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## **Relations between the European Union and the United States: Co-operation, Competition or Confrontation?**

**Abstract:** *The present study analyses the relations between the European Union and the United States in two principal spheres, namely, that of the Foreign and Security Policy and of the economic affairs. It does so from the perspective of the premise that the elements of rivalry, confrontation and co-operation have always been present in the transatlantic relations. Accordingly, the article examines subsequently all the above-mentioned aspects of relations and explains concisely their advantages and drawbacks. The analysis aims at demonstrating not only the interests of the two partners, but also the evolution of the configuration of their mutual powers on a global scale. In conclusion it is ascertained that although there are streams of either competitive or confrontational moves at both sides, nevertheless, the spirit of co-operation dominates in the transatlantic relations because the community of values and strategic interest of the whole Western world form their solid and fundamental basis.*

### **Introduction**

The European Union and the United States have been the most important actors that influence various processes and phenomena in the modern world. This relates, in practice, to all areas of social life, starting with the area of economy (it is enough to mention that both countries have accounted for 60% of the world's GDP), through politics, security, social affairs, to culture. Accordingly, both the present condition and future prospects for development of mutual relations between the two global players constitute an extremely

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important factor, determining the situation in the area of international relations. As such, they have been a natural object of interest, not only for politicians or publicists, but also for analysts and researchers dealing with various fields of science.

This way, issues regarding the EU-USA relations have formed the object of comprehensive and multi-faceted economic, political, legal, sociological *etc.* analyses since many years. One of the conceptual approaches which has been quite often applied to the analysis of these relations, consists of distinguishing between two principal layers of the relations: the area of co-operation and that of rivalry. Considering great complexity and the diversified nature of the ties binding the United States and the European Union such approach seems to be justified. However, at the same time it also appears to be not entirely sufficient.

Therefore, there is a need to take an additional facet of the EU-US relations into account, the importance of which (unfortunately, one may say) has been recently increasing: namely, the area of confrontation. It has in fact always been present in the relations to a certain, relatively minor degree, but the events of recent years have prompted its undeniable growth. This means that the EU-USA relations have nowadays become a very complex knot of ties and bonds of various nature, intensity and implications. They may assume different forms, from close collaboration, through rivalry, to relatively far-going confrontation.

Furthermore, one has to remember that transatlantic relations have largely evolved over the recent years. The most important single milestone in this respect was represented by the decline of the Cold War bi-polar system at the turn of the 1980s and 1990s and the resulting disappearance of threat on the part of the USSR and its satellites, as well as consistent consolidation of the united Europe's position in the international arena. Further impulses were provided by the events happening on and after 11 September 2001 which opened up a new era in fight against international terrorism. The fight in which partners on both side of the Atlantic involved deeply. All these factors combined to put into question the hitherto-existing formula of transatlantic partnership between Europe and the United States.

The crucial problems in this respect consisted in the need to redefine the role of the United States and NATO in Europe (NATO understood as an institutional fundament for the US presence in the Old Continent) as well as in determining new principles of economic and political co-operation, which will be transparent to both parties. Accordingly, it was necessary to find a new legal and institutional model of mutual relations. This was based upon a couple of principal documents, including, most of all, the Transatlantic Declaration (1990), the New Transatlantic Agenda (1995, known as the

Madrid Charter) as well as the Transatlantic Economic Partnership and the Transatlantic Partnership on Political Co-operation (1998).

One of the mechanisms which aimed at achieving closer collaboration between the parties was that providing for regular dialogue at various levels and in various areas, stipulated for in the Transatlantic Declaration. It consists of summit meetings held twice a year (with participation of the President of the USA, the President of the European Commission and a representative of the EU Presidency), meetings on a ministerial level as well as meetings and works taking place within special topic panels. However, it has occurred quite difficult to work out specific arrangements, due to incompatibility of both partners' decision-making mechanisms. Namely, a complex procedure of making decisions in the EU is in sharp contrast to relatively simple decision-making mechanisms on the American part.

This results, among other things, in different expectations about the EU-USA summits: whilst Americans would like to have specific decisions made there, the EU representatives rather tend to regard them as a forum of non-obliging exchange of opinions.

