers. Not only had the November congressional elections produced a Democratic Party sweep of both chambers, but at the time of the Forum, Washington was dominated by discussions about the Iraq Study Group Report and the merits of its road map for resolving the crisis in Iraq. NATO heads of government had just concluded the Riga Summit which, although ostensibly focused on NATO transformation, had been largely consumed by the grave challenges the Alliance confronts in Afghanistan. These themes would continually crop up over the course of the meetings.

2. **The Speaker of the House Designate, Nancy Pelosi**, greeted participating parliamentarians. This was the first visiting group she had spoken to since the elections. The Speaker Designate said that as a former member of the NATO PA, she recognized the importance of its work and indicated that she would strongly support it and the work of the American delegation leader, Congressman John Tanner. She also stated that global warming and energy security would be two key priorities for in-coming Congress.

## ***I. OVERVIEW OF US-EUROPEAN RELATIONS<sup>1</sup>***

3. US-European relations have improved markedly since the emotional discussions during the run up to the war in Iraq. These differences have been put aside in order to address an array of highly pressing problems. Europe and America have thus managed to forge a clear consensus on Iran and North Korea and are now singing from the same song sheet. A similarly shared outlook will help Allied countries forge a common approach to the situation in Darfur, which poses a grave moral and humanitarian challenge to the international community. Allied countries also broadly concur about the seriousness of several other strategic challenges including HIV in Africa, poverty alleviation, the need to encourage a peaceful dialogue between Pakistan and India as well as the need to engage China.

4. NATO's first ever sustained combat mission is unfolding in Afghanistan, and failure here is simply not an option, as the very credibility of the Alliance is at stake. 20,000 Americans and 12,000 European soldiers are operating in very dangerous circumstances. Ultimate success will require more troops and greater Allied support for the British, Dutch, Estonian, Canadian, Romanian, American and troops from many other nations operating on the front lines as well as a further reduction of deployment caveats, which are having a cancerous effect on Allied solidarity. It is not right to ask only four or five countries to bear almost the entire burden of a collective challenge.

5. The second challenge is defense spending - an age-old debate in Allied circles. During the Cold War, Allies sought to achieve a standard of 3% of GDP. Today the figure has fallen to 2%, and only 7 of 26 allied countries spend that much.

6. Developing a global partnership between NATO and democratic countries sharing common interests with the Alliance - including Sweden, Finland, Australia, Japan and Korea - was another theme of Allied discussions in the run-up to Riga. In the view of US leaders, deepening cooperation with these countries in areas like training, tactics and doctrine makes eminent sense in light of the support they currently or might, in future, provide NATO missions. In the same way, the Alliance should keep its door open to new members as the Riga Summit reaffirmed.

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<sup>1</sup> The proceedings of the Parliamentary Transatlantic Forum are off-the-record so that speakers and other participants can have a free exchange of views.

7. The importance of the Alliance is well understood in American foreign policy circles. Most Americans fully recognize that neither isolationism nor unilateralism will further American interests. The implications are significant: NATO remains a pillar of American policy, the UN needs to be strengthened and EU-US relations must be further enhanced in order to reinforce this strategic partnership.

8. **The Riga Summit** was not about big ideas but was rather part of an ongoing transatlantic conversation about how to meet a number of practical challenges. In this sense, it was hardly a transformational summit. Afghanistan and the problem of operational caveats quite justifiably took centre stage, and several speakers and NATO PA participants noted that a failure in Afghanistan could well precipitate the Alliance's undoing. Caveats are hobbling the NATO military effort in Afghanistan, and in the eyes of many, constitute an affront to the very notion of Alliance solidarity. At Riga, NATO leaders managed to moderate some of these caveats, and also agreed that NATO commanders could call on forces deployed in the north on non-combat missions to help in the event of an emergency in the south. The problem is that Allied leaders neglected to define the nature of such an emergency. This ambiguity provides no exact formula to guide military commanders who must answer both to national capitals and the ISAF Commander. Will the response be automatic or will military leaders in the north feel compelled to telephone their capitals for guidance before responding? Riga left these crucial questions unanswered.

