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The United States and the Transatlantic Relationship

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ABSTRACT: Europe remains as important as ever for US security but several factors contribute to a degree of unsteadiness in the 2020 European security environment. The outcome of conflict between forces of stasis and change over the next two to four years will be determined by several dynamics including Europe's response to the COVID-19 economic crisis, Russia's desire to shatter transatlantic relations, the American approach to NATO, the impact of Brexit, whether German leaders will lead, and French efforts to address long-term economic malaise.

In the aftermath of the COVID-19 pandemic and in light of ongoing security challenges from Russia and elsewhere, how will the transatlantic security environment evolve in the next few years? This question is a critical one for American policymakers. The magnitude and scope of transatlantic trade in goods and services, the commitment to common values such as democracy and the rule of law, and shared geopolitical interests within and beyond the transatlantic region make America's relationship with Europe of vital interest to the United States.

Continuing Russian military provocations in northeastern Europe, Moscow's efforts to undermine democracy and intergovernmental institutions, foreign fighters from the Islamic State, China's increasingly exploitative behavior in Europe, and waves of migrants from Africa and the Middle East, however, threaten Europe's stability and security and hence American vital interests. Magnifying these challenges is the economic disaster generated by the COVID-19 pandemic, which is likely to be the worst global contraction since the Great Depression.

This brief article will unpack for policymakers what these challenges may mean for transatlantic security in the coming two to four years. To accomplish this, the article will first outline the current state of play in European security arguing a kind of equilibrium has been achieved over the last two years, in contrast with the mid-2010s when the European security environment was in great flux. Nonetheless, as the second section of this article points out, several ongoing and emerging challenges combined to create an unsteadiness in European security at the beginning of this new decade. Whether those challenges remain relatively manageable or erupt into crises will depend on the primary drivers of security in Europe, which are identified in the third section of this article. Finally, the article outlines potential alternative short-term futures in Europe, drawing out some prospective outcomes and implications.

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Improved Security Situation

In some respects, Europe has entered a security stasis over the last two years particularly in contrast to the 2014–16 period and especially with regard to the most acute security threats confronting Europe—namely, Russian aggression and international terrorism. This security stasis was mostly the result of two key factors. First, most North Atlantic Treaty Organization member states implemented a series of budgetary, force posture, readiness, and modernization initiatives intended both to reverse years of steadily declining defense budgets, on average, and to begin correcting the deficit of territorial defense capability and capacity across Europe.¹

Second, France, Italy, Germany, Belgium, and others improved their homeland security postures. Since the mid-2010s, European states have significantly enhanced intelligence collection and sharing, tightened counterterrorism laws and border controls, strengthened community-based monitoring and reporting networks, and devoted more funding to domestic law enforcement and for other counterterrorism capabilities.²

Persistent Unsteadiness

Despite this progress, there remains a security unsteadiness in Europe today stemming from several threats and challenges. The first is continued destabilizing Russian provocations in, near, and over Europe.³ Most obviously, Russian military forces continue to support, enable, and fight alongside the separatists in eastern Ukraine, a conflict resulting in at least thirteen thousand deaths and two million refugees flowing into Poland and other neighboring countries.⁴

The second threat confronting European security is small-scale terrorist attacks, including those religiously inspired. Despite relative success in preventing large-scale attacks and a corresponding drop in

1. John R. Deni, “Is NATO’s Enhanced Forward Presence Fit for Purpose?,” *Orbis* 63, no. 1 (Winter 2019): 92–103, <https://doi.org/10.1016/j.orbis.2018.12.008>.

2. Jytte Klausen, “Why Jihadist Attacks Have Declined in Europe: And Why Europe Shouldn’t Get Comfortable Yet,” *Foreign Affairs*, December 19, 2018, <https://www.foreignaffairs.com/articles/europe/2018-12-19/why-jihadist-attacks-have-declined-europe>; and Diego Esparza and Thomas C. Bruneau, “Closing the Gap Between Law Enforcement and National Security Intelligence: Comparative Approaches,” *International Journal of Intelligence and Counter Intelligence* 32, no. 2 (May 2019): 322–53, <https://doi.org/10.1080/08850607.2018.1522219>.

3. See “Russian Aircraft Violates Airspace of NATO Member Estonia,” AP News, September 24, 2019, <https://apnews.com/c26f31956ed949eb800dbe632f3c52f0>; and Michael Schwartz, “How a Poisoning in Bulgaria Exposed Russian Assassins in Europe,” *New York Times*, December 22, 2019, <https://www.nytimes.com/2019/12/22/world/europe/bulgaria-russia-assassination-squad.html>.

