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EU-US Future Forum 2021:

A path forward for transatlantic relations

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INTRODUCTION

This report is written a few days after US President Joe Biden's first international trip, to Europe, where he notably attended the first EU-US Summit in seven years. The summit led to concrete realizations, including the creation of a Trade and Tech Council and a suspension of the Airbus-Boeing dispute. But just as importantly, it spurred new momentum to shape an ambitious transatlantic agenda to face common challenges: an assertive China, the COVID-19 pandemic and the need for subsequent economic recovery, climate change, technological change, and growing authoritarianism. Beyond the positive developments coming out of the summit, the real test lies ahead: can we forge the policies, norms, and standards that will once again make the transatlantic relationship a force for the defense of liberal democracy across the world? Engaging in constant dialogue between policy makers, experts, and the private sector will be critical to the success of this endeavor.

The **Europe Center** conducts research and uses real-time commentary and analysis to guide the actions and strategy of key transatlantic decisionmakers on the issues that will shape the future of the transatlantic relationship and convenes US and European leaders through public events and workshops to promote dialogue and to bolster the transatlantic partnership.

From May 5 to 7, the Atlantic Council's Europe Center and the EU Delegation to the United States partnered to organize the first EU-US Future Forum (EUFF), a three-day open conference bringing together policy makers, experts, and the private sector to address the key challenges facing the transatlantic relationship in the coming decades. Over the course of three days, we convened ninety-two speakers and moderators from twenty-one countries. Over more than thirteen hours of conversation, two heads of state, a prime minister, five EU commissioners, the US secretary of energy, the deputy secretary of state, and the White House China director, among many others, gathered to discuss a wide range of issues including trade, climate, China, tech, and defense. Over 2,000 people registered for the event, while more than 113,000 watched over different platforms.



Welcome to the EUFF, Atlantic Council President and CEO Frederick Kempe and EU Ambassador to the United States Stavros Lambrinidis, May 5, 2021. *Photo: Jasper Gilardi.*

The EUFF was an opportunity to contribute to the reset of EU-US ties, anchored to the opportunities proposed by the European Union (EU) in December in response to the election of the new US administration. At the heart of it lies a simple message: as one another’s biggest trade and economic partner, united by shared values and outlooks, the United States and the EU need to work together to tackle global challenges and uphold a rules-based order. But celebrating the importance of the EU-US bond does not mean papering over our differences or attributing them to simple misunderstanding. The last few years should be treated as a warning, not an aberration. Both the United States and the EU have changed in recent years, in terms of both priorities and ambitions. Polling conducted among European publics since the US election shows that trust has not been immediately restored. How can we solve our differences and shape a common understanding on tech, China, and climate? More importantly, what can we accomplish together on the international stage? Addressing these issues head-on will help shape shared answers that will

strengthen both sides of the Atlantic, remind us of what we have in common, and prepare us to act together for decades to come. Here are some of the key takeaways from three days of conversations.

From “In Depth | Embracing Our Transatlantic History”

“For Americans, we need to understand the European Union better and that it is complex in its structure. But it is the natural partner.”

—**Former US Secretary of State Madeleine Albright**

Madeleine Albright and Timothy Garton Ash, “In Depth | Embracing Our Transatlantic History” (EU-US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=Iliofju6kl>.

SUMMARIES AND TAKEAWAYS

Defending common democratic values¹

CONTEXT:

The EU-US relationship is at its core an alliance of common values. Permeating the institutions and agreements at the heart of the transatlantic relationship, these shared values have ensured that the EU-US relationship remains a force for good in the world.

This partnership is both strategic and a meeting of the minds. Shared goals provide a strong foundation for cooperation across issues in times of prosperity and crisis alike, especially in areas on which the United States and the EU have disagreed over the course of their seven-decade history.

