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## **ROR-CSIS East Europe Conference – 19 October 2004**

### **U.S. - ROMANIA: NEW ALLIES, NEW CHALLENGES**



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Post-Conference Recommendations

## **Project Description**

The CSIS East Europe Project, together with Romanian Radio Broadcasting Corporation (ROR), hosted an international conference to address the importance of the Central and East European (CEE) states as U.S. allies in the war against terrorism and the operations in Iraq and Afghanistan. The conference, which examined ways to strengthen U.S.-CEE relations, was held at CSIS on 19 October 2004. "It is imperative for Washington and the CEE capitals to make efforts to guarantee the durability and dependability of their alliance," said Janusz Bugajski, CSIS East Europe Project director. The conference addressed ways to transform those efforts into a strategic defense relationship, by creating allies who are integral partners in international missions. Discussion focused upon the challenges facing Washington in both securing and enhancing U.S. support throughout Central and Eastern Europe during the process of EU enlargement and global trends of rising anti-Americanism. Romania was examined as a test case for exploring the level of public commitment in CEE to the trans-Atlantic relationship.

## **New Allies**

The countries of Central and East Europe have made remarkable progress since they discarded their totalitarian past and embarked on constructing democratic polities, market economies, and civic institutions. Throughout the last 15 years, the CEE states consistently displayed their solidarity and cooperation with the United States and demonstrated their commitments even in difficult political circumstances. At the NATO Enlargement ceremony in Washington on 29 March 2004, President George W. Bush asserted that the new members of the North Atlantic Treaty were "friends before they were allies, and they were allies in action before becoming allies by treaty." From their

participation in the Balkan missions to their reactions to the 9/11 tragedy, and later their contributions to Operation *Enduring Freedom* in Afghanistan, the war in Iraq, and Iraqi reconstruction, the CEE states proved themselves to be viable and reliable partners in the pursuit of freedom and democracy.

## **New Challenges**

U.S.-CEE relations are entering a new phase with the accession of America's new allies into NATO and the EU. Now that the CEE states are firmly anchored into Euro-Atlantic institutions, they achieved the foreign policy targets they set for themselves when communism disintegrated. However, the redefinition of their strategic objectives for the next decade is only gradually emerging. It is imperative that the U.S. continues to support the democratic process in the region to prevent any backsliding and to counter the security challenges emanating from the unstable regions at Europe's frontiers. However, there are also future potential areas of disagreement between CEE and the U.S. With accession to the EU, the main policy challenge for the CEE capitals will be to achieve a workable balance between Washington and Brussels. EU enlargement will change the nature of the political process in Europe and the CEE's Atlanticist commitment could help bridge the rift in trans-Atlantic relations. This will prove important for addressing the new global security challenges.

## **Romania as a Strategic Ally**

Romania has emerged as one of America's staunchest allies in CEE and it has become a key partner not only in Central and Southeast Europe, but also in the Black Sea region, the Caucasus, and the Middle East. For Bucharest, NATO accession signaled one of its most significant foreign policy achievements and

provided an encouraging recognition of Romania's political, military, and economic progress.

The evolution of NATO's role in global security remains vital for Romania and most citizens view NATO and the trans-Atlantic relationship as a top priority. Romania will have the biggest military contribution to NATO among the newest Alliance members. Romanians see NATO not only as a politico-military alliance, but also as a system of values to which they adhere and thus for them a weakened NATO automatically undermines trans-Atlantic relations. But while the majority of the Romanian population seeks a permanent American military presence in Europe, they have more conflicting views about the U.S. led war in Iraq. According to recent opinion polls, the public overwhelmingly supports the U.S. and opposed Saddam's regime, but it is generally not supportive of Romanian military contributions to Iraq.

Despite public pressure, Romania has been in the top ten coalition partners in terms of troop contributions for operations in Afghanistan and Iraq, and second in CEE after Poland. The government in Bucharest has delivered on its promises and has been very straightforward about its capabilities and limitations. Prime Minister Adrian Nastase visited the White House in July 2004 and delivered a firm message that the U.S. can count on Romania in Iraq as well as for other operations. Meanwhile, through its role as a non-permanent member of the U.N. Security Council, Romania has worked on trying to align other nations behind the Iraqi cause. The country was a co-sponsor of Resolution 1546, which paved the way to the restoration of Iraq's sovereignty, as well as two resolutions on Sudan and one on counter-terrorism.

