The EU Reform Treaty: A Threat to the Transatlantic Alliance

Sally McNamara

After French President Nicolas Sarkozy's and German Chancellor Angela Merkel's successful visits to Washington, D.C., U.S. policymakers might be forgiven for thinking that U.S. strategic interests are now in safe hands in continental Europe. However, this optimism discounts the enormous threat posed by the Reform Treaty, which was signed in Lisbon on December 13 and is little more than the European Constitution with a cosmetic makeover.

Under Chancellor Merkel's personal leadership, the European Union breathed life back into the rejected European Constitution, recasting it as the Reform Treaty. It still contains the building blocks of a United States of Europe and will shift power from the member states of the European Union to Brussels in critical areas of policymaking, including defense, security, and energy—areas in which the United States finds more traction on a bilateral basis. The treaty is a blueprint for restricting the sovereign right of EU member states to determine their own foreign policies and poses a unique threat to the British–American Special Relationship.

Above all, the treaty underscores the EU's ambitions to become a global power and challenge American leadership on the world stage.

Substantially the Same. The Reform Treaty retains all the essential components of an EU superstate that were included in the EU Constitution, including a single legal personality, a permanent EU presidency, an EU-wide public prosecutor, and the position of foreign minister in all but

name. It increases the number of decisions that can be taken by qualified majority voting (QMV) to 40 new matters, including foreign policy, energy, transport, space, commercial policy, humanitarian aid, sport, tourism, and investment. Overall, the treaty takes at least as many steps toward "ever closer union" as the old constitution and will significantly strengthen EU powers at the expense of member states' sovereignty.

To this effect, the House of Commons' European Scrutiny Committee made a stunning indictment of British government policy: "Taken as a whole, the Reform Treaty produces a general framework which is substantially equivalent to the Constitutional Treaty." The committee's report makes clear that the British government did not think through the Reform Treaty and secured few, if any, exemptions from the constitution's excesses that the EU cannot change.

Foreign Policy Implications. The EU has attached great importance to the treaty's granting of a stronger voice on the world stage. The EU boasts that the Reform Treaty compels member states to speak with a single voice on external relations. With

This paper, in its entirety, can be found at: www.heritage.org/Research/Europe/bg2109.cfm

Produced by The Margaret Thatcher Center for Freedom

Published by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.



a single legal personality, Brussels will now sign international agreements on behalf of all member states. With breathtaking arrogance, the European Commission claims that with the Reform Treaty in place, "The European Union is uniquely well placed to find the answers to today's most pressing questions...and to see European values promoted effectively in the global community."

However, the EU has been anything but effective in speaking with one voice on such major problems as Islamic terrorism, the Balkans, and Darfur. For example, it has refused to use its extensive arsenal of sanctions to fight the broader war on terrorism and continues to implement the barest of sanctions against Iran.

Implications for the Special Relationship. The institutional and political constraints of further European integration will severely limit Britain's ability to build international alliances and make foreign policy. The greatest damage would be to Britain's enduring alliance with the United States. In political, diplomatic, and financial terms, no good has come from limiting Britain's geopolitical outlook to the European continent, and certainly no benefit can come from a deeper EU absorption that limits Britain's time-tested relationship with the United States.

Britain has found its strongest, most enduring alliance in its Special Relationship with the United States. Consistent and recurring cooperation, systematic engagement, and enduring bilateral relations have defined this relationship. Ultimately, the Special Relationship is special because shared values and common interests bind the two countries in ways that are beyond the reach of the EU elites' undemocratic and unaccountable governance. Further still, Britain and America are prepared to defend their common values—with military force if necessary.

Under the treaty, the United Kingdom will not have the power to veto the appointment of the EU's primary foreign policy actor. Yet the enhanced role for this unelected minister should cause Washington great concern. Under the treaty, the EU foreign minister will have the power to appoint EU envoys;

a bigger profile, budget, and diplomatic corps at his disposal; the right to speak on behalf of member states in multilateral institutions (including the U.N. Security Council upon request); and the right to propose EU military missions.

It is vital that the U.S. recognize the value of dealing with its enduring allies on a bilateral level. The EU's desire to create "One Europe" using the European Security and Defense Policy has duplicated NATO security structures and significantly downgraded the possibility of traditional alliance-building by the United States. Replacing individual European allies with a single EU foreign minister in any context or institution is a bad idea.

Brussels clearly intends to become the U.S. Administration's first port of call in conducting its European foreign policy. However, the Administration should not expect the warm response that it gets in London and other national capitals.

Conclusion. The Lisbon Reform Treaty is demonstrably a political treaty. After only five months to study this historic international treaty, the British government effectively signed away its independence and self-determination. If there was ever a time for the White House to become unnerved about further European integration, this is it.

The world faces both unprecedented threats and unprecedented opportunities that require greater flexibility for nation-states to act. The Reform Treaty denies sovereign states the ability to do that and further limits their right to build alliances with the United States. Britain is uniquely positioned to fashion an EU that better serves British and American interests, and its initial reluctant signature of the Reform Treaty can be reversed. America should send its special ally a clear message that it will support Britain in reasserting its sovereignty.

—Sally McNamara is Senior Policy Analyst in European Affairs in the Margaret Thatcher Center for Freedom, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation. Erica Munkwitz, an intern in the Davis Institute, assisted in preparing this paper.



The EU Reform Treaty: A Threat to the Transatlantic Alliance

Sally McNamara

After French President Nicolas Sarkozy's and German Chancellor Angela Merkel's successful visits to Washington, D.C., U.S. policymakers might be forgiven for thinking that U.S. strategic interests are now in safe hands in continental Europe. However, this optimism discounts the enormous threat posed by the Reform Treaty, which was signed in Lisbon on December 13 and is little more than the European Constitution with a cosmetic makeover.

Under Chancellor Merkel's personal leadership, the European Union breathed life back into the rejected European Constitution, recasting it as the Reform Treaty. It still contains the building blocks of a United States of Europe and will shift power from the member states of the EU to Brussels in critical areas of policymaking, including defense, security, and energy—areas in which the United States finds more traction on a bilateral basis. The treaty is a blueprint for restricting the sovereign right of EU member states to determine their own foreign policies, and it poses a unique threat to the British–American Special Relationship.

Above all, the treaty underscores the EU's ambitions to become a global power and challenge American leadership on the world stage.

Deja Vu: The EU Constitution by Another Name

The substance of the constitution is preserved. That is a fact.