9. Some progress was made in Riga on operational cooperation including C-17 airlift arrangements, and the door was left open for progress on common mission funding. As expected, General Jones declared the NATO Response Force (NRF) fully operational, although how this force might be used is still not at all clear. Funding the NRF also remains problematic; currently deployment costs fall on those countries that happen to be on rotation at the moment of deployment rather than being shared *inter alia*. This raises serious concerns about fairness and has raised expectations, so far unmet, for progress on common funding to help underwrite NATO missions.

10. On enlargement, Albania, Croatia and Macedonia could expect invitations to join NATO in 2008, while NATO relations with Serbia and Montenegro were upgraded, despite the perception that Serbia is not fully cooperating with the International Criminal Tribunal for Yugoslavia (ICTY). The final communiqué made no mention of NATO "global partnerships" with fellow democracies, but rather discussed relations with so called "contact" countries. Again, the language in the declaration was sufficiently vague as to leave this matter unsettled.

11. **NATO-EU Relations** were not openly discussed at Riga but problems arising out of this relationship were certainly part of the sub-text. The implicit rivalry between these two organizations has made it difficult to build the kind of cooperative relationship that was anticipated when the Alliance adopted the Berlin Plus arrangement. Although the successful hand-over of peacekeeping forces in Bosnia from NATO to EU command demonstrated that synergetic relations are possible between the two organizations, the lack of cooperation and indeed, the turf battle in Darfur suggested that rivalry could erode the effectiveness of both institutions, while undermining Allied solidarity.

12. There are signs of improvement, however. In Afghanistan, the EU is helping to underwrite the role of NATO Provincial Reconstruction Teams and is considering a police-training mission that would require a significant degree of coordination with NATO forces. The EU is also sending a civilian police mission to Kosovo to work with KFOR. Although this is not the kind of cooperation envisioned under Berlin Plus, it does suggest that there is potential to develop a more fruitful partnership which might well be extended to other areas including homeland defense.

13. There is, however, ample room for improvement. There is, for example, no dialogue on

acquisition standards for forces linked to NATO and the EU. This imposes a structural barrier to cooperation as well as a serious financial burden on countries that are members of both organizations. Cooperation in planning civilian operations in crisis-ridden regions is also needed. NATO is not a relief organization and thus needs to work closely with organizations like the EU that are supporting civil reconstruction efforts in war-torn zones where NATO forces are present. The Riga declaration describes a generic need to foster cooperation with other international organizations, but a great deal more needs to be done to ensure that NATO and the EU are closely coordinating their respective efforts. A study akin to the Harmel Report might help focus attention on the adverse consequences of failing to cooperate more intensively.

## **II. AFGHANISTAN**

14. As indicated above, Afghanistan continually cropped up over the course of the Forum, and there was a general sense that the rapidly degrading security situation in the south has put Alliance credibility at risk. Some speakers even suggested that, given current trends, NATO is likely to lose control of the battlefield if profound changes are not made soon. The challenges there reflect several outstanding problems in the Transatlantic relationship including the perceived lack of Allied solidarity, free-riding or unequally shared risk, the lack of common operational funding, and poor coordination with civil organizations including the EU.

15. The current difficulties in Afghanistan are somewhat surprising given the progress that had been registered up until last year. The international community had not only managed to help a coalition of Afghan forces overthrow a highly oppressive and dangerous Taliban regime, but it had also provided a context for building a legitimate government and launching economic reconstruction. This success was rooted in an apparent unity of effort, the broad scope of military contributions to the cause and to the continuity of operations on the ground, with particularly important work carried out by the PRTs and development agencies. There was a high level of coordination between military and civilian teams, and social development policy, police work and military security policies were consequently integrated. This integration was not merely theoretical; military personnel were, for example, detailed to work with development specialists. By the end of 2005 there had been an optimistic sense that Afghanistan was well on the way to internal stability and stable economic development.