Romania is included in the U.S. global military posture review as Washington looks to reposition its military forces around the world to more effectively confront the new security challenges. Romania has welcomed U.S. basing as an important step in cementing long-term cooperation in defense. The U.S. is seeking to establish a new network of smaller and more flexible "forward operating bases" in Eastern Europe, Central Asia, and Africa. In this context, Romania has a favorable geographic location with proximity to several conflict zones, access to airports and seaports, and a relatively good local infrastructure.

At the regional level, Romania is trying to become a catalyst for security and stability in the Black Sea and Caucasian regions. Bucharest has worked closely with Georgia's administration and has been proactive in the promotion of stability and development in the Western Balkans. One of Romania's key objectives is to maintain high-level dialogue with Washington and enlist its cooperation in dealing with neighboring regions. This cooperation will be mutually beneficial, especially in view of Romania's strategic location. Romania would like to ensure a NATO operational footprint along Europe's periphery and use its experience to address the unstable areas in the Western Balkans, the CIS (Commonwealth of Independent States) and along the Black Sea littoral.

Bucharest has a stable political system and the parliamentary and presidential elections at the end of November 2004 are expected to be both free and fair. The implementation of tough structural reforms has decreased public support for the incumbent Social Democratic Party, but support for the opposition has remained static. Latest opinion polls show that current Prime Minister Adrian Nastase leads his opponent, Traian Basescu, with 42 percent to 37 percent in the race for the presidency. Regardless of the winner, Bucharest will need to implement further reforms

and more comprehensively tackle official corruption, media freedom, minority rights, child protection, and adoption regulations. Implementing legal and administrative reforms is crucial, especially in recruiting and training judges, and introducing more transparency in public spending.

Romania was finally recognized as a functioning market economy in the European Commission's October 2004 Regular Report, but many hurdles remain before it is able to join the European Union by the target date of 1 January 2007. Therefore, economic policy will be driven by the imperative of meeting EU membership requirements. As a recent NATO and future EU member, Romania becomes part of a community of standards and commitments that all member nations share.

## **Recommendations**

**1. Public Diplomacy:** The U.S. can capitalize on the historical foundations of pro-Americanism but should not take these for granted. Decades of Radio Free Europe (RFE) and Voice of America (VOA) broadcasts, Fulbright scholarships, and educational exchanges produced a local elite that admired the American political model and its prosperity. But the mission of public diplomacy is never complete, especially in a fast changing world with numerous enduring security challenges. Unfortunately, RFE recently discontinued its broadcasts in the region, USAID slowly graduated CEE from its aid programs, and the spotlight for educational exchanges moved to other regions. This shift in U.S. public diplomacy is unsettling and counter-productive. Washington must do everything possible to prevent the spread of anti-Americanism in this vital "arc of new alliances." Washington should continue to sponsor informational, educational, academic, scientific, and cultural programs to

strengthen bonds with the emerging generation of leaders and opinion makers.

**2. Visa Issues:** A major boost will be given to public diplomacy by resolving visa issues with the CEE countries that have stood next to the U.S. throughout its campaign against international terrorism. The citizens of those countries have traveled to Western Europe without a visa for at least half a decade, but when it comes to the U.S., they are still subjected to financial charges and emotional frustrations. The inclusion of these new democracies, which are now members of both NATO and EU, in the Visa Waiver Program would be a major advance in U.S.-CEE relations. It will boost public diplomacy in a practical way and demonstrate that there is no discrimination against CEE citizens in comparison to the West European states, many of whom did not assist Washington in either Afghanistan or Iraq.