As the world grapples with overlapping crises—the COVID-19 pandemic, economic upheavals, rapid techno-

logical advancement, and climate change, to name a few—shared values are a unifying force across disparate and divisive issue areas. That said, common goals and foundational values—such as protecting the rule of law, ensuring democratic norms, and protecting freedoms of citizens—are not guaranteed. Nor do the EU and the United States always agree on the best way to promote and prioritize these shared values. After the tumultuous years of the Trump administration, the EU and the United States have the opportunity to build a strategy for defending common values together amid a global political climate that is trending the opposite direction.²

KEY TAKEAWAYS:³

At the EU-US Future Forum, our speakers—policy makers, historians, and issue experts—explored the possible paths forward for the EU and the United States in defending common democratic values. Panelists particularly focused on blind spots and areas in need of reinforcement. Policy makers and leaders highlighted the importance of proving

From “The urgent task before the US and EU: To craft democracy that ‘delivers’”

What an alliance of democracies can achieve

- US President Joe Biden has proposed a summit for democracy this year in part to counter the influence of China’s autocratic model. More international cooperation is essential, [European Commission Vice-President Věra] Jourová said, given that “there is plenty of work [to do] on both sides of the Atlantic to **convince the people that democracy can deliver a reasonably good life.**”
- To [US Senator Chris] Murphy, that is an argument for the ambitious plans that Biden and Democrats in Congress are pursuing to pump some six trillion dollars into the economy, paid for in part by higher taxes on the wealthy. What’s needed is a “conversation about how to lift our citizenry up together, as a mechanism to defend the ability of democracy to deliver real economic mobility,” Murphy said.
- Murphy added that the EU and United States should also aim to “**embolden democratic movements and reform communities in countries where the space for political dissent is narrow,**” in the interest of promoting both economic opportunity and good governance.

Daniel Malloy, “The Urgent Task before the US and EU: To Craft Democracy That ‘Delivers,’” *New Atlanticist*, May 5, 2021, <https://www.atlanticcouncil.org/blogs/new-atlanticist/the-urgent-task-before-the-us-and-eu-to-craft-democracy-that-delivers/>.

1 Madeleine Albright and Timothy Garton Ash, “In Depth | Embracing Our Transatlantic History” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=lliofjlu6kl>.

2 Daniel Malloy, “The Urgent Task before the US and EU: To Craft Democracy That ‘Delivers,’” *New Atlanticist*, May 5, 2021, <https://www.atlanticcouncil.org/blogs/new-atlanticist/the-urgent-task-before-the-us-and-eu-to-craft-democracy-that-delivers/>.

3 “Estonian President Kaljulaid and US Senator Shaheen on challenges from Moscow and the future of Nord Stream 2,” Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/estonian-president-kaljulaid-and-us-senator-shaheen-on-challenges-from-moscow-and-the-future-of-nord-stream-2/>.

From “In Dialogue | Strengthening the Foundations of Liberal Democracy”

On democracies delivering for their people:

“And particularly in this first dilemma, saving the planet, many people would say that democracy is not delivering because the process is very slow. And I think, therefore, **it’s very important for us to demonstrate that the true advancement of humankind can only be delivered by free people because free people only are creative.** And we must demonstrate that in the democratic world we can set ourselves an objective and quickly achieve it. And for that reason, I believe there might be a value in coming together and discussing what are actually the advantages of democracies where free people, out of their free will, because they understand what is at stake, are **collectively taking actions to resolve the problems** which we have, as opposed to technocratic/autocratic leaders who will simply tell to people what needs to be done or do it to them without the involvement of the people. I am a strong believer that free world always will pass better simply because, I mean, you need creativity, and only free people are creative. But coming together and reinforcing this message might actually be timely to do just now, when we are exiting this pandemic.”

