

## THE ATLANTIC CHARTER AT 80: RENEWING THE DEMOCRATIC ALLIANCE FOR THE 21<sup>ST</sup> CENTURY

The Dahrendorf Memorial Lecture

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Prepared for delivery at the Estoril Political Forum, October 18, 2021

As we meet to remember the 80<sup>th</sup> anniversary of the Atlantic Charter, which set the stage for one of the greatest triumphs in Western history, we must look with fresh eyes at the very different challenges we face today. It is a time for reflection and innovation, not celebration.

Let me begin by taking you back three decades, to 1991, when the Soviet Union collapsed. After defeating fascism on the battlefield and communism without firing a shot, a sense of triumph was suffused the West. The last alternative to liberal democracy had vanished, or so we thought. The task now was to set all nations on the path to political democracy and a market economy, and these efforts were linked: economic growth would fuel the transition to democracy, or so we thought.

Throughout the 1990s, this confidence seemed borne out by events. A democratic wave swept through the former captive nations of Central and Eastern Europe, Russia adopted democratic institutions, and democracy was on the march in most parts of the world. There were even signs of nascent liberalization in China as its economy grew and its relationship with the West deepened.

Although the 9/11 attack on the United States was an early warning that liberal democracy still had enemies, it did not fundamentally disrupt the narrative of democratic advance, which continued until 2006. And then, for reasons too complex to review today, this advance halted and reversed. Some of the decline was internal. But compared to three decades ago, the external threat to democracy—mainly from a resurgent Russia and a rising China—has intensified. This threat from the outside is the focus of my remarks today.

Russia has repeatedly breached or altered international boundaries, it is doing its best to strangle democracy in Ukraine, and it has mounted potent disinformation campaigns against many Western democracies, including the United States. China has broken its agreement to respect Hong Kong's free institutions, it is working to weaken democracies throughout the Pacific, and the threat it poses to Taiwan's independence becomes graver with every passing month.

For the first time since the end of World War Two, the United States now faces a struggle on two fronts. It is the most powerful member not only of a long-established transatlantic alliance to contain and deter Russia, but also of a gathering alliance to prevent China from dominating the Pacific. And these two alliances are not interdependent. What happens in one will affect the other, in no small measure because American power is central to both. America must recognize that as the leader of these great assemblages of nations, it must deal openly with its allies and act on its own only when it has no other choice. Europe must recognize that its stance on Pacific issues will have repercussions for transatlantic concerns.

This new reality shapes the difficulties the transatlantic alliance now faces. We cannot stand shoulder to shoulder unless we see eye to eye. But in too many areas, we do not.

I wish I could say that the United States has regularly given appropriate weight to the collective sentiments of the transatlantic alliance, but we all know that this has not been the case. I need not dwell on the consequences of my country's ill-advised decision to invade Iraq, or on a recent administration that viewed NATO with skepticism and the EU with hostility. In recent years, America's political stability, on which our European allies relied for decades, has given way to partisan polarization, populist uprisings, and dizzying policy shifts. Whether the current administration represents a return to stability, or rather the latest chapter of oscillation, is anybody's guess.

The sad events in Kabul have only increased this uncertainty. From Tallinn on the Baltic to Taipei in the Pacific, the way in which the United States withdrew from Afghanistan has raised new doubts about the credibility of its commitment to its allies when the going gets tough. America's NATO allies have just cause for complaint about the impediments American policy has created for the evacuation of their citizens and the Afghans who have worked with them. Washington's failure to consult countries who honored NATO's Article V obligations and fought by our side for two decades contradicts the basic operational requirement for effective internationalism.

Australia's recent decision to scrap its contract with France for conventional submarines in favor of nuclear-powered alternatives from the United States made matters worse. Although this move can be defended on the merits, the way it was carried out generated concern throughout Europe. France was understandably outraged, while many others wondered whether it was a harbinger of a pivot to Asia at Europe's expense. In a recent press conference, France's President Macron bluntly summarized these concerns:

"The United States has been very focused on itself and has strategic interests that are being reoriented toward China and the Pacific," he said. "It is their right to do so," he continued, "but we would be naïve . . . not to want to draw the consequences."

In these circumstances, it is hardly surprising that creating an independent European defense force is once again on the agenda. Proponents argue that Europe needs a measure of strategic autonomy that only such a force would allow. Critics reply that although this proposal has been discussed for years, the nations of Europe have never been able to reach agreement on funding, mission, and command structure. In any event, most European analysts have concluded that strategic autonomy means interdependence with, not independence from, the United States. Mr. Macron has conceded that strengthening Europe's defense capacity would occur "within the framework of NATO."

One thing is clear: this is an issue for Europe to resolve without American interference. Instead, the United States should focus on what it must do to restore its credibility as a reliable partner. This must begin with a concerted effort to forge a 21<sup>st</sup> century American security policy that can be sustained through changes of administration. In an era of renewed great power competition, this means, above all, reaching agreement across party lines on America's stance toward Russia and China.