**3. Iraq:** Iraq has become the most contentious issue in U.S. – CEE relations. The partisan dispute during the U.S. elections over the timing and justification for the war resonated in the region and members of the public have increasingly questioned their own commitments. The U.S. welcomed the initial eagerness of "New Europe" to contribute to the missions in Iraq and Afghanistan, but so far has fallen short in reciprocating. It is very important for the policy-making community in Washington to distinguish between the way CEE states view their commitment in Iraq and the way the U.S. thinks they view it. It is arrogant and dismissive to refer to the coalition members as "coerced and corrupt," but it is also naïve to expect that they joined the effort purely out of sentiment. A certain level of pragmatism guided the policies of the CEE capitals. Two issues in particular have yet to be comprehensively tackled:

- *Iraq's Debt:* CEE leaders were hoping for U.S. help in recovering some of the Iraqi debt accumulated during the 1980s. For example, Bulgaria is the largest creditor country vis-a-vis Iraq in proportion to its GDP: Iraq's debt is equal to one tenth of Bulgaria's annual GDP. Of the \$1.7 billion debt, about \$1 billion represents the principle that accrued before the 1991 Gulf war. Other CEE states are in a similar situation. Immediately after President Bush announced the end of major combat in Iraq, U.S. diplomats traveled to many of the CEE capitals, pressuring the leaders to forgive Iraq's debt. The new allies are unwilling to forgive the entire sums of their loans and also seek to negotiate repayments in crude oil or discounts on oil deliveries. Additionally, a portion of the debts could be settled by signing contracts with CEE companies in post-war reconstruction.
- *Reconstruction Contracts:* CEE specialists have significant experience in the Middle East, since they have been performing services in the region for over twenty years. Their expertise is most notable in the areas of health care and construction. Despite the hopes that CEE companies would participate in the reconstruction effort in Iraq, so far very few contracts have been awarded to the new allies. U.S. Embassies in the region held numerous workshops introducing contracting regulations, but East Europeans are questioning the transparency and the competitiveness of the process.

With elections due this fall in many CEE countries, incumbent governments may submit to public opposition against participating in the Iraqi mission. In order to survive a vote of confidence in parliament, Polish Prime Minister Marek Belka recently announced plans to start withdrawing troops from Iraq

in January 2005. Hungary declared its decision to pull out its contingent by March 2005 and Latvia has already decreased its contribution. Unless the U.S. rewards its new allies for their loyalty and persistence, it runs the risk of undermining its political leverage in the CEE region. It must be remembered that the CEE states did not enlist in the war against international terrorist networks and in the mission in Iraq because they felt threatened specifically by *Al Qaeda* or Saddam Hussein. However, as a result of their participation, they feel less secure, especially as their close ties with Washington have guaranteed that they are now terrorist targets.

**4. Military Bases:** CEE states have displayed a high level of both public and government support for hosting U.S. military bases. The new security challenges prompted the U.S. to rethink its global military posture, focusing on smaller, mobile, and rapidly deployable units that will require access to a network of staging posts for fuel and supplies. This realignment is the major factor determining base relocations. Bulgaria, Poland, and Romania have announced their eagerness to host a permanent U.S. military presence out of political, economic, and security considerations. However, the slowness and secrecy of the process is causing some of the enthusiasm to fade. Washington rushed into announcing base reshuffling without providing a concrete strategy and timetable for CEE. Because the announcement coincided with U.S. efforts to consolidate a coalition for Iraq, as well as with the dispute over the International Criminal Court (ICC), public opinion in the CEE states may increasingly feel that they were falsely lured by the promise of a U.S. military presence. Much needed is a tangible guarantee for U.S. basing plans, a timetable, a plan of action, and an assessment of its economic impact.

**5. The EU Factor:** Despite their accession to the EU, the CEE states are determined to maintain and develop their relations with the United States. Continuing apprehensions about Russia, the echo of the Balkan conflicts, the need for assistance in fighting cross-border crime and corruption, and the potential for more substantial business investment ensure that the CEE capitals will seek to maintain U.S. involvement in Europe.

EU entry may alter the political balance within Europe institutions as common policy will become less dominated by the largest and wealthiest states. In this context, Washington should take advantage of the Atlanticist commitment of the EU's newest members. However, such a task will not be easy. Popular attitudes in CEE are moving closer to Brussels on issues such as Iraq, even among the most pro-U.S. countries. New EU entrants are highly dependent on the EU's structural funds as agricultural and infrastructural projects under the EU umbrella are vital for these developing economies. As the EU's foreign and security policy evolves, they will be inclined to tune their policies with Brussels. In addition, the generation of Fulbright scholars in CEE is gradually being replaced by young people who see their career plans tied to the EU structure.