—German Chancellor Angela Merkel²

Talking Points

- The EU Reform Treaty contains the building blocks of a United States of Europe, with an EU president, a foreign minister, a diplomatic corps, and the legal authority to sign international agreements on behalf of all members.
- By supranationalizing critical areas of public policymaking, including foreign and defense policy, the treaty poses a unique threat to the Anglo–American Special Relationship.
- The treaty advances a highly developed European Security and Defense Policy that challenges NATO's supremacy as the cornerstone of the transatlantic security alliance.
- The treaty underscores the EU's ambitions to become a global power and challenge American leadership on the world stage.
- In political, diplomatic, and financial terms, no good has come from limiting Britain's geopolitical outlook to the European continent, and certainly no benefit can come from a deeper EU absorption that limits Britain's time-tested relationship with the United States.

This paper, in its entirety, can be found at: www.heritage.org/Research/Europe/bg2109.cfm

Produced by The Margaret Thatcher Center for Freedom

Published by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.



In July 2003, the draft Constitutional Treaty was presented to EU member states on the basis that it provided for "more democracy, transparency and efficiency in the European Union." Recognizing that the document provided for nothing of the kind, voters in France and Holland rejected it in popular referenda, plunging the EU into an extended period of navel-gazing.

Yet rather than concede the document's fundamental flaws, the German Presidency of the European Union produced a mandate that essentially returned the same document for ratification by those member states that had not approved (or had rejected) the draft Constitutional Treaty. The resulting Reform Treaty, which EU heads of state signed in December, still transfers substantial powers from member states to Brussels. 5

In the Words of EU Elites. Although the French and Dutch rejections of the EU Constitution in 2005 could not have been more emphatic, EU elites seem unable to conceal their delight at bringing the constitution back under a new name. According to Irish Taoiseach Bertie Ahern, "The substance of what was agreed in 2004 has been retained.... What is gone is the term 'constitution." Leading Member of the European Parliament (MEP) and former Chairman of the Committee on Foreign Affairs Elmar Brok commented, "Despite all the compromises, the substance of the draft EU Constitution

has been safeguarded." Spanish Prime Minister José Zapatero stated, "We have not let a single substantial point of the constitutional treaty go."

Even the drafter of the constitution, Valery Giscard d'Estaing, predicted that cosmetic changes would be made and that "public opinion will be led to adopt, without knowing it, the proposals that we dare not present to them directly." Belgian Foreign Minister Karel De Gucht observed, "The European Constitution wanted to be readable. This treaty had the intention to be indecipherable and it certainly has succeeded in that."

Substantially the Same. The Reform Treaty retains all the essential components of an EU superstate that were included in the EU Constitution, including a single legal personality, a permanent EU presidency, an EU-wide public prosecutor, and the position of foreign minister in all but name. It increases the number of decisions that can be taken by qualified majority voting (QMV) to 40 new matters, including foreign policy, energy, transport, space, commercial policy, humanitarian aid, sport, tourism, and investment. According to Open Europe, a think tank based in London, this cuts Britain's power to veto EU legislation by up to 30 percent. 11 Overall, the treaty takes at least as many steps toward "ever closer union" as the old constitution and will significantly strengthen EU powers with regard to United Kingdom law. 12

- 1. Also commonly referred to as the Lisbon Treaty.
- 2. James Chapman, "EU Treaty Is Simply the Old Constitution Reborn, Says Creator Giscard d'Estaing," *The Daily Mail*, July 17, 2007, at www.dailymail.co.uk/pages/live/articles/news/worldnews.html?in_article_id=469118 (February 9, 2008).
- 3. Romano Prodi, President, European Commission, "The EU Draft Constitutional Treaty," speech at World Affairs Council, Philadelphia, Pennsylvania, June 25, 2003, at www.europa-eu-un.org/articles/en/article_2482_en.htm (February 9, 2008).
- 4. The treaty is considered so substantially the same that member states that ratified the EU Constitution prior to 2005 are not required to do so again.
- 5. British Prime Minister Gordon Brown missed the official signing ceremony. Foreign Minister David Miliband signed in his stead in a private setting.
- 6. Siobhan Gaffney, "Referendum on EU Treaty 'Is Likely," The Daily Mail, June 25, 2007.
- 7. EurActive, "EU Treaty Deal Meets Praise and Criticism," June 25, 2007, at www.euractiv.com/en/future-eu/eu-treaty-deal-meets-praise-criticism/article-164921 (February 13, 2008).
- 8. Jackie Ashley, "Come On, Gordon—Give Us a Referendum on the EU," *The Guardian*, September 10, 2007, at www.guardian.co.uk/comment/story/0,,2165702,00.html (February 9, 2008).
- 9. David Charter and Philip Webster, "Europe Divided," *The Times* (London), June 15, 2007, at www.timesonline.co.uk/tol/news/world/europe/article1934971.ece (December 17, 2007).
- 10. Flanders.news, "EU Summit: Deal After 36 Hours," June 23, 2007, at www.flandreinfo.be/cm/flandersnews.be/News/1.143801 (December 17, 2007).



In a stunning indictment of British government policy, the European Scrutiny Committee in the Labour-dominated House of Commons reported in October 2007 that, "Taken as a whole, the Reform Treaty produces a general framework which is substantially equivalent to the Constitutional Treaty." It went on to call on the British government to provide hard and fast evidence of any significant changes between the Constitution Treaty and the Reform Treaty and amazingly criticizes the principle of subsidiarity as merely cosmetic. ¹⁴ The committee's report makes clear that the British government did not think through the Reform Treaty and secured few, if any, exemptions from the constitution's excesses that the EU cannot change.

Furthermore, European integration is never a finished product. EU elites went into overdrive after 2005, acting as if the French and Dutch rejection of the EU Constitution had never happened. As German MEP Elmar Brok bluntly stated in 2006, "We need a constitution, a foreign minister with a foreign service, and a telephone number for Europe." EU Commissioner Olli Rehn even boasted of an increase in EU assertiveness:

The EU has launched 8 ESDP [European Security and Defense Policy] missions

across three continents since the French and Dutch referenda. We have two more in the pipeline in Afghanistan and Kosovo. This is serious action, not a slowdown. ¹⁶

In addition, plans are already afoot for the next round of European integration following Lisbon.