Despite actual operation of such collaboration mechanisms, much still remains to be done in order to achieve the thorough and consummate partnership between both players. Apart from specific manifestations of rivalry or even confrontation (discussed below), a fundamental barrier is the lack (at least from formal and legal point of view), of a single comprehensive document acting as a sort of basis for the whole area of transatlantic relations. Any earlier forms of institutional co-operation, created after 1989 are too weak, the effect being that the most important document binding the EU Member States with the United States has still been the Washington Treaty establishing NATO, signed in 1949. This means that transatlantic relations have really developed and evolved over various layers and facets, not always properly coordinated and related with each other.

Accordingly, the present concise study deals with two principal aspects of the EU-USA relations, concerning: (1) foreign and security policy and (2) economic issues.

## **1. The elements of the foreign and security policy**

Similar to other spheres of transatlantic relations, in the area of foreign and security policy we have to deal with a combination of co-operation, rivalry and confrontation. Yet, it would be risky to come up with any univocal assessment of which of the elements prevail. Instead, it seems more reasonable to point out some fundamental phenomena or tendencies, which differ, by the way, in case of the specific period or situation.

This relates, most of all, to issues regarding general concepts of global order and international security. These are in fact the issues that form the centre point in mutual relations, as it can be evidenced by any sound comparative analysis of both partners' foreign and security policies. Their history is an example of the interesting evolution which has been full of elements of partnership and co-operation as well as those of competition and clashes.

The latter aspect has been recently manifested, especially when one compares the fundamental areas of the EU's and the United States' international activities. Differences go far beyond the way the parties behave, and reach as far as the very essence – the basic principles underlying that area. Of course, controversies in transatlantic relations are not entirely new when observed from the perspective of the past half of the century. Views and positions of both partners over various political, economic or defence-related matters have always differed considerably and they still do. However, the situation we have to deal with nowadays is something qualitatively new. It is featuring fundamental differences both in doctrine and practice that evolved over the way foreign and security policy is conceived and implemented in the European Union and the USA. (The recent round of enlargement of the EU, rather than provoking such differences, only revealed their existence.)

The main point in this respect regards different attitudes towards crucial problems of the modern life. Synthetically Robert Kagan put it in his well-known diagnosis: *'Americans are from Mars; Europeans are from Venus'*.<sup>1</sup> It means that Americans have clearly tended to divide the world into the good and the bad in a Manichean way, preferred firm actions and coercion to persuasion and tended to reach for military power with little hesitation (as could be seen many times).

Another peculiarity of the US foreign policy, which has recently gained importance, is its unilateralism which not only can be observed in political practice but is also reflected in official strategic ideas such as the so-called Bush's doctrine. The latter was announced in the autumn of 2002 and provided for potential preventive actions to be taken against rogue countries (as Americans call them).

On the other hand, the European Union's activities in the global arena, – any potential charges of inconsistency or ineffectiveness taken into account – are carried on according to the following principles: the promotion of democracy and human rights, the application of conciliatory and peaceful methods, and the renouncing of military measures which give priority to

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<sup>1</sup> R.Kagan, *Of Paradise and Power. America and Europe in the New World Order*, New York 2003.

political and economic instruments, *etc.* Moreover, Europeans seem quite determined about comprehensive and multi-faceted actions, and prefer to implement them under the authority of the United Nations or at least consult and agree them upon broader forums, such as NATO.

Accordingly, we need to deal with two distinctly different political philosophies in the EU-US relations: a more 'rigid' American and a 'softer' European one. The differences concerned are well illustrated by diverging attitudes as regards one of the most important global problems, i.e. international terrorism. It has been evident that transatlantic partners have had different visions of how to solve the problem. The US part, as could be seen during the intervention in Afghanistan and Iraq, is mostly keen on reaching for military solutions with political actions given a minor role. On the other hand, most of the EU Member States – in particular Germany and France – are quite resolute about the opposite order of action: to use military power only as a last resort, after (and provided that) all the potential of political solutions, especially within the United Nations, has been depleted with no effect. It seems that this really stems, in the first place, from a different political philosophy – as outlined above – represented by European politicians, rather than from the fact that military potential of the EU Member States is vastly inferior to that of the USA, which leaves Europeans with hardly adequate instruments of action.<sup>2</sup>

