



EUROPE PROGRAM E-BULLETIN

Center for Strategic and International Studies ■ Washington, D.C.

Welcome to E-Watch, the CSIS Europe Program monthly E-Bulletin. Under the direction of CSIS executive vice president and Europe program director Robin Niblett, this bulletin includes notices about upcoming and recent Europe Program events, relevant transatlantic news and information, and other Europe-related activities and publications. Simon Serfaty, holder of the CSIS Zbigniew Brzezinski Chair in Global Security and Geostrategy, is senior advisor to the Europe Program.

We hope that you find this bulletin informative and encourage you to forward it on to your colleagues. All CSIS Europe Program activities are developed with the generous support of The German Marshall Fund of the United States.

CSIS EUROPE PROGRAM E-WATCH

JUNE 2006

For more information about the events listed below, please contact Natalia Filipiak at (202) 775-3138 or NFilipiak@csis.org.

UPCOMING EVENTS JUNE – JULY 2006

June 15th – Conference on U.S. and Norwegian Perspectives on the “High North”, CSIS, 1-4 p.m.

Jointly hosted by CSIS, Civita, the NHO, and the Norwegian Shipowner's Association, the conference will focus on issues such as the potential of the High North, regional energy policies, Norwegian-Russian relations, and regional environmental challenges. The conference will open with a speech by The Honorable Jonas G. Støre, Norwegian Minister of Foreign Affairs. To RSVP for the event, please contact Natalie Zajicova at NZajicova@csis.org.

June 21st - Transatlantic Dialogue on China, CSIS, 8:30-2 p.m.

As part of an ongoing project being conducted in conjunction with the CSIS Freeman Chair in China Studies, the Europe Program will host a half-day conference to discuss the convergences and divergences in European and American relations with China. The event will feature, amongst others, German Ambassador to the U.S. Klaus Scharioth, and Assistant Secretary of State for East Asian and Pacific Affairs, Ambassador Christopher Hill. Further information about the CSIS Freeman Chair in China Studies, can be found at <http://www.csis.org/china/>.

RECENT EVENTS MAY – JUNE 2006

May 30th – “Atlantic Rendez-Vous” Satellite Debate with Franco Frattini, EU Commissioner for Justice, Freedom, and Security; Stewart Baker, Assistant Secretary for Policy at the U.S. Department of Homeland Security; and Henry Crumpton, Counterterrorism Coordinator at the U.S. Department of State - Gallup Headquarters, 8-9:30 a.m.

The Europe Program, in partnership with the Brussels-based Friends of Europe, the Security and Defense Agenda, the Gallup Organization, and the Delegation of the European Commission to the United States, co-hosted a transatlantic security debate on EU and U.S. homeland security policies. The debate took place at Gallup headquarters in Washington, D.C. as a simultaneous satellite broadcast between U.S. panelists in Washington, D.C., and their European counterparts in Brussels. An audio recording of the event will be available shortly at www.csis.org/europe.

May 24th – Transatlantic Briefing with Ambassador Francesc Vendrell, EU Special Representative to Afghanistan, CSIS, 11:45 – 1:15 p.m.

Ambassador Vendrell briefed a small group of representatives of the policy, business, and think tank communities on EU involvement in Afghanistan. For more information about CSIS research on Afghanistan, please visit the Post-Conflict Reconstruction Project website at <http://www.csis.org/researchfocus/pcr/>.

May 15-16th – The Future of the EU and its Relations with the United States, CSIS

As part of a larger two-year project for A Global Euro-Atlantic Dialogue about the U.S., the EU, and NATO in the 21st Century, the Brzezinski Chair, in cooperation with the CSIS Europe Program, held the second and final meeting of a working group on the future of the European Union and its relations with the United States. Composed of around twenty leading American thinkers on Europe and a smaller number of their European counterparts, the working group considered U.S. perceptions, preferences and concerns regarding the development of the EU during the coming years and its consequences on U.S. interests and objectives. Finnish Ambassador Pekka Lintu delivered keynote remarks over lunch on May 15. Visit <http://www.csis.org/zbc/>.