"[T]o address the future of the European project," French President Nicolas Sarkozy has proposed "a Committee of Wise Men," later named the Reflection Group. ¹⁷ The Reflection Group's mandate covers major areas of public policy, including social and economic policy, global security, energy, climate protection, and the fight against international crime and terrorism. ¹⁸ The Reflection Group's conclusions will then be advanced by the new EU President, who will be afforded vast powers under the Reform Treaty and be elected by QMV, depriving Britain of another important veto. ¹⁹

Moreover, Article IV-444 of the Constitution Treaty has been inserted into the Reform Treaty to allow the EU to reform the treaties by QMV without convening an intergovernmental conference. This constitutes a massive erosion of nation-state power.²⁰ The intentions of EU elites could not be clearer: The juggernaut of EU integration will continue until the creation of a United States of Europe.

- 11. Open Europe, "The Constitution by Any Other Name: An Analysis of the Draft EU Treaty," p. 11, at www.openeurope.org.uk/ research/byanyothername.pdf (December 17, 2007).
- 12. U.K. House of Commons, European Scrutiny Committee, "European Union Intergovernmental Conference: 35th Report of Session 2006–07," October 2, 2007, p. 8, at www.publications.parliament.uk/pa/cm200607/cmselect/cmeuleg/1014/1014.pdf (February 9, 2008).
- 13. Ibid., p. 16.
- 14. Ibid., pp. 8 and 24.
- 15. Hearing, *Member States Should Commit More Political Will to EU Security Policy, MEPs Hear*, Subcommittee on Security and Defence, Committee on Foreign Affairs, European Parliament, July 13, 2007, at www.europarl.europa.eu/sides/getDoc.do?language=EL&type=IM-PRESS&reference=20060707IPR09703 (February 9, 2008).
- 16. Olli Rehn, "The EU's Capacity to Act: Institutional and Practical Challenges," speech at Strategy Group on the Future of Europe at the Bertelsmann Foundation, Berlin, February 26, 2007, at www.grondweteuropa.nl/9326000/1f/j4nvgjok6iwsea9_j9vvghpme8dg6oj/vhilyon6jmlx?nctx=vgu719bwydma (December 17, 2007).
- 17. M. Nicolas Sarkozy, speech at Fifteenth Ambassadors' Conference, Paris, August 27, 2007, at www.ambafrance-uk.org/ President-Sarkozy-s-speech.html (February 9, 2008).
- 18. Council of the European Union, "Presidency Conclusions," December 14, 2007, p. 2, at www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/97669.pdf (February 9, 2008).
- 19. Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community, December 3, 2007, Article 1, Sect. 17, p. 24, inserting Article 9 C(3), at www.consilium.europa.eu/uedocs/cmsUpload/cg00014.en07.pdf (December 17, 2007).
- 20. See Treaty of Lisbon, Article 1, Sec. 17, p. 51, replacing Article 48(7).



The Case for a Referendum in Britain

Britain is different. Of course there will be transfers of sovereignty. But would I be intelligent to draw the attention of public opinion to this fact?

—Jean-Claude Juncker, Prime Minister of Luxembourg²¹

Every member state with the exception of Ireland will avoid putting the Reform Treaty to a vote in a popular referendum. Denmark and Britain in particular have gone to extraordinary lengths to avoid doing so, despite popular support for holding referenda in both countries.

The Labour Party won the 2005 general election with a manifesto promising to put the draft European Constitution to a referendum. Following its revival as the Reform Treaty, the government initially argued that the Reform Treaty is a very different document and that a referendum is therefore unnecessary. Significantly, the government has since abandoned this reasoning, arguing now that it has negotiated U.K.-specific "red lines" against further European integration in sensitive areas such as foreign policy, tax, and immigration.

However, the European Scrutiny Committee report warned that the government's much-vaunted red lines are in danger of unraveling. The committee's findings are especially significant because Labour Members of Parliament unequivocally advised their own Prime Minister that "the red lines will not be sustainable."

Open Europe states that British "opt-outs" with regard to justice and home affairs and the Charter of Fundamental Rights (CFR) are so badly worded, loosely configured, and poorly designed as to be nearly worthless. He fact, the Prime Minister acknowledged that Protocol 7 of the Reform Treaty does not equate to an opt-out from the CFR, and the European Scrutiny Committee is of the opinion that the CFR will eventually take effect in Britain under Britain's wider legal obligations to the European Union. ²⁵

Significantly, former Prime Minister Baroness Margaret Thatcher has argued in favor of a referendum, stating that assurances from Brussels are not to be trusted and that Britain's red lines are not sufficient to protect its sovereignty. As she noted, "We've heard it all before only to see more and more powers grabbed by Brussels." ²⁶

A Populus survey for the BBC on October 12 showed that three out of four Britons want a referendum on the revamped EU Constitution.²⁷ A poll for *The Sunday Telegraph* on October 14 found that two-thirds of voters believe there should be a referendum on the treaty.²⁸ Not only is there a compelling case that the Reform Treaty is substantially similar to the Constitution Treaty, but public trust is at stake. As Conservative Party leader David Cameron recently stated, "Labour put it in their manifesto that there should be a referendum and it is one of the most blatant breaches of trust in modern politics [that] they won't give us that referendum."²⁹

^{29.} David Cameron, "Call That Election. We Will Fight. Britain Will Win," speech at Conservative Party Congress, October 3, 2007, at www.conservatives.com/tile.do?def=news.story.page&obj_id=139453 (February 9, 2008).



^{21.} Bruno Waterfield and Brendan Carlin, "Don't Tell British About the EU Treaty," July 3, 2007, *The Daily Telegraph*, at www.telegraph.co.uk/news/main.jhtml?xml=/news/2007/07/03/weu103.xml (December 17, 2007).

^{22.} Deborah Summers, "Brown's Position on EU Treaty Is Dishonest, Says Labour MP," *The Guardian*, October 15, 2007, at http://politics.guardian.co.uk/gordonbrown/story/0,,2191467,00.html (December 17, 2007).

^{23.} Open Europe, "How the 'Red Lines' Are Crumbling," *Briefing Note*, at www.openeurope.org.uk/research/redlines.pdf (December 17, 2007).

²⁴ Ibid

^{25.} U.K. House of Commons, "European Union Intergovernmental Conference," pp. 19–20.

^{26.} Laura Clout, "Thatcher Urges Brown to Hold EU Referendum," *The Daily Telegraph*, October 1, 2007, at www.telegraph.co.uk/news/main.jhtml?xml=/news/2007/09/29/npoll529.xml (February 9, 2008).

