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Top Five Policy Priorities for Europe in 2015

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The United States faces mounting challenges in Europe in 2015. Russia is on the march in Ukraine, many of America's oldest allies question its commitment to transatlantic security, and the economies of Europe have still not fully recovered from the Euro crisis. In addition, the specter of Islamist terrorism has raised its ugly head again in Europe, with the brutal slaying of 17 people in France, including eight journalists at the offices of satirical magazine *Charlie Hebdo* in Paris. It is time for the U.S. to renew its commitment to European security, to make NATO relevant again, and to promote economic freedom across the continent. Here are the top five foreign policy priorities in the European region for the Administration and Congress in 2015.

1. Bring NATO back to the basics of collective security. NATO is, first and foremost, a collective security alliance; everything else the alliance does is secondary to that main mission. NATO does not have to be everywhere in the world doing everything all the time, but it does have to be capable of defending its members' territorial integrity. The 1949 North Atlantic Treaty is clear that NATO's area of responsibility is "in the North Atlantic area north of the Tropic of

Cancer." In order to stay relevant, NATO needs to prepare to defend against 21st-century threats in the North Atlantic region.

Since its creation in 1949, NATO has done more to promote democracy, peace, and security in Europe than any other multilateral organization, including the European Union. 2015 will be a pivotal year for the alliance. It is essential that the U.S. continue to be an active participant in the alliance's future and chart a course back to basics. The U.S. should use 2015 as an opportunity to get NATO refocused on collective security and territorial defense and to pressure European allies to invest properly in their military capabilities.

2. Improve key bilateral and multilateral relationships in Europe. This is the time for Washington to focus on strengthening ties with major allies in both Eastern and Western Europe. The threat posed by an increasingly aggressive Russia, as well as an array of Islamist terrorist groups, from ISIS to al-Qaeda in the Arabian Peninsula (AQAP), has made the need for transatlantic military, security, and intelligence cooperation an urgent priority. An estimated 3,000 Islamists based in Europe have traveled to Iraq and Syria to fight with the Islamist State. Many have returned to Europe to plot terrorist attacks on European soil.

This paper, in its entirety, can be found at <http://report.heritage.org/ib4331>

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The Obama Administration has paid little attention to Europe since President Obama came to office in 2009, with many U.S. partners in Europe marginalized and sidelined by the White House. The Anglo-American Special Relationship, the

NATO alliance, and U.S. collaboration with allies in Eastern and Central Europe have all been weakened through Washington's approach of "leading from behind." There is concern across Europe that the United States is becoming less engaged in the world and is attaching less importance to the defense of the West. The U.S. must recommit to leadership in Europe, sending a clear message to America's allies that it stands with them, while warning America's enemies that it will firmly oppose them.

3. Promote improved governance in the South Caucasus and Turkey. The South Caucasus and Turkey sit at a crucial geographical and cultural crossroads that for military and economic reasons has been strategically important for centuries. The region, especially Georgia and Azerbaijan, has played a major role in NATO's Northern Distribution Network for resupplying troops in Afghanistan. Important pipelines transit the region carrying oil and gas to European markets. As Europeans try to become less dependent on Russian energy sources these pipelines will become increasingly important.

Turkey is a member of NATO, a state with a long but threatened tradition of secularism that bridges the European and the Islamic world, a developing economy, and a major player in the energy market. In spite of President Recep Erdogan's iron-fisted leadership, Turkey is still a parliamentary democracy, and as the president, Erdogan derives his extensive powers because his Justice and Development Party (AKP) controls parliament.

Without that AKP majority, the center of power in Turkish politics would shift back to the Prime Minister's office. In June, Turkey will hold parliamentary elections—and if the elections are like Turkey's 2014 presidential elections, the race will be close. If the AKP does not get a majority, or if it has to form a coalition, Erdogan's power will be significantly curtailed.

Moscow continues to take advantage of ethnic divisions and tensions in the South Caucasus to advance pro-Russian policies that are often at odds with, or even worse threaten, Ameri-

can and NATO interests in the region. The U.S. should publicly oppose Russian efforts to foment conflict and subvert democratic nations in the region, and should work with all friendly states in the region to improve their governance, security, and trade links.

4. Promote genuine free trade with Europe. Free trade, and economic freedom more broadly, is essential to economic growth and prosperity. The purpose of freer trade is to reduce the cost of goods, thereby making them more affordable, just as the purpose of economic freedom is to remove barriers to competition, thereby preventing vested interests from rigging the system to their benefit.

The U.S. and the EU are currently negotiating a trade deal, known as the Transatlantic Trade and Investment Partnership (TTIP). Because trade between the U.S. and EU is already quite free, even a perfect TTIP would produce only modest benefits. Unfortunately, the TTIP will likely be based on the harmonization of transatlantic rules, which would make the U.S. and the EU less competitive, reduce their economic freedom, and benefit vested interests by given them an outsized voice in the creation of the harmonized rules.

The U.S. should instead seek to negotiate free trade agreements based on mutual recognition of rules with willing and democratic partners, including both nations not in the EU (such as Norway and Switzerland) and nations that may leave it (most importantly, the United Kingdom).

5. Develop a new strategy to deal with Russia. Recent events have confirmed that the "Russian reset" is dead. Far from being a partner on the path to reform, Russia under Vladimir Putin has proven itself a strategic competitor that has destabilized Eastern and Central Europe, the Caucasus, and Central Asia, which has shown no interest in liberal, representative democracy or any desire to respect the rights of its citizens. The U.S. must craft and implement a strategy to deal over the long term with Putin's Russia, taking into account all facets of Russian foreign policy.

Until Russia's leadership stops its aggression against neighboring states, ends its campaign of provocation and propaganda against the United States, and acts as a responsible power, Washington should approach U.S.–Russian relations as they are, not as the naïve reset policy fantasized they would be.

Europe Needs U.S. Leadership

Europe is critically important to American interests. It is the home of many of America's closest allies and vital for America's trade and investment. Developments in Europe have a major impact on U.S. security and prosperity, yet the current U.S. Administration is disengaged from what is happening across the Atlantic.

This is a moment for robust U.S. leadership: America's friends and allies are facing a renewed threat

from an increasingly emboldened Moscow, as well as homegrown Islamist militants, intent on carrying out acts of carnage on European soil and also seeking to threaten the United States itself. Restoring trust in American leadership should be a top foreign policy priority for the White House in 2015, demonstrating that the United States will stand with its allies at a time of mounting challenges in Europe.

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