Editorial

Conclusion: Out With the Old, In With the New? Explaining Changing EU–US Relations

Akasemi Newsome 1,2 and Marianne Riddervold 1,2,*

1 Institute of European Studies, University of California – Berkeley, USA
2 Department of Organisation, Leadership and Management, Inland University of Applied Sciences, Norway

* Corresponding author (marianne.riddervold@inn.no)

Submitted: 24 April 2022 | Published: 18 May 2022

Abstract

This article summarizes the thematic issue findings, focusing on the factors that contribute to stabilize or weaken EU–US relations. Seen together, the articles have systematically documented that there is a growing pressure on transatlantic relations both in multilateral institutional settings as well as in foreign and security policy. On the one hand, transatlantic relations within NATO are strengthening in the context of Russia’s new war in Ukraine, pushing Europe closer to the US and papering over disputes among European nations about the course of intra-European security cooperation. Shared norms and institutions as well as non-state actors with an interest in keeping the relationship strong for economic, strategic, or more normative reasons also serve to stabilize the relationship. On the other hand, longer-term geopolitical and economic structural changes together with domestic factors, particularly in the US, and in some cases diverging interests, suggest a parallel longer-term weakening of the relationship.

Keywords
domestic politics; European Union; interdependence; strategic interests; transatlantic relations; United States

1. Introduction

The two main crises facing the transatlantic partners in recent years—the Covid-19 crisis and the Ukraine crisis—suggest two opposing trends in EU–US relations. While the EU and the US came together in a strong and coordinated response under a US lead when Russia invaded Ukraine in February 2022, we saw the complete opposite when the Covid-19 crisis hit the world in 2019. In fact, the Covid-19 crisis is the first crisis since WWII where the US did not take the lead in coordinating and finding a solution together with its European partners within the multilateral system. So, which one, if any, of these crises shed light on the strength of transatlantic relations? Does the Covid-19 crisis testify to a changing US foreign policy and a more general weakening of EU–US relations? Or was this simply an exception to politics as usual in what is still a strong transatlantic relationship, that has also been strengthened with recent events in Ukraine? This thematic issue sets out to explore whether there is a longer-term weakening of transatlantic relations that goes beyond any one president or international event. We set out to not only describe but more importantly explain the trends we observe. After all, only by systematically teasing out the factors that contribute to stable or weakening relations across cases can we get more generalizable knowledge not only of what characterizes EU–US relations but, more importantly, what the longer-term trends of these developments are and what we might expect to see in the future.
To contribute to this, the articles in this collection have conducted in-depth case studies across two key thematic areas of EU-US relations, namely foreign and security relations and EU-US relations in various multilateral institutions and settings. This article summarizes our analysis, focusing on the factors that contribute to stabilize, strengthen, or weaken EU-US relations.

2. Findings: Transatlantic Foreign and Security Relations

Four of our articles, by Mai'a Cross, Bjørn Olav Knutsen, Gorm Rye Olsen, and Pernille Rieker, explore transatlantic foreign and security relations (Cross, 2022; Knutsen, 2022; Olsen, 2022; Rieker, 2022).

Two articles analyze transatlantic relations within NATO (Knutsen, 2022; Olsen, 2022). Whereas Knutsen (2022) discusses the inability of European actors to decide whether NATO or the EU is the appropriate arena for further defense integration as a response to weakening transatlantic relations, Olsen shows how these disagreements took a backseat to the question of Russia’s new war in Ukraine and the swift leading US response taken in consultation with European allies in NATO and the EU. Olsen (2022) examines four cases of EU-US security relations, namely: within NATO; in the context of the US pivot to Asia; in connection to sanctions targeted at Russia; and the war in Afghanistan. Olsen argues that transatlantic ties have actually deepened in no small part owing to the Russian invasion of Ukraine in 2022. The invasion resulted in the US stepping into its timeworn role as lead actor of joint EU-US security challenges. Olsen concedes his overall assessment of strengthening EU-US relations in foreign and security policy has been obscured by contradictions in US security approaches across and within US administrations. However, he marshalled evidence to show that these inconsistencies should be decoupled from the broader direction of EU-US ties. Informed by realist theoretical underpinnings, Olsen discusses and contextualizes former US president Trump’s disparagement of NATO in public statements as rhetoric that did not alter the US interest in maintaining NATO. In fact, the US still upheld its part of the NATO bargain and the European NATO members upheld their commitment to the US-led defense organization. Regarding the US pivot to Asia, the EU did not forge a distinct separate path, rather Olsen finds that the EU mirrored a tougher US approach to China, by ceasing further negotiations on the “EU-China Comprehensive Agreement on Investment” and in issuing statements describing China as a “strategic competitor,” again echoing the US. In the case of Russia, Olsen finds that the EU and US response to Russia has been converging since the 2020 US election and Russia’s 2022 attack of Ukraine further unified the partners. The most tenuous part of Olsen’s argument concerns the sudden exit of US forces from Afghanistan by the Biden administration without input from European allies. Ultimately, Olsen argues that while this decision had the potential to significantly harm EU-US relations, the Afghanistan exit did not decrease European or American commitments to NATO.

