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# FRANCE AND THE UNITED STATES: ALLIES AND RIVALS

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Updated August 15, 2000

Abstract. This report begins with an analysis of French political and economic developments, followed by a sketch of French views of France's role in the world and of the United States. An examination of the key role that the EU occupies in French policymaking follows, with an eye on affected U.S. interests. Next follows an analysis of competing French and U.S. efforts to shape European security policy, with special attention to French military modernization and intentions in promoting development for U.S. leadership of NATO. The next section examines French and U.S. policies on several regional issues, followed by a concluding analysis of paths that the two countries' relationship might take in the future.



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# France and the United States: Allies and Rivals

August 15, 2000

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## France and the United States: Allies and Rivals

## **Summary**

France, while a key ally, has developed policies in pursuit of its national interests that challenge the United States on issues of importance to both countries. The end of the Cold War has altered a balance that once placed security above political and economic competition. The leading European Union members, including France, are enhancing political cooperation, raising questions about traditional areas of U.S. leadership in Europe. At the same time U.S. and French interests often intersect, and the two countries cooperate in important endeavors.

France, like the United States, believes that it has a special role in the world. For many years, French leaders have believed that France has a "mission" to encourage human rights and democracy. For the past half-century, a version of France's mission is that the country must play a key role in shaping the European Union.

Key French leaders are critical of U.S. culture and the U.S. government, including Congress. They have described Congress as isolationist and "unilateralist" on such issues as sanctions and national missile defense. They also believe that U.S. leaders have a tendency in foreign policy to seek to "fix things," or find a full solution, when at best in their view a particular problem can only be managed but not eliminated. Some French leaders and intellectuals view U.S. cultural and economic influence as materialistic and insidious.

The European Union is central to French political and economic life. France wishes to see institutional reforms in the EU to make the Union more flexible in decision-making. To wield greater influence in the world, the EU, in the view of France and some other member governments, must have a military capability. To this end, France and Britain have taken the lead in building a European Security and Defense Policy (ESDP).

While some U.S. officials believe that ESDP could enhance burdensharing and encourage stability in Europe, others fear that it may marginalize NATO by assuming current NATO tasks and reducing the role of the United States in Europe. In addition, some Congressional and Administration critics believe that ESDP will create a "hollow force" that borrows U.S. assets and degrades the readiness of U.S. forces.

A range of regional issues are on the U.S.-France bilateral agenda. France often buffers U.S. interests by assuming peacekeeping responsibilities in different parts of the world and through other means that encourage stability. At the same time, the two countries sometimes compete for political and economic influence in the Middle East, Africa, and elsewhere.

The common interests of the United States and France remain greater than their differences. In instances where the two countries' interests have been seriously challenged, they have tended to work together. In European security issues above all, France is seeking to bear a greater burden, with the trade-off that Washington must, in the French view, cede a greater measure of influence to Paris.

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# France and the United States: Allies and Rivals

### Introduction

France, while a key ally, has developed policies in pursuit of its national interests that often present a challenge to the United States on issues of importance to both countries. The end of the Cold War has altered a balance that once placed security above political and economic competition. A clear intention of the leading European Union members, including France, to enhance political cooperation is raising questions about traditional areas of U.S. leadership in Europe.

During the past decade an increasingly critical perception among French political leaders and intellectuals toward the United States, including Congress, has led to more than the traditional barbs aimed at U.S. policy and culture. This changed perception is finding expression in concrete policies in part intended to set EU members on a course more independent of U.S. influence. France, and several other countries to a lesser degree, are seeking to enhance EU influence in shaping the U.S. debate over issues that affect European interests. The French government's perception of and reaction to threats to security, its faith in multilateral institutions to manage international problems, and a popular belief that "globalization" is an American-dominated trend harming French interests, set France apart from the United States on a range of questions.

At the same time key interests of France and the United States remain intertwined, and government policies in Paris and Washington on many issues are mutually beneficial. On many questions, the policy and objectives of the two countries converge.

This report begins with a brief analysis of French political and economic developments, followed by a sketch of French views of France's role in the world and of the United States. An examination of the key role that the EU occupies in French policymaking follows, with an eye on affected U.S. interests. Next follows an analysis of competing French and U.S. efforts to shape European security policy, with special attention to French military modernization and intentions in promoting development of a European Security and Defense Policy (ESDP), with emphasis on implications for U.S. leadership of NATO. The next section examines French and U.S. policies on several regional issues, followed by a concluding analysis of paths that the two countries' relationship might take in the future.

# **Background**

### The Political Setting

France is in a period of *cohabitation*, with a president of one party and a prime minister of another. In 1997, Gaullist President Jacques Chirac ill-advisedly called legislative elections, in which his party, the Rally for the Republic (RPR) and its centrist governing partner, lost a large majority. The Socialists gained a plurality, and Chirac appointed Lionel Jospin to form a leftist coalition government. Prime Minister Jospin has given mostly minor ministerial posts to the Greens and the Communists. The constitution gives a preponderant role to the president as decisionmaker in foreign and defense policy, but Jospin has capitalized on disarray within the right by occasionally taking initiatives without Chirac's clear approval. However, both the Jospin government and Chirac agree that France must seek to strengthen the political development of the European Union, and build an EU that enjoys a real voice in global affairs. Jospin is expected to challenge Chirac in coming presidential elections.

Both legislative and presidential elections will occur in 2002. Jospin, from the moment he became prime minister, has pledged to break established traditions and practices. He has emphasized efforts to end corruption in government and business, and sought to open the economy to greater outside investment, in part due to the EU's urging. In March 2000 Jospin replaced unpopular and ineffective ministers, and brought in Socialists who would broaden the government's base on the left and in the center. On the right, Chirac saw his party split apart after the failed legislative elections of 1997. A sizable faction, led by former RPR member Charles Pasqua, is criticizing Chirac for supposedly abandoning Gaullist principles by agreeing to cede more sovereignty to the European Union, and for his political leadership. Pasqua and others from the center-right may challenge Chirac for the presidency. Both Chirac and Jospin remain popular with the French public, with Chirac viewed as "statesmanlike" and Jospin as "courageous" and "modern."

A well-performing economy has bolstered the fortunes of the Socialist-led coalition. When Jospin became prime minister in June 1997, unemployment stood at 13%; by July 2000, it had fallen to 9.7%. In 1998, the government pushed a law through parliament that reduced the work week from 39 to 35 hours. Critics contend that, while the law may encourage hiring, it may ultimately reduce productivity. They also contend that many jobs created under the Socialists are low-paying, and often part-time, and that there is a "brain drain" of young people trained for the high technology sector going to the United States and Britain both for education and for jobs. Inflation is low and has remained steady, perhaps helped by European Monetary Union, which both Jospin and Chirac have strongly supported. To many observers' surprise, the Socialists have proceeded with gradual privatization where there was previously considerable intervention in key industries, such as defense, banking, telecommunications, and insurance. The OECD describes the public sector as still "vast," but also acknowledges that privatization is making companies "more

<sup>&</sup>lt;sup>1</sup> "Jacques Chirac améliore sa position sans surclasser Lionel Jospin," *Le Monde* (henceforth LM), April 4, 2000. p. 6; "Jacques Chirac, le retour," *Le Monde des livres*, May 19, 2000, p. VIII.

accountable by lessening the sense of reassurance for stakeholders [employees, banks, customers, and suppliers] stemming from the presence of a majority stakeholder [the government] that cannot be declared bankrupt." Of political importance, many economists believe the economy will expand through 2002, a factor that could aid Jospin as the architect of government economic policy.<sup>2</sup>

# **Overview of French Perspectives**

France, like the United States, believes that it has a special role in the world. The core of the perceptions of France's role in the world stems from the Revolution that began in 1789. The Revolution was an event of broad popular involvement: widespread bloodshed, expropriation of property, and execution of the king fed the notion that there could be no turning back to monarchical government. Not only was the monarchy overthrown and a powerful church structure forcibly dismantled, but French armies, and ultimately French administrators in their wake, also transformed much of the continent into societies where more representative institutions could ultimately take root. The Revolution was therefore a central, formative element in modern European history. The cultural achievements of France before and since the Revolution have added to French influence. French became the language of the élite in many European countries. By 1900, French political figures of the left and right shared the opinion that France was and must continue to be a beacon for the rest of the world.<sup>3</sup>