Such differences of approaches to basic international problems between the EU and the United States seem to reach far beyond the findings of some over simplistic analyses which reduce the problem to just 'a family quarrel' in the core of the Western world. Leaving catastrophic visions aside, one nevertheless has to observe that in the long run the disagreements may seriously undermine the transatlantic alliance. A spectacular example of potential hardships could be seen in a fierce controversy – not only between the EU and the USA but within NATO as well – about the American intervention in Iraq. At that time, the USA and the EU Member States have already exchanged serious accusations between each other: Americans accusing Europe of passive or even cowardly behaviours in the face of global threats, while charges of political and military irresponsibility and an urge to play the role of 'global policeman' were going the opposite way. (According to Kagan, whilst Americans play role of sheriffs who actively fight bandits on the global scale, Europeans not only confine themselves to the role of passive onlookers, but sometimes seem to be more anxious of rash sheriffs than they

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<sup>2</sup> At the same time there are, however, some significant exceptions from this practice. Especially, it regards the attitude of the United Kingdom and a couple of other countries, including Poland, which seem to subscribe to the American line.

are of bandits.) Both actors are partially right, although it seems that the American policy is the one that gives more reasons for argument and concern.<sup>3</sup>

Generally speaking, the present global power arrangement, based upon the US domination has been increasingly criticised for many reasons (that is, for example, ineffectiveness in providing global stabilisation, little consideration of other parties' interests, *etc.*). The European Union, while not being its only critic, is undeniably the most outspoken one, as its general vision of modern international relations, including, in particular, methods used to solve principal problems of global security, are different from American ideas.

Once again the example of controversy about the American intervention in Iraq seems to be the best one to illustrate how those discords grow and consolidate, leading to an open political and diplomatic conflict between the EU and the USA. Leaving the inner clashes over that matter in the EU apart, one has to agree with numerous opinions that positions assumed by two driving forces of European integration – France and Germany – have been decisive in that point. Considering this, it would not be fair to conclude that Europe either comes out against the United States as such or in defence of its own interests or hurt ambitions (the latter, while partially true, is only a secondary reason). Instead, it seems that what we really have been facing is a bold attempt to reconstruct a polycentric world, free from an overwhelming US dominance – the world in which Europe (along with other leading global powers) would have more to say in response to American unilateral and lop-sided model.

It is not accidental that the EU politicians have repeatedly emphasised the need to maintain autonomy in relations with their powerful ally. For example, G.Persson, the Prime Minister of Sweden, argued even before the outburst of Iraqi war that: *'The EU is the only institution enabling us to counterbalance American dominance in the global arena'*. Moreover, H.Védrine, the Foreign Affairs of France – a country traditionally distrustful with respect to the US aspirations at hegemony, described the United States as a 'hyper-power' commenting that *'as long as some counterbalance is not found thereto, its power is going to bring a threat of monopolistic domination'*. Such

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<sup>3</sup> An additional element adding to transatlantic controversy is the fact that in terms of their culture and civilisation the United States have become remote from their European roots. Instead, they seem to reinforce their ties with regions from which the principal streams of immigrants come to the USA, i.e. mainly Latin America and Southern-and-Eastern Asia. In effect, it is not unlikely that in the future America is going to be less and less interested in Europe.

a counterbalance may only be formed by the EU which '*has gradually come up to consider itself a power*'.<sup>4</sup>

Another problem concerns forming of adequate institutional framework for co-operation between the European Union and NATO. The solution preferred by the United States would be one that, while defining relations between the EU and NATO in an unambiguous manner, would anyway clearly provide for the superior status of the latter one as regards security and defence. However, this concept was opposed by the EU partners.

Formal relations between the EU and NATO were established as late as in 2001. In 2003 a set of documents concerning mutual co-operation was agreed and called 'Berlin Plus' after the place in which it was negotiated. (This agreement provided, among other things, for ensuring the EU's access to operational planning and to NATO's common capabilities and resources as well as European command within NATO for operations carried out by the EU.) However, the real degree of collaboration between the two organisations has still been insufficient.

In fact, the scale of difficulties experienced in that area was illustrated – even before 11 September 2001 – by some facts and events, such as the armed NATO operation carried out from the air against Yugoslavia in 1999. On the one hand, it became an evidence of consistence of NATO, agreement of opinion among its members and effectiveness of American command. On the other hand, however, it exposed sheer military weakness of European allies and the vast scale of their dependence upon the USA (air raids were executed using almost exclusively American forces, since Europeans had serious lacks of equipment, for example, no satellite communication necessary to drive bombs precisely into intended targets.)