Knutsen’s (2022) article examines policy developments in three areas linked to European defense: strategic autonomy, the Strategic Compass, and the European Defence package. Knutsen argues that the transatlantic relationship is on the decline and its impact can be seen in intra-European defense discussions. Knutsen disagrees with Olsen in that he sees the American exit from Afghanistan as evidence of weakening EU-US ties. Knutsen’s argument, similar to Hjertaker and Tranøy’s (2022) perspective in this issue, depends heavily on a view of US leadership as a critical factor in transatlantic relations. However, for Knutsen, the impact of US leadership is also influential in its absence in that European nations’ lack of unity on how NATO and greater defense integration within the EU fit together, is animated by the absence of US leadership in security challenges for Europe. Knutsen also highlights external factors which have been important for the European lack of coordination on common defense issues and he lists “Putin, Brexit, and Trump.” For Knutsen, this impasse among Europeans has been impacted by US political actors in that US national interests have not been viewed as compatible with EU strategic autonomy in defense, rather the US prefers that its European allies develop their military capabilities under US leadership. Knutsen also discusses the specific bilateral tension between the two largest EU member states and NATO members, France and Germany. While France has invested in its own national weapons stockpile and in new military technologies and wants to lead European integration in defense, Germany has historically opposed EU integration in security matters and publicly expressed support for the primacy of NATO to address European security challenges. Cross (2022) explores EU-US relations in the increasingly important domain of space. Both Cross (2022) and Olsen (2022) argue that the transatlantic relationship remains intrinsically solid and that various subnational, transnational, and non-state actors are key to understanding this stability. Cross underlines that although the US at the political level has changed its attention and preferences towards China and there is a US tendency to take the transatlantic relationship for granted, long developed and strong strategic, economic, and political ties still bind the two. What is more, by studying space exploration as a case of evolving, socially constructed transatlantic relations, Cross shows how informal interaction and communication between non-state actors at the sub- and transnational levels have contributed to uphold a strong relationship across the Atlantic. These actors are also key to understanding that these areas have remained peaceful. Even if governments increasingly treat space as an area of interstate competition and a potential battlefield, they have managed to persuade governments to treat space as a peaceful domain, in line
with their own shared long-standing norms. Cross’ article aligns with the fourth factor developed in the introduction to this thematic issue, by showing how socially constructed norms and shared perceptions uphold relations at the subnational transnational level, affect state preferences, and hence influence interstate relations in spite of changing structural conditions (Riddervold & Newsome, 2022).

In her study of EU–US security relations in Africa, Rieker (2022) also finds evidence to suggest that the transatlantic relationship remains stable, although the picture is more mixed than in the case of space. On the one hand, in line with Smith (2022) and Knutsen’s (2022) argument, Rieker finds that structural changes have led to more divergent security interests across the Atlantic, with the US mainly concerned with China, and Europe focusing on its near abroad, i.e., on Russia and Africa. At the outset, there is moreover little direct EU–US security cooperation in Africa: NATO is absent, and while the EU is heavily engaged in various missions and other policies and actions, there is not much direct bilateral cooperation between the EU and the US on the African continent. To capture transatlantic relations in Africa, Rieker therefore applies an alternative approach to EU defense integration, defining this a broader form of differentiated or flexible security integration where different actors take on different roles, with different ties to the formal EU structures. By applying this perspective, Rieker shows that transatlantic relations in the region are actually quite strong owing to strong French security engagement and cooperation with the US in the Sahel. The French presence in Africa is supported by and coordinated with other EU member states and is thus more correctly interpreted as a European military engagement under French leadership than as a French national endeavor. The continuous US engagement and willingness to support France and Europe in Africa, despite a shift of strategic focus towards China, moreover suggests that this cooperation is upheld not so much by common interests as by a common set of values or common set of practices. As discussed by several other articles in the thematic issue, a big question, she concludes, is whether this support will continue under a different US administration.