The view that France has a "mission" in the world endures today. French intellectuals of the eighteenth-century Enlightenment laid the basis for many of today's precepts about human rights and democracy, later forged into concrete form by the Revolution and evinced by the modern French state. For many years, the French government emphasized the message of human rights and democracy, particularly in the developing world and in central Europe. By the mid-20th century, some French colonies, such as Algeria and Morocco, sharply disputed whether actual French policy met the ideals of this message. In a different form, through much of the 1990s, French officials, particularly Gaullists, were highly assertive in seeking to engender French views in European Union initiatives, sometimes in concert with Germany and sometimes alone. In 1996, the former Gaullist Prime Minister Alain Juppé called for an "inner circle" in the EU, defined as "a small number of states around France and Germany" that must move forward to secure European Monetary Union, a common foreign and security policy, and a military force able to protect the Union's interests. His foreign minister added that such policies, "far from weakening

<sup>&</sup>lt;sup>2</sup> OECD Economic Surveys: France (Paris: OECD, 1999), pp. 9-18, 75-84; a more extensive discussion of US-EU economic issues can be found in Library of Congress. CRS. William H. Cooper, EU-U.S. Economic Ties: Framework, Scope, and Magnitude. CRS Report RL30608. July, 18, 2000.

<sup>&</sup>lt;sup>3</sup> In a vast literature, see John Weightman, "Fatal Attraction," *New York Review of Books*. Feb. 11, 1993, p. 10; and François Furet, *La Révolution de Turgot à Jules Ferry, 1770-1880* (Paris, 1988), pp. 511-512, 516-517.

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France's influence and authority in the world... will increase their impact and audience."

These ambitious objectives have sometimes become entangled in rhetorical fusillades aimed at the United States. President Chirac has said that he wishes to see the European Union become "an active and powerful center, the equal of the United States," and "one of the great centers of decision-making and action in the world," with France playing a "catalytic role" in forging such leadership.<sup>5</sup> Prime Minister Jospin has said that he sees "a tendency to hegemony" in U.S. security policy in Europe. French officials criticize what they view as "unilateralist" U.S. initiatives or actions, against the interest of the European allies and taken without consultation, and say that they wish to see important international issues undertaken in a multilateral context.<sup>6</sup>

Congress is increasingly the target of French criticism. French officials and media cite the Senate's defeat of the Comprehensive Test Ban Treaty (CTBT) in the fall of 1999, sanctions legislation against Cuba and Iran, and support for the national missile defense program as examples of unilateralism. President Chirac has said that Congress "all too often succumbs to the temptations of unilateralism and isolationism." A leading foreign policy analyst, in a notably vitriolic editorial, has attacked the Senate as "irresponsible" for its vote on CTBT, and charged that "the majority of [U.S.] elected officials are totally ignorant of international issues."

Some observers of France and the United States see a fundamental clash in the way in which the two countries pursue international policies. In this view, the United States, now the lone superpower, and protected for much of its history by two oceans, has a tendency to wish to "fix things," to achieve a full solution in short order to a problem.<sup>8</sup> In contrast, France has been invaded many times in its history, and thereby lives with an inescapable sense of vulnerability and limitations. Having experienced a long and often violent path to stability and democracy, France is more likely to seek to manage an international problem and to seek a long-term solution with a potentially dangerous adversary such as Russia or Iraq. Foreign Minister Védrine has offered a veiled criticism of what he views as the U.S. tendency during the last decade to attempt to "export" democracy as if it were a "religion," with

<sup>&</sup>lt;sup>4</sup> EU: Report examines countries' views on IGC issues. FBIS-WEU-96-052. March 15, 1996, p. 11; and "Débat au Sénat sur la CIG: Intervention du Ministre des Affaires Etrangères M. de Charette." March 14, 1996, unpaginated text.

<sup>&</sup>lt;sup>5</sup> Jacques Chirac. "Discours devant l'IHEDN," Paris, June 8, 1996; and "Pour un modèle européen," *Libération*. March 25, 1996, p. 1.

<sup>&</sup>lt;sup>6</sup> "M. Jospin critique la réintégration de la France dans l'OTAN," *LM*, Feb. 5, 1997; "Védrine mutes, a little, mistrust of US," *International Herald Tribune* (IHT), June 10-11, 2000, p. 2.

<sup>&</sup>lt;sup>7</sup> "Chirac's attack on Congress has a bigger target," *IHT*, Nov. 9,1999, p. 2; for the policy analyst, see Thierry de Montbrial, "Essais nucléaires: un vote désastrueux du Sénat américain," *Le Figaro*, Oct. 21, 1999, p. 12.

<sup>&</sup>lt;sup>8</sup> The idea was well developed by Philip Gordon of the Center on the United States and France at a conference on U.S-French relations, Washington, May 24, 2000.

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supposedly receptive populations ripe for conversion. In his government's view, free elections and ideology cannot alone yield democracy, and sanctions cannot force a government to change its ways. Instead, many years must pass, with an evolution of civic institutions and attitudes, before a people decide to adopt and develop its own model of democracy.<sup>9</sup>

More than rhetorical sparring over specific issues is at play because there is also a perception that U.S. power and influence are affecting the substance of every-day life in France. This is not altogether a new development. Since the end of the First World War, many French have viewed the American evocation of technology and the virtues of industriousness as having yielded a culture in the United States that values materialism more than intellectual endeavor. An original meaning of the French word "américanisation" was "mass production," with negative connotations about the loss of individualism and creativity.

Today, in a global economy, many French politicians and commentators are portraying U.S. practices as invasive and insidious. While some French observers believe that American individualism contributes positively to global economic growth because U.S. entrepreneurs are often unafraid of the risks of restructuring old industries to make them more competitive, and some invest in U.S. companies, others believe that "unbridled U.S. capitalism" leads to a rapacious materialism and a society where the poor are left by the side of the road. 10 Interior Minister Jean-Pierre Chevènement, the most nationalistic voice in the government, contends that "globalization" – often used negatively in France as a synonym for "Americanization" - risks making Europe "a rich suburb of the American empire." Such sentiments are sometimes reflected in the street. The violent sacking of a McDonald's in 1999 in reaction to U.S. tariffs on French agricultural goods and as a symbol of American capitalism and culture received wide coverage in the French media. Many French investors appear to believe that U.S. money managers who demand high rates of return have bought heavily into French companies, forcing their restructuring and leading to employees being thrown out of work. U.S. Ambassador Felix Rohatvn has spent considerable effort countering this perception by noting that it is a company's own managers and competition in the international marketplace, and not a Wall Street clique, that bring about decisions over restructuring.<sup>11</sup>

<sup>&</sup>lt;sup>9</sup> "Intervention du ministre des affaires étrangères," Warsaw Conference on Democracy, June 26, 2000. [http://www.diplomatie.gouv.fr]

<sup>&</sup>lt;sup>10</sup> Criticism of U.S. society is common. According to the President of the National Assembly, "it's no longer slavery, it's no longer institutionalized racial segregation, it's the death penalty. Injection, firing squad, electrocution, gassing, hanging: in the country of innovation, invention is also at the service of death....A strange country that where religion is omnipresent, even an obsession,... redemption doesn't stand a chance." "Raymond Forni dénonce la 'sauvagerie' de la peine de mort aux Etats-Unis," *LM*. June 13, 2000, p. 9.

<sup>&</sup>lt;sup>11</sup> Comments at conference on U.S.-French relations, Center on U.S.-France, Washington, May 24, 2000; "French Minister puts case for nation states," *Financial Times* (FT), June 1, 2000, p. 2; and Felix Rohatyn, "Remarks at Université d'Auvergne," May 12, 2000.