—President of the Republic of Estonia Kersti Kaljulaid

“Estonian President Kaljulaid and US Senator Shaheen on challenges from Moscow and the future of Nord Stream 2,” Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/estonian-president-kaljulaid-and-us-senator-shaheen-on-challenges-from-moscow-and-the-future-of-nord-stream-2/>.

to citizens that democracy improves their lives, countering the message from authoritarian actors that open societies lead to economic upheaval and national insecurity. In other words, the EU and the United States need to demonstrate that democracy delivers.

For US Senator Chris Murphy (D-CT) and European Commission Vice-President Věra Jourová, this means promoting economic opportunity and good governance, while also crafting digital regulation that prevents the spread of disinformation and promotes transparency.⁴ Estonian President Kersti Kaljulaid emphasized the creativity and flexibility of democracies, which in her view makes the United States, the EU, and their other democratic partners the right leaders to develop solutions to the world’s biggest challenges.⁵ Former US Secretary of State Madeleine Albright and University of Oxford Professor of European Studies Timothy Garton Ash expressed both optimism and concern about the future of democracy.⁶ They emphasized that the transatlantic community’s history demonstrates the possibilities of building open societies, but worrying trends mean that there is no room for complacency. Garton Ash focused on the “shocking” situation in Hungary, an EU member state that “is not just an illiberal democracy, which is essentially contradiction in terms, [but also] is no longer a democracy, and yet, a full member state of the EU.”⁷ He emphasized the disparity between the numerous tools the EU had at its disposal to bolster fragile new democracies in Central and Eastern Europe when they were in the process of seeking admission to the European Union, versus having “virtually no tools” to guarantee that these states remain democracies once they become full member states.⁸

From “In Depth | Embracing Our Transatlantic History”

The “European Union had all the tools to help transition to democracy while the fragile new democracies of Central and Eastern Europe were trying to get into the European Union. But it turns out, we have virtually no tools to keep them democracies once they are full member states.”

—University of Oxford Professor of European Studies Timothy Garton Ash

Madeleine Albright and Timothy Garton Ash, “In Depth | Embracing Our Transatlantic History” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=lliofju6kl>.

4 Malloy, “The Urgent Task before the US and EU: To Craft Democracy That ‘Delivers.’”

5 “Estonian President Kaljulaid and US Senator Shaheen on challenges from Moscow and the future of Nord Stream 2,” Atlantic Council.

6 Albright and Garton Ash, “Embracing Our Transatlantic History.”

7 Ibid.

8 Ibid.



In Depth | Embracing Our Transatlantic History: Secretary Madeleine Albright and Professor Timothy Garton Ash with moderator Esther Brimmer, Executive Director and Chief Executive Officer, NAFSA: Association of International Educators, May 5, 2021.

Delivering an Inclusive COVID-19 Pandemic Recovery

CONTEXT:

Debates on COVID-19 pandemic recovery measures have largely focused on immediate economic and global health needs. However, as panelists noted across all three days of events, recovery must be considered within the context of the privileged position of both the United States and the EU. Privilege in terms of pandemic recovery encompasses access to virus detection technology, the availability of financial resources to stimulate economies ravaged by a halt in international trade, and the establishment of advanced systems to distribute vaccines and track immunization progress.

Having largely completed domestic vaccination programs, the United States and the EU are now turning their attention to regions of the world that are still struggling to contain the pandemic. Yet, the question of what an equitable and inclusive recovery looks like has plagued leaders on both sides of the Atlantic. As the United States enters a

From “In Depth | Rebuilding Multilateral Cooperation for a Global Recovery”

“Maybe this crisis...is a shock, but it has to be also a wakeup that we have to join forces and we have to make an inclusive recovery because it’s what the citizens ask.”