16. This happy situation proved short lived. The clean lines of authority that were in place in 2005 have been replaced by unclear lines of command, a military presence riddled by national caveats, pervasive discussion of exit strategies, and an increasingly unpopular government which is not perceived as competent. The West has focused too much attention on rebuilding the Afghan army while neglecting basic developmental requirements like road building and even police reform. The latter failure has been particularly burdensome as it is the key to the fledgling Afghan state's legitimacy. Taliban forces have readily exploited this incoherence, and are now appealing to the hearts and minds of alienated Afghans in the south and southeast.

17. Pakistan is also a problem, and there are close links between the insurgencies in both countries. Pakistan's leaders certainly recognize the benefit of a stabilized Afghanistan under President Karzai, but its security forces are hedging their bets by maintaining ties to the Taliban with whom they have worked closely in the past. Moreover, the Pakistani state has failed to assert sovereign control over Pashtun tribal regions on Afghanistan's border. The Pakistani role in exacerbating Afghanistan's instability is thus proving particularly troublesome.

18. The surge of opium production in Afghanistan is not unrelated to these very serious security, state building and economic problems. The immediate exigencies of fighting the Taliban have often taken priority over the patient work required to build up a functioning justice system. Yet, the absence of the rule of law has only exasperated the conflict. Drug production has become both a

symptom and a cause of insecurity. Growing poppies constitutes a low risk activity in a high-risk society. Addressing this particular problem requires increasing the risks involved in growing and selling opium while improving the terrible and insecure condition of the Afghan people. Poppy growers must have access to legitimate commodity markets that offer them reliable incomes, while police and military forces will need to go after the traffickers who often enjoy high-level protection within the state apparatus.

### **III. THE MIDDLE EAST**

19. The Iraq Study Group report, issued just prior to the Forum, provided a remarkable and candid assessment of the situation in Iraq. That report recognizes the enormous difficulties inherent to a sectarian conflict in which Sunnis, who have dominated politics in the region for five hundred years, have suddenly been politically marginalized. But according to one speaker the Commission erred in calling for a major diplomatic offensive to encourage Syria and Iran to support coalition efforts in Iraq. Dealing with Iran and Iraq must be the product of a very careful negotiating strategy informed by a clear-headed sense of means and ends. There are very few incentives that might be held out to Iran's leaders that would, in their estimation, outweigh the benefits of having a nuclear weapons capacity. That said, the United States may have some leverage over Iran, simply because a total collapse of state authority in Iraq would pose a terrible burden on the Iranian state.

20. The real challenge to peace lies inside Iraq not beyond its borders. To argue otherwise is to risk inflating the Syrian and Iranian sense of importance, hardly something that the US negotiators should be doing at this juncture. The report's assertion on page 44 that Iraq's problems cannot be solved without solving the broader problems in the Middle East and most notably the Arab-Israeli conflict is thus problematic and overstates the relationship between the two problems. The US government is now engaged in a profound review of Iraq strategy. The White House itself is leading an inter-ministerial review, and the Pentagon and several other agencies are carrying out separate reviews. Common points are emerging. First of all, there is a shared desire to ensure that Iraq authorities are better positioned to sustain their own authority and to accelerate this transition. There is also a widely shared view that dividing the country along sectarian/ethnic lines would foment widespread violence and lead to mass dislocation - something that US policy makers obviously want to avoid. The US government must lend support to moderate voices in Iraq's political system, while not exacerbating the very dangerous Shia-Sunni conflict, which some are already calling a civil war. There is clearly a street-by-street break down of order, and conflict entrepreneurship has spread in the absence of central state authority. Ethnic cleansing is underway. In places, police forces are very much part of the problem, particularly where militia forces have infiltrated political ranks, and this undermines the state's already tenuous credibility. The situation is also highly variegated with most of the violence occurring near Baghdad, while Kurdish regions, in particular, remain relatively peaceful. Both Iran and Syria are acting as spoilers with suicide bombers entering Iraq from both countries.