## France and the European Union

The European Union is central to French political and economic life. In a concrete sense, France shares sovereignty with other EU members through agreement on EU legislation that guides French laws on a wide range of social and economic Because Brussels has significant influence over daily life, the French government must constantly make the case to citizens that the EU is beneficial, and not a distant, decision-making bureaucratic entity overriding the democratic process. Most notably, qualifying for EMU meant imposition by Paris of austerity budgets that curbed government expenditures and reduced public debt, as well as acceptance of the European Central Bank (ECB) that set monetary policy for the eleven countries adopting a single currency. In a real sense, France and its EMU partners have ceded to the ECB sovereign power to determine price stability, interest rates, and exchange rates. In return, member states believe that EMU will make the European Union more competitive in international markets, more influential in international trade and financial institutions, and their individual societies wealthier, with diminished unemployment, less costly social programs, and greater social peace. EMU is both an economic and a political act, meant to deepen integration of member states' political, economic, and social life.

In contrast to the preceding Gaullist government, an important change of tone on the French government's role in the EU is noticeable under Jospin. Today, to Chirac and Jospin, the EU is a "union,... a deepening of the nation.... European affairs are no longer foreign affairs, and the European debate is not separate from the national debate." These views are a step back from those of the Gaullist government of the mid-1990s, which described France as the "catalytic force" shaping key EU policies. Jospin in particular is more likely to describe France as a medium-range power, unable to play the role of the EU's arbiter, and he recognizes France's limitations for influencing events on the global stage. Such a change is politically significant because it could diminish concerns in such countries as Britain, Italy, and the Netherlands that Paris is attempting to impose a "French model" on the Union, and is more willing instead to seek compromises that clearly acknowledge the interests of states with differing views.

France has long joined with Germany in undertaking the key steps to build the European Union. Most recently, the two countries were the driving force for EMU, implemented in 1999 among 11 of the Union's 15 members. The French and German governments agree that EU institutions must be reformed to streamline decision-making before the Union enlarges further, although France has less enthusiasm for enlargement. But the close working relationship from the years when the late French President Mitterrand and former German Chancellor Kohl drove major EU initiatives is less apparent today. Some French officials believe that German Chancellor Schroeder has less interest in France than his predecessor, and that his principal goals are to consolidate unification, build German economic power and cement relations with central European states. Germany's declining defense budgets dim prospects for

<sup>&</sup>lt;sup>12</sup> Statement of the Prime Minister on the priorities of the French Presidency of the EU, before the National Assembly, May 9, 2000; and Jacques Chirac, "European Defense," speech before the WEU parliamentary assembly and the IHEDN. May 30, 2000.

French efforts to build an effective European defense policy. And some French officials quail before German Foreign Minister Fischer's desire to build a "federal" Europe because of the implications for diminished national sovereignty.<sup>13</sup>

## France's EU Presidency, July-December 2000

Throughout the European Union, populations evince a sense that there is a "democratic deficit," that Brussels is out of touch with the needs of the man in the street, that the Union is a "sediment of treaties and regulations." <sup>14</sup> Member governments face the institutional challenge of making EU decision-making machinery more efficient, and the political challenge of persuading their citizens that the Union is bettering their lives and not robbing countries of their national identities.

The French government, during its EU presidency of July-December 2000, has as its goal to make EU decision-making more flexible, and the Union appear less technocratic and more responsive to citizens' needs. Jospin, in a speech to the National Assembly made after consultation with Chirac, outlined the objectives of the French EU presidency. Among these were:

- Reform EU institutions to diminish the possibility of deadlock, and weight votes on the basis of population in the European Council to reflect a more "democratic" proportional representation before the EU enlarges, a step that would strengthen the influence of more populous members such as France and Germany.<sup>15</sup>
- Enhance economic integration to promote job creation, and further member states' coordination of social policies.
- Strengthen defense and security cooperation in EU structures.
- Provide for more "reinforced cooperation," exemplified by EMU, to allow willing states to deepen integration on selected issues, even when other states do not wish to participate.<sup>16</sup>

The French government's ambitious agenda contains several important political signals. To member state populations, the agenda promises that continued political integration will not sacrifice the people's democratic voice. To critics of the EU's bureaucratic machinery and to governments leery of enlargement, it promises reform

<sup>&</sup>lt;sup>13</sup> "La France et l'Allemagne ont trouvé un accord...," *LM*, June 2, 2000, p. 4; and CRS Report RL30407, *Germany in Transition: Relevant Issues for Congress*. Updated July 20, 2000.

<sup>&</sup>lt;sup>14</sup> "Comment sortir du malaise et du 'déficit démocratique'," LM, May 10, 2000, p. 2.

<sup>&</sup>lt;sup>15</sup> For a discussion of the operation of EU institutions, see CRS. Karen Donfried, *European Union: the European Community Evolves*, Report 94-412F, updated August 1995; and Desmond Dinan, *An Ever Closer Union*, Boulder, Co., 1994.

<sup>&</sup>lt;sup>16</sup> "Statement of the Prime Minister...," May 9, 2000.[http://www.premier-ministre.gouv.fr]

in decision-making. And to countries wary of greater "deepening," such as the United Kingdom, it warns that political integration will continue.

*U.S. Perspectives and the French EU Presidency*. For many years, U.S. Administrations and Congress have strongly supported enhanced political cooperation and economic growth in the European Union as means to build stability on the continent and to provide a market for U.S. products and an attractive environment for investment. The EU is the United States' largest trading partner, purchasing one-fifth of U.S. exports of goods and over one-half of U.S. exports of services. The United States and the EU also have an enormous cross-ownership relationship; each is the largest investor in the other's market.<sup>17</sup>

At the same time, U.S. officials and Congress are often impatient with the pace of EU decision-making. Especially since the end of the Cold War, Congress and both the Bush and Clinton Administrations have urged the Union to move more quickly in accepting new member states as a parallel to (or, in some cases, a substitute for) NATO enlargement to encourage the growth of democratic societies and market economies. U.S. officials also regularly press representatives of EU governments to accept specific countries for membership.

France, not alone in the Union, has preferred to move cautiously on EU enlargement, and views U.S. support for particular candidates as an inappropriate intervention on a matter of sovereignty for EU governments. In particular, French (and many other European) officials resist U.S. support for Turkey, a controversial candidate due to its human rights record, its Muslim population, its antiquated agricultural economy, and the potential for large-scale emigration to current EU states. French officials agree that Turkey is of pivotal strategic importance for Europe, but note that qualifying for the EU is a process that requires an extended The Union has designated Turkey as a candidate state for period of time. membership. EU members agree that Union institutions often function in a halting manner: to enlarge the Union before those institutions are made more efficient would result in increased deadlock over difficult issues. More broadly, France, and most other EU members, believe that candidate states must reform their economies and learn to accept shared sovereignty in order to build a coherent, truly integrated Union. Some French officials are also concerned that continuing enlargement will place too many countries within Germany's political and economic orbit.

To some U.S. officials, there is a particular French edge to the enlargement issue aimed at the United States. Officials from Poland, the Czech Republic, and Hungary – each of which joined NATO in 1999 – say that French officials have told them, in effect, "make a choice, be Atlanticist or European, but you cannot be both." Central European governments have sought NATO membership to ensure against the potential threat of a revived, aggressive Russia; NATO membership today means following U.S. leadership in most security and many political issues. It is the interpretation of some central European officials that the French call to "make a choice" means that, to join the Union, they must put EU institutions and objectives first and not treat their NATO membership as an acknowledgment of U.S. leadership

<sup>&</sup>lt;sup>17</sup> CRS. Cooper, EU-U.S. Economic Ties.

in Europe and the world. <sup>18</sup> French officials strongly deny that such conversations have taken place. Another possible interpretation of such discussions is that France is attempting to persuade candidate states to take EU requirements for membership more seriously, and put greater domestic political capital into meeting guidelines that can be economically painful for elements of their populations. It is also possible that some central European officials emphasize these discussions to pressure France and other EU countries to "prove them wrong" and move more quickly on enlargement.

U.S. support for greater EU political integration may have its limits. Since summer 1999, when France and Britain began to make concrete proposals for a European Security and Defense Policy (ESDP), discussed more fully below, U.S. officials and some Members of Congress have expressed concern that the EU is creating a duplicate security institution to NATO, without creating a real military capability able to respond to threats.