This made the EU countries fully aware of their weakness in military area and contributed to undertaking by some of the EU Member States (mainly by France, the United Kingdom and Germany) of actions aiming at achieving autonomous military capacities within the European Security and Defence Policy (ESDP), originating from the Common Foreign and Security Policy (CFSP).

At present the concept of the ESDP has been one of the most controversial issues in the area of transatlantic political and defence co-operation. The US attitude towards it remains unclear. On the one hand, the USA express their support for development of defensive capacities by their European partners (as evidenced, for example, by their acceptance of the initiative, expressed in provisions of the Washington summit in 1999). However, on the other hand,

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<sup>4</sup> See: M.Walker, *Europe: Superstate or Superpower?*, "World Policy Journal" Winter 2000/2001, p.5.

Americans tend to believe that the ESDP should serve further consolidation of NATO, rather than evolve beyond it and duplicate its structures. For example, the US position was aptly expressed in 1998 by Madeleine Albright, at that time the American Secretary of State. While generally approving the idea of ESDP, at the same time she warned Europe that its implementation might bring a threat of a so-called '3D': decoupling of NATO and the EU, duplication of structures and resources of NATO as well as discrimination of those members of NATO that have not belonged to the EU Member States.<sup>5</sup> In short, it seems that the United States would be most satisfied with a scenario according to which Europeans would develop their defensive power within NATO or at least under its control.

A sort of a specific test for transatlantic relation took place when both partners had to reveal some reaction to the terrorist attack against the USA on 11 September 2001. At first, we witnessed full political support on the European part – even French press went as far as write: *'We are all Americans now'*. However, just a couple of weeks later, it was revealed how little changed really in mutual US-EU relations. It occurred that neither the United States needed any military support from the EU nor the European Union – contrary to what it declared – was too eager to provide some. This hesitation, however, resulted to a significant degree from the attitude assumed by Americans who under conditions of weakness of the EU's foreign policy preferred to retain full autonomy of their actions.

In effect, the USA first undertook military actions in Afghanistan and then in Iraq what provoked sharp criticism in some EU countries. The situation was further aggravated by critical remarks of some members of Washington administration addressed to either individual countries of Europe or the European Union as a whole. For example, a statement of Donald Rumsfeld, the US Secretary of Defence, suggesting a concept of a 'new' Europe of countries newly-adopted to the EU and contrasted with the 'old' Europe of its long-standing Member States was received with particular discontent in the continent. Such a assertion was regarded as an attempt to disintegrate Europe's unity. Finally, the crisis provoked by the US intervention in Iraq appeared to be one of the most serious ones in the whole history of transatlantic relations.

However, account taken of the methodology which is adopted in the present study, one must not forget that the relations between the European Union and the United States have also comprised very important elements of partnership. It should be remembered that so far, despite the above-mentioned controversies or even discordant political philosophies, the foreign policy of

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<sup>5</sup> Interview in: "International Herald Tribune", 23 March 1998.

the EU as a whole could not be called strictly anti-American in any aspect. Moreover, it can be concluded from the analysis of developments taking place in, e.g., the EU's Common Foreign and Security Policy/European Security and Defence Policy, that it has still largely been based upon long-standing transatlantic alliance. Such a balanced view of the EU-US relations is well-justified when one focuses on fundamental matters and resists quick judgments prompted by current political events whose effects in the long run can hardly be foreseen yet.

It is sufficient to remind in this context that the European Communities have for decades been involved in a complex web of all sorts of relationships with the United States and that both parties, leaving competition or even rivalry aside, have really been each other's closest allies and partners. The United States, as the history teaches us, has played the role of a principal guarantor of security for the united Western Europe for longer than half a century now. Europe – as pointed out by several experts like for example Zbigniew Brzezinski – has been America's natural ally having an enormous geo-strategic importance for the USA. Even disputes, which implied an open political and diplomatic conflict, over the war in Iraq cannot undermine this kind of fundamentals of transatlantic partnership, and both parties are well aware of that.