**—Co-Chair of the COVAX Shareholders Council
Chrysoula Zacharopoulou MEP**

Manuel Muñiz, Chrysoula Zacharopoulou, Thomas Wright, and Rachel Rizzo, “In Depth | Rebuilding Multilateral Cooperation for Global Recovery” (EU US Future Forum, Atlantic Council, May 7, 2021), https://www.youtube.com/watch?v=nHBxm_3aV3k.

new phase of multilateral engagement, cooperation on pandemic recovery efforts presents a unique opportunity for the United States and the EU to reinforce their commitment to basic human rights, address underlying issues in



In Depth | Rebuilding Multilateral Cooperation for a Global Recovery: Secretary of State for Global Spain Manuel Muñiz, Director of the Brookings Institution’s Center on the United States and Europe Thomas Wright, and Chrysoula Zacharopoulou MEP, with moderator and Truman National Security Project Director of Programs Rachel Rizzo, May 7, 2021.

the global economy that have long been neglected, and revamp global supply chains.

The successful implementation of a joint COVID-19 pandemic recovery program based on shared transatlantic values can set the tone for future collaboration on other projects of key importance between these two powers. The problem lies first in agreeing on an action plan, then in agreeing how to fund any proposed multilateral resolutions.

KEY TAKEAWAYS:⁹

The importance of joint collaborations between the United States and the EU on an equitable and sustainable COVID-19 pandemic recovery plan recurred across panels discussing various efforts.

COVID-19 pandemic recovery efforts present both a challenge and an opportunity. This is an opportune moment for the United States and the EU to develop a recovery plan that does not simply rebuild the transatlantic relationship as it was before, but instead sets it on course for a stronger and more successful partnership, laying the groundwork for future collaborations. However, the prospects for cooperation—even in the area of global health—are still uncertain. As Thomas Wright observed, the COVID-19 pandemic is the first time in the post-Cold War period that global health “is really being conducted through the prism of geopolitical competition,” which could derail negotiations to update the current global health system.¹⁰

As Manuel Muñiz observed, the EU has welcomed US efforts to rejoin international institutions and engage in multilateral efforts.¹¹ However, he also pointed to notable gaps

9 Manuel Muñiz, Chrysoula Zacharopoulou, Thomas Wright, and Rachel Rizzo, “In Depth | Rebuilding Multilateral Cooperation for Global Recovery” (EU US Future Forum, Atlantic Council, May 7, 2021), https://www.youtube.com/watch?v=nHBxm_3aV3k; and Laura Rosenberger, Antoine Bondaz, Zdenek Hrib, and Stuart Lau, “In Depth | Addressing China Together” (EU US Future Forum, Atlantic Council, May 6, 2021), <https://www.youtube.com/watch?v=3ozQNlwMjCg>.

10 Muñiz, Zacharopoulou, Wright, and Rizzo, “In Depth | Rebuilding Multilateral Cooperation for Global Recovery.”

11 Ibid.

From “In Depth | Addressing China Together”

“The United States and Europe have done so much over the decades together to ensure robust democracy not just in our own countries but around the world. And I think this is really a calling for us in this moment against the backdrop of COVID, against the backdrop of the economic challenges that we face, to really, you know, reinvest in our democracies and democratic values in the international system.”

—National Security Council Senior Director for China Laura Rosenberger

Laura Rosenberger, Antoine Bondaz, Zdenek Hrib, and Stuart Lau, “In Depth | Addressing China Together” (EU US Future Forum, Atlantic Council, May 6, 2021), <https://www.youtube.com/watch?v=3ozQNIwMjCg>.

in global health governance that the United States and the EU must address. In his view, this “revamp” of global health governance architecture should, among other things, include plans to strengthen the World Health Organization (WHO), build supply chain resilience, and facilitate the exchange of health information.¹² He commented that epidemiology “is not the science of epidemics,” but rather the “science of health data.”¹³ Modernizing health data information systems around the world, with a focus on early signaling systems and the exchange of information, will be crucial to building global resilience to future pandemics.¹⁴