#### Miscellaneous EU-U.S. Issues

France joins with other EU members in formulating a policy, often after lengthy negotiation, on many issues. The French government and other members normally refuse to engage in detailed bilateral discussions of such issues with a U.S. Administration or Congress, and refer such matters to the Commission, the Union's executive office, which has competence to undertake international negotiations and propose legislation on these issues.

The United States and the EU discuss a range of economic issues. 19 France has played an important, but not necessarily singular, role in persuading the EU to adopt its final position on some of these issues. A small sampling of such issues follows. At the World Trade Organization (WTO), the United States has won decisions requiring the EU to allow entry of a range of products of genetically modified organisms (GMO). France has led an effort in the EU to overturn a Commission decision to permit the entry of a selected group of such products, an effort that has led to retaliatory tariffs by the Clinton Administration. The EU has restricted licenses of importation of bananas, many from former French colonies or current overseas possessions, to mostly European importers, to the detriment of U.S. and Latin American entities; the WTO has ruled in favor of the United States and other countries and against the EU on banana imports, but the EU has not yet formulated an acceptable regime for licensing. Disputes between the United States and the EU persist over telecommunications, and S.2793, the Foreign Government Investment Act, would prohibit any foreign company that is more than 25% state-owned from purchasing a U.S. telecommunications firm. The European Commission has attacked this legislation as contrary to a WTO ruling that abolishes restrictions on foreign ownership of a telecommunications company. Some observers believe that U.S.-EU

<sup>&</sup>lt;sup>18</sup> Discussions with central European officials; "Poland is pressed to choose between Europe and U.S.," *New York Times* (NYT), June 4, 2000, p. 6; and the joint French and Polish rebuttal, "Poland and Europe," *NYT*, June 29, 2000, p. A30.

<sup>&</sup>lt;sup>19</sup> For a more detailed discussion, see *Transatlantic Legislative Dialogue*, House International Relations Committee. 106<sup>th</sup> Congress, 2<sup>nd</sup> sess., compiled by committee staff and CRS, June 2000 (periodically updated).

cross-investment will ultimately lead to the internationalization of the industry, thereby dampening such disputes. On another issue, the EU has strongly supported China's entry into the WTO to open China to foreign trade and investment, and as a means to influence political developments in China by exposing it to broader, more democratic international currents.

The United States and the Union cooperate, often quietly, on a range of sensitive international political issues.<sup>20</sup> In October 1999, the EU and the United States agreed to a cooperative framework to combat money laundering, international organized crime, and computer crime. Through frequent bilateral meetings with French and other European police agencies, and meetings with INTERPOL, the United States works with Europe to combat organized crime, drug trafficking, trafficking in people, weapons trafficking, and terrorism. There is sharing of intelligence on a range of highly sensitive issues among the United States, France, and other EU countries. Political differences persist in some areas, as in EU opposition to U.S. sanctions policy against Iran, which Washington believes curbs Iran's support for terrorism.

# **European Security Issues**

The transition underway in most key European NATO allies from heavy forces geared for the Cold War to lighter, more mobile forces for crisis management and conflict beyond the allied treaty area has its reflection in new directions being explored for European security institutions. France views NATO's future role as one that ensures collective defense against a revitalized Russia, should it prove hostile. France and Britain are leading an effort to provide the European Union with a credible military capability, one day able to operate independently of NATO.

Congress has had an important role in influencing the transatlantic debate over European security institutions. During the 1998 NATO enlargement debate, the U.S. Senate passed the Kyl Amendment, which stated, in part, that new threats such as proliferation, terrorism, and obstruction of the flow of natural resources "will require that NATO members possess national military capabilities to rapidly deploy forces over long distances, sustain operations for extended periods of time, and operate jointly with the United States in high intensity conflicts." Administration officials say that they had the amendment in mind when, in the following months, they sought to designate such threats as requiring consideration of a NATO military response in negotiating language for a new Strategic Concept. France, and some other allies, opposed such language, and prevailed in emphasizing political and diplomatic means instead to counter such threats. A supposed U.S. tendency to resort too quickly to military action in a crisis has become an issue in U.S.-French relations.

The French government also believes that U.S. domination of allied decision-making is detrimental to Europe's long-term interests. In part due to initial reluctance of the United States to become involved in the Bosnian conflict in the early 1990s,

<sup>&</sup>lt;sup>20</sup> Ibid.

<sup>&</sup>lt;sup>21</sup> Exec. Amendment No. 2310 (Sen. Kyl), Congressional Record, April 27, 1998, p. S3657.

and in part due to significant Congressional opposition to U.S. involvement in both Bosnia and the Kosovo conflict, many French officials are concerned that one day the United States may not wish to be involved in a crisis that the Europeans believe threatens their security. This sentiment, shared in a number of continental capitals, has fueled interest in developing a more independent European military capability.

#### **NATO**

In a broad sense, the French government agrees with Congress and the Administration that proliferation, terrorism, and instability in oil-rich regions are threats to security. But the French government does not agree that NATO is necessarily the instrument that should respond to such threats.

In any discussion of NATO's future French officials tend to underscore first the enduring links of transatlantic relations: cultural and economic ties, philosophical values, and concern over Russia's course. They note that the United States and France seek to guarantee human rights and spread democracy, and build stability in the Balkans.

But in the view of Defense Minister Alain Richard, "Europe has its own analysis of threats and interests in the world." France's analysis differs from that of the United States on several key issues. In contrast to the United States, France, and other European countries, believe that the UN should legitimize NATO crisis management operations. France views Russia as a "partner of the first order" in crisis management operations, an evident reference to European sentiment during the Kosovo conflict that the Clinton Administration initially sought to keep Russia at arms length in resolving the crisis. While France welcomes U.S. involvement in the Balkans, Paris also believes that Balkan stability does not reach the same level of importance in Washington as it does in European capitals. The French government is particularly concerned that Congress will curtail or end U.S. involvement in the Balkans before the region has been stabilized.

French officials also hold a general European view that recourse to military action must be "subordinate" to political and diplomatic efforts to resolve a crisis, and that military action at all levels must be clearly under civilian control.<sup>22</sup> The French government believes that the U.S. tendency to seek "to fix things" is part of a U.S. inclination that can lead too rapidly to a decision to use force before other available options have been exhausted. In the Gulf War in 1991, the French government thought that the United States moved too quickly to the military option. Before the Kosovo conflict of 1999, France thought that the United States initially was moving too quickly towards use of the military. In both wars, France concurred in the final decision to use force, then participated in both conflicts. In the allied debate over a new Strategic Concept in 1999, France led an effort to ensure that the document did not reflect the language and sense of the Kyl Amendment, interpreted by the Europeans as urging early consideration of the use of military force against such

<sup>&</sup>lt;sup>22</sup> Alain Richard, Opening remarks, Transatlantic Forum, Washington, DC, June 28, 2000. Author's notes and text provided by French embassy; discussions with French officials.

threats as proliferation and terrorism. These differences are components of the transatlantic debate over the future of European security institutions.

*U.S. Leadership.* The Clinton Administration does not wish to see NATO marginalized as an instrument primarily for use against a revived Russian threat. In the Administration's view, crisis management and political initiatives, such as the encouragement of democracy in NATO candidate states, are important parts of the agenda for the post-Cold War era.

France, in the words of Chirac, wishes to see "a better balance" in the alliance, with the European pillar and European influence enhanced. French officials believe that the United States, without adequate consultation, sometimes makes unilateral decisions on security issues that affect European interests. While France acknowledges that peace could not have been brought to Bosnia without U.S. leadership, nor the Kosovo conflict resolved without strong U.S. military engagement, it often questions U.S. actions. In Kosovo, for example, the French government believes that the principle of taking key steps only after reaching consensus was violated when the United States, without going through the allied command structure, fired cruise missiles against Serb targets.<sup>23</sup>

In the political realm, French officials cite U.S. steps on arms control that they believe adversely affect French (and European) interests. In August 1999, Chirac said that the world "must carefully avoid anything that might jeopardize the ABM Treaty, as this could lead to a breakdown of the strategic balance and a revival of the nuclear arms race aggravated by the proliferation of ballistic missiles." France believes that the Non-Proliferation Treaty, the Chemical Weapons Convention, and the Comprehensive Test Ban Treaty combat proliferation. After the Cold War, France decided to reduce its nuclear weapons force, dismantling its land-based systems, scaling back plans for nuclear submarine modernization, and closing its nuclear test site. The government in large part based these decisions on a belief that these treaties would be observed, and as a means to encourage other countries to follow suit. The Senate's defeat in October 1999 of the CTBT, in the French view, was a serious blow in the effort to curb proliferation, and it adversely affected strategic decisions about France's nuclear forces.