MAY-JUNE NEWS & ANALYSIS ABOUT THE EUROPEAN UNION

MAY-JUNE RECAP

- After failing to lower inflation, **Latvia officially withdrew its plans for 2008 euro adoption** on May 21.
- British Prime Minister Tony Blair met with U.S. President George Bush to discuss the situation in Iraq during the Prime Minister's two-day visit to the U.S. on May 24.
- **EU representatives met with Russian President Vladimir Putin** to discuss issues of energy security, visa agreements, and common approaches toward Iran during an EU-Russia summit on May 25.
- **EU ministers reached an agreement on a draft services directive law**, designed to facilitate cross-border competition within the block's service sector on May 30.
- On June 1, **Lithuania's government collapsed** after accusations of corruption led to the withdrawal of the Labor Party from the governing coalition.
- On June 1, **Spain's Supreme Court overturned a 15-year sentence** against Syrian-born Imad Yarkas for helping to plan the terrorist attacks of September 11, 2001.
- Despite an overall win by the Civic Democrats, the Czech Republic's June 4 **elections failed to produce a majority government**, setting the stage for months of negotiations.
- European enlargement, a common defense policy, and Iran topped the agenda at a bilateral UK-France summit on June 9.
- On June 10, an estimated **200,000 people protested in Madrid against proposed peace negotiations** between the Spanish government and the Basque separatist group ETA.

Europe and the European Union

Integration

- *"Germany and France renew EU charter efforts," Reuters, June 6, 2006. France and Germany announced an 18-month plan to resurrect the EU Constitution, starting under Germany's 2007 presidency of the EU.*
- *"EU Struggling to Agree on Common Immigration Policy," Judy Dempsey, The International Herald Tribune, May 26, 2006. Failure to deal with recent waves of illegal immigration into Spain exposes a lack of a coordinated EU response to the problem.*

Counterterrorism

- *"EU clinches deal on transfer of criminal evidence across borders," EUObserver, June 2, 2006. EU ministers forged new rules to make it easier and faster for judges and prosecutors to exchange evidence needed for cross-border investigations. <http://euobserver.com/22/21751>*

Enlargement

- *"EU agrees to start Turkey talks," Daniel Dombey, Financial Times, June 12, 2006. Following the resolution of a dispute with Cyprus, the EU and Turkey started talks on the first of 35 accession chapters.*
- *"Croatia hopes dashed as EU shuts doors until 2010," EUObserver, June 7, 2006. EU Enlargement Commissioner Olli Rehn pointed out that after the accession of Bulgaria and Romania, the enlargement process will be suspended until 2010. <http://euobserver.com/9/21788>*

Economics & the Euro

- *"Euro Interest rates rise to 2.75%," BBC News, June 8, 2006. As expected, the European Central Bank raised interest rates by one-quarter percent to 2.75 percent, in an effort to target the eurozone's 2.5 percent inflation rate.* <http://news.bbc.co.uk/2/hi/business/5058816.stm>
- *"Getting the euro timing right," Theo Leggett, BBC News, May 17, 2006. The European Commission decided to allow Slovenia to join the euro zone on January 1, 2007, though it declined the application of Lithuania.* <http://news.bbc.co.uk/2/hi/business/4989170.stm>

Member States

Britain

- *"London extends foreign investment lead," Scheherazade Daneshkhu and Bob Sherwood, Financial Times, June 8, 2006. Thanks to new software and business service projects, the U.K., and specifically London, remained Europe's leading destinations for foreign direct investment.*
- *"Straw predicts no challenge to Brown," James Blitz, Financial Times, June 8, 2006. In a recent interview, Jack Straw, leader of the House of Commons, predicted an unchallenged succession of Gordon Brown to the position of British Prime Minister one year from now.*
- *"Blair visit highlights Bush's Iraq woes," Peter Mackler, Agence France Presse, May 26, 2006. During his latest visit to the U.S. and amid worsening public approval ratings, British Prime Minister Tony Blair admitted to strategic mistakes made in Iraq.*

France

- *"The irresistible rise of Ségolène Royal," The Economist, June 10, 2006. As her approval ratings rise, the policy agenda of Ségolène Royal, the French left's apparent presidential frontrunner, continues to divide the Socialist Party.*
- *"For Euronext, Chirac tempers his Eurocentrism," James Kanter, The International Herald Tribune, June 8, 2006. The NYSE's purchase of French-based Euronext drew a limited response from French President Jacques Chirac, despite his stated preference for a European merger with German-based Deutsche Borse.*
- *"France weakened in Europe, year after treaty vote," Christophe de Roquefeuil, Agence France Presse, May 28, 2006. One year after the rejection of the EU Constitution, France faces a diminished role on the European stage, pending the outcome of the 2007 presidential elections.*