21. Due to its lack of engagement in the peace process in recent years, the United States is not well positioned to mediate conflict within the Arab world. Staying on the sidelines in the Arab-Israeli dispute has undermined America's bargaining position and has contributed to the highly unstable situation in Palestinian territories. Indeed, as the intra-Palestinian conflict comes to a head, Gaza is in a state of near anarchy. In short, no slogans or grand conferences will even begin to solve the Arab-Israeli conflict without determined and patient American engagement and an acute sense of how a negotiating process ought to progress. Every successful advance in the Middle East peace process has been the product of an enormous amount of footwork and this administration, in the estimation of some, has not so far demonstrated the requisite level of engagement.

22. American diplomats have several options which would have to be diligently advanced to have any chance of success. One would be to negotiate a serious ceasefire ending all Palestinian cross border attacks and arms smuggling in the occupied territories. Israel, in turn, would have to agree to halt its border incursions and policy of mass arrests. The negotiations would have to define precisely the nature of possible violations, what the implications of those violations might be and through what mechanisms these violations should be sanctioned. This alone would require very careful and patient diplomacy.

23. A second clarifying option might be to put a referendum to the Palestinian people asking them to accept or reject the notion of a state solution in which a Palestinian government would then be empowered to negotiate final terms. This could isolate Hamas, but it would also require patient diplomatic engagement with regional actors to get them on board.

24. A third option might be to encourage the Syrians to cut support for Hezbollah and Hamas. Although Syrian leaders might demand a greater hand in Lebanese affairs as part of any deal, this would be unacceptable. However, their desire for sovereign control over the Golan Heights might provide a degree of leverage. It is simply unreasonable to expect the Syrians to moderate their position without the prospect of a reward for doing so and a penalty for failing to do so.

25. Rejectionist forces are ascendant in the Middle East, and this is partly due to the failure to move the peace process forward. American leaders need to address this, but they also must convincingly demonstrate that Iran does not represent the wave of the future. Again, no single policy will achieve this end; only a well-conceived and patiently implemented series of measures can lay the foundations for a genuine peace process. Opportunities to advance the process must be energetically seized rather than neglected or simply dismissed, as has happened in the recent past.

#### **IV. CHINA**

26. The fact that China looms over so many contemporary Defense Department strategic calculations suggests how impressive its rise to power has been over the last decade. The recent Quadrennial Defense Review spells out the myriad opportunities and challenges presented by China to the United States. American officials essentially see China from both bilateral and regional alliance angles. But its alliance system in the region is fundamentally different to the NATO system. It has been characterized as a hub and spoke model consisting of a series of US bilateral alliances with Japan, the Republic of Korea, Australia, the Philippines and Thailand as well as close cooperative relations with countries like Singapore. China itself is now seeking to build its own set of security and political relations in the region which, amongst other things, aim to exclude the United States. One American goal in the region is to counter this particular aspect of Chinese security policy.

27. American security relations with Japan have deepened in recent years, in part due to North Korea's efforts to acquire nuclear weapons. Ballistic missile defense has thus constituted a particularly important focus of this cooperation. Japanese roles, missions and capabilities have been under review as the country's leaders recalibrate their military structures in order to meet new security challenges. Changes are also underway in the US-Korean relationship, and American troop numbers there have fallen from 35,000 to 25,000 as part of America's new regional posture.

28. The American relationship with China itself is highly complex and has been the subject of intense discussion with America's regional partners and allies, each of which has its own special

relationship with China. The Koreans, for example, see China as a critical partner for dealing with North Korea and work closely with it to defuse tensions on the Korean peninsula.

29. For its part, the US China policy must balance national security considerations against myriad economic concerns. China's foreign policy, in turn, is driven by an equally complex set of strategic goals. Its rising need for energy and other commodities like copper, steel, and cement, its need for good trading relations with the United States, as well as its aspiration to acquire advanced technology, all feed into its policy-making calculations. Chinese leaders also aspire to prevent external powers from containing China's rise. They are building a broad network of global partnerships with this end in mind. China also seeks to isolate politically Taiwan, limit Japan's international role and build new ties with a range of developing countries. Of course, it wants to increase its export of goods and labour, and this underpins a range of efforts to build national champions and acquire cutting edge technologies that will permit it to operate farther along the leading edge of the production curve.