^{27.} David Wooding, "75% Want European Poll," *The Sun*, October 13, 2007, at http://thesun.co.uk/sol/homepage/news/eu_referendum/article337463.ece (February 9, 2008).

^{28.} Gethin Chamberlain, Patrick Hennessy, and Justin Stares, "Gordon Brown Feels Squeeze over Europe," *The Telegraph*, October 15, 2007 at www.telegraph.co.uk/news/main.jhtml?xml=/news/2007/10/14/nbrown114.xml (February 9, 2008).

Long-serving British MP Bill Cash argues that 27 million British people have been denied the opportunity to express a view on Britain's relationship with the European Union.³⁰ In light of the clear constitutional changes implied by the Reform Treaty, now is the best time to give them that opportunity.

Foreign Policy Implications

Before undertaking any action on the international scene or entering into any commitment which could affect the Union's interests, each Member State shall consult the others within the European Council or the Council. Member States shall ensure, through the convergence of their actions, that the Union is able to assert its interests and values on the international scene. Member States shall show mutual solidarity.

—Treaty of Lisbon³¹

EU integrationist Richard Laming, director of Federal Union, argues that, as the Single European Act brought about the Single Market and the Maastricht Treaty created the euro, the major success of the Reform Treaty will be to strengthen the EU's role in foreign affairs: "Henry Kissinger's famous request for a phone number to call will now have an answer."

The Lisbon Reform Treaty is demonstrably a political treaty, but it was made available in English only on July 30, 2007. The British government was effectively asked to agree to this far-reaching, major international treaty after less than five months to study it. In December 2007, Foreign Minister David Miliband dutifully signed away British independence and self-determination.³³

Speaking with One Voice. The EU has attached great importance to the treaty's granting of a stronger voice on the world stage:

Within the framework of the principles and objectives of its external action, the Union shall conduct, define and implement a common foreign and security policy, based on the development of mutual political solidarity among Member States, the identification of questions of general interest and the achievement of an ever-increasing degree of convergence of Member States' actions. 34

The EU boasts that the Reform Treaty compels member states to speak with a single voice on external relations. With a single legal personality, Brussels will now sign international agreements on behalf of all member states. With breathtaking arrogance, the European Commission claims that with the Reform Treaty in place, "The European Union is uniquely well placed to find the answers to today's most pressing questions...and to see European values promoted effectively in the global community." However, the EU has been anything but effective in speaking with one voice about today's greatest global challenges, such as Islamic terrorism, the Balkans, and Darfur.

Under the current framework of the Common Foreign and Security Policy (CFSP), the EU has an extensive arsenal of sanctions: diplomatic sanctions, boycotts of events, trade sanctions, financial sanctions, arms bans, and travel restrictions. However, it has refused to use this incredible sanctioning power to fight the broader war on terrorism, just as it continues to implement the barest of sanctions against Iran. Not only is the European Union Iran's largest trading partner, accounting for 35 percent of Iran's total imports, but *The Wall Street Journal* notes that total EU trade with Tehran has *increased* since the Iranian nuclear program was discovered. ³⁶ In 2005,

^{35.} European Commission, "Reforming Europe for the 21st Century," COM(2007) 412 final, July 10, 2007, p. 2, at http://register.consilium.europa.eu/pdf/en/07/st11/st11625.en07.pdf (February 9, 2008).



^{30.} Bill Carb, "The Dogs Have Barked and the European Caravan Must Be Stopped," *The European Journal*, Vol. 14, No. 10 (November/December 2007), p. 5, at www.europeanfoundation.org/docs/Nov-Dec%202007.zip (February 11, 2008).

^{31.} Treaty of Lisbon, Article 1, Sec. 35, p. 39, amending Article 16(b).

^{32.} Richard Laming, "A Treaty for Foreign Policy," EUobserver.com, June 28, 2007, at www.federalunion.org.uk/news/2007/070628euobserver.pdf (February 9, 2008).

^{33.} Bruno Waterfield, "David Miliband Signs EU Treaty," *Telegraph* (London), December 17, 2007, at www.telegraph.co.uk/news/main.jhtml?xml=/news/2007/12/13/neu413.xml (February 15, 2008).

^{34.} Treaty of Lisbon, Article 1, Sec. 27, p. 33, amending Article 11(a)(2).

Italy and Germany ranked as Iran's second and third largest trading partners, respectively, having moved up in the rankings from previous years.³⁷

With its range of policy instruments, the EU already has significant economic and diplomatic leverage but, more often than not, chooses not to use it. Its strategic interests often contrast with U.S. interests, and with European military and civilian power invested in the CFSP, rather than in NATO, America's interests inevitably lose out. The biggest security threats facing Europe and the U.S. are asymmetric and constantly evolving. Thus far, NATO under American leadership has been working with a handful of its closest allies at the forefront of this struggle, but the U.S. cannot be expected to continue providing this leadership if the transatlantic alliance is downgraded.

The Reform Treaty proposes to abolish the EU's "pillar structure," in which member states maintain a strong national role in foreign affairs. America needs to recognize the dangers that this would create. In the few areas where the EU does speak with one voice—e.g., the U.N. Intergovernmental Panel on Climate Change (IPCC) and the World Trade Organization (WTO)—the United States has lost traction in dealing with its European allies on anything resembling a bilateral basis. Frequently, it has found itself pitted against an institution that has predetermined its position and is intent on morally opposing American policy.

This sets a dangerous precedent. If the EU's ability to curtail nation-states' decision making at the IPCC is replicated in wider areas of foreign policy making—such as a decision to join with the United States in military action—America will find itself isolated and facing hostility from an organization that has been endemically anti-American in recent years.

Significantly, the new EU foreign minister has the possibility of presenting an EU position at U.N. Security Council meetings. As is seen on a regular basis, the rules of EU horse trading put enormous pressure on member states to negotiate away key positions in exchange for maintaining blocking votes against something even more damaging. With the expansion of QMV, the U.K. now requires more allies to block onerous EU measures and will therefore be obliged to engage in this horse trading. America could easily lose its last ally in the Security Council.

Implications for the Special Relationship

[W]e have our own dream and our own task. We are with Europe, but not of it. We are linked but not comprised. We are interested and associated but not absorbed.

—Winston Churchill³⁹

The institutional and political constraints of further European integration will severely limit Britain's ability to build international alliances and make foreign policy. The greatest damage would be to Britain's enduring alliance with the United States. In political, diplomatic, and financial terms, no good has come from limiting Britain's geopolitical outlook to the European continent, and certainly no benefit can come from a deeper EU absorption that limits Britain's time-tested relationship with the United States.