French officials are critical of Administration discussions with Russia to revise the Anti-Ballistic Missile (ABM) treaty of 1972 in order to deploy a national missile defense (NMD). Paris believes that the treaty enhances stability in the nuclear era because it strengthens deterrence by ensuring that nuclear powers remain vulnerable to reprisal, and because it discourages would-be nuclear states from developing nuclear weapons. In addition, French officials do not share U.S. assessment of a nuclear threat from countries such as Iran or North Korea, which they believe could respond to diplomatic initiatives. In Paris' view, both defeat of the CTBT and

<sup>&</sup>lt;sup>23</sup> Lessons from Kosovo, Ministry of Defense, Paris, 1999, pp. 9, 19.

<sup>&</sup>lt;sup>24</sup> Chirac, cited in *Arms Control, disarmament and non-proliferation: French policy*. Paris, 2000. French government publication, p. 56.

development of NMD are "unilateral" steps taken to the detriment of the allies because they encourage proliferation.<sup>25</sup>

*NATO's Integrated military structure.* NATO's military command structure consists of multinational staffs (filled by officers from member countries) at the higher levels, integrated with national units at the lower levels. The senior officer, the Supreme Allied Commander Europe (SACEUR), is always a U.S. officer. France withdrew from the integrated military structure in 1966, but has remained in the political structure of NATO, with a representative on the North Atlantic Council, the alliance's political governing body. France's absence from the command structure has meant, until quite recently, that French forces seldom trained with other allied forces. Some U.S. officials contend that French absence from the command structure contributed to the poor performance of French forces in the Gulf War. A longstanding objective of the United States and other allies has been to encourage France to return to the command structure.

France's return to the integrated military structure, however, is highly unlikely. President Chirac, in the mid-1990s, said that France would consider returning to the command structure if NATO were "renovated," meaning that more Europeans would be given influence in allied political and military decision-making, and that the alliance's structure and doctrine would be reshaped to fit the post-Cold War era. Jospin, before coming to power as prime minister, seemed to oppose French return to the integrated command structure. In contrast to the Gulf War, French forces performed well in the Kosovo conflict, a view held by U.S. as well as French officials. In light of this performance and France's ability to participate in key decision-making during prosecution of the conflict, French officials say that Paris is no longer considering return to the integrated command structure. <sup>26</sup> French officials contend that ad hoc formulas under which France is engaged with the allies, as in the Kosovo conflict, have worked well, and that French forces mesh smoothly at the operational level with other allied forces. In their view, there is therefore no need to return to the integrated command structure. The development of ESDP, discussed below, also makes unlikely France's return.

**NATO Enlargement.** France has joined other NATO members in endorsing the principle of further enlargement of the alliance. At the 1997 NATO summit, France supported the candidacies of two unsuccessful aspirants, Slovenia and Romania. France has never been enthusiastic about enlargement of the alliance, in part due to the belief that it first had to be "renovated." Now, as is true of most European allies, the French government is concentrating its energies more on EU than on NATO enlargement.

<sup>&</sup>lt;sup>25</sup> Chirac, "European Defense," IHEDN, May 30, 2000; Daniel Vernet, "Les Européens craignent une relance de la course aux armements," *LM*, June 6, 2000, p.2.

<sup>&</sup>lt;sup>26</sup> See, for example, Interview with Richard, *Defence News*, May 15, 2000.

<sup>&</sup>lt;sup>27</sup> CRS. Paul E. Gallis, *NATO Enlargement: The Process and Allied Views*, CRS Report 97-666. July 1, 1997, pp. 11-14.

### **Restructuring France's Defense Forces**

France is in the midst of a military modernization plan that acknowledges that the threat of a large land invasion from Russia has passed. In 1996 the French government approved a program for 1997 through 2002, to enable France to respond to "a multitude of unstable local situations around the world," including terrorism, organized crime, and proliferation. Once completed, the plan will end conscription; reduce the armed forces from 500,000 to 357,000; streamline nuclear forces; and replace a heavy, armored force with a mobile, lighter one capable of power projection, including a 50-60,000 man French rapid-reaction force. A political component of this plan includes promotion of arms control agreements, already noted, such as the CTBT and NPT, a policy in concert with French nuclear arms reductions.

The French government has acknowledged deficiencies in its forces during the Kosovo conflict. While France contributed the most aircraft and flew the most offensive and reconnaissance missions of any European ally, it nonetheless experienced a shortfall in all-weather sensors, at times grounding its planes, as well as in precision-guided munitions and unmanned aerial vehicles. The French government is encouraging other European countries to join in building an air tanker fleet, and an improved satellite intelligence capability.<sup>28</sup>

Questions remain whether the new force, once in place, can achieve its objectives. For several years the French defense budget has been declining. Training costs could increase with the new, rapid-response mission. Some defense analysts say that the smaller force will pressure Paris to make hard choices about the range and number of missions to be undertaken. At the same time, analysts also believe that the overall French force, if one includes, for example, the *gendarmes* to be used in Balkans peacekeeping, is highly flexible in comparison to most allied forces.<sup>29</sup>

# **European Security and Defense Policy (ESDP)**

For decades, EU members have discussed creation of a common security and defense policy. British opposition to new security institutions that might imply a challenge to NATO's primacy had been a roadblock to concrete steps. But in the fall of 1998, the British government joined France in steps that ultimately led, at the December 1999 EU Helsinki summit, to a Union statement "to develop an autonomous capacity to take decisions and, where NATO as a whole is not engaged, to launch and conduct EU-led military operations in response to international crises." The EU set a goal for having a rapid reaction force of 50-60,000 men by 2003 for crisis management operations, with a "capabilities commitment conference,"

<sup>&</sup>lt;sup>28</sup> See *Arms Contol, disarmament...*, pp. 16-50; *Lessons from Kosovo*, pp. 8-21; and "Operation *Allied Force*," DOD document, attachments 1 and 2, Oct. 19, 1999.

<sup>&</sup>lt;sup>29</sup> Jacques Isnard, "La révolution doctrinale de l'armée française," LM, June 6, 2000, p. 1.

<sup>&</sup>lt;sup>30</sup> For a more extensive discussion of ESDP, see CRS. Karen Donfried and Paul Gallis, *European Security: The Debate in NATO and the European Union*, CRS Report RL30538, April 25, 2000. For an interesting analysis of French motives, see Peter Schmidt, "Where's the *Boeuf*?", in D.G. Haglund, *The France-US Leadership Race*, Toronto, 2000.

at which member states will pledge military components, to be held in November 2000. The Clinton Administration has supported a European Security and Defense Policy (ESDP), but has expressed concern, as has Congress, that it might conflict with NATO in mission and organization.

