



Transatlantic Double Vision

by Haim Malka

Here we go again. The U.S. and Europe were working together in Lebanon and had overcome their differences over Iraq. Yet, the current Israeli-Lebanese crisis has reminded observers how vastly differently the U.S. and Europe perceive regional trends and events. Europeans instinctively called for an immediate ceasefire in the early hours of fighting, fearing a humanitarian crisis. The Bush Administration, by contrast, saw the fight as an opportunity to cripple Hezbollah. Despite common strategic interests in stabilizing Lebanon and neutralizing Hezbollah's future threat against both Israel and Lebanon, the U.S. and Europe have ended up at loggerheads once again.

The different approaches staked out by the U.S. and Europe were more or less characteristic. Europeans saw the fragile political order and physical reconstruction of Lebanon that they had fostered and partly financed crumble while Israel and Hezbollah traded blows. Scenes of refugees and bombed out buildings in Beirut reminded Europeans and others of the dark days of Lebanon's civil war, and they condemned what they termed Israel's disproportionate use of force. They feared that Lebanon's national dialogue and internal efforts to deal with the issue of Hezbollah's arms, which key European states were nurturing, had come to an end.

Where Europeans saw destruction, the Bush Administration saw an opportunity. Israel's relentless response to Hezbollah's provocation

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G-8 Summit: Overtaken by Events

by Alexander T. J. Lennon and Tracey F. Little

You would think that the world's most powerful countries could control their own summit agenda, if not world events. In 1975, a group of six leading industrialized democracies first met for an informal discussion focusing on economic interests. Since then, topics have evolved beyond economics, members have expanded by adding Canada in 1976, Russia in 1998, and voila...the annual informal meeting of heads of state has become what is now the G-8.

Prior to this year's July 15-17 meeting, the Russian hosts tried to focus the summit on its new global claim to power: energy security (as well as infectious disease and education), while everyone knew that Iran's nuclear program would come up. Invariably, though, something unexpected always seems to change the subject. Just last year, the highly touted Gleneagles agenda focusing on global poverty and climate control was partially usurped by the London terrorist bombings, and primary attention was gone by St. Petersburg. This year, even the teetering Doha round of trade talks and the inability to reach agreement on Russian accession to the World Trade Organization took a back seat, at least in the press, first to North Korean ballistic missile tests and then to the rapidly unraveling situation in the Middle East.

What was originally on the program—namely energy security—garnered little progress. Without certain major energy consuming nations (those two with more than a billion people each) at the table, the prospects for producing a useful document were daunting from the start. While a global concern, the term "energy security" means different things to producing and consuming states. Oil- and gas-rich Russia has a distinct plan to secure demand, while large energy importers such as Europe, Japan, and the United States are anxious about the security of supply. Even though this year's G-8 communiqué outlines energy diversification as a main goal, the statement also calls for increasing investment in the oil and gas sector, potentially continuing current reliance on fossil fuels, limiting strong action against climate change, and reflecting the competing priorities of G-8 members. The leaders reportedly discussed reducing the risks of nuclear energy, but with Germany looking toward the closing stages of its own nuclear energy program, no original measures were announced. The statement committed to increasing transparency, efficiency, and investment—all useful principles—yet whether they are actively implemented remains to be seen.

The July 5 North Korean ballistic missile tests were the first event immediately before the summit that threatened to uproot the planned agenda. On the heels of a July 15 UN Security Council resolution condemning the tests, and without China at the G-8, not much was left to do other than issue a statement condemning the tests. That left Iran for the assembly to tackle. Since June 6, when Javier Solana formally presented a written set of incentives to halt Iran's uranium enrichment and a verbal warning of the alternative path to UN sanctions, pressure had been building for Tehran to formally accept or reject the offer. It's anybody's guess whether conflicting signals emanating from Iran were a ploy to stall or genuine indicators of an internal debate. The reality is that Tehran has not gone as far down the nuclear road as Pyongyang, is interested in acceding to the World Trade Organization, and has oil to sell to the international community. Chances of reaching some negotiated agreement with it are much greater than with North Korea. Nevertheless,

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since Iran didn't formally respond prior to the summit, the G-8 endorsed the decision to refer Iran back to the UN Security Council for further deliberation. UN action was postponed after violence erupted in southern Lebanon, and Iran subsequently finally formally promised to respond by August 22.