4. “Death Toll up to 13,000 in Ukraine Conflict, Says UN Rights Office,” RadioFreeEurope/RadioLiberty, February 26, 2019, www.rferl.org/a/death-toll-up-to-13-000-in-ukraine-conflict-says-un-rights-office/29791647.html; and Yaroslav Trofimov, “Turning Muslims Away, Poland Welcomes Ukrainians,” *Wall Street Journal*, March 26, 2019, <https://www.wsj.com/articles/turning-muslims-away-poland-welcomes-ukrainians-11553598000>.

the number of deaths from terrorism across Europe, there remains a risk of lone-actor attacks.⁵

Additionally, other less acute—but no less impactful—challenges to security in Europe have recently emerged. Chief among these is China. Europeans have become increasingly worried about Chinese tech companies acquiring or building telecommunications network infrastructure in Europe. A 2017 Chinese law requiring its organizations and citizens to support national security investigations means companies like Huawei can be compelled to function as arms of the Chinese government to the detriment of European security.⁶

In addition, Europeans are increasingly concerned about China's investment in other sensitive technologies and critical physical infrastructure. Chinese investments have been most dramatic in Southern Europe where several countries have privatized previously state-owned assets to reduce debt.⁷ Increasingly strict European Union investment screening regulations may curb new Chinese activity in the short run, but this remains a challenge for Europe.⁸

European economists and other experts have expressed concern over China's efforts to systematically steal trade secrets for economic advantage and for exploitation by China's military.⁹ Chinese state-directed economic espionage and intellectual property theft are frequently funneled directly into military advancements.¹⁰

Finally, migration is another enduring challenge to security and stability in Europe today. The numbers of conflict refugees and economic migrants seeking asylum in Europe have fallen dramatically since the mid-2010s. Nonetheless, emigration from regions adjacent

5. Avner Barnea, "Challenging the 'Lone Wolf' Phenomenon in an Era of Information Overload," *International Journal of Intelligence and Counter Intelligence* 31, no. 2 (March 2018): 217–34, <https://doi.org/10.1080/08850607.2018.1417349>; Robin Simcox, "The Post-Caliphate Terror Threat in Europe—and the Need for Continuing US Assistance," Heritage Foundation, August 19, 2019, www.heritage.org/terrorism/report/the-post-caliphate-terror-threat-europe-and-the-need-continuing-us-assistance; and Daniel L. Byman, "Trump's Syria Withdrawal is a Boon for ISIS—and a Nightmare for Europe," Brookings Institution, October 15, 2019, <https://www.brookings.edu/blog/order-from-chaos/2019/10/15/trumps-syria-withdrawal-is-a-boon-for-isis-and-a-nightmare-for-europe/>.

6. Jonathan Stearns and Alexander Weber, "China Threat to Telecoms Cited in EU Parliament Draft Resolution," *Bloomberg News*, March 11, 2019, www.bloomberg.com/news/articles/2019-03-11/china-threat-to-telecoms-cited-in-eu-parliament-draft-resolution-jt4gae79; and Moritz Koch, "Smoking gun: Streit um bewiese gegen Huawei," *Handelsblatt* (Düsseldorf), January 29, 2020.

7. Valbona Zeneli, "Mapping China's Investments in Europe," *Diplomat*, March 14, 2019, <https://thediplomat.com/2019/03/mapping-chinas-investments-in-europe/>.

8. Thilo Hanemann, Mikko Huotari, and Agatha Kratz, *Chinese FDI in Europe: 2018 Trends and Impact of New Screening Policies*, MERICS Papers on China (Berlin: Rhodium Group and Mercator Institute for China Studies, March 6, 2019), https://www.merics.org/sites/default/files/2019-03/190311_MERICs-Rhodium%20Group_COFDI-Update_2019.pdf.

9. Zak Doffman, "China's Spies Accused of Stealing EU Tech Secrets, Just as China and EU Agree Stronger Ties," *Forbes*, April 11, 2019, www.forbes.com/sites/zakdoffman/2019/04/11/chinese-spies-accused-of-major-european-ip-theft-just-as-china-and-europe-agree-stronger-ties/#1af64e0d70f4.

10. Office of the Secretary of Defense (OSD), *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2019* (Washington, DC: OSD, May 2, 2019), 103–4, https://media.defense.gov/2019/May/02/2002127082/-1/-1/1/2019_CHINA_MILITARY_POWER_REPORT.pdf.

to or near Europe is unlikely to end considering instability in Syria, Iraq, and Libya and across much of sub-Saharan Africa.¹¹ Managing the socioeconomic impact and flow of migrants places significant strain on social welfare, security, intelligence, and other government institutions across Europe.