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French and British officials are supporting ESDP because they believe that the European effort to bring peace to Bosnia and to resolve the Kosovo conflict was ineffective. They also state that ESDP, should it succeed in enhancing European capabilities, will lead to a greater sharing of the military burden with the United States. In addition, they believe that the United States dominated decision-making on Balkans issues where European interests and long-term resolve are greater than those of the United States. For France, clear-cut political issues relating to the EU's larger role are involved. Defense Minister Alain Richard has written that the EU, to achieve the desired political and economic weight in the world, must assume greater responsibilities in the defense field. Such a weight "is incompatible with military weakness." Chirac has said that, during the Kosovo conflict, "the Europeans did not convey the impression that they were fully in control of the fate of their own continent....What we have achieved in the commercial and monetary spheres, we must now achieve in the fields of security and defense." <sup>31</sup>

The mission of military forces under ESDP is to handle the "Petersberg tasks" (search and rescue, peacekeeping, and crisis management, including peacemaking). A clear consensus in the EU on the exact definition of those tasks is lacking. Some French officials and some German officials define "crisis management" broadly, to include a mission that would capture NATO's conflict in 1999 with Serbia over Kosovo. French officials acknowledge that today the EU countries lack, for example, the air transport necessary, as well as air combat aircraft, to undertake such a mission, and that the EU's rapid reaction force in the planning stages would have been insufficient for a ground invasion of Kosovo, had that been necessary. These officials say that ESDP is in its earliest stages, that European defense budgets must increase, and that considerable development and training of multinational forces must take place in the coming years for the policy to be credible. But in contradiction to Paris' stated desire to lead the way for a stronger European defense, the French defense budget has been declining modestly. In 2000, the French defense budget as a percentage of GDP stands at 2.8%, down from 3% in 1997 (The comparable U.S. figures are 3.2% for 2000 and 3.4% for 1997.).<sup>32</sup>

ESDP envisions two types of missions, and the EU is creating an organizational structure to prepare for them. One mission would borrow NATO assets (mostly U.S. assets such as lift, intelligence, and command-and-control); the other would be undertaken "without recourse to NATO assets and capabilities," using national command structures or multinational forces. The EU is creating structures to exercise political control and strategic authority in directing an operation, and military entities

<sup>&</sup>lt;sup>31</sup> Richard, "Kosovo: le bilan et l'avenir," *LM*, March 26-27, 2000, p. 14; Chirac, "European Defense," speech to general assembly of North Atlantic Treaty Association, Strasbourg, Oct. 19, 1999.

<sup>&</sup>lt;sup>32</sup> The Military Balance, 1999-2000 (London, 2000), p. 300.

to plan and carry out operations. The EU members state that they will seek to avoid "unnecessary duplication" with NATO structures.<sup>33</sup>

European Defense Industry. France contends that ESDP strengthens the alliance because it will enhance military capabilities. A component of ESDP is an effort to develop a stronger European defense industry. The French government is advocating "convergence criteria" for EU members in defense technology research; many of the criteria concentrate on technologies in which the Europeans were deficient during the Kosovo conflict.

Defense Minister Richard has said that enhanced European defense technologies should allay some U.S. concerns that the alliance is becoming "two-tiered." U.S. officials have criticized the allies for failing to develop or purchase advanced technologies, leaving the United States to bear the brunt of the military burden, for example, in night missions over Serbia during the Kosovo conflict. While the Clinton Administration has encouraged development of a stronger European defense industry and has said that the United States will be more open to European mergers and acquisitions of U.S. defense companies to encourage cost savings, some U.S. companies are clearly uneasy that political preferences will cause European governments to "buy European." In one view, "the consolidation of defense industries on both sides of the Atlantic may lead to more bidding situations that pit a single European entity against an American company, and where the political leaders face pressure to buy at home." 34

*U.S. Concerns over ESDP.* Some Administration officials and some Members of Congress believe that ESDP contains an unspoken agenda to develop an organization responsible for European defense, with the intention of marginalizing NATO. They wish to see ESDP concentrate upon building military capabilities that will contribute to burdensharing in the alliance, and are wary of EU organizational structures that appear to emulate NATO's North Atlantic Council in political decision-making, or its military planning and field staffs. In some instances, the Administration has sought aggressively to influence ESDP. In late 1999, for example, a State Department official reportedly submitted a document with U.S. wording for the Helsinki summit statement on ESDP, a move seen by many EU members, including some sympathetic to U.S. concerns, as an ill-conceived intrusion on their sovereignty.

Of central concern to the United States and other allies not in the EU is the Union's political decision-making and military planning process for a crisis. Under ESDP, non-EU allies, like the United States, will be involved in "consultation" with the EU in the event of a crisis. Upon a decision by the EU "to launch an operation, the non-EU European NATO members will participate if they so wish, in the event

<sup>&</sup>lt;sup>33</sup> Presidency Conclusions, EU Helsinki Summit, Dec. 10-11, 1999.

<sup>&</sup>lt;sup>34</sup> "Defense Industry in U.S. is snubbed," *IHT*, May 17, 2000, p. 1. An aide to British Prime Minister Blair has reportedly said that in some instances buying U.S. technology would expose European governments to the unwanted position of having to ask the U.S. Congress for permission to sell a European defense product that contains U.S. technology. "U.S. Defense Industry takes a hit," *IHT*, May 18, 2000, p. 1.

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of an operation requiring recourse to NATO assets and capabilities. They will, on a decision by the Council, be invited to take part in operations where the EU does not use NATO assets." The EU "will exercise... the political control and strategic direction of the operation." The EU is designing structures for ongoing consultation with NATO before and during a crisis. Some U.S. officials see only a "hollow [EU] force" that would borrow key NATO assets and use them for operations led by the EU.

Under such guidelines, the United States and other NATO members, such as Turkey and Norway that are not in the EU, would have a clear voice in decision-making only after permission is given to utilize NATO assets. In the U.S. view, such missions might affect U.S. interests, and might diminish U.S. readiness by using its assets; the United States and non-EU allies believe that they should therefore be closely involved in both planning for an operation and in decisions leading to the launch of the operation. Some executive-branch officials and some Members of Congress believe that it is unlikely that the United States would be willing to provide assets without having a significant role in decision-making for a conflict. French officials counter that the structure, yet to be created, to link the EU and NATO will provide for adequate consultation that should allay such concerns.

In the view of French, and other European, officials, Congress has been more negative toward ESDP than the Administration. S. Res. 208, passed on November 8, 1999, drew criticism from many European officials because it stated that ESDP should undertake an "autonomous mission...only after NATO had been offered the opportunity to undertake that mission but had referred it to the European Union for action." Some French officials viewed this as an effort to undermine the sovereignty of EU members, arguing that there is no hierarchy of status or decision-making between NATO and the EU, and that there can thus be no right of review by NATO over the EU.

Some French officials appear to believe that non-EU European members of NATO would represent the voice of Washington in EU councils, a development that they oppose. Foreign Minister Védrine has said that the six European NATO members that are not in the EU have been demanding closer association with EU decision-making for possible missions "either in anticipation of joining the Union, or as an affirmation, encouraged by the United States, of a right of review by NATO."<sup>36</sup> To some U.S. officials, the last phrase lends credibility to the contention that French officials have told central European governments seeking EU membership to "make a choice" between EU and U.S. leadership in security issues.

U.S. officials also believe that ESDP has left NATO's Combined Joint Task Forces (CJTF) in limbo. At NATO's 1996 Berlin Ministerial meeting, NATO created two types of CJTF, one using a "deployable" NATO headquarters outside the member states, with a strong U.S. contingent and led by a U.S. officer; the other, more

<sup>&</sup>lt;sup>35</sup> Presidency Conclusions, EU Helsinki summit, Dec. 10-11, 1999, Annex I to Annex IV, unpaginated.

<sup>&</sup>lt;sup>36</sup> Védrine, "Environnement stratégique et construction de l'Europe," testimony before the National Assembly's National Defense and Armed Forces subcommittee, March 8, 2000.

distantly perceived, would also have a deployable headquarters but composed primarily or entirely of European forces and led by NATO's deputy SACEUR. U.S. officials do not wish to see CJTF supplanted by ESDP, where a senior NATO officer would not be in command. Other non-EU members of NATO, such as Turkey, have also vigorously objected that the demise of CJTF would rob them of a role in decision-making, and that some ESDP missions could escalate to situations implying collective defense, where U.S. leadership would be necessary, but absent.<sup>37</sup>

# **Regional Issues**

France and the United States share interests in several key regions. The Balkans, Russia, the Middle East, and Africa currently raise issues of importance to both Paris and Washington.

#### **Balkans**

France's policy in the Balkans is largely decided in concert with the EU and NATO, and there are continuing discussions with the U.S. government. The French government has urged that European countries take the lead in implementing the Dayton peace accord in Bosnia-Hercegovina, and in stabilizing Kosovo. France, during its EU presidency, is sponsoring a conference on stabilization of the Balkans.

The EU has agreed to a long-term goal of "integration and association" of Bosnia, Croatia, Macedonia, Albania, and post-Milosevic Yugoslavia with EU countries. France, like the United States, is seeking to isolate Milosevic and engage opposition movements and the diminishing remnants of independent Serbian society, such as non-governmental organizations and churches. Unlike the United States, France and several other EU members contend that sanctions targeting the Serbian population, rather than Milosevic and his power structure, should be lifted.