30. China has a number of tools to pursue these ends, and its mounting economic power is the most important of these. Both the United States and Europe need access to the large and rapidly expanding China market, and this accords China an important degree of leverage. China has used multilateral systems to its advantage and is a participant in all manner of regional and international bodies where its weight is increasingly felt. It clearly recognizes the value of soft power. China makes few human rights demands of its developing country interlocutors, and this puts it in direct competition with Western governments that pay far greater heed to human rights matters. In regions where the West is not very active, China seeks to bolster its influence. China also actively pursues military diplomacy and sends far more military delegations abroad than it once did. It is, however, not a global military actor and cannot yet project force beyond the immediate region. Chinese leaders, however, have great power ambitions and want to extend their capacity for force projection

31. That said, China also confronts limitations arising out of an array of internal contradictions. Its political system is corrupt, particularly in the regions, it is beset with environmental problems, and the lack of human rights has both domestic and international costs. There is also a significant disconnect between local and national administrations. China does not offer a particularly attractive ideological model, and this too has hampered its international leverage.

32. The West needs to find ways to accommodate China, while challenging it in those areas, like human rights, where there is a clear collision of interest. China's quest for energy, for example, can hardly be labeled illegitimate; yet it needs reassurances in order to become a more normal global energy consumer and market player. For its part, the US Congress has been particularly focused on China's position in the international trade and monetary systems, and the "buzz" on the Hill has been about the massive US trade deficit with China, which many American politicians are prone to blame on unfair trade practices. Of course, US deficits are not the fault of China; US domestic savings will ultimately have to increase in order to move the trade deficit closer towards balance. That said, some readjustment of the Dollar/Renimbi exchange rate will invariably be part of this process, although this will have to be handled carefully, as both the Chinese and American economies would suffer immensely were the dollar to fall precipitously.

## **V. *TRANSATLANTIC HOMELAND DEFENSE***

33. Many consumers of the popular media might be surprised to learn that the US Department of Homeland Defense has established deep and rich relations with its European counterparts. Although the press often focuses on the more truculent US-European discussions, in fact, shared Transatlantic interests in matters related to homeland security far outweigh the contentious ones.



34. The first five years of the Department have been extraordinarily difficult. Managing the largest US governmental reorganization required the integration of 22 agencies with fundamentally different cultures and mandates. It will take another five years to fully consolidate the merger. The previous Secretary, Tom Ridge, managed to formulate the basic structures for the Department but he had no resources to build central departmental authority. The consequences became evident in the immediate wake of Hurricane Katrina. The current Secretary, Michael Chertoff, has had more resources at hand than his predecessor to build greater synergies within the department. He has also created a strong central intelligence function for the department.

35. The Department is particularly focused on keeping dangerous people and cargo out of the United States. Its Flight Security Program and Cargo Security Initiative are two key instruments to advance that goal. The Department has been working with its European partners to develop a passenger name system that balances security and privacy and has come up with a voluntary system which will lower the burden on governments. American officials are also working on a visa waiver program which was announced in Riga; efforts are underway to ensure that security components are in place before the program is implemented. Strengthening worker and traveler screening represents another priority, while defending critical transport, energy, chemical, and water infrastructure constitute a fourth set of priorities.

36. The vulnerability of critical infrastructure is a problem that both Europe and North America must confront. Much of this infrastructure is owned and defended by the private sector, but far more concerted government-private sector dialogue is needed on how best to defend critical links.

37. As NATO operations move ever further afield, there is the potential that its core function of defending Allied societies from catastrophic strategic threats might be neglected. Because the nature of such threats has evolved substantially, far more thinking is needed about how the Alliance can meet new security challenges. Alliance leaders might now say that Western defenses begin in the Hindu Kush, but the Washington Metro or the Istanbul Marketplace should also be conceptualized as potential front lines. Western publics, in turn, need to understand that the Alliance is thinking through these challenges and preparing appropriate defenses. Failure here could unwind political support for the Alliance. The old state-to-state paradigms appear ever less relevant: terrorist groups do not seek territory but rather the disruption or even the destruction of Western societies. Indeed, if one vital transport, communication or utilities node were to be somehow neutralized, those societies could be crippled; this is an existential threat that has not yet been fully internalized by the west. Both NATO and the EU need to think more seriously about these vulnerabilities and incorporate a greater societal dimension into strategic thinking.