The timing of the kidnapping of two Israeli soldiers by Hezbollah in a cross-border raid, just as Tehran was being dragged before the Security Council, was enough evidence for some to conclude that Iran was behind it all. Reportedly, at least the United States pushed to assign blame to Iran and Syria in the G-8 statement, while France and Russia refused, keeping the focus on Hezbollah, Hamas, and "those that support" them. The debate had a distant echo, raising the prospect that an old transatlantic wound inflicted by Iraq might be reopened: how responsible are states for violence by non-state actors? While most attention started to focus on standing up an international force to restore order to southern Lebanon, Washington seemed to be turning its post-G-8 attention to Damascus.

With limited results on any of these issues and continuing questions about membership, the relevance of the G-8 summit, in 2006 and beyond, has been raised. Ultimately, it is probably a useful venue for the world's greatest powers to try to focus the global security and economic

agenda, and attempt to address those issues strategically, but are its members today's greatest powers? Questions of Russia's suitability to host the summit reveal the larger dilemma of how to shape the group's future: should membership be based on purely economic terms or be limited to powerful democracies?

This becomes an essential question for the transatlantic community not just because of questions about Russia's membership, but about China's and India's. Former British Foreign Secretary David Owen wrote a March 2 op-ed in *The Times* advocating enlarging the G8 to a G9 by admitting India. This seems consistent with the thinking of the administration across the Atlantic seeking to promote India, as part of its democracy promotion strategy, to enhance global security. Others, examining strictly economic criteria, would advocate adding China to the G-8 first. Either way, expanding to a G-9 or G-10 would enhance the relevance of the group to accurately reflect global power, attitudes, and positions even if it simultaneously complicates the ability of the group to reach consensus. It is a useful issue for the transatlantic community, in and out of government, to consider. The question is: who gets in first?

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Assessing PSI: Prospects for Partnership

By Victoria Suarez-Palomo

In the wake of Pyongyang's recent missile tests and Iran's recalcitrance to open up its nuclear weapons program, the effectiveness of multilateral export control mechanisms, and in particular the Proliferation Security Initiative (PSI), has once again risen to the forefront of public debate. Since its conception, the U.S.-led initiative has been heralded by the Bush administration and the international community—the European Union and Group of Eight—as a vital component in the fight against the proliferation of weapons of mass destruction (WMD). While PSI is a worthy and necessary effort, it is certainly not a silver bullet.

No one can deny PSI is an important nonproliferation tool for the transatlantic alliance. With just three years under its belt the Initiative has enjoyed some high profile success. In October 2003 Germany, Italy, the United Kingdom, and the United States worked together under the PSI to interdict the *BBC China*, a vessel bound for Libya with centrifuge components in its cargo. More recently, U.S. Undersecretary of State for Arms Control, Robert Joseph publicly cited incidents where cooperation among PSI participants halted the transfer of missile-related components to 'countries of concern,' including Iran. In total, 24 interdictions have been conducted under the auspices of PSI. While that number is impressive, given the nascent nature of the program, it is difficult to measure the actual success rates since PSI interdictions are largely conducted out of the public view.

Despite these isolated examples of progress, PSI remains constrained by its membership and narrow geographic reach. At its inception, ten key European allies—France, Germany, Italy, the Netherlands, Norway, Poland, Portugal, Spain, and the United Kingdom—joined the U.S. in its endeavor. Since then, the Initiative has continued to steadily grow. Bush administration officials proudly tout that 70 countries consider themselves "supporters" of PSI. While it is technically true that PSI enjoys the support of 70 countries, this apparent multilateral success is not as extensive as it seems.

To date, twenty "core participants," have formally committed to PSI and the "Statement of Interdiction Principles." The U.S. has signed "ship boarding agreements" with six states—Liberia, Panama, the Marshall Islands, Croatia, Cyprus, and Belize—five of whom are flags of convenience (FOC) countries. The remaining 44 states have merely voiced rhetorical support for PSI, but have not taken any concrete steps to commit to the Initiative. There is little to no evidence of any participation on the part of these countries in any PSI interdiction activities. At best, the 44 "supporters" have been observers during joint

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training exercises. With only 26 active participants in PSI, it is unlikely that the Initiative will be able to create an impressive web of counterproliferation partnerships at sea, in the air, and on land in its current state.