There is a growing consensus within my country that America must do more to resist the expansion of China's military, diplomatic, and economic influence. Although there is not yet agreement on the size and shape of the military forces needed to deter potential aggression, the United States is finally on track to boost public investment in the technologies that will determine the relative power of the two great Pacific powers for decades to come. Taken together, the AUKUS agreement and the Quad represent the emergence of an American-led alliance structure in the Indo-Pacific region.

Regrettably, the longstanding American consensus on the Russian threat has weakened, although perhaps less than the tumult of recent years might suggest. It should be clear to all Americans regardless of party that wherever possible, Russia will use its power to weaken the position of the United States and its allies around the world. It should also be clear that Vladimir Putin, who regards the collapse of the Soviet Union as a geopolitical catastrophe, will do everything he can to restore Russia's sphere of influence, from Central Asia to Ukraine. Despite America's war-weariness, there is reason to hope that American leaders can forge a united stance toward Russia with which its transatlantic allies can agree. And as the consequences of pandemics and climate change become more evident to Americans in all parts of the country, there is reason to hope that differences within the United States and with its allies about the existence and importance of transnational threats will diminish.

In the meantime, the United States must curb the unilateralism that from George W. Bush's administration to Joe Biden's has so disturbed its European allies. If America acts selfishly as well as unreliably, the alliance that has secured peace and prosperity for generations cannot endure indefinitely.

Not all the difficulties originate on my side of the Atlantic, however. Over strong US objections, Germany completed the Nord Stream 2 pipeline, cementing its energy dependence on Russia and weakening Ukraine's embattled democracy. France has joined with Germany to push for a more conciliatory stance toward Russia than the United States and most central and eastern European countries can accept.

The breach with the United States over policies in the Pacific goes even deeper. In a speech to the World Economic Forum this past January, German Chancellor Angela Merkel rejected a firm stance toward China, the emerging core of 21<sup>st</sup> century American statecraft, endorsed by both of our political parties, who agree on little else. "I would very much wish to avoid the building of blocs," she said. "I don't think it would do justice to many societies if we were to say this is the United States and over there is China and we are grouping around either the one or the other. This is not my understanding of how things ought to be." Speaking to the Atlantic Council a month later, French President Emmanuel Macron called calls for European unity against China "counterproductive." In case anyone had missed the point, M. Macron's finance minister, Bruno Le Maire declared just last week that "The United States wants to confront China. The European Union wants to engage China."

If the leaders of Europe's two most powerful nations are serious about adopting a policy of neutrality in the growing struggle between the United States and China, there are bound to be negative repercussions for transatlantic relations. The same goes for the prospective trade treaty between the EU and China, which moved forward during the transition to the Biden presidency over pleas from incoming administration officials to pause for consultations.

Consider, finally, the astounding fact that state-owned Chinese firms now hold substantial stakes in over a dozen European ports, including two in Spain but none, thankfully, in Portugal. One of these firms enjoys operating control of the Greek port of Piraeus until at least 2052 and has already invested nearly \$1 billion to upgrade the port's facilities. Is it a coincidence that Greece blocked an EU resolution condemning China's crackdown on pro-democracy dissidents, calling the criticism of China "unconstructive"? Greece's shipping minister bluntly defended his country's actions: "Greece . . . has

the right to make a decision based on its own interests.” This is the logic that has allowed China to create a system of Trojan ports in the heart of Europe.

What is to be done? Answering this question is our hardest challenge, and what I say today is a bare beginning.

I start with a statement of principle: An alliance *of* democracies must be an alliance *for* democracy—and therefore, an alliance *against* the enemies of democracy. It must be an alliance that promotes liberal democracy with all peaceful means—and that protects existing liberal democracies with all means necessary.

To this end, some analysts have recommended an updated institutional architecture for the transatlantic alliance, including the creation of a Transatlantic Council as a venue for discussing and coordinating both foreign policy and economic issues. While these ideas point us in the right direction for the long term, they must not delay agreements on issues that cannot wait. I will mention just two.

Regarding Europe: In Ukraine, Russia is putting the alliance to the test, and we must not fail it. We should collectively give top priority to integrating Ukraine into the West, economically as well as politically. The prospect of membership in the EU and NATO would provide incentives for Ukraine to accelerate long-needed reforms and give heart to the forces within Ukraine—a popular majority—that yearn for stability, prosperity, and democracy.

In the meantime, we should give Ukraine the arms it needs to defend itself, a policy that every member of the alliance should support. Germany should compensate Ukraine for the revenue losses that it will suffer when Nord Stream 2 is fully operational. And the transatlantic alliance should reach agreement on bold, creative diplomacy to go beyond the Minsk agreements and end the frozen conflict in Ukraine’s eastern region.