No incident more ably contrasts the depth and breadth of the Special Relationship to the illusions of the EU alliance than the 2007 Iranian seizure of 15 Royal Navy personnel. While Britain's European neighbors scurried to protect their sizeable investments with Tehran and refused to specify any retaliatory measures in support of a fellow EU member, the United States demonstrated unequivocal support of Britain by conducting the largest U.S. naval exercise in the Gulf since 2003. By deploying aircraft and warships in support, America effectively

^{39.} Winston Churchill, extract from article, "The United States of Europe," Churchill Archives Centre, Churchill Papers, CHAR 8/279.



^{36.} Editorial, "Europe and the Mullahs: How the EU Subsidizes Trade with Iran," *The Wall Street Journal*, February 20, 2007, at www.opinionjournal.com/editorial/feature.html?id=110009689 (July 9, 2007).

^{37.} American Enterprise Institute, "Global Business in Iran: Interactive," Web site, updated December 12, 2007, at www.aei.org/IranInteractive (February 9, 2008).

^{38. &}quot;The Union shall replace and succeed the European Community." Treaty of Lisbon, Article 1, Sec. 2, p. 12, amending Article 1(b).

guaranteed that it would stand shoulder to shoulder with Britain at any cost during this major international incident.

The European Commission states that "The legitimacy of the European project must be grounded both in what it does, and how it acts." It goes on to argue that the Reform Treaty "will encapsulate a Union of mutual support and mutual protection." Europe's betrayal of Britain's military personnel during the Iranian crisis demonstrates its willingness to postpone its notion of European solidarity at will. The EU's decision to suspend its own travel ban to invite Zimbabwe's President Robert Mugabe to the 2007 EU–Africa Summit, despite Mugabe's record as a brutal tyrant and systematic abuser of human rights, is startling additional proof that the European project is grounded in positions that are often at odds with British interests and at times even with common decency.

Britain has found its strongest, most enduring alliance in its Special Relationship with the United States. Consistent and recurring cooperation, systematic engagement, and enduring bilateral relations have defined this relationship.

Ultimately, the Special Relationship is special because shared values and common interests bind the two countries in ways that are beyond the reach of unelected and unaccountable EU elites. The common political, diplomatic, historical, and cultural values that are shared by Americans and Britons actually mean something. Further still, Britain and America are prepared to defend these values—with military force if necessary. Common values mean something only if both parties are ready to defend them.

Neither Britain nor America should view deeper EU absorption as preferable to Britain's historical and proven links with the United States. The treaty's foreign policy agenda, led by the CFSP and an independent defense identity, is clearly designed to counterbalance the American "hyperpower." Britain should no longer risk its enduring alliance with the United States to pander to anti-American sentiment in Europe: As Sir Winston Churchill simply put it, "Never be separated from the Americans." ⁴⁴

Enduring Alliances Matter. The European Union's global outlook is fundamentally different from that of the U.S. The EU places full faith in "multilateralism as the best means to solve global problems." Speaking in New York in 2005, EU External Relations Commissioner Benita Ferrero-Waldner argued that security and prosperity are in fact dependent on effective multilateral systems. The EU believes that diplomacy trumps all other foreign policy tools in addressing international threats and that economic sanctions and military operations should be used only as "a last resort."

Brussels is an enthusiastic proponent of the International Criminal Court, global abolition of the death penalty, the Kyoto Protocol, and various other international treaties that have proven unpalatable to the United States. Under the new Reform Treaty, this phenomenon will only grow worse. Just as the EU has become an increasingly confrontational trade actor, unafraid to square off against Washington, the EU will become more aggressive in the foreign policy arena too.

^{47.} See European Commission, "The European Union and the United States."



^{40.} Dominic Kennedy and Tom Baldwin, "Blair Steps Up Pressure on Iran As US Moves In," *The Times*, March 28, 2007, at www.timesonline.co.uk/tol/news/world/middle_east/article1577489.ece (February 9, 2008).

^{41.} European Commission, "Reforming Europe for the 21st Century," p. 3.

^{42.} *Ibid.*, p. 7.

^{43.} Former French Foreign Minister Hubert Vedrine (1997–2002) coined the word "hyperpuissance," meaning hyperpower, to define America's political, military, and economic strength after the Cold War.

^{44.} Winston Churchill, speaking to his non-Cabinet ministers upon his retirement, after his final Cabinet meeting on April 5, 1955, quoted in Martin Gilbert, ed., *Winston S. Churchill*, Vol. 8, *Never Despair*, 1945–1965 (Boston: Houghton Mifflin, 1988).

^{45.} See European Commission, "The European Union and the United States: Global Partners, Global Responsibilities," at www.eurunion.org/partner/euusrelations/EUUSGlobParts.pdf (February 11, 2008).

^{46.} Benita Ferrero-Waldner, "Old World, New Order: Europe's Place in the International Architecture of the 21st Century," City University of New York, European Union Studies Center, September 15, 2005, at http://web.gc.cuny.edu/Eusc/activities/paper/Ferrero-Waldner05.htm (February 11, 2008).

The EU's intervention over America's proposed expansion of the Visa Waiver Program to Central and Eastern European nations should be taken as a sign of things to come. Just as the United States is on the verge of admitting additional countries to the program, the European Union has demanded competency in this area and has disallowed member states from pursuing bilateral negotiations with the United States. EU Justice Commissioner Franco Frattini has said, "This is a matter of European competence and we cannot accept that it should be negotiated country by country. I simply won't accept it." 48

In what can only be described as a calculated act of sabotage, the EU has put inordinate pressure on EU member states not to sign bilateral agreements and is instead promoting retaliatory action at the EU level, which has grossly inflamed the situation. The EU's desire to supranationalize visa policy in such a confrontational manner is a sign of how it intends to deal with Washington on future foreign policy matters.

In this regard, it is vital that the U.S. recognize the value of dealing with its enduring allies on a bilateral level. In its desire to create "One Europe," the European Security and Defense Policy (ESDP) has duplicated NATO security structures and significantly reduced the possibility of traditional alliance-building by the United States.