This was further evidenced by an improvement in political relations which was observed after the President's George W. Bush re-election. Accordingly, it has been since early 2005 that heads of state and diplomats began to send clear messages suggesting their readiness to conciliate over controversies and to reach a compromise over the Iraqi issue and other matters in dispute. Such signals have been sent, among others, by President Bush and by the French Presidents: Chirac and more recently Sarkozy. As the Secretary of State Condoleezza Rice commented during her visit in Poland: *'Europe and the USA have shared common challenges'* and that *'fears of those who said European and transatlantic unity cannot be reconciled with each other have proved unjustified'*.<sup>6</sup>

The same was confirmed by some specific common undertakings, the most evident example of which was a decision made by all NATO Member States to take part in military stabilisation mission in Afghanistan, and which was conducted under NATO flag. Further proofs of collaboration were provided, among other things, by the EU-US summit in 2007 where both partners agreed that any effort to combat terrorism must be undertaken in the bounds of international law and that they will continue to facilitate discussions about the subject matter. In addition, recent EU efforts to broaden

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<sup>6</sup> Interview in: "Gazeta Wyborcza", 11 February 2005.

the co-operation in police and judicial matters, cut-off terrorist financing, and improve border controls and transport security have been recommended by the Washington administration. As a result, the EU and the United States have come to several agreements on police information-sharing, extradition, mutual legal assistance, container security, and the exchanging of airline passengers' data. These agreements represent the cohesion between the EU and the US to fight terrorism and a common approach to the idea of keeping the world safe and secure. The fact that both partners have agreed to continue to talk about the above-mentioned matters continues the tradition of co-operation.

## 2. The economic aspects

Apart from common values and interests in areas of foreign and security policy, the European Union and the USA have been tied very strongly with economic co-operation. Its vast scale and importance determines the fact that it constitutes one of the most important factors holding the whole transatlantic alliance together. So, one should agree with the opinion that *'United States and the European Union maintain the world's largest and most significant economic relationship, which in turn is a foundation supporting the transatlantic political partnership'*.<sup>7</sup>

Throughout the post-war period relations in this area have undergone the obvious evolution: from the evident dependence of Western European economies on the US aid (i.e. the 'Marshall Plan'), to the achievement of a status of equivalent partners, who account for roughly 30% of the world's total GDP. The trade exchange, which has been an object of gradual liberalisation, is the most important in this respect.

Accordingly, the liberalisation of trade constitutes an ongoing, but successful initiative. At present, the United States and the European Union exchange two billion dollars a day in goods and services across the Atlantic. This relationship fosters 40% of global trade and as many as fourteen million jobs in Europe and America depend on this economic link. As a result, the amount of trade is so huge that efforts to further liberalise trade and break down barriers will be undertaken on both sides. Moreover, the US and EU shares in each other's total export and import are in the range of 20-25% what makes them the largest commercial partners to each other. The data concerning direct foreign investments are even more meaningful, that is, over 60% of all DFI in the United States is made by companies from the EU

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<sup>7</sup> *The Transatlantic Economy in 2020: A Partnership for the Future?*, Working Group on the Transatlantic Economy in 2020, New York-Washington 2004, p.ix.

Member States, while the Americans are in charge of about a half of foreign investments in the EU.<sup>8</sup>

In institutional terms, the economic co-operation between the EU and the USA has been based upon the Transatlantic Economic Partnership, signed in 1998. (The document, which provides for further development of economic ties based on more open system of global trade, has been so far perceived as the most important achievement in the area of providing institutional framework for transatlantic economic relations.) In addition, in order to facilitate European-American trade, the Transatlantic Economic Council was established with an intent to make regulations more uniform in many important areas, including, to name a few, automotive, cosmetic, medical, pharmaceutical, and financial service industries as well as intellectual property.

The objectives of the functioning of the Transatlantic Economic Council belong to two areas. Firstly, it is mandated to accelerate on-going efforts to reduce different barriers to trade. Secondly, it will monitor the areas where it is needed to reduce regulation and improve harmonisation. And this agenda is going to be a challenge, partly because of the EU-US conflicting values as regards health safety and environmental protection. Nonetheless, the convergence of regulations and reduction of barriers will surely stimulate economic growth in both the United States and the European Union as well as contribute to the global market economy.

At the 2007 EU-US summit both partners identified the several so-called 'lighthouse projects' to keep the road to economic integration as smooth as possible and reduce non-tariff trade barriers. These projects encompass a wide range of topics which all contribute towards the co-operation and open economy. Importantly, items present on the agenda include the protection of intellectual property. Due to the fact that now, intellectual property rights legislation varies between the EU and the US jurisdictions, both parties have agreed to collaborate with a view to harmonise this legislation. Another item on the agenda concerns the facilitation of making international investments. Thus, the European Union and the United States have decided to eliminate policies and practices that have negative repercussions for investments. Hopefully, the result of those efforts will boost economic growth and raise the number of jobs.