Turning now to the Pacific: a successful Chinese effort to retake Taiwan by force could well undermine the US-led alliance to contain the PRC and open the door to China’s domination of East Asia and the Pacific. This has become a central concern of America’s defense and foreign policy, but it cannot be a peripheral matter for Europe either. As a recent report cosponsored by the Aspen Strategy Group and the Munich Security Conference stated, “Both sides of the Atlantic would be adversely affected by China encroaching on the sovereignty and independence of Indo-Pacific nations and would be gravely harmed by Chinese hegemony over the region. . . . With regard to Taiwan, it is key that there be no unilateral change of the status quo, especially through use of force. . . . Even short of war, a major crisis would have immediate consequences for European security as the US would redeploy military resources for Europe and adjacent areas.”

In a recent article, Anders Fogh Rasmussen, a former NATO secretary-general, underscores this new reality. “If America loses its dominance in the Indo-Pacific,” he says, “it will trigger a shock wave in global power balances that will engulf Europe too.” Rasmussen criticizes the myopic mercantilism he sees at work in economic relations between Europe and China, and he warns Europe against the temptation to act as a balancing power between China and the United States. In the battle for global preeminence, he concludes, Europe cannot remain neutral without diminishing America’s long-term commitment to the transatlantic alliance. I could not agree more.

It would be unreasonable for the United States to expect its European allies to contribute significantly to the military dimension of the struggle against rising Chinese power. But Europe can participate in other ways. On the diplomatic front, Europe must stand unambiguously for the principle that the future of Taiwan must be settled through peaceful agreement between Beijing and Taipei, not by force.

An historical analogy clarifies the stakes.

On March 7, 1936, Adolph Hitler violated the treaty that ended World War One by sending German troops into the Rhineland. Germany's military opposed the move, and had France and Britain threatened to use force, Hitler would have had no choice but to retreat, and his military would have joined with other parts of German society to end his chancellorship. Instead, Britain and France did nothing. An influential leader of Britain's Liberal Party defended his country's inaction, remarking that "After all, [the Germans] are only going into their own back garden." Today, I fear that some in Europe will be tempted to adopt a similar stance regarding Taiwan. But succumbing to this temptation risks a repetition in the Pacific of what we saw in Europe during the 1930s.

Europe can also play an important role on the economic front. Under Xi Jinping, the always blurry line between Chinese firms and the Communist Party has been erased, and all technological gains can be converted for military use. Every European and American firm doing business in China will be subjected to pressure to transfer key technology into Chinese hands. It is essential that European firms as well as American firms resist this pressure, *even if it restricts profitable business opportunities in the PRC.*

Lenin famously remarked that "The capitalists will sell us the rope with which we will hang them." Let us make sure that his prophecy does not come true this time.

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I want to conclude with a few words to the many young people attending this conference.

My generation will soon fade from the scene. Then it will be your turn to defend liberal democracy—or, God forbid—yield to its adversaries.

Winston Churchill once remarked (quoting an unnamed predecessor) that democracy is the worst form of Government except for all those other forms that have been tried from time to time. This wry maxim sums up the difficulties you will face. Democracy is usually untidy and sometimes unlovable. When we are eager to act, it requires patience. When we are sure we are right, it counsels compromise. Coordinating the variety of interests and beliefs that freedom evokes into a common plan of action is akin, Max Weber remarked, to the slow drilling of hard boards. It is easy to envy the power of autocracies to act quickly, and intellectuals often have. It is hard to remain passionate about democracy—unless we stay focused on the alternatives, whose hallmark is the suppression of legitimate differences in a false unity maintained by fear.

Nothing in human affairs is immutable—or inevitable. As there is no end to the threat of war, there is no end of history. The strongest of human creations will collapse unless they are defended and renewed; the most vulnerable causes can prevail if we are willing to fight for them. And even when liberty loses, the setback need not be permanent. Liberal democracy will die only if we cease to believe in it.

As the last defenders of the Roman Republic fought to save it from extinction, a struggle dramatized in Shakespeare's *Julius Caesar*, Cassius tries to persuade Brutus to join the effort to stop Caesar from becoming a monarch. "The fault, dear Brutus, is not in our stars," says Cassius, "but in ourselves, that we are underlings."

Cassius was right. History does not take sides in the struggle between liberty and oppression. The future is what we—that is, you—will make of it.

After a cerebral hemorrhage struck down Franklin Roosevelt in April of 1945, a draft of a message to the American people was found on his writing desk. "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

FDR never had a chance to deliver this message. But you, the leaders of the future, have a chance to hear it and take it to heart and act on it in your time, which is coming sooner than you think.

Thank you for your kind attention.

What a young Abraham Lincoln said about the United States in 1838 remains true for democracies today: they are much more likely to undermine themselves from within than to succumb to subversion or conquest from without.