Germany

- *"Die leise Machtmaschine," Tina Hildebrandt and Elisabeth Niejahr, Die Zeit, June 8, 2006. A recent article offers fresh insights on the functioning of the German Chancellery under Angela Merkel.* http://www.zeit.de/2006/24/Kanzleramt_2fmit_Aktuellem?page=1
- *"German state leaders rebel over 'slow' Merkel reforms," Financial Times, June 5, 2006. German Chancellor Angela Merkel faces opposition in her own party, as senior CDU members demand sweeping economic reforms in health care, taxation, and labor laws.*
- *"Germany Approves EU Mission to Congo," Der Spiegel, June 1, 2006. The German parliament agreed to send 780 troops as part of a 2,000-strong, German-controlled EU peacekeeping mission to stabilize the Democratic Republic of Congo during the country's July elections.* <http://service.spiegel.de/cache/international/0,1518,419249,00.html>

Italy

- *"Italy uncovers more deficit trouble," Reuters, June 6, 2006. A new analysis shows Italy's public deficit could reach 4.1 to 4.6 percent this year, forcing EU finance ministers to give the new Italian government until the end of 2007 to bring public finances under control.*
- *"Il premier: 'Il piano rientro non si tocca, Parisi: 'A dicembre tutti i soldati a casa,'" La Repubblica, June 6, 2006. Defense minister Arturo Parisi announced a complete withdrawal of Italian troops from Iraq by the end of 2006.* <http://www.repubblica.it/2006/06/sezioni/esteri/iraq89/dibattino-camera/dibattino-camera.html>

Spain

- “Spanish Companies Flex Their Acquisition Muscle,” Heather Timmons and Renwick McLean, *The New York Times*, June 8, 2006. With \$61.4 billion worth of international deals thus far in 2006, Spanish companies continue to expand their presence in Europe and the United States.
- “Europe pledges to help Spain with immigration crisis in Canary Islands,” Daniel Woolls, *Associated Press*, May 29, 2006. A continuous stream of illegal immigrants from Africa forces the EU to assist Spain in securing its southern border.

Poland

- “Poles act to counter Russia power plays,” Judy Dempsey, *The International Herald Tribune*, May 30, 2006. In an effort to secure and diversify national energy supplies, Orlen, Poland’s largest oil refining company, has negotiated the purchase of a majority stake in Lithuania’s Mazeikiu Nafta refinery.
- “Poland digs in against tide toward secularism,” Tom Hundley, *Chicago Tribune*, May 22, 2006. Poland’s right of center ruling coalition emphasizes the promotion of traditional social and religious values.

Europe and the United States

Transatlantic Relations

- “EU ‘colluded’ in U.S. terror renditions,” Hannah K. Strange, *UPI*, June 7, 2006. According to a new EU report, fourteen European countries colluded with the United States in the covert transfer of terror suspects, while two may have harbored secret CIA prisons.
- “EU court annuls data deal with U.S.,” *BBC News*, May 30, 2006. The European Court of Justice struck down an EU-U.S. personal data transfer deal for airline passengers on transatlantic flights. <http://news.bbc.co.uk/2/hi/europe/5028918.stm>

NATO and Defense

- “NATO to deploy more troops to Afghanistan,” *Chicago Tribune*, June 5, 2006. NATO will double the number of troops to 6,000 in southern Afghanistan when it takes over security of the region from U.S. troops in July.

Transatlantic Trade & Economics

- “NYSE To Buy European Exchange,” Joe Bel Bruno and Christopher Wang, *The Washington Post*, June 2, 2006. The New York Stock Exchange’s \$10 billion bid for Paris-based Euronext NV creates the first transatlantic securities market.
- “Mandelson calls on US to cut farm subsidies to help strike world trade deal,” Aoife White, *The Associated Press*, May 29, 2006. The EU has called on the U.S. to match European offers of farm spending cuts, in an effort to move forward with the current round of WTO talks.