Replacing individual European allies with a single EU foreign minister in any context or institution is a bad idea. Inevitably, even if unintentionally, American interests will lose in the discussions that matter most. As Henry Kissinger noted in 2001:

When the United States deals with the nations of Europe individually, it has the possibility of consulting at many levels and to have its view heard well before a decision is taken. In dealing with the European Union, by contrast, the United States is excluded from the decision-making process and interacts only after the event, with spokesmen for decisions taken by ministers at meetings in which the United States has not participated at any level.... Growing estrangement between America and Europe is thus being institutionally fostered. ⁵⁰

Defense. The EU's Common Foreign and Security Policy has always intended to assert the EU as a supranational actor on the world stage in the place of nation-states. The Reform Treaty gives great momentum to the CFSP and the ESDP, its defense arm program. The treaty states:

The Union's competence in matters of common foreign and security policy shall cover all areas of foreign policy and all questions relating to the Union's security, including the progressive framing of a common defence policy that might lead to a common defence. ⁵¹

Although Gordon Brown argues that unanimous voting will remain in the area of foreign and defense policy, the imposition of QMV in three major areas is a significant loss of U.K. sovereignty in defense. ⁵² Under the Reform Treaty, QMV would be introduced for the appointment of an EU foreign minister; ⁵³ the selection of member states for participation in permanent structured cooperation; ⁵⁴



^{48.} Ana Carbajosa, "No quiero que cada país negocie con EE UU la seguridad de la UE," *El País*, February 13, 2008, at www.elpais.com/articulo/internacional/quiero/pais/negocie/EE/UU/seguridad/UE/elpepiint/20080213elpepiint_6/Tes (February 15, 2008).

^{49.} Ian Traynor, "Bush Orders Clampdown on Flights to the U.S.," The Guardian, February 11, 2008.

^{50.} Henry Kissinger, Does America Need a Foreign Policy? (New York: Simon & Schuster, 2001), p. 57.

^{51.} Treaty of Lisbon, Article 1, Sec. 27, p. 33, amending Article 11(a)(1).

^{52. &}quot;On foreign affairs and security matters, it is important for us that Britain can decide, and that's why we have been determined that foreign policy remains inter-governmental and decisions are made by unanimity." Gordon Brown, quoted in BBC News, "Brown Welcomes Deal on EU Treaty," October 19, 2007, at http://news.bbc.co.uk/2/hi/uk_news/politics/7052005.stm (February 11, 2008).

^{53.} Treaty of Lisbon, Article 1, Sec. 19, p. 28, inserting Article 9 E(1).

^{54.} Ibid., Article 1, Sec. 50, p. 48, inserting Article 28 E(2).

and the stature, seats, and operational rules of the European Defense Agency.⁵⁵

The fact that its primary European ally, the U.K., will not have the power to veto the appointment of the EU's primary foreign policy actor should be enough to make Washington nervous. However, the enhanced role for this unelected minister should cause even greater concern. Under the treaty, the EU foreign minister will have the power to appoint EU envoys; a bigger profile, budget, and diplomatic corps at his disposal; the right to speak on behalf of member states in multilateral institutions (including the U.N. Security Council upon request); and the right to propose EU military missions on behalf of the European Commission. ⁵⁶

Brussels clearly intends to become the U.S. Administration's first port of call in conducting its European foreign policy. However, the Administration should not expect the warm response that it gets in London and other national capitals.

Including the EU foreign minister in the European Commission is especially significant. The European Commission is a supranational body that deliberately forbids its members from taking positions in their own national interests.⁵⁷ It is a supranational body as opposed to an intergovernmental one, representing the first time that the CFSP has entered the supranational field.

Foreign policy has always been deliberately preserved in the intergovernmental field—at least technically, if not realistically—for the purpose of allowing member states to maintain a self-determining and independent position. Now member states' foreign policies will effectively be decided by an unelected, unaccountable Brussels bureaucrat,

and for the purpose of judicial adjudication, the integrationist European Courts of Justice will have supremacy.

The EU has already made substantial doctrinal and organizational progress with the ESDP and has created an infrastructure dedicated to rapidly advancing the program and realizing increased capabilities. The centralization of this key sector under the Reform Treaty could not be starker.

Nor should it be assumed that this increase in capabilities will necessarily evolve in a positive direction. Most European nations need to continue transforming their militaries into modern armed forces. NATO's Allied Command Transformation, with its existing expertise and American leadership, is the perfect vehicle for coordinating these changes. However, the duplicated European Defense Agency, which was founded in 2004 without any legal basis, will be the primary agent for coordinating defense acquisitions, and it will not necessarily even consider NATO's wants and needs. It is also unclear whether this highly politicized agency has the experience to streamline and improve Europe's defense capabilities to meet its defense needs.

Britain has a unique opportunity to withdraw itself from further integration in this field. Although Britain has lost its power to veto the integrationist plans of other member states under the new enhanced cooperation arrangements, it does have a modicum of opportunity to halt the creation of a separate EU defense identity by virtue of its superior defense position within Europe. ⁵⁸

EU defense integration makes sense only with British involvement because most EU member states spend far less on defense than NATO's recom-

^{58. &}quot;The Union shall replace and succeed the European Community." Treaty of Lisbon, Article 1, Sec. 2(b), p. 12, amending Article 1. Member states can undertake "to establish enhanced cooperation between themselves within the framework of the Union's non-exclusive competences." *Ibid.*, Article 1, Sec. 22, p. 30, amending Article 10(1).



^{55.} Ibid., Article 1, Sec. 50, p. 47, inserting Article 28 D(2).

^{56.} The High Representative has the right to propose EU military missions on behalf of the EU Commission, but unanimity voting will remain in the European Council.

^{57. &}quot;The Union shall replace and succeed the European Community." Treaty of Lisbon, Article 1, Sec. 2(b), p. 12, amending Article 1. "The members of the Commission shall be chosen on the ground of their general competence and European commitment from persons whose independence is beyond doubt. In carrying out its responsibilities, the Commission shall be completely independent. Without prejudice to Article 9 E(2), the members of the Commission shall neither seek nor take instructions from any Government or other institution, body, office or entity." *Ibid.*, Article 1, Sec. 18, p. 26, inserting Article 9 D(3).

mended 2 percent of gross domestic product (GDP) and have far less operational experience than Britain's battle-hardened troops. ⁵⁹ Britain may be able to frustrate Europe's separatist and discriminatory defense ambitions and reorient the defense discussion back to NATO in spite of the Reform Treaty.