In order to reverse the trans-Atlantic rift, the U.S. needs to better understand the development of EU decision-making. Although ad-hoc military and political coalitions were possible a year ago, with EU accession the CEE states may become more restricted and less flexible in their policy options. However, if the new allies are given tangible incentives and results, the process of European unification may actually become beneficial to the U.S. by embedding strong Atlanticist states in the expanding Union.

**6. NATO's Future:** The United States should play a more proactive role in redefining NATO's new role. The CEE states,

as new members of the Alliance, need to define their individual roles within a pact that is currently searching for its *raison d'être*. The new allies are introducing their own policy strategies, especially with respect to their Eastern frontier. CEE states have a great deal at stake in ensuring stability and development in the Western Balkans, Ukraine, Moldova, and Belarus. Washington should not be indifferent to the security threats emanating from those regions. Trafficking of drugs, weapons, and people, as well as the potential for future civil or ethnic unrest and Russian intervention can be dealt with more effectively through closer U.S.-CEE cooperation and by utilizing the NATO structure.

Despite endeavors to form a European common security and foreign policy independent from Washington, the Old Continent remains riven by disputes and no uniform platform will easily or quickly materialize. NATO remains the only viable organization that can buttress trans-Atlantic security. Rather than bypassing NATO in dealing with crisis situations, Washington could aim to strengthen its effectiveness. NATO's future role is to prevent conflict not within Europe, but along its periphery. The security challenges posed by conflicts in the Caucasus, the Black Sea region, Central Asia, and the Middle East can only be resolved, or at least managed, through a more concerted trans-Atlantic strategy.

**7. Regional Issues:** A number of pressing regional questions of direct concern to the new allies in CEE will necessitate greater American engagement:

- **Ukraine:** Ukraine has yet to evolve into a stable pro-Western state. While Russia views Ukraine as a major tug-of-war between the Atlantic and Eurasian options, many Western states seem unwilling to damage relations with Moscow by more resolutely helping to prepare Ukraine

for NATO and EU membership. Officials in Washington have been muted about Ukraine's development, presumably because of President Kuchma's contribution of 1,600 troops to the coalition effort in Iraq. The U.S. can provide the next Ukrainian President with attractive counter-option to Moscow's dominance, including membership in the Alliance and better defense cooperation if Kyiv undertakes a sustained effort at reform. Current NATO-Ukraine relations are largely nominal and simply reinforce the perception that Ukraine is only a peripheral state and not a partner.

- **Moldova:** The stability and territorial integrity of Moldova is of great concern to Romania and other nearby CEE states. Washington can pursue a more active policy in reintegrating the divided state, discouraging Russian interference, combating the criminal networks in Transnistria, and giving Moldovans the prospect of a closer partnership with the U.S.
- **Western Balkans:** Unresolved political issues in Kosova, Serbia, Montenegro, Bosnia-Herzegovina, and Macedonia will require firmer American leadership alongside the EU in moving each of these states and aspiring states toward institutional stability, structural reform, economic development, and eventual international integration.

## **Conclusions**

The United States has a stellar record of supporting freedom and successful democratic transitions in Central-Eastern Europe. However, U.S.-CEE relations have now entered a new and critical stage, in which the durability and dependability of these

alliances will be tested. The future of these partnerships does not revolve solely around common values but will increasingly focus on specific interests in ensuring national security, political credibility, and economic development. The significance of CEE in American strategy should not be underestimated as the region may acquire even greater geopolitical importance for Washington. The small but rapidly growing economies also present opportunities for U.S. investment. Washington needs to build upon the successes it has achieved in the region over the past decade and accept the new allies as credible and respectable partners. With a sturdy and dependable alliance, U.S.-CEE cooperation can be extended to secure Europe's frontiers, while the lessons of Central-East European democratization can be applied to other nations in transition, including Afghanistan and Iraq.

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*These policy recommendations were prepared by: **Janusz Bugajski**, Director, CSIS East Europe Project; **Ilona Teleki**, Fellow, CSIS East Europe Project; and **Milena Staneva**, Research Assistant, CSIS East Europe Project. We thank all the conference panelists and participants for their valuable insights. For more information about the event or to read the remarks of some of the lecturers, please visit: [www.csis.org/ee/events/index.htm](http://www.csis.org/ee/events/index.htm).*

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