The good news is that PSI has the capability to grow. The U.S. and European partners should continue to strengthen the depth of cooperation among PSI countries, encourage the 44 passive participants to make formal commitments, and reach out to key “hold outs” in the international arena such as China, South Korea, and India. All three of these countries are critical to the long-term success of the Initiative—China controls high volume sea lanes such as the Taiwan Straits and is the only permanent member of the UN Security Council that is not a PSI participant; South Korea is North Korea’s largest trading partner and allows North Korea to use its territorial waters for through traffic; and India has a strong naval presence PSI could draw upon in three salient high seas areas (the Bay of Bengal, the Indian Ocean and the Arabian Sea).

In addition, European partners should join the U.S. in expanding the number and scope of current “ship boarding agreements” with countries, particularly those with flags of convenience. More than half of the world’s shipping is registered in six FOC states—Liberia, Panama, the Bahamas, Malta, Cyprus, and the Marshall Islands—four of whom the U.S. has already concluded agreements. While the initial agreements with Liberia, Panama, and the Marshall Islands included provisions for the accession of a third party, the most recent agreements have curiously left out any such wording. In their current capacity these strictly bilateral agreements fall short of their promise. Suppose, for example, the United Kingdom receives reliable intelligence that a vessel flying Cyprus’s flag en route to Iran is

suspected of carrying centrifuge components. Under the current system, the British navy would not legally be able to approach Cyprus to confirm the nationality of the ship in question or request the privilege to board. The British would have to present their case to the U.S., who then could approach Cyprus. This would impose intractable delays in terms of intelligence sharing.

These are just some of the ways the U.S. and Europe should cooperate to strengthen PSI and broaden its capacity to prevent illicit trafficking. Other possibilities include: working to improve the efficiency of intelligence sharing, or conducting regular joint training exercises in order to maintain readiness and sustain the Initiative’s forward momentum. As PSI expands, it will face many internal challenges with its structure and legal mandate. Continued cooperation between the U.S. and core European participants will be critical to overcoming those challenges and ensure PSI remains a formidable nonproliferation tool.

On balance, PSI is a positive step in the global effort to stop the illicit trafficking in WMD and related materials. Even at its young age and with its current shortcomings, PSI has made some significant headway in helping to minimize the threat posed by the proliferation of WMD. However, PSI should always be viewed as a means to supplement, not supplant, the broader nonproliferation regime. Regardless of how much the Initiative expands in the future, it alone will not be the cure to solve all proliferation concerns. Only when coupled with other necessary elements such as diplomacy, export control mechanisms, and treaty regimes, will PSI maximize its potential as a counterweight to proliferation.

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became a worthy goal for U.S. support and prospect to rid the region of the world’s preeminent terror organizations. Behind Hizbullah’s attack, the Bush Administration saw the cunning hand of Syria and Iran. It could not pass up the chance to strike at those countries’ strategic assets by proxy. There is unfinished business with Hizbullah, and it was a way to settle scores with the movement, whose founding fathers had a hand in the U.S. Marine barracks bombing in 1983.

Yet, despite taking a beating, it is doubtful that Hizbullah can be defeated militarily. Even a sustained ground war over the course of months may not be enough to root out its deep military infrastructure. Like it or not, Hizbullah is part of the fractured Lebanese political landscape and part of the Lebanese people. There are certainly those within Lebanon that would like to wish Hizbullah away. But in the absence of a military solution, a reinvigorated political process which tackles the core issue of Hizbullah’s special status within Lebanon must be resumed.

It is also a process which will not only include Hizbullah, but inevitably Syria and Iran. Negotiations over Iran’s nuclear enrichment program will complicate this effort immensely and the two issues will play off the other. This will not be a quick and easy process. Unfortunately the U.S. finds itself with little leverage over Syria or Iran, and virtually no direct communication with Hizbullah. Yet, all three actors will play a pivotal role in the direction Lebanon will take.