3. Findings: Transatlantic Trade and Financial Relations

Three articles in the thematic issue, by Bart Kerremans, Mark Schwartz, and Ingrid Hjertaker and Bent Sofus Tranøy (Hjertaker & Tranøy, 2022; Kerremans, 2022; Schwartz, 2022), conduct systematic comparisons of transatlantic relations in multilateral institutions governing the economy with the following findings. Both Kerremans and Schwartz uncover evidence for weakening transatlantic relations and posits hierarchy in the transatlantic relationship as a key explanatory factor. For Kerremans, the US decision to cripple the Dispute Settlement System (DSS) of the World Trade Organization (WTO) resulted from its distinctive views on how the body should function and its outsized ability to hamper future functioning by stopping the process of naming DSS board members. For Schwartz’s analysis of transatlantic relations in structural emergent industry dynamics, the US ability to continually shape the direction of emergent industry growth in the second half of the twentieth century and well into the twenty-first century, without real contestation from Europe, generates a negative feedback loop between the partners. In contrast, Hjertaker and Tranøy’s discussion of the US bailout of European banks in 2008 finds evidence of strengthening transatlantic relations in which the US position at the top of the hierarchy results in greater cooperation between European and US banks. Another factor present across cases of economic multilateral institutions concerns the different interests held by each of the partners. However, in the context of hierarchy within the transatlantic relationship, we cannot conclude that differences in interests play a defining role. The EU and the US diverge in their views of the purpose and usefulness of the WTO DSS (Kerremans, 2022). In industrial development, the EU would like to displace the US as shaper of the next sectoral value shift but has not been able to do so (Schwartz, 2022). Lastly, European nations introduced the euro in an effort to become more independent of the dollar, yet while they succeeded in evading currency valuations, they became unexpectedly more dependent on bailouts by the US central bank during times of economic crisis.

Hjertaker and Tranøy (2022) argue that the 2008 financial crisis resulted in a strengthening of transatlantic relations in the financial sector since the US Federal Reserve Bank bailed out European banks with US branches and refused to restrict dollar–euro exchanges in a deal with the European Central Bank. Technocrats played an important role here in making the US bailout of European banks possible. US financial regulators viewed the stabilization of the European banking system as critical for the stabilization of the US banking system and the world economy. The US Federal Reserve Bank unilaterally decided to extend funds to European banks and continued to provide currency swaps at a later date in response to the pandemic-related economic downturn, serving as the “global lender of last resort.” Hjertaker and Tranøy argue that the strengthening of transatlantic cooperation signified by the new precedent of the 2008 bailout would not have been possible if this policy had been subject to domestic US political debates among elected officials in public, citizen forums. The role of unelected experts in pushing increased transatlantic cooperation is an important factor in liberal international theoretical perspectives on the direction of the EU. Hjertaker and Tranøy also find evidence for the role of US leadership and national self-interest as explanatory factors motivating deeper cooperation between the US and Europe in finance. This article also demonstrates that the US dominates otherwise multilateral financial regulatory bodies such as the Basel Committee, as the US dollar continues to be the global reserve currency.
For Schwartz (2022), structural dynamics are weakening transatlantic relations in global trade and economic development. This weakening is rooted in the “asymmetrical and...hierarchical” nature of ties between the two partners in this sphere. Choices made by the EU and the US in industrial policy since the end of WWII periodically have reinforced US dominance in the transitions between different “waves” of industrial innovation. In his attention to structural dynamics, Schwartz develops and applies arguments tailored to trade, which Smith’s (2022) article in this issue also makes about the primacy of structure over agency for the transatlantic relationship overall. Schwartz shows the persistent dominance of the US as the leading partner in trade through two measures of economic power, namely the percent of global profit accrued, and then, a measure by sector of country and regional investment in industrial innovation. Schwartz clarifies the implications of hierarchy for current and emerging waves of industrial innovation that contribute to continued weakening of transatlantic relations in trade, in that the EU and the US face very different prospects. On the one hand, the US is losing ground as a global trade leader to China and seeks to maintain its position by shaping emerging industrial innovation in artificial intelligence, genomics, and renewable energy. On the other hand, Schwartz argues, the EU faces the prospect of continued declining secondary status in a US-led global economy or displacement and lack of status in a Chinese-led global economy. This is not to say that subnational actors, specifically European firms have not benefited from US dominance, but Schwartz underscores that European firms and states have been unable to shape emerging industries since the end of WWII.