Short-Run Drivers

How these threats evolve will depend in large measure on several key drivers of security and stability in Europe, primarily the economic slowdown created by the COVID-19 pandemic. The contraction in global economic activity threatens to be the worst since the Great Depression.¹² Recovery may have significant effects on fiscal health across Europe—and hence on defense budgets—and will deepen debt for many of the most financially vulnerable European states. Robust global growth could return in 2021, but much will depend on how governments respond and how quickly a vaccine can be developed to prevent a resurgence of the virus.

The second driver of security in Europe in the short run is Moscow's strategy of undermining the transatlantic relationship, destabilizing European politics, and dominating Russia's immediate neighbors, primarily rooted in Russia's persistent conflation of territory with security.¹³ An unremitting sense of insecurity continues to incentivize zero-sum strategic approaches to foreign relations.

The third most important driver is the American relationship with Europe in terms of security and trade. President Trump has a mixed track record with NATO despite expressing support for the Alliance at the December 2019 leaders' meeting in London and even though his own *National Security Strategy* embraces NATO as an invaluable advantage.¹⁴ Reportedly, the president expressed his desire for the United States to withdraw from NATO, but he was convinced not to do so.¹⁵ With regard to trade, the president has declared the EU a "foe" of the United States,

11. John D. Johnson, Raymond H. Chester, and Felix S. Johnfinn, "European Security Threats and Challenges: An Examination of Mass Migration, Its Impact on European Security and Practical Policy Recommendations," *Small Wars Journal*, n.d., <https://smallwarsjournal.com/jrnl/art/european-security-threats-and-challenges-examination-mass-migration-its-impact-european>.

12. Adam Behsudi, "IMF Predicts Global Contraction on Par with Great Depression," *Politico*, April 14, 2020, <https://www.politico.eu/article/imf-predicts-global-contraction-great-depression>.

13. Stephen J. Blank, ed., *Perspectives on Russian Foreign Policy* (Carlisle, PA: Strategic Studies Institute, US Army War College Press, 2012); and Keir Giles, *Moscow Rules: What Drives Russia to Confront the West* (Washington, DC: Brookings Institution, 2019).

14. Donald J. Trump, *National Security Strategy of the United States of America* (Washington, DC: White House, December 2017), 2, <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>; and Carol D. Leonnig and Philip Rucker, "You're a Bunch of Dopes and Babies: Inside Trump's Stunning Tirade Against Generals," *Washington Post*, January 17, 2020, https://www.washingtonpost.com/politics/youre-a-bunch-of-dopes-and-babies-inside-trumps-stunning-tirade-against-generals/2020/01/16/d6dbb8a6-387e-11ea-bb7b-265f4554af6d_story.html.

15. Michael Birnbaum and Philip Rucker, "At NATO, Trump Claims Allies Make New Defense Spending Commitments after He Opens Summit," *Washington Post*, July 12, 2018, <https://www.washingtonpost.com/>; and Julian E. Barnes and Helene Cooper, "Trump Discussed Pulling US from NATO, Aides Say Amid New Concerns over Russia," *New York Times*, January 14, 2019, <https://nyti.ms/2HaZZrK>.

overturning decades of bipartisan support for European integration, and he has threatened to impose tariffs on a wide array of European goods.¹⁶

If President Trump is elected to a second term, given his foreign policy tendencies and his lame duck status, it is conceivable he would deepen the trade dispute with Europe and pull the United States out of NATO.¹⁷ Congress has grown so concerned over the latter that it voted in 2019 to prohibit the use of funds for withdrawal.¹⁸ The US Constitution is silent on treaty withdrawal, and it is unclear whether Congress's actions are sufficient.¹⁹

A full-scale trade war with Europe would undermine America's most important economic relationship, undercut Europe's precarious fiscal situation, and worsen the transatlantic burden-sharing imbalance. Leaving NATO would erode the credibility of the mutual defense commitment among remaining Alliance members. Given a deteriorated economic and security environment, some European states would likely pursue hedging strategies vis-à-vis both Russia and China, opening the door for Moscow and Beijing to wield far greater influence in Europe.²⁰

The fourth most important short-term driver is Brexit. The UK's 2016 decision to leave the EU has already reduced British economic output and household purchasing power.²¹ These shifts will ultimately mean reduced government tax receipts, which will likely result in cuts to military spending as London attempts to protect social welfare programs just as it did in the wake of the Great Recession. The magnitude of Brexit's damage will only unfold slowly as the UK and the EU negotiate a post-Brexit relationship. Regardless, history suggests diminished military

16. Andrew Roth et al., "Trump Calls European Union a 'Foe'—Ahead of Russia and China," *Guardian*, July 15, 2018, <https://www.theguardian.com/us-news/2018/jul/15/donald-trump-vladimir-putin-helsinki-russia-indictments>; and Jakob Hanke Vela, "Trump Poised to Hit EU with Billions in Tariffs After Victory in Airbus Case," *Politico*, September 14, 2019, <https://www.politico.eu/article/trump-poised-to-hit-eu-with-billions-in-tariffs-after-airbus-win/>.