CSIS EUROPE PROGRAM-RECENT PUBLICATIONS

TRUSTED PARTNERS: SHARING TECHNOLOGY WITHIN THE U.S.-UK SECURITY RELATIONSHIP, Working paper released by the Initiative for a Renewed Transatlantic Partnership.

Co-authored by Robin Niblett, CSIS Executive Vice President and Europe Program Director, and Pierre Chao, Director of Defense Industrial Initiatives and Senior Fellow, International Security Program, the report examines the fissures in the Anglo-American security relationship, with a special focus on the obstacles to the sharing of sensitive defense technologies. The paper proposes the creation of “trusted communities” of British and American staff to work on specific technical issues together as a way around the current legislative impasse. This project is ongoing and will be releasing a final report late this year. See http://www.csis.org/component/option,com_csis_proj/task,view/id,672/

ENERGY & SECURITY. Conference Report from the U.S.-German Bilateral Dialogue, organized in cooperation with the Politisch-Militrische Gesellschaft (pmg), which took place in Berlin in November 2005. Available at http://www.csis.org/media/csis/pubs/energy_security_feb2006.pdf

VISIONS OF THE ATLANTIC ALLIANCE: THE UNITED STATES, THE EUROPEAN UNION, AND NATO, (ED. SIMON SERFATY, CSIS PRESS, DECEMBER 2005). Based on papers commissioned for the CSIS Think Tank Summit held in April 2005, this volume brings together the perspectives of leading U.S. and European scholars on

key institutional, economic and security issues facing the transatlantic partnership now and in years to come. With a foreword by EU Ambassador to the United States **John Bruton**, **Visions of the Atlantic Alliance** features contributions by **Graham Allison, Ronald D. Asmus, Alyson J.K. Bailes, Christoph Bertram, Hans Binnendijk, James Dobbins, James Elles, C. Randall Henning, Robert E. Hunter, Charles A. Kupchan, Emilio Lamo de Espinosa, Tod Lindberg,**

George Perkovich, Clyde Prestowitz, and Simon Serfaty. **Visions of the Atlantic Alliance** is available through the CSIS Press at http://www.csis.org/component/option.com_csis_pubs/task.view/id.2584/

THE UNITED STATES, THE EUROPEAN UNION, AND NATO: AFTER THE COLD WAR AND BEYOND IRAQ, Report and Conclusions of the Think Tank Summit on “The Future of U.S.-EU-NATO Relations” convened by CSIS at the Wye Plantation, April 15-17, 2005, under the auspices of the **Zbigniew Brzezinski Chair in Global Security and Geostrategy with support from the Europe Program**. This paper, written by project director **Simon Serfaty**, builds on the participant contributions and extensive discussions of the Think Tank Summit held in April, at which senior representatives from approximately 40 think tanks on both sides of the Atlantic conducted an intensive review of many of the highest priority issues faced by the United States, the states of Europe, and the main institutions to which they belong. Download the report at: www.csis.org/zbc

TEST OF WILL, TESTS OF EFFICACY, the 2005 report of the CSIS Initiative for a Renewed Transatlantic Partnership. The CSIS Initiative for a Renewed Transatlantic Partnership, led by a steering committee of twenty-four senior current and former U.S. and European officials and business leaders, is proposing a near-term six-point agenda that would renew and strengthen the transatlantic partnership by providing an opportunity for successful joint action in a targeted set of areas. Each area is characterized by urgency and the potential for success:

- Preventing Iran’s acquisition of a nuclear weapons capability
- Securing Ukraine’s democratic future
- Fighting international terrorism
- Controlling weapons of mass destruction proliferation
- Facilitating trade and promoting global economic growth
- Strengthening European defense capability

Purchase the report at <http://csis.zoovy.com/product/0892064668>

Download the introduction at http://www.csis.org/europe/0502_testofwillintro.pdf

EURO-FOCUS

A quarterly brief analyzing of events and trends shaping Europe. <http://www.csis.org/europe/eurofocus/index.htm>