However, if Britain chooses to opt into deeper involvement in EU defense plans, there will be profoundly negative consequences. Inevitably, larger member states will end up subsidizing Europe's overall defense budgets. More seriously, deeper involvement in EU defense will detract from member states' NATO obligations and further decouple the EU from NATO. The creation of duplicate military structures and doctrines with autonomous decision-making powers independent of NATO represents a major geopolitical rupture between Europe and Washington that serves neither side. 60

The U.S. Administration should not even consider backing an independent European security and defense policy in exchange for France's possibly rejoining NATO's military command structure. As former U.K. Shadow Defence Secretary Bernard Jenkin recommends on behalf of the Conservative Way Forward, France's involvement with NATO should be considered only if France reaffirms NATO supremacy in European defense and security and if NATO can be confident that France will not engage in deliberately disruptive policies.

Although the treaty reins in Britain's ability to veto integration in the defense sphere, it cannot force Britain to fund this dangerous endeavor. With one of the strongest and most able military forces in the world, Britain has a practical, if not political, veto that it must use to maximum effect. Although the politics driving the CFSP and the ESDP do incredible damage in and of themselves by marginalizing U.S. influence in Europe, a military-ready EU force completely independent of the transatlantic alliance would be far worse.

Europe: An Economic or Political Issue?

Gordon Brown's surrender in Portugal will sign Britain up to a Treaty that will allow the European Union to undermine the last vestiges of Britain's competitive free market, bringing to an end the reforms introduced by Margaret Thatcher.

—Robert Oulds, The Bruges Group⁶³

America has enormous interests in Europe's economies. The European Union and the United States collectively account for 40 percent of world trade and investment and around 60 percent of world GDP. The EU–U.S. trade and investment relationship is worth almost \$3 billion per day. 64

Some people argue that the European Union is essentially an economic question rather than a political question. Even under the most generous reading, this is a misguided assumption. Yet even on purely economic grounds, the arguments are clearly

^{64.} News release, "EU and U.S. to Sign Up to Transatlantic Economic Integration Plan at Washington Summit on April 30," Delegation of the European Commission to the United States, April 27, 2007, at www.eurunion.org/News/press/2007/2007043.htm (February 11, 2008).



^{59.} Just five of the 21 EU-NATO members spend the NATO benchmark of 2 percent of GDP on defense. See NATO International Staff, "NATO–Russia Compendium of Financial and Economic Data," December 18, 2006, at www.nato.int/docu/pr/2006/p06-159.pdf (June 22, 2007).

^{60.} For example, a new declaration on mutual defense duplicates NATO's long-held security guarantee: "If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States." Treaty of Lisbon, Article 1, Sec. 49(c), p. 44, inserting Article 28 A(c)7.

^{61.} Elaine Sciolino and Alison Smale, "Sarkozy, a Frenchman in a Hurry, Maps His Path," *The New York Times*, September 24, 2007, at www.nytimes.com/2007/09/24/world/europe/24sarkozy.html (February 11, 2008).

^{62.} Bernard Jenkin, "A Defence Policy for the UK: Matching Commitments and Resources," Conservative Way Forward, pp. 37–38, at http://accessible.bernardjenkin.org.uk/files/pdf_pdf_5.pdf (February 11, 2008).

^{63.} Press release, "The Economic Implications of the Revived and Renamed EU Constitution," The Bruges Group, at http://brugesgroup.com/mediacentre/releases.live?article=14008 (February 11, 2008).

moving away from further European integration, both for member states and for the United States.

The U.S. is the EU's largest trading partner and is greatly affected by much of the regulation churned out by Brussels. Open Europe recently found that the current body of EU law—the acquis communautaire—is a staggering 170,000 pages. Of these, over 100,000 have been produced in the past 10 years. Further centralization of power in Brussels therefore presents the U.S. with long-term challenges in its economic relationship with Europe.

First, European elites continue dogmatically to defend the European social model against global competition. A group of nine EU member states issued an open declaration in February 2007 calling for stronger social, environmental, and work protections, which will only further sap economic growth. At the Brussels summit in December 2007, EU leaders signed a declaration calling for "strong social dimensions and respect for the environment." As America's biggest trading partner, the EU's failure to enact free-market reforms and its agreement to wide-ranging socialist provisions such as the Charter of Fundamental Rights will automatically have a negative effect on the U.S. economy.

Second, the EU is acting as the world's greatest regulator. Overregulation is one of the primary obstacles to Europe's achieving anything resembling the goals of the 2000 Lisbon Agenda. Günther Verheugen, European Commission Vice-President for Industry and Enterprise, estimates that EU regulation costs €600 billion, or about 5.5 percent of total EU GDP. This contrasts poorly with published EU estimates that the Single Market provides trade

benefits of just €165 billion. ⁶⁹ The EU has demonstrated a profound inability to undertake serious economic reform, despite numerous pledges to do so. Significantly, the Reform Treaty does not make any pledge to deregulate.

The EU is now exporting its growth-sapping formula to the rest of the world. The *International Herald Tribune* recently described the EU as the "global antitrust regulator," arguing that as the world's most activist and assertive regulator, the EU now determines the antitrust regime for big American companies. ⁷⁰

The EU is also quickly globalizing its precautionary-based approach to risk management. During the U.N. climate change conference in December 2007, convened to reach a Kyoto II deal, the EU threatened to boycott a key environmental conference in the United States if America failed to agree to specific numbers for emissions cuts. 1 This comes on the back of Commissioner Günter Verheugen's proposal to impose an EU "green tax" on imports from countries that are not part of the Kyoto Protocol. Having failed to sign the U.S. up to the first Kyoto Protocol through moral posturing alone, the EU is apparently considering flexing its economic muscle to compel America to sign this time around. Notably, the Reform Treaty references the "international" fight against climate change, which was not contained in the EU Constitution.⁷²

The EU's control of member states' trade policies limits the freedom of free market–minded countries such as Britain to fashion trade policies more consistent with their bilateral interests. Britain generates 16 percent of EU-27 GDP,⁷³ is one of just three EU countries with working-age populations that

^{72.} Treaty of Lisbon, Article 1, Sec. 143(a), p. 115, amending Article 174(a).



^{65.} Open Europe, "Just How Big Is the Acquis Communautaire?" at www.openeurope.org.uk/research/acquis.pdf (June 7, 2007).

^{66.} Honor Mahony, "Nine States Call for Revival of Social Europe," EUObserver.com, February 15, 2007.

^{67.} Council of the European Union, "Presidency Conclusions," p. 25.

^{68.} George Parker, "Uphill Battle Against Brussels Bureaucracy," Financial Times, October 10, 2006.