17. Stephanie Ruhle and Carol E. Lee, "In Private Speech, Bolton Suggests Some of Trump's Foreign Policy Decisions are Guided by Personal Interest," NBC News, November 12, 2019, <https://www.nbcnews.com/politics/donald-trump/private-speech-bolton-suggests-some-trump-s-foreign-policy-decisions-n1080651>; and Michael Anton, "The Trump Doctrine," *Foreign Policy*, April 20, 2019, <https://foreignpolicy.com/2019/04/20/the-trump-doctrine-big-think-america-first-nationalism/>.

18. Joe Gould, "Would Trump Drive NATO Exit? Congress Works on Roadblocks," Defense News, December 16, 2019, <https://www.defensenews.com/congress/2019/12/16/would-trump-drive-nato-exit-congress-works-on-roadblocks/>.

19. Curtis Bradley and Jack Goldsmith, "Constitutional Issues Relating to the NATO Support Act," *Lawfare* (blog), January 28, 2019, <https://www.lawfareblog.com/constitutional-issues-relating-nato-support-act>.

20. Noah Barkin, "Europe's Moment of Truth with China," *Politico*, January 13, 2020, <https://www.politico.eu/article/europes-moment-of-truth-with-china-trade-eu>; and Liana Fix and Bastian Giegerich, "European Security in Crisis: What to Expect if the United States Withdraws from NATO," War on the Rocks, November 29, 2019, <https://warontherocks.com/2019/11/european-security-in-crisis-what-to-expect-if-the-united-states-withdraws-from-nato/>.

21. Ivana Kottasová, "Brexit is Costing the UK Economy \$1 Billion a Week. And It Could Get Worse," CNN Business, March 22, 2019, <https://www.cnn.com/2019/03/22/business/brexit-uk-economic-damage/index.html>; and Jim Edwards, "The Price of Brexit Has Been £66 Billion So Far, Plus an Impending Recession—and It Hasn't Even Started Yet," *Business Insider*, April 7, 2019, <https://www.businessinsider.com/price-of-brexit-66-billion-recession-2019-4>.

capacity and capability will precede an eventual reconceptualization of Britain's strategic outlook and its willingness to wield force abroad.²²

Meanwhile on the continent, the question of German leadership looms as the fifth most important short-term driver. Throughout Angela Merkel's 15 years in power, she has shown a reluctance to lead Europe on foreign and security policy. Only when crises have fully erupted—for example, Syria's civil war and the resulting migration crisis, Russia's intimidation of and aggression toward its neighbors, or Libya's increasingly fraught civil war—has Merkel engaged meaningfully. If she fulfills her term of office through late 2021, Germany will likely remain on the sidelines at least until then, unwilling to wield the influence and authority that comes with being Europe's economic hegemon.

The sixth and final short-term driver of European security is France's ongoing economic reform effort. Emmanuel Macron—a relative newcomer to politics—was elected to the presidency in mid-2017 on the promise of a dramatic shakeup of the French economy. Since then he has struggled to implement what outside experts and economists have long acknowledged are fundamental, structural flaws in the French economic model.²³ Reforms are vitally necessary to expand the economy more aggressively, which will in turn improve government tax receipts and permit France to fulfill its own ambitious national security strategy even as it deploys ten thousand troops domestically for counterterrorism purposes.

Forecasting Alternative European Futures

To safeguard its interests in Europe and beyond, the United States' grand strategic objective regarding Europe has long been to prevent a single, protectionist power from dominating the continent. Secondly, Washington also desires European partners capable of and willing to defend common interests and values at home and abroad. Pursuit of these goals could be frustrated in the next two to four years, depending on the various drivers identified in the preceding section and how they affect the ability of European allies to manage the challenges posed by Russia, terrorism, China, and migration.

The most positive scenario might include the following outcomes over the next two to four years:

1. Russia calculates that fiscal and political costs of regularly violating the sovereignty of its neighbors, maintaining its support for the separatist war in Ukraine, and pursuing sociopolitical instability in Europe and North America through media and cyber manipulation

22. Fareed Zakaria, "Brexit Will Mark the End of Britain's Role as a Great Power," *Washington Post*, March 14, 2019, https://www.washingtonpost.com/opinions/global-opinions/brexit-will-mark-the-end-of-britains-role-as-a-great-power/2019/03/14/5df139fa-468c-11e9-8aab-95b8d80a1e4f_story.html.