In both Bosnia and Kosovo, French officials do not share the once-emphasized U.S. view that multi-ethnic societies can be created. Foreign Minister Védrine has written that "a truly multi-ethnic Kosovo [is] a chimera; security for all and coexistence... is our objective." But like the United States, France favors autonomy and not independence for Kosovo. French officials are explicit in their view that an independent Kosovo would likely be irredentist, seeking to unite with Albania and merge Albanian-inhabited territory in Macedonia into a larger state, a development that would further destabilize the region.<sup>38</sup>

Both Congress and the Administration view financial assistance and peacekeeping in the Balkans as issues in which the Europeans must take the lead, particularly after the United States bore the brunt of the military effort in Kosovo. The

<sup>&</sup>lt;sup>37</sup> See, for example, Sukru Eledag, "Turkey is justified!", *Istanbul Milliyet*, July 4, 2000. FBIS doc. GMP20000705000222.

<sup>&</sup>lt;sup>38</sup> Védrine, "La gestion de la crise du Kosovo," *LM*, March 25, 2000, p. xvi; and "Environnement stratégique," [parliamentary testimony], March 8, 2000.

EU and the World Bank are coordinating funds for stabilization of the Balkans. Donor states pledged \$2.4 billion for regional infrastructure and other projects at a March 29-30, 2000, conference. The United States pledged \$80.56 million, and France \$25 million; France has also pledged funds through the European Union.<sup>39</sup>

France's EU presidency will host a fall 2000 conference on the western Balkans, the precise objectives of which remain unclear, according to some European officials. The conference may serve to clarify the EU's relationship to countries in the region, and underscore that a democratic Yugoslavia could develop closer relations with the Union. Among the issues to be discussed are whether to continue sanctions against Serbia. Some observers believe that the conference, as now designed, may be too restrictive, in that Romania and Bulgaria have not been invited.

France is playing a leading role in peacekeeping operations both in Bosnia and in Kosovo. The United States remains the principal contributor to the Stabilization Force (SFOR) in Bosnia, with 4,250 troops, and France is second with 2,850. For the NATO-established force in Kosovo (KFOR), the U.S. contingent remains the largest at 5,600, with France third, contributing 4,550. The French government wants the United States to remain in KFOR and SFOR. Some Members of Congress view the use of U.S. combat forces in the Balkans as a drain on readiness, and believe that such forces should protect greater U.S. interests outside the region. France played the key role in persuading other NATO countries to allow the five-country Eurocorps to assume headquarters command of KFOR in April 2000, for a period of six months. Over half of the 350 officers of the Eurocorps HQ are French. France views the Eurocorps, while not an EU entity, as a symbolic precursor to an independent European military capability.

Many Members of Congress have criticized the allies for not providing the police pledged for the UN police mission in Kosovo. Some countries, particularly France, Italy, and Spain, have national police forces well-qualified for handling crowd control and detention of criminals. To this end, France is leading an effort to develop a police force of 5,000 from EU countries by 2003 that could assume a peacekeeping role in the Balkans and elsewhere.

#### Russia

The French government has sought to strike a balance with the Putin government by encouraging reform in Russia, but at the same time criticizing Russia on such issues as human rights, corruption, and lack of reform. Foreign Minister Védrine has said that "there cannot be security and stability on the European continent without a positive contribution by a cooperative Russia," and that "to be too hard on Russia would render her dangerous" for Europe. At the same time, he has repeatedly criticized the Putin government for its repression in Chechnya, calling Russian actions "barbaric" and the effort to impose a military solution "brutal and illusory." France has called for an OSCE role in Chechnya to monitor human rights violations. The

<sup>&</sup>lt;sup>39</sup> For a discussion of financial burdensharing issues in Kosovo, see Curt Tarnoff, *Kosovo: Reconstruction and Development Assistance*, CRS Report RL30453, updated June 8, 2000.

<sup>&</sup>lt;sup>40</sup> "Number of personnel in Kosovo and Bosnia...," DOD document, June 2000.

French government has urged reforms on Moscow, and proposed that the EU assist in developing stable institutions, the rule of law, an end to corruption, and an efficient tax system. In addition, in the French view, the EU should tie reforms to assistance, and members should not reschedule debt, for example, unless the course to reform is clear. In the Paris Club, France has opposed debt forgiveness to Russia. The Putin government's response to French criticism, especially over Chechnya, has often been harsh, and Putin notably excluded Paris from a European trip in spring 2000 that included stops in Berlin, Rome, and London.

Védrine has characterized Clinton Administration policy on Chechnya as soft. In his view, the Administration's statements and actions on Chechnya have been restrained because Washington, not wanting to antagonize Moscow, places greater emphasis on renegotiation of the ABM Treaty.

#### The Middle East

France has had a presence in the Middle East since the early nineteenth century, and was a colonial power in the region until the middle of the twentieth century. French political, economic, and cultural interests in the region endure. With some exceptions, French policy, sometimes expressed through the European Union, is convergent with that of the United States.

The Peace Process. The Jospin government views U.S. engagement in the Middle East peace process as "indispensable but not sufficient" to bringing about an agreement. From the mid-1960s, French policy, reflecting the country's past involvement in the region, was seen as pro-Arab and critical of Israel. There has been some adjustment in policy under Jospin. The French government played a key role in drafting an EU communiqué of March 1999 that stated that the Union "declares its readiness to consider the recognition of a Palestinian state in due course," in the context of a negotiated settlement based on "land for peace" between Israel and the Palestinian Authority. Congress and the Administration oppose endorsement of a Palestinian state while negotiations are continuing. Under Jospin, French relations with Israel have improved, and the two countries agreed in April 2000 to resume high-level technical and industrial cooperation after years of difficult relations.

Syria and Lebanon. One of the principal reasons for improvement in French-Israeli relations has been the Jospin government's strong criticism of Syria. In February 2000, Jospin told the Knesset that Hezbollah militants operating in southern Lebanon were guilty of "terrorist actions," and condemned Syria for supporting them. In the early 1980s, terrorist actions orchestrated by Syria killed French soldiers in Lebanon. There is a resulting legacy of distrust of Syria among many French officials. Members of the Jospin government were reportedly critical of President Chirac for attending the funeral of Syrian President Hafiz Al-Asad in June 2000; he was the only

<sup>&</sup>lt;sup>41</sup> Védrine, "La question de la crise du Kosovo..."; "Environnement stratégique..."; and Védrine and Laurent Fabius, "How Russia can be helped to help itself," *FT*, April 25, 2000, p. 17.

<sup>&</sup>lt;sup>42</sup> CRS. John P. Hardt, *Russia's Paris Club Debt and U.S. Interests*, CRS Report RL30617, July 24, 2000.

western head of state to do so. Foreign Minister Védrine, according to media reports, told the French cabinet that Asad's son and successor, Bashar, might not be able to exercise power in Syria in the long run, and was unlikely to liberalize the country. These remarks were interpreted as critical of Chirac's decision to go to the funeral and thereby implicitly endorse Bashar's succession.<sup>43</sup>

France praised Israel's decision to remove its forces from southern Lebanon in May 2000, and expressed a willingness to send a force of 1,600 peacekeepers if UNIFIL is reinforced to number 4,500 men. Paris is demanding that Lebanon, Syria – with a heavy influence over the Beirut government – and Israel first guarantee the security of a peacekeeping force there, and that UNIFIL have "robust" rules of engagement that would permit it to defend itself. Some French officials believe that the new Syrian government continues to desire a highly unstable situation in southern Lebanon that would permit terrorists to harass northern Israel.<sup>44</sup> French willingness to be heavily engaged in Lebanon relieves some of the pressure on the United States to be present in important peacekeeping efforts around the world.