“2006 Will Provide Clues to Europe’s Future,” by **Reginald Dale and Robin Niblett**. Three months into 2006, Europeans are entering a period in which they are no longer able to evade hard but vital decisions about their future. Choices made this year will indicate whether European Institutions are serious about economic reform, whether they can recover their sense of institutional direction and ease growing levels of social insecurity, and whether they can live up to the EU’s growing geopolitical ambitions. In each area, EU members are taking important steps forward, but in each case, the outcome remains highly uncertain. http://www.csis.org/media/csis/pubs/april2006_eurofocus.pdf

“Germany Stalled,” by **Simon Serfaty with Derek Mix**. The German election of 2005 punctuates the erosion of the national consensus that produced the centrist coalitions of the postwar decades and confirms the rise of a more fragmented multiparty system. While U.S. expectations of changes in Germany foreign policy with the departure of Schröder have been exaggerated, the election also does little to help unfreeze the daunting agenda of institutional renewal Europe faces. <http://www.csis.org/europe/eurofocus/v11n3.pdf>

“Shock Therapy,” by **Robin Niblett**. Emblematic of a popular frustration with the EU across the continent, the “no” votes in the French and Dutch referenda on the EU Constitutional Treaty were driven by concerns about the economy, EU enlargement, loss of national sovereignty, and national leadership. The defeat of the treaty, however, may provoke the debate over Europe’s future that the constitutional convention failed to deliver. <http://www.csis.org/europe/eurofocus/v11n2.pdf>

TRANSATLANTIC REPORT

The Transatlantic Report is a quarterly newsletter publication released by the CSIS Initiative for a Renewed Transatlantic Partnership highlighting the Initiative’s work in the previous quarter. The first edition of the report highlights comments

made by Steering Committee member Felix Rohatyn, former U.S. Ambassador to France, on China's economic presence in the U.S., and an essay on Ukrainian efforts to build closer links to the West by former U.S. Ambassador to Ukraine Steven Pifer. Download it at: <http://www.csis.org/europe/initiative/pubs/>

EUROPE PROGRAM DIRECTOR DR. ROBIN NIBLETT: RECENT PUBLICATIONS AND OUTREACH

Publications

- “The strike fighter tests transatlantic ties,” Robin Niblett and Pierre Chao, *Financial Times*, May 30, 2006.
- “Europe Inside-Out,” Robin Niblett, *The Washington Quarterly*, Winter 2005-2006, Volume 29, Number 1.
- “Diverging paths hurt U.S. and Europe,” Bates Gill and Robin Niblett, *International Herald Tribune*, September 6, 2005.

Outreach

- “Shadow of War Clouds Two Legacies,” Robin Niblett quoted, *The Boston Globe*, May 25, 2006.
- *BBC World Television*, Robin Niblett interviewed, May 25, 2006
- *BBC World Radio*, Robin Niblett interviewed, May 24, 2006.
- “*The Implications of EU Enlargement*,” Robin Niblett featured lecturer, The Foreign Service Institute, May 17, 2006.
- “European domestic woes could undermine US efforts on Iran,” Robin Niblett quoted, *Agence France Presse*, May 11, 2006.
- “Tras Aznar y Berlusconi salida de Blair sería golpe para Bush,” Robin Niblett quoted, *Agence France Presse – Spanish*, May 10, 2006.
- “EU officials in Washington seeking answers on CIA flights and prisons,” Robin Niblett quoted, *Agence France Presse*, May 9, 2006.
- “Fox Special Report with Brit Hume,” Robin Niblett interviewed, *Fox News*, April 11, 2006.
- “Islamic extremism to mount, panel says,” quoted, *Orlando Sentinel*, April 9, 2006.
- “US sounds alarm about Islamic extremism in Europe,” quoted, *Agence France Presse*, April 7, 2006.
- “US Concerned with Islamic Extremism in Europe,” quoted, *VOA News*, April 6, 2006.
- “*Islamic Extremism in Europe*,” testimony, Senate Foreign Relations Committee, Subcommittee on European Affairs, April 5, 2006.
- “How Are Political and Security Considerations Affecting Transatlantic Economic Relations?” panelist, *The European Union, United States, and the World Economy: Enhancing Co-Operation and Competitiveness*, organized by Wilton Park and CSIS, Paris, March 29-31, 2006.
- “*Energy and Transportation Conference*,” panelist, Ford Motor Company, March 9, 2006.
- “*Challenges to Transatlantic Relations*,” featured lecturer, Sarasota Institute for Lifetime Learning, February 17, 2006.
- “*The future of the EU after the failure of the EU constitution*,” featured lecturer, Sarasota Institute for Lifetime Learning, February 16, 2006.
- “*The rise of radical Islamic terrorism in Europe*,” featured lecturer, Sarasota Institute for Lifetime Learning, February 15, 2006.
- “Transatlantic ties on mend, albeit timidly, one year into Bush's second term,” quoted, *Agence France Presse*, January 19, 2006.