23. Andrew Walker, "What is the French Economic Problem?" BBC News, April 29, 2016; and Alice Baudry and Laurent Bigorgne, "Diagnosing the French Malaise," Carnegie Europe, April 13, 2017, <https://carnegieeurope.eu/strategieurope/68661>.

- outweigh the benefits. As a result, it gradually begins to reduce the level of antagonism toward the West, if only for fiscal reasons.
2. The United States remains a steadfast NATO ally, renouncing any thought of conditionality in its commitment to Article 5 of the treaty. Given what appears to be a ratcheting down of Russia's aggressive behavior across Europe, the United States announces it will postpone plans to conduct division-level exercises in Europe. Washington also signals its intent to begin negotiations with the EU on eliminating remaining trade barriers.
 3. The United Kingdom concludes a new trade agreement with the EU that amounts to what many call a "soft Brexit," maintaining the strongest possible economic links to the continent short of EU membership. For this reason, there is no independence referendum in Scotland, and British tax receipts slowly stabilize as economic growth recovers.
 4. Merkel steps down in late 2020 and "snap elections" are held. Merkel's successor achieves a solid mandate with a clear majority, earning the political capital necessary for continued growth in the defense budget, and a decision to exclude predatory, state-subsidized Chinese telecom firms from German networks, as well as an increasing willingness on the part of Berlin to lead Europe more decisively.
 5. Macron succeeds in pushing through structural reforms, bolstering economic growth in France. At the same time, he dramatically curtails the homeland security mission of the French Army, freeing more military capability and capacity.
 6. Working collaboratively, American and German scientists develop a COVID-19 vaccine in time for the 2020–21 flu/cold season. North American and European economic growth rebounds strongly in 2021, allowing most members of the transatlantic community to avoid a lengthy recession and painful tradeoffs between social welfare and national security.

Worst-Case Outcomes

1. Russia expands its military presence in Kaliningrad and builds new, permanent bases in Belarus, even as its fiscal position worsens. Meanwhile, it continues to covertly manipulate media and cybernetworks to undermine and weaken mainstream political parties in Germany and France. It also solidifies client regime control in Syria and Libya that in turn push opposition groups, disfavored minorities, and others to migrate toward Europe.
2. The United States expands its trade war against the EU and announces its withdrawal from NATO, to become effective in one year per the terms of the Alliance treaty. At the same time, Washington begins a major downsizing of its military footprint in

Europe, withdrawing troops and equipment. It announces plans to maintain a rotational presence only at Ramstein Airbase.

3. Merkel remains in office through the end of her term in October 2021, after which a minority government comes to power. Lacking a strong mandate, this government maintains Merkel's cautious international approach. Given the American withdrawal from NATO, Berlin looks to the UK and France for additional security guarantees yet is offered none for fiscal (UK) and political (France) reasons. As a result German leaders pursue an accommodation with Moscow. Amidst the profound changes in the political-military realm, German leaders remove nearly all restrictions on Chinese firms' access to telecom networks in exchange for an end to Beijing's threats to shut out German automotive and other manufacturers from the lucrative Chinese market.
4. The United Kingdom's rough exit from the EU results in continued sluggishness in the British economy magnified by what is termed the Pandemic Depression. As a result, unemployment climbs significantly. To manage the fallout, the British government shifts funding from defense and national security accounts to the National Health Service and social welfare programs. Meanwhile, Scottish nationalists ramp up large-scale demonstrations—sometimes turning violent—in support of an independence referendum.
5. Protests in France succeed in causing the political defeat of Macron's economic reform packages, further inhibiting France's response to the Pandemic Depression. With a contracting economy and another rising tide of migrants from North Africa and the Levant on the horizon, far-right political leader Marine Le Pen wins election in 2022. Her policies undermine the EU as well as France's special relationship with Germany, and she announces French withdrawal from NATO following the United States. Simultaneously, Le Pen forgives Moscow for its transgressions in Ukraine—in exchange, Moscow agrees to purchase advanced French defense equipment.

Obviously, the scenarios outlined above are speculative and any number of permutations between and beyond the two scenarios are possible. Nonetheless, it is clear events in Europe will have significant implications for US national security and defense policy. Policymakers in Washington cannot fully control the transatlantic security drivers but having an awareness of those drivers and their potential implications can help the United States to mitigate the worst-case outcomes.