Kerremans’ (2022) article examines why the US paralyzed the ability of the WTO DSS to function. Kerremans’ study finds a weakening of transatlantic relations in the WTO in that this US-dominated multilateral institution no longer serves US political interests in securing compliance with rulings related to trade barriers imposed by the EU. Kerremans points out that whereas the EU has an interest in and values multilateral forums, it also relies on litigation and procedural loopholes to delay and avoid implementation of rulings. In response to these EU tactics of resistance around rulings granting legitimacy to US claims made against the EU, the US withdrew its support from the DSS. However, cases in which other WTO member states have won favorable rulings, including the EU, in claims against the US, also have posed a different set of challenges for the US because these have been difficult to justify in its domestic political arenas. Furthermore, Kerremans shows how distinctively the EU and US valued the WTO as an institution. On the one hand, the EU viewed the WTO broadly as a positive anchoring force for global trade. The US, on the other hand, had a more conditional view of the positive effects of the WTO in that it was skeptical of being subject to its rulings and welcoming if the WTO could compel other signatories to comply with its rulings. Similarly, there are two different views of “sovereign risk vulnerability” towards international courts. In Europe, the judicial field has developed in expectation of the subordination of national law to certain international legal jurisdictions as a byproduct of the process of European judicial and legal integration. This is in contrast to the view of US legal and judicial experts who are reluctant to allow international legal bodies primacy over US national law. In addition to differences in values, norms, and interests between the EU and the US regarding the WTO, Kerremans also discusses the role of domestic politics for the weakening of transatlantic ties in trade. US political elites faced the growing politicization of the WTO by the electorate as a harmful symbol of globalization and eroding national sovereignty. EU citizens mobilizing against globalization have not yet targeted the WTO and the EU’s role in it through political organization.

4. Broader Trends

Two articles conduct comparative studies and discuss longer-term trends across various factors. Kolja Raube and Raquel Vega Rubio explore EU–US coherence vis-a-vis China across cases (Raube & Vega Rubio, 2022). The thematic issue also contains a commentary article by Mike Smith discussing how the complex and evolving transatlantic relationship is affected by various structural and intermediate factors (Smith, 2022).

Raube and Vega Rubio (2022) explore how broader structural changes have affected the transatlantic relationship, and focus on how these changes influence the way in which actors across the Atlantic support the idea of a coherent transatlantic relationship. Echoing other contributions to the thematic issue they start from the assumption that the rise of China as an emerging power and the parallel increasing contestation of the norms and values underpinning the liberal international order may challenge the coherence of the contemporary relationship. Two cases from 2021 are studied to explore whether the relationship is weakening under Biden after increased US retreat and contestation under Trump: (a) the concerted sanctions imposed on Chinese officials in response to human rights violations; and (b) the AUKUS submarine deal between the US, Australia, and the UK. The authors find that both strategic interests, values, and identities influence the strength of the transatlantic relationship but that diverging strategic interests due to the US’ pivot to Asia increasingly seem to challenge transatlantic coherence. When the two partners’ shared identity as liberal actors comes to the forefront of international politics, they are able to act coherently vis-a-vis China. Hence, there is more transatlantic coherence under the Biden than the Trump administration in cases where the two together defend the liberal order values and norms. Developments in the security realm show a different picture. Similar to Knutsen (2022) and in contrast to Olsen (2022) and Rieker (2022), they find
that when strong US geopolitical interests are involved, transatlantic coherence is less of a concern to the US. The exception being cases where a coherent approach is seen to clearly advance the US’ interests. When confronted with Chinese security threats in the Indo-Pacific, the US does not conceive the EU to be a credible ally and hence did not see the need to consult or involve its EU partners when signing the AUKUS deal. AUKUS, in other words, suggests that US security interests will continue to trump the importance of a coherent and strong transatlantic relationship also under Biden, in line with Knutsen (2022) and Smith’s (2022) argument that we might see a longer-term weakening also in the foreign and security domain. While one can see greater coherence regarding the defense of the liberal order values when compared to the previous US administration, the security realm continues to be a source of incoherence between transatlantic powers.