^{69.} Open Europe, "Just How Big Is the Acquis Communautaire?"

^{70.} Stephen Castle, "Ruling on Microsoft Reflects EU's Global Reach," *International Herald Tribune*, October 22, 2007, at www.iht.com/articles/2007/10/22/business/ruling.php (February 11, 2008).

^{71.} CNN, "Deadlocked Bali Talks Near End," December 14, 2007, at http://edition.cnn.com/2007/WORLD/asiapcf/12/13/climate.conference (February 11, 2008).

will increase in the next half century,⁷⁴ and is the world's third-largest trading nation.⁷⁵

Britain's export markets inside the EU are shrinking, while its export markets outside the EU, including in the U.S., are growing. Britain imports as much from outside the EU as from inside, despite the customs duties and non-tariff trade barriers imposed by EU membership. With its entrepreneurial Anglo—Saxon economic model, strong Commonwealth ties, English language, and powerhouse financial capital, Britain is increasingly being damaged by Brussels' excessive regulations and statist model. Britain should re-adopt a free-trade outlook on a global scale and not restrict itself to Europe.

The United States should be wary of President Sarkozy's insistence on removing the EU's policy commitment to free and undistorted competition from the Reform Treaty. Sarkozy did not even attempt to hide his intention in doing so: "The word 'protection' is no longer a taboo," he said."

America cannot expect to see Britain's free-market Anglo–Saxon economic model to win out over the statist and sclerotic Rhineland model with the Reform Treaty in place. Britain's exemption from the vastly prescriptive Charter on Fundamental Rights will be worthless. As EU Commissioner Margot Wallström has made clear, "The Charter will be binding...for Member States when th[e]y implement EU law." Even though the CFR cannot be invoked in U.K. courts, it can be invoked in the European Courts of Justice. Since the supremacy of EU law has been established in precedent, Britain cannot seriously hope that its exemption from this manifesto for socialism will be realized.

What the United States Should Do

In its policy toward Europe, the U.S. should:

- Avoid any tacit, public, or diplomatic endorsement of the European Reform Treaty. U.S. leaders and diplomats at all levels must not give EU members or EU elites the impression—in public or in private—that the U.S. supports further European integration.
- Understand that the Lisbon Treaty is a political process intended to realize a United States of Europe. This treaty is not about the functioning of the European Union, but rather an evolution of political integration. The U.S. must abandon the long-held view that the European Union is a valuable global partner.
- Recognize that further European integration and the relentless and unstinting drive behind ever closer union threatens U.S. strategic interests. Congress should hold hearings to analyze the Lisbon Treaty's implications for the transatlantic alliance.
- Explicitly state that building enduring bilateral alliances is a U.S. foreign policy priority. The Administration should build bridges between peoples by facilitating safe and secure travel by implementing legislation passed in 2007 to reform and expand the Visa Waiver Program. Congress and the Administration should encourage commercial and political interchange between America and its friends and allies on a bilateral basis as an important foreign policy priority.
- Work with key European allies, especially the United Kingdom, to reaffirm NATO as the cornerstone of transatlantic security and to

^{79.} U.K. House of Commons, "European Union Intergovernmental Conference," p. 9.



^{73.} Global Britain, "EFTA Countries Much More Prosperous Than Either the Eurozone or the UK," *Briefing Note* No. 48, November 26, 2007, at www.globalbritain.org/BNN/BN48.pdf (February 11, 2008).

^{74.} Global Britain, "The EU's Demographic Anemia," *Briefing Note* No. 47, November 23, 2007, at www.globalbritain.org/BNN/BN47.pdf (February 11, 2008).

^{75.} Global Britain, "The World's Nine Leading Trading Nations in 2004," *Briefing Note* No. 46, November 1, 2006, at www.globalbritain.org/BNN/BN46.doc (February 11, 2008).

^{76.} Global Britain, "UK Exports: EU-Market Fades, But Imposes Heavier Burdens Than Ever," *Briefing Note* No. 44, November 3, 2006, at www.globalbritain.org/BNN/BN44.doc (February 11, 2008).

^{77.} EurActive, "EU Treaty Deal Meets Praise and Criticism."

^{78.} Margot Wallström, "European Parliament Opinion on the Convening of the IGC," speech to European Parliament, July 11, 2007, at http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/484 (February 11, 2008).

ensure that the Bucharest Summit in early April is successful in putting NATO once again at the forefront of the transatlantic alliance. At the Bucharest Summit, the United States should specifically reaffirm the minimum benchmark for NATO members' defense spending (2 percent of GDP). It should also make the Allied Command Transformation Initiative the primary agent in determining members' military transformations. The Administration should make clear both that the U.S. will not back the ESDP as the price for French re-admittance into NATO's military command structure and that re-admittance will impose certain obligations on France.

• Support calls for the United Kingdom and other European Union member states to hold referenda on the Lisbon Treaty as part of the ratification process. In line with the Labour Party's commitment and as part of a strategy to reinvigorate public trust in government, Prime Minister Gordon Brown should undertake a free and fair referendum in the United Kingdom.

Conclusion

The Reform Treaty contains major advances for the European Union's capacity to act. Indeed, in some areas we even went further than in the Constitutional Treaty.

—German Chancellor Angela Merkel⁸⁰

If there was ever a time for the White House to become unnerved about further European integration, this is it. The Lisbon Treaty is like no other. It spells out the central political goal of ever-closer union, which will ultimately distance London from Washington.

The European Commission's comment that "Europe has changed, the world has changed" is correct. The world faces both unprecedented threats and unprecedented opportunities that require greater flexibility for member states to act. The Reform Treaty denies sovereign states the ability to do that and further limits their right to build alliances with the United States.

The Reform Treaty calls for swift ratification with a view to coming into force on January 1, 2009. Britain is uniquely positioned to fashion a European Union that better serves British and American interests, and its reluctant signature of the Reform Treaty in Lisbon can be reversed. America should send its special ally a clear message that the U.S. will support Britain in reasserting its sovereignty.

—Sally McNamara is Senior Policy Analyst in European Affairs in the Margaret Thatcher Center for Freedom, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation. Erica Munkwitz, an intern in the Davis Institute, assisted in preparing this paper.

^{80.} Angela Merkel, speech to European Parliament, June 27, 2007, at www.eu2007.de/en/News/Speeches_Interviews/Juni/ 0628BKinEP.html (February 11, 2008).