38. Allied and partner countries can teach each other a great deal about coping with the challenge. Small neutral countries, for example, have long employed societal mobilization defense models that remain relevant, even though old Cold War threats to their security have shifted considerably. New kinds of trans-boundary networks are needed to counter rising sub-national threats. The recent failure of EU member countries to devise common vaccine stockpiles suggests how outmoded some national defense models are. NATO can obviously play a role in building such networks, and it needs to do so in close collaboration with other international organizations and particularly the EU. There are also serious questions about the balance between military and medical spending, particularly in light of potential bio-terrorism threats, but it is also important that the medical, scientific and security communities find new ways to communicate.

## **VI. US FOREIGN POLICY AND THE NEW CONGRESS**

39. It is an axiom of American life that politics are essentially domestic, except in time of war. Indeed, the November elections were about Iraq, but were also about the competence of the

Administration and the Congress, which many voters felt has mishandled both the war in Iraq and the Katrina hurricane disaster. Governmental competence was thus one of the leitmotifs of the election

40. Although the recent Congressional elections sent a strong message about what American voters do not want, it is very difficult to read a clear mandate in the results. This is partly because the victorious Democratic Party was not particularly clear in its policy prescriptions during the campaign. Trade protectionism, however, was an exception in many of the winning democratic campaigns, and it is very likely that Presidential Trade Negotiating Authority will not be reauthorized as a result - something that would effectively kill the Doha Round of WTO negotiations. Congresswomen Pelosi and other Democrats campaigned on a theme of responsible redeployment of forces in Iraq, but this term has yet to be fully defined. This is axiomatic of the ambiguity of the Democrat's electoral mandate. Still, the election result will be a major factor in how the American government responds to the crisis in Iraq because power now is effectively shared by the two parties.

41. In one sense, the Baker-Hamilton report has helped the Democratic Party even though it is, in the view of some, an incoherent policy document. It nevertheless provides a large tent for those opposed to the handling of the war. The new Democratic majority on Capitol Hill is not sufficiently large to allow it to initiate major policy changes. The leadership will likely tread in a cautious fashion, although the Democrat's will open inquiries into what they characterize as the failed policies of the Administration. The Party will also be quick to invoke its tradition of liberal internationalism. Key congressional leaders like Tom Lantos, Ike Skelton, Joe Biden and Carl Levin all come out of this tradition. Yet, of the four, only Carl Levin opposed the war. Nancy Pelosi also voted against the war, but she has already ruled out the prospect of using the power of the purse vested in Congress to cut off funding for the war in Iraq. Nor has she intimated that the Congress might invoke the War Power's Resolution and demand withdrawal. In political terms, the Democrats are looking for an opportunity to criticize the administration without actually assuming responsibility for resolving the Iraq quandary. Of course, they will hold hearings and possibly embrace the Baker Hamilton report, but this is hardly tantamount to a frontal challenge to the Administration's Iraq policy.

42. Finally, America is likely not undergoing a "post-Vietnam moment". There is a general agreement that the situation in Iraq is a mess, but this has not fomented an existential crisis about the purpose and desirability of American power. Indeed, broad support for the deployment in Afghanistan is evident, and most Americans agree that terrorism poses a very serious challenge from which there can be no retreat. So those expecting some kind of general global withdrawal now that the Democrats have retaken the Congress will very likely see their expectations disappointed. It is finally important to recognize that there is strong bipartisan support for the Alliance on Capitol Hill. Common problems and challenges are only going to make the transatlantic relationship more important in coming years. In this sense, recent transatlantic disputes have been more of a transitional aberration, attributed in part to the quality and style of allied leadership than the beginning of a long-term trend towards allied dissolution.

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