Furthermore, the initiative to secure the safety of trade and transport is high upon the list of things to be accomplished. Both parts realise the magnitude of costs if the flow of trade and investments falls into terrorists' hands. The movement of goods, services, business travellers and tourists must

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<sup>8</sup> *US-EU Co-operation on Development*, US Department of State, 23 February 2007; and 10 September 2007.

be protected and the USA and EU also work together to ensure that this is done. This is evident in the collaboration of the US Customs-Trade Partnership Against Terrorism and the EU Authorised Economic Operator which are key elements of their Customs Security Program. In essence, both systems promote the safety of global supply chains and the further goal is to establish mutual recognition between the two.

Finally, financial markets on both sides of the Atlantic will be restored when the EU and the USA encourage policy convergence as regards rules taking precedence in financial industry. All these efforts constitute an attempt to break down trade barriers and strengthen economic links between the European Union and the United States.

An additional example of European-American collaboration can be found in the automotive industry. Because of a weaker dollar, compared to the Euro, many European car companies revive their US production as a hedge against unfavourable exchange rates (for example, BMW plans to improve production in its South Carolina factory). As a result of increased production, many jobs will be created in America. Ironically, 60% of these American made vehicles are then re-exported to countries throughout the European Union. The fact that Nissan, Renault, and General Motors were even considering a three-way alliance back in 2006 is an evidence of future willingness of global competitors to team up. Although the alliance has not become the reality yet, the mere readiness of companies to consider it reveals their foresight and intent to co-operate.

Such an intention is also evident in the 'Open Skies' agreement that will allow any US airline to fly to any city within the European Union and any EU carrier to do the same in the United States. The free flow of individuals will only enhance EU-US relationships as well as contribute to the global economy.

At the same time, however, one has to remember that – in line with the principal argument of this study – economic relations between the European Union and the United States have not been clear of conflicts and tension. This stems, on the one hand, from the reinforcement of the EU's global economic position and, on the other hand, from the US aspiration to maintain their dominance in the global economy.

The principal areas in dispute include agriculture, steel and aviation industry, and the rules of competition. Parties have undertaken efforts to solve disagreements through bilateral negotiations in these fields, but it occurs relatively often that the role of the principal arbiter has to be entrusted to the World Trade Organisation. Sometimes, mutual disputes may even lead to so-called trade wars, the most notorious of which included a conflict about

export of bananas to the EU, lasting since 1993, or the US introduction of customs tariffs on European steel products in 2002.

Apart from periodic 'trade wars' between them, both parties accuse each other either of general economic inefficiency (the United States' traditional argument against Europe) or, the other way round, of maintenance by the USA of an excessive trade deficit which results in weakening of the US dollar, and thus promoting the American export at the disadvantage of the EU and other economies. At the same time, the Americans hold a great deal of pride in their US dollar and have become accustomed to being number one. Now, the higher position of the Euro in comparison to dollar, and the fact that the European Union has exceeded the United States in GDP, certainly caused a feeling of rivalry.

Even individuals from both sides will feed on this competition. For example, the US National Science Foundation criticises an increasing number of published European scientific and engineering articles by saying that '*Although the European Union may have produced more articles, the qualities of those articles are below that of the United States*'.<sup>9</sup> And this kind of rivalry will continue, especially when both sides believe they are superior to the other.

This type of competition is good and welcome. It is a sort of competition that drives innovation, helps to develop technologies and improve everyday life. It is a sort of competition that helps to stimulate economic growth, and one that teaches societies, nations and businesses about themselves and their strategies.

However, should German multinationals continue to follow production and establish their headquarters in places where they are not obliged to pay taxes, the competition between EU and US businesses may heat up. These practices, especially the tax evasion, will be perceived by American companies as unethical, unfair, and unwarranted. In consequence, the governments on both sides of the Atlantic will finally recognise the potential problem that this new trend poses and global governing entities will do what they can to prevent such tactics from occurring. Nonetheless, a fair amount of animosity will be held towards firms which attempt to live a life of their own.

Although it is impossible to avoid competition, and perhaps confrontation, the future relationship of the United States and the European Union will be mostly consisting of co-operation. And, the combination and coordination of the two markets will give the USA and the EU an opportunity to become the biggest economic machine in the history of the world. But, the responsibility

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<sup>9</sup> *US Fends Off Foreign Journals Competition*, "Bookseller" no. 5294/2007, University of Northern Colorado Mitchner Library, Greeley, 10 September 2007.

comes also with this power. Therefore, both sides should work together to improve their economic co-operation.