Lastly, Mike Smith argues that transatlantic relations, in spite of recent cooperation in response to Russian aggression, are weakening, and that this is linked mainly to broader structural global changes (Smith, 2022). While previously proven resilient to turbulence and even crises, the growth of China and a weakening of the liberal world order institutions and ideas today create challenges for transatlantic relations in all key areas of the relationship. As result of these broader, long-term shifts, the transatlantic relationship plays a less central role in the global system and for EU and US policy makers than previously. In terms of the other factors discussed in the introduction to this thematic issue, Smith argues that they cannot be seen independently from these broader structural changes. The two partners’ strategic and economic preferences are largely driven by broader global economic and geopolitical forces and by international and domestic structures. Domestic factors such as new political cleavages also provide structural constraints on the two sides’ political choices and behaviour, in particular by posing challenges to the legitimacy of transatlantic order and globalization more broadly. In fact, unlike Cross (2022) and Olsen (2022) and similar to Schwartz, Smith argues that agency plays less of a role in affecting the relationship. Since this weakening is driven mainly by structural changes, the relationship cannot simply be restored by introducing new institutions or initiatives, or by strong cooperation in response to particular crises. Instead, future transatlantic relations largely depend on how the global system develops, the EU’s ability to coordinate internally vis-à-vis both the US and China, and the development of domestic politics in particular in the US. While the executive foreign policy establishment and non-state actors still continue to keep the relationship stable, as discussed by Olsen (2022) and Cross (2022), state-society relations, may over time contribute both to a stronger and a weaker relationship, depending on which way the pendulum turns. In line with the fifth factor discussed in the introduction and as also discussed by Smith, domestic support is crucial for understanding the development of US and EU foreign policies, and of the transatlantic relationship.

5. Conclusion

Authors in this thematic issue have considered if cooperation between the US and Europe is weakening and, if it is weakening, why. Seen together, the articles have systematically documented that there is a growing pressure on transatlantic relations both in multilateral institutional settings as well in foreign and security policy. Our analysis has revealed several important findings. The first is that transatlantic relations in economic multilateral settings are weakening (Kerremans, 2022; Schwartz, 2022) with the exception of transatlantic financial and banking ties (Hjertaker & Tranøy, 2022). A key driver for this is the role of hierarchy in the transatlantic relationship in which the US continues to operate as global, if increasingly contested, hegemon. The analysis of the foreign and security domain reveals a more nuanced picture. On the one hand, transatlantic relations within NATO are strengthening within the context of Russia’s new war in the Ukraine, pushing Europe closer to the US and papering over disputes among European nations about the course of intra-European security cooperation (Knutsen, 2022; Olsen, 2022). Shared norms, institutions, and non-state actors with an interest in keeping the relationship strong for economic, strategic, or more normative reasons, also serve to stabilize the relationship (Cross, 2022; Olsen, 2022; Raube & Vega Rubio, 2022; Rieker, 2022). On the other hand, longer-term geopolitical and economical structural changes (Rieker, 2022; Schwartz, 2022; Smith, 2022) and domestic factors (Kerremans, 2022; Knutsen, 2022; Raube & Vega Rubio, 2022; Smith, 2022), and in some cases diverging interests (Raube & Vega Rubio, 2022; Rieker, 2022) suggest a parallel longer-term weakening of the relationship. In this sense, our findings further support the conclusions we drew in 2018, where we suggested that “the transatlantic relationship is under more pressure today than in any other period since its establishment” and that “it is likely that the cracks in the foundation of transatlantic relations will continue into the present and foreseeable future” (Riddervold & Newsome, 2018, p. 518). Four years later, with a new and much more internationally oriented US president, we find that the transatlantic relationship is still less strong than it was under the Cold War and the two decades that followed. With this study, we can however move beyond these findings to also say something theoretically informed about the factors that explain this trend.

Acknowledgments

This article is a contribution to the TRANSAT project, financed by the Research Council of Norway, project number 288752. We want to thank all the TRANSAT participants—Ole Gunnar Austvik, Katja Biedenkopf, Mai’a Cross, Ingrid Hjertaker, Bart Kerremans, Bjørn...
Olav Knutsen, Gorm Rye Olsen, Kolja Raube, Pernille Riker, Raquel Vega Rubio, Mike Smith, Mark Herman Schwartz, and Bent Sofus Tranøy. Thank you also to Amund Botillen and Albert Didriksen for assistance, and to Pedro Natário, António Vieira, and the rest of the Politics and Governance editorial team for their patient support and their suggestions and feedback throughout this process.

Conflict of Interests

The authors declare no conflict of interests.

References


About the Authors

**Akasemi Newsome** (PhD) is associate director of the Institute of European Studies at the University of California, Berkeley, and a senior fellow at the Inland University of Applied Sciences, Norway.

**Marianne Riddervold** (PhD) is professor of political science at the Inland University of Applied Sciences, Norway, research professor at the Norwegian Institute of International Affairs (NUPI), and senior fellow at the Institute of European Studies at the University of California, Berkeley, USA.