*Iraq.* France, together with Russia and China, contends that the U.S.-driven UN policy of sanctions against Iraq has failed because no weapons inspection regime is in place. France also contends that sanctions are adversely affecting the Iraqi population, without preventing Saddam Hussein from developing covert weapons programs. The French government favors an end to sanctions in return for reinstitution of an inspection regime of indefinite duration. Paris believes that U.S. policy is intended primarily to bring Saddam Hussein's downfall, and that the United States would not be satisfied with any reasonable degree of Iraqi compliance with an inspection regime. Some U.S. officials privately criticize the French position as inspired, at least in part, by contracts signed by French firms with Iraq for petroleum development that would take effect after sanctions have ended. Some U.S. companies express a similar interest in such contracts with Iraq.

*Iran.* France, like all EU members, pursues a policy of "global dialogue," or limited engagement, with Iran. France views Iran as a major country of great influence that cannot meaningfully be isolated. Paris has been sharply critical of the Iran-Libya Sanctions Act (ILSA) of 1996, as an extraterritorial action; ILSA imposes U.S. sanctions on foreign countries that make a substantial investment in energy projects in Iran (and Libya). The French company Total-Fina-Elf is developing a major Iranian oilfield; the United States has not imposed sanctions over this project. France has ceased all cooperative nuclear projects with Iran, and has criticized Russia for its nuclear assistance to Iran. U.S. and French policy have grown closer since the election of reformist president Mohammed Khatemi in 1997; both the United States and France are making greater efforts to engage Iran politically and economically. Khatemi made an official state visit to France in October 1999.

<sup>&</sup>lt;sup>43</sup> "In Paris, official discord on the Syrian transition," *IHT*, June 15, 2000, p. 1. Védrine denied having made the remarks.

<sup>&</sup>lt;sup>44</sup> Interviews of U.S. and European officials; "La France pose les conditions et les limites de son intervention," *LM*, May 26, 2000, pp. 2-3; "Réponse du premier ministre à une question d'actualité...," May 24, 2000. [http://www.premier-ministre.gouv.fr]

#### **Africa**

France's long involvement in Africa began in the colonial period, during the nineteenth century; the French government administered colonies there until the early 1960s. French interests have centered on cultural, geostrategic, and economic issues. France continues to promote the use of French and the spread of French culture in francophone Africa. The Jospin government emphasizes strategic issues in Africa less than other French governments in the post-colonial era. France's stated policy is that it will no longer support authoritarian governments in Africa as a means to preserve cultural and economic ties. Through the 1990s, French forces, often used to prop up unpopular regimes, numbered 7,000-8,000; today, there are approximately 4,500 French troops, confined to Senegal, Côte d'Ivoire, Gabon, Chad, and Djibouti. The principal military objective of French forces now appears to be to train indigenous forces for peacekeeping. France, like the United States, now encourages regional peacekeeping organizations in Africa to stabilize countries in conflict. To this end, France contributes resources both to the "Reinforcement of Capabilities of African Missions of Peacekeeping" (RECAMP) and to the "African Crisis Response Initiative" (ACRI).

France has extensive economic involvement in many francophone African countries, and is the principal trading partner of several of them. France provides a greater proportion of its GDP to development assistance than any G8 country, with over 60% of that aid going to African countries. In April 2000, the French government announced that by 2004 it would write off approximately \$7 billion of debt owed by Africa's poorest countries.<sup>45</sup>

#### **Conclusion**

Two long sought objectives of both the United States and its allies have ironically created friction in the U.S.-European relationship. While the end of the Cold War has led to a diminished threat to security, it has also led to important differences among the NATO allies over the response to threats that remain. And the deepening integration in the European Union promises greater stability and economic potential on the continent, but also carries in some quarters a desire for greater independence from the United States, especially in security matters.

France is at the forefront of European efforts to ensure that new threats are met through multilateral responses that exhaust political measures before military options are raised, and to sustain the pulse of EU integration. In part because many elements in French society are critical of American values and what is perceived as domineering American leadership in NATO, U.S. officials and media often point to Paris, sometimes unjustly, as the focal point for the genesis of debates between the United States and the Europeans. Several other European governments quietly share the French perspective that ESDP must be strengthened because U.S. involvement in future European crises is uncertain, and that executive branch and congressional

<sup>&</sup>lt;sup>45</sup> "France plans priority list for aid recipients," *FT*, Jan. 29, 1999; "France ready to write off \$7 billion of debt," *FT*, April 5, 2000, p. 8.

actions in arms control, against terrorism, or in trade matters are heavy-handed and impulsive.

Some French observers see paradoxes in U.S. reactions to European initiatives.<sup>46</sup> These paradoxes are of some consequence. French officials do not believe that their U.S. counterparts have sorted through the logic of the differing perceptions that the paradoxes express. In a first paradox, French officials know that Congress and Administrations of both parties have pressed European allies for 50 years to assume greater burdensharing in NATO, a stated goal of ESDP, but they also see a reluctance by U.S. officials to surrender a measure of leadership to reflect any altered balance in military capabilities.

When U.S. officials charge that ESDP is about institution-building in the EU rather than real military capabilities, French officials reply that it is both. To France, and to some other EU countries, further political integration in the European Union, to have real weight, must be accompanied by enhanced military capability and a capacity to take military action independently of the United States, if necessary. Many European officials assume as a matter of course that enhanced European capabilities must be reflected in an enhanced European leadership role in security matters, including within NATO.

In a second paradox, European officials have heard fears expressed by U.S. Administrations for years of a "European caucus" in NATO that might present Washington with a *fait accompli* in the North Atlantic Council before a fully engaged debate could occur. Now, however, they believe that the United States is seeking a "NATO caucus" within the EU by insisting that non-Union states, such as Norway, Poland, and Turkey – each politically close to Washington – be included in EU decision-making on potential crises to be handled through ESDP.

French officials object to any early role in decision-making for an ESDP mission by non-EU members because they believe that those states have not assumed the political risk, understanding, and cost that have accompanied the long years of constructing a Union of shared sovereignty. Paris sees Washington, and Ankara and Oslo, as late-comers to the party that did not pay the sizeable price of admission.

In a third, much disputed, paradox, French observers saw Congress and the Clinton Administration chafe at the "war by committee" during the Kosovo conflict, while Europeans feared prosecution of a war by U.S. generals guided more by domestic concerns about American casualties than by strategic needs on the ground in Yugoslavia.

This third paradox held within it a change in policy by a country – Britain – that has been for many years Washington's closest ally. The smoldering transatlantic disagreements during the Kosovo conflict, in part charged by Congressional doubts and criticism, are having concrete consequences. The differing perceptions on the two sides of the Atlantic fueled sentiment in Europe, especially in Britain, once a

<sup>&</sup>lt;sup>46</sup> See above all Daniel Vernet, "Paradoxes euro-américains sur la défense," *LM*, June 2, 2000, p. 13.

reluctant partner for France, to build ESDP. In the view of many European officials, Britain has taken an important step with clear potential for developing an independent European capacity in security matters.

Many U.S. and French interests remain closely intertwined. French officials do not want the United States to leave the alliance, and, as clearly demonstrated in Bosnia and Kosovo, they desire U.S. forces to play a central role in any conflict in Europe. In security matters, France has proved important to protection of U.S. interests. French forces were present during the Gulf War, for example, and they played a significant role in the Kosovo conflict, especially when compared to the forces of other allies. French officials point out that while they opposed a Strategic Concept in 1999 that would outline military responsibilities for the alliance beyond Europe, France might nonetheless join the United States in a future conflict, as France did during the Gulf War, should French interests be endangered. France enjoys considerable political weight in Africa and the Middle East, and is a key country in the United Nations.

For those in Congress and in the executive branch who desire continued U.S. leadership and primacy of NATO in European security matters, French efforts to build a politically strengthened EU and an effective ESDP could reduce the U.S. role and U.S. influence on the continent. For those who desire greater contributions by other countries in peacekeeping, or in international financial institutions, or in development assistance, French influence and policy often buttress U.S. interests and diminish the need for greater expenditure of U.S. resources. For those who desire greater European burdensharing in the alliance, ESDP holds at least the possibility of greater military capability among continental allies. And for those who wish to reduce the U.S. troop presence in Europe, and with it U.S. responsibilities for European stability, ESDP, largely driven by France, might also one day serve U.S. interests if it contributes to stability in a region of the world of great importance to American trade and investment.