

Europe Hopes for Change

Will Obama go along with the European push for a new economic world order?

by Irwin M. Stelzer

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Europe rejoices. The wish of its political elites and most Europeans has been granted. Barack Hussein Obama is the president-elect, and on January 20 will be sworn in as the 44th president of the United States of America. No more George W. Bush, with his crazy notion that the spread of democracy enhances America's security. No John McCain, who would have antagonized the Russians by suggesting that NATO extend its protection to nations in Russia's "near abroad", or set preconditions for a meeting with Iran's Mahmoud Ahmadinejad. Perhaps best of all, no Sarah Palin, claiming that belief in God should not disqualify a person from serving as vice president and, potentially as President of the United States.

Already the wheels are in motion to turn Obama's well-earned victory to Europe's advantage. Its diplomats are meeting with the Obama foreign policy team--well, with some of his 300 advisers--to persuade its key players to support two important initiatives. The first is near and dear to hearts of that new dynamic duo, the diplomatic version of Batman and Robin. French (and until year-end) EU president Nicolas Sarkozy, and British prime minister Gordon Brown want Obama to sign on to their plan for a new world economic order, a new international financial architecture.

The new president of the United States has promised to "change the world". Too late. Gordon Brown is already on the job, conjuring up new international institutions to regulate financial markets, urging oil producers and China to pour their billions into the International Monetary Fund to support the economies of poorer nations threatened with economic meltdown, supporting Sarkozy's plans to increase the EU's economic and military reach as an offset to American power.

Obama will not attend the November 15 gathering of world leaders from twenty nations, convened by President Bush to consider further measures to cope with the crisis in financial markets and an emerging world wide recession. The president-elect has taken the quite sensible position that we have only one president at a time, and for now that president is George W. Bush, however much that reminder might discomfort the Europeans. This is in the great American tradition: during the Great Depression, when there was a four-month gap between the election and the first inauguration of Franklin D. Roosevelt (the founding fathers reckoned it would take that long for the new man's horse to get him to Washington), Herbert Hoover tried to get Roosevelt to endorse his budget and other depression-fighting measures. Roosevelt wisely declined to become a party to his rivals' proposals.

But the one-president-at-a-time theory has not stopped Obama's advisers from keeping in close touch with plans for the conference. And Bush's Treasury team has made it clear that it will not take any positions that bind Obama to policies he has not had time to consider fully. Brown will press for strengthened international

regulation, and Sarkozy will cite the success of the post-World War II Bretton Woods agreement in support of his call for control of exchange rates and international capital flows. Bush will listen, say some nice things about international cooperation, and leave matters for Obama to decide. The notion that the president-elect, having waged a long and hard fight to gain control of the commanding heights of the American economy, will surrender that territory to some international body strikes me as daft. But you can bet on one thing: He will have a nicer and less direct way of saying "no" than his predecessor. He might even endorse a few cosmetic changes in the current system.

The second goal of European diplomats is to make certain that once in charge Obama does not put pressure on them to increase their forces in Afghanistan. European politicians have long given the financing of their lavish welfare states and the EU's high-living bureaucracy priority over military outlays. And, with the honorable exception of Britain and a few other nations, European politicians have kept such troops as they send to Afghanistan out of harms' way.

They had no trouble turning down pleas of the hated Bush to step up their efforts. But now their hero, the man Europeans almost without exception longed to see in charge of American policy, has promised to step up America's efforts to defeat the Taliban. Rather than put themselves in the position of having to refuse such a request, Europe has its diplomats scurrying around Washington to make certain that they are not asked to do more. "Don't put us in the position of having to turn down the new President; persuade him not to ask us to do more." Or, "Ask not what we can do for your country; tell us what you can do for us."

Obama is less likely than Bush to put their feet to the fire, at least publicly. But if he was telling the truth when he professed himself convinced that it is in America's interest to defeat the Taliban with a combination of hard and soft power--the combination used successfully in Iraq by General David Petraeus, the man now in charge of the U.S. effort in Afghanistan as well as Iraq--Obama might not prove as accommodating as his European admirers are hoping.

All of this will be played against a most interesting background. A substantial number of so-called opinion makers in Britain are mounting an effort to persuade the electorate that Britain's future lies across the channel, not across the Atlantic. Sir Christopher Meyer, Britain's former ambassador to America, and others are arguing that the "special relationship" is not so special after all. From the time when Roosevelt used the small print of the wartime lend-lease agreement to impose disadvantageous terms on Britain, to Harry S. Truman's abrupt ending of lend lease and setting of usurious rates and onerous conditions on America's loans to a struggling United Kingdom, on to Bush's allegedly (only allegedly) cavalier treatment of Tony Blair in the Iraq conflict, "special" has been a euphemism for "one-sided." So the argument goes: Britain can accomplish more by ending the pretense that a special relationship with America exists, and turning its eyes toward euroland, an important trading partner and a place more congenial to the social welfare state that Gordon Brown is steadily expanding.

None of this will deter Britain's ambassador in Washington, the effective and able Sir Nigel Sheinwald, from attempting to parlay Brown's early support of Barack Obama (after a brief flirtation with Hillary Clinton) into a request for what is still considered that most prestigious of prizes--the first visit by a foreign leader to the new President. The Europeans may be convincing themselves that the torch has passed from America to them, but every European leader sure wants to be the first to be invited for a chat with the new occupant of the White House.

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