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Strategic Insights: Is the European Union Really That Important to U.S. Security Interests?

March 9, 2017 | Dr. John R. Deni

Questioning long-held assumptions and challenging existing paradigms in U.S. security policy can be a useful way to ensure that American leaders are not pursuing strategies that do not **actually** support and promote U.S. interests. However, on the question of whether the European Union's (EU) existence is in U.S. interests, the evidence is consistently clear. It most definitely is, and undermining it—for example, by promoting Brexit or suggesting other countries would or should follow the United Kingdom's (UK) exit from the EU—risks the further unraveling of the international order that is central to American prosperity and security.¹

As scholars have known for some time, officials and decision-makers are typically reluctant to abandon long-held beliefs or theories about the world around them.² When most officials are confronted with new information or data that challenges their worldview, they are likely to try to ignore it, dismiss it, or fit it into their existing notions and theories about how the world works. This kind of cognitive bias—known as confirmation bias—can have disastrous consequences for international security and of course for U.S. foreign policy, often because it can make officials blind to gathering storm clouds.³

For this reason, periodically questioning the central tenets of one's understanding of the world is critically important. Just because there has been a long-standing consensus on a given policy or strategy does not necessarily mean it should command blind adherence or loyalty forever.

One area in which there has been a decades-long consensus in the U.S. foreign policy establishment is with regard to the EU and its goal of achieving “an ever closer union.”⁴ Since the establishment of the European Coal and Steel Community in 1951, the United States has supported the economic and political integration of Europe.⁵ In the immediate aftermath of World War II, it was fairly obvious that integration was the only means of ensuring that strategic competition leading to system-wide war would not again break out in Europe, as it had twice in the space of just 25 years. At the very least, integration was far favorable to subjugation, which was what the victorious powers of World War I imposed on the losing side through the 1920s and 30s, with clearly catastrophic results.

However, memories of that post-World War II period and the interwar years have faded, and so it is relatively easy to lose sight of what a monumental achievement it has been to avoid another system-wide war stemming from European strategic competition. The EU—and before it, the European Community—has played an absolutely irreplaceable role in binding together European countries that were previously enemies. In the language of political scientists, the EU is an intergovernmental organization that has **ameliorated security competition**, at least in Europe. Today, it is easy to take the absence of large-scale war in Europe for granted, but one does not need to look far beyond Europe's shores to realize that the continent is unique in this regard.

For this reason alone, the continued existence and strengthening of the EU is clearly in America's vital interests. Twice in the preceding century, American leaders determined that a new balance of power unfolding in Europe would be inimical to U.S. interests, requiring the United States to deploy millions of young Americans, sustain hundreds of thousands of casualties, and spend trillions of dollars.⁶ The establishment of the EU has brought an end to the strategic competition among most of the major European powers and has also helped the West to avoid a catastrophic war. Unraveling the EU does not necessarily guarantee a return to the strategic competition of the early- and mid-20th century, but it undermines the most effective means of preventing it.

Perhaps more immediately, the demise of the EU—either slowly as member states leave one by one or more suddenly in the event of a precipitous collapse—would likely put at risk Europe's economic strength. While one might think the demise of a major economic competitor would benefit the United States, the end of the euro alone would have catastrophic effects on the American economy, worse than the recent Great Recession.⁷

The end of the euro or the EU would deal a body blow to transatlantic trade and investment, given how interwoven the American and European economies have become. Today, the EU is the largest trading partner of the United States, accounting for 20 percent of all U.S. trade and beating out Canada (13 percent), China (13 percent), Mexico (12 percent), and Japan (5 percent). In 2012, the economic relationship between the United States and the EU generated trade flows in goods and services of roughly \$2.7 billion per day.⁸ In 2010, 6.8 million U.S. jobs were tied to transatlantic trade and investment.⁹ According to the U.S. Department of Commerce, U.S. direct investment in Europe and European direct investment in the United States dwarfs the respective investment levels between the United States and every other region in the world.¹⁰

Trade levels between the United States and the EU are not only deep but broad as well.¹¹ For instance, machinery and transport equipment were the most traded products between the two transatlantic giants, but other leading industries included chemicals, petroleum products and fossil fuels, medical products, pharmaceuticals, power-generating equipment, scientific equipment, automobiles, beverages, and food. Trade in services between the United States and the EU is similarly wide-ranging, including transportation, travel, finance and banking, insurance, information technology, communications, and construction. Indeed, it is difficult to think of a part of the U.S. economy that is **not** heavily engaged in transatlantic trade.

It is naïve to assume that if the EU were to fall apart, today's transatlantic trade and investment patterns would simply disaggregate into disparate bilateral trade partnerships between the United States and each of the EU member states. In this case, the whole really is greater than the sum of the parts. Hence, what is far more likely is that a dissolution of the EU would bring massive economic dislocation characterized by capital flight from Europe and widespread unemployment, leading ultimately to a reduction of transatlantic trade and investment, a seizure within global capital markets, and a loss of American jobs.

Eventually, massive economic dislocation in Europe would begin to have significant implications for security and defense. It is likely that European foreign aid—which amounts to the world's largest development assistance program—as well as European defense budgets would shrink significantly as European governments seek to funnel more money into social safety net programs.¹² The reduction in foreign aid could lead to political instability elsewhere, particularly in Africa, the Middle East, and Asia, which would ultimately affect American trade and investment with those regions.¹³ Moreover, reduced European defense spending would result in reduced ability on the part of European states to partner with American military forces in the range of

military operations. This would mean more American boots on the ground in overseas contingencies, particularly in high-intensity operations.

Other security-related manifestations of the EU's dissolution would likely include reduced defense cooperation within Europe, erasing the efficiency gains earned through increased cooperation and rationalization of the European defense industry. Ultimately, and most worrisomely, the denationalization of European defense could be at risk, leading to increased security competition among the leading countries of Europe.

To scholars, practitioners, and officials who have worked in, studied, and devoted their careers to international relations, it may seem absurd to engage in a discussion over whether, and how the dissolution of the EU would harm U.S. interests. Given all of the pressing, unresolved issues in transatlantic security and American defense strategy that demand attention, defending something that appears so fundamental to U.S. security seems like a waste of time. However, in what may be a period of instability in geopolitics on the horizon, describing and explaining what lies at the heart of American defense and security policy is probably a useful endeavor, for the benefit of Washington's friends and adversaries alike.

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