It took the assassination of former Lebanese Prime Minister Rafik Hariri to move the U.S. and France to join forces in the United Nations and beyond to force Syria’s withdrawal from Lebanon. At the time America had little leverage left with Syria, and it was the coordinated pressure and sustained message from both sides of the Atlantic which ultimately forced Bashar Asad to budge. If Lebanon is to be spared from slipping further into chaos it will take a similar effort and resolve from both sides of the Atlantic. Anything that falls short will likely condemn a new generation of Lebanese to more bloodshed and civil conflict.

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Enlargement Fatigue?

The enthusiasm for NATO expansion and its influence on the Riga Summit agenda appears to be fading as NATO approaches its meeting in the Latvian capital. Lack of political and popular will, the slow pace of reforms and complicated security situations have damaged various aspirants' cases, as has general "absorption fatigue" from members of the recently enlarged NATO and European Union. While expansion talks must continue in good faith, slowing the process is prudent given the challenges faced by the aspirant countries.

Statements by US public officials and other NATO member countries were optimistic that the Riga summit would perhaps see formal invitations extended to the Adriatic Charter members for admission in 2008. The pace of reforms in Macedonia, Croatia and Albania has been fitful, but the United States and other allies argue that only by upholding their commitments will these reforms continue. Other European allies, perhaps hung-over by the massive effort required in both the EU and NATO expansions of two years ago, are less willing to compromise on the hard guidelines for admission. While this debate still needs to be resolved, conversations with NATO political figures and recent news reports indicate that the hopes of any concrete commitments in Riga by NATO are unlikely.

Another disturbing development is the lack of support for NATO expansion in aspirant countries. A recent poll in Croatia suggested that only a third of the population favors expansion, with a third opposed and a third indifferent. Popular support for NATO is crucial—should the current government be voted out of office, the Alliance needs to be reasonably certain that the next government would still be a committed ally. This problem of public commitment is even more acute in Ukraine, another once promising potential ally.

The Orange Revolution in Ukraine ushered in hopes of a permanent turn toward the West, a development some hoped to solidify with rapid ascension to NATO. The intensified dialogue was moving forward before political instability and Russian chest thumping derailed the process. The inability of Yushchenko to form a united government and the anti-NATO demonstrations in June that cancelled planned joint-exercises have left many skeptical of the fitness of Ukraine for membership. Though NATO's door will always be open regarding Ukraine, the contentious nature of its relationship with Russia and vast amount of reforms necessary mean that the optimism of 2004 has been significantly tempered, and membership does not seem terribly likely by the end of the decade.

Like Ukraine, Georgia's revolution sparked hopes of enshrining a democratic and secure NATO presence in a troubled region. The new Georgian government's inability to deal with its Russian supported separatist border regions and the slow pace of reform has quelled such early, perhaps misguided, enthusiasm. Resolution of these conflicts, and steady progress on reforms will make Georgia a possible NATO candidate, but at Riga the most they should realistically expect is discussion of granting Georgia an Intensified Dialogue. Recent events suggest that Riga will show all aspirants that the door to NATO will and should remain open, but concrete details and specific invitations won't be decided until a future summit.—JW

Recent Developments

- The U.S. and Europe are discussing mechanisms for deploying a multinational force to strife-torn southern Lebanon. Israel has said it would agree to a NATO-led force, but several European governments have ruled out this option.
- On July 28th, the North Atlantic Council gave final authorization for the NATO-led mission to expand its area of operations to six additional provinces in southern Afghanistan, further boosting NATO's presence and role in the country.
- The Doha Round of global trade liberalization talks collapsed in Geneva on July 25th, primarily over disputes about government farm subsidies.
- Around 500 million euros' worth of national defense tenders eligible for cross-border bidding within the European Union have been posted to the European Defense Agency's new electronic tenders Web site since it was launched on July 1st this year.
- Recent polling has offered conflicting messages on the state of the European Union. Support for the EU this spring grew in Western Europe from this time last year; but opposition to further enlargement increased. The survey also showed that 61 percent of EU citizens favor a constitution in principle, but do not necessarily support the existing draft.

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