The EU and USA should be successful with their goal of reducing non-tariff and regulatory barriers. It should also be emphasised that both sides of the Atlantic share fundamental values of freedom, democracy, market economy, human rights, rule of law, free trade or competition; and because of this commonality they will work together to foster economic growth in both nations. This economic growth in the United States and European Union will benefit the entire globe. (For example, post-industrialised states will seek resources of developing countries what will in turn create jobs; and thus stimulate the economic growth. In consequence, the Third World and developing countries will experience dramatic improvements in living conditions.)

### **Conclusions**

To sum up the above short consideration about the evolution and perspectives of relations between the European Union and the United States, a sort of peculiar dichotomy should be pointed out in the first rank. On the one hand, there is no doubt about the existence of significant or even fundamental differences in the way strategic visions of contemporary world are formulated by both parties, in particular, differences in beliefs about what sorts of means should (or should not) be used to build a desired international order. Such divergences have constituted a very serious threat, not only to the unity of the whole Western world, but also to the future of democratic States that have faced enormous challenges regarding globalisation and social and economic issues as well as the crucial problem of combating international terrorism. Obvious differences over those matters between the EU and the USA seriously reduce the opportunities for finding and implementing common solutions for global problems.

Along with well-known controversies regarding the conflict in Iraq, disputes about the International Criminal Court or about the Kyoto Protocol and the protection of the environment may be mentioned. Dealing with the global warming and the energy crisis are just some of issues over which the two partners do not agree. The European Union believes that following the Kyoto Protocol and binding regulations will help to reduce greenhouse gas emissions whereas the United States advocate alternative and clean energy advancements as well as technological innovations in order to curb the nation's energy dependence on foreign oil. Although the two parts have a common goal to stop the global warming and to decrease the release of greenhouse gases into the atmosphere, their methods of reaching the goal vary

dramatically. The issue of the climate change is a particular source of stress in the global economy and the United States and the European Union will continue to butt heads until it is resolved. Then, the competition between them will show its ugly face again and when final outcome is reached, whoever wins this battle will proudly exercise his rights for years to come.

On the other hand, however, all this fortunately does not sum up to any total breakdown of transatlantic partnership. The latter still rests firmly upon as strong a fundament as the community of basic, principal values of the Western world, upon which contemporary democratic systems and market economy are based as well. Both parties remain the most important political, economic and military partners to each other and this community of principal interests acts as an additional factor reinforcing the alliance between Europe and America. Moreover, the partners – which should not be forgotten – belong to crucial, and the most powerful actors in processes of globalisation, so they seem to be destined to mutual collaboration in the modern world.

A great many examples of such collaboration might be quoted. As regards human rights, and following the conflict in Lebanon of July 2006, the European Union and the United States have co-operated in donating the humanitarian relief and reconstructive assistance. Currently, many EU and US efforts to give support and aid to developing nations coincide. Common agendas include the help for Afghanistan, Iraq, Sudan/Darfur, and the Palestinian Territories, the fight against AIDS and the post-tsunami reconstruction. Most certainly, an ability to work together recently and in the past lays the ground for the future collaboration.

All this taken into consideration, it would be quite inadequate to perceive the mutual balance and powers arrangement between the European Union and the USA in terms of a zero-sum game, where either one actor wins at the cost of another, or less so strives to predominate the rival. Instead, these complex relations have the logic and dynamics of their own and often tend to evolve according to many different scenarios at the same time.

To conclude, the relationship between the United States and the European Union in the near future will be multi-faceted. Governments will cooperate on global issues such as terrorism, human rights, global warming and the energy crisis; trade barriers will be decreased; and product regulations as well as other non-tariff barriers between the two partners will become more compatible in an attempt to make the process of selling in both the European and American markets more efficient. As the number of multinationals consisting of both European and American firms rise, the firms will cooperate on a large scale through sharing information, resources and know-how.

Although the relationship thus far seems to be one that is mutually beneficial and cooperative, given American and European culture, history,

values, and attitudes, with no doubt, there will be a fair amount of competition between the two partners as well. As a result of this competition, in instances when the two parts do not see eye to eye, confrontation may arise as well. Recent and past relationships will be the best predictor of what the future holds for the European Union and the United States.