Publications

Vital Partnership: Power and Order America and Europe Beyond Iraq (Rowman & Littlefield, May 2005). *The Vital Partnership* is a political, historical, and intellectual assessment of the evolution of transatlantic relations. With a foreword by Brent Scowcroft and early praises by Senator Lugar, former Senator Sam Nunn, former NATO Secretary General Lord George Robertson, and CSIS President and CEO John Hamre, a former deputy secretary of defense. Available at www.rowmanlittlefield.com

- “A Challenged and Challenging Europe: Impact on NATO-EU-US Relations,” commentary in *The International Spectator*, 1/2006.
- “Election Results – The Worst Possible Outcome,” op-ed in *U.S-Italia Weekly*, April 23, 2006.
- “Italy and Europe – Focus on Structure, Not Personality,” op-ed in *U.S-Italia Weekly*, March 5, 2006.
- “A Europe of Weak Leaders,” op-ed in *International Herald Tribune*, October 1, 2005.
- “Deadlocked Destiny,” op-ed in *The Washington Times*, September 20, 2005.
- “Terms of Estrangement: French-American Relations in Perspective,” commentary in *Survival*, Autumn 2005.

Outreach

- *CNN International*, “Insight,” interviewed, June 8, 2006.
- “US Waiting For Declared Winner in Italy,” quoted, *ANSA Media Service*, April 12, 2006.
- “Finestra sull’ America,” quoted, *La Stampa*, April 11, 2006.
- “Italy: What Determined Berlusconi’s Fate?” quoted, *Radio Free Europe*, April 10, 2006.
- “Aux Etats-Unis, perplexité sur la situation en France,” quoted, *Agence France Presse*, March 25, 2006.
- “EU Enlargement and its Transatlantic Implications,” featured lecturer, *University Club*, Washington, DC, March 21, 2006.
- “France, the U.S., and Europe,” featured lecturer, *World Affairs Council Lecture Series*, Richmond, VA, March 14, 2006.
- “A diplomat’s illness,” quoted, *Polityka*, February 18, 2006.
- “Patriot vs. Man of the World: Poll Finds Public Divided on Whether Kaczynski Is Better President than Kwasniewski,” quoted, *Polish News Bulletin*, February 16, 2006.
- “Bush, Merkel addresses Iran and Guantanamo prison,” quoted, *All Things Considered*, NPR, January 13, 2006.
- “Un Moment Charniere,” featured lecturer, *Institut des Hautes Etudes de Défense Nationale (IHEDN)*, Paris, France, January 6, 2006.
- “Garantir le respect du TNP: Options possibles,” panelist, *Les activités de l’Iran et le TNP: état des lieux et options*, Seminar by Centre Thucydide—Université Panthéon-Assas in association with IHEDN and CAP, Paris, France, January 6, 2006.
- “Crowded Foreign Policy Calendar Will Test Bush’s Management Skills,” quoted, Fred Kempe, *Wall Street Journal Europe*, January 4, 2006.

[OTHER EUROPE-RELATED CSIS PROGRAM NEWS](#)

New European Democracies Project: *Janusz Bugajski, Director*

The CSIS New European Democracies Project, formerly the CSIS East Europe Project, produces a weekly newsletter entitled *Select Briefing*. This publication highlights current developments in the new EU member states, including those countries scheduled to join in the next rounds of enlargement. This newsletter is available via email every Friday. If you would like to subscribe, please send a message with your name, affiliation and email address to nedp@csis.org.

We welcome any questions or comments you may have. If you would like to unsubscribe from the CSIS Europe Program Monthly E-Bulletin, please email Natalia Filipiak at NFilipiak@csis.org with “*unsubscribe*” in the ‘subject’ line.

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