Muñiz added that multilateral efforts to combat the pandemic should also address other issues of global importance, such as climate change and mobility. Mobility, which includes tourism and other movement of people across borders, has in his view been one of the hardest-hit sectors of the economy.¹⁵ The lack of a single global institution with a mandate to regulate international mobility has made it especially difficult for countries to coordinate in this area. He highlighted the urgent need to develop a common frame-

work for mobility requirements worldwide and noted that efforts are already underway in Europe to build a “green digital certificate for mobility” in the region.¹⁶

Zacharopoulou similarly applauded the Biden administration’s pledge to begin exporting vaccines. However, she noted that Europe led the way in vaccine sharing efforts and had done so without US support.¹⁷ Whereas the United States only began exporting vaccines once it had already vaccinated most of its population, the EU began producing 200 million doses for export while it was producing 200 million doses for its own citizens.¹⁸ She thus urged the United States to donate the 60 million doses promised by Biden as quickly as possible, to be distributed via COVAX. Given India’s recent blockage of vaccine exports, she called on the United States to follow Europe’s example to meet current needs. Additionally, she urged the United States and the EU to use their shared values as the basis for their collaboration on COVID-19 pandemic recovery efforts.¹⁹

The concept of vaccine equity recurred across discussions and informed many panelists’ recommendations for the development of a true global recovery. As Zacharopoulou observed, transatlantic cooperation is not simply a question of what the United States and the EU can do for each

From “Spotlight | Transatlantic Cooperation: Vaccine Development”

“The virus knows no political or social boundaries: if we want to truly turn the corner on this pandemic, we must be good citizens of the world and assist our global partners in their time of need too.”

—US Centers for Disease Control and Prevention Director Dr. Rochelle Walensky

Rochelle Walensky, “Spotlight | Transatlantic Cooperation: Vaccine Development” (EU US Future Forum, Atlantic Council, May 7, 2021), <https://www.youtube.com/watch?v=ArqBa8hmlow>.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

other, but rather what they can accomplish when they work together.²⁰ In her remarks, Zacharopoulou suggested that governments should pay more attention to civil society and the youth, and work in tandem with these groups to address global challenges.²¹

In terms of economic recovery, Muñiz emphasized the need for “aggressive” monetary and fiscal policies.²² Both US Senator Chris Van Hollen (D-MD) and Portuguese Ambassador to the United States Domingos Fezas Vital emphasized the importance of the large fiscal stimulus packages legislated in both the United States and across the EU.²³ The unprecedented scale of fiscal stimulus distributed across the United States and the EU kept people working and sustained the corporate sector, which contributed to bolstering the economies on both sides of the Atlantic. However, there are opportunities to galvanize a faster and more expansive recovery through transatlantic cooperation, including facilitating partnerships across businesses and injecting funding and investment in transatlantic trade, among other initiatives.

Transatlantic cooperation on COVID-19 pandemic recovery also presents an opportunity to regain the public’s trust in democratic systems’ ability to provide for them in times of need. As Jourová observed in her opening remarks, public distrust is one of the biggest challenges facing both the United States and the EU following the economic and societal fallout of the pandemic.²⁴ The failure to deliver on promises of recovery pose an existential threat to democratic governments around the world.

Rebuilding transatlantic trade

CONTEXT:

One of the key pillars of the transatlantic community is the breadth and depth of the trade and investment relationship between the two powers. Combined, the economies of the United States and the EU account for half of global consump-

tion and a third of global gross domestic product (GDP), with an economic relationship worth \$6.2 trillion in commercial sales in 2019.²⁵ An even deeper measure of the interconnectedness between the two economies than trade is consistently strong investment flows. The transatlantic economy represents nearly two-thirds of global outward and inward foreign direct investment (FDI) stock.²⁶ Both partners are also each other’s leading sources and destinations of FDI, accounting for roughly half of US and EU global investments and dwarfing flows to the Asia-Pacific.²⁷ Similarly, the European and US markets are global profit centers for each other’s companies, with sales of US affiliates in Europe roughly double those of US affiliates in all of Asia. What is more, most of these figures exemplify consistent, decades-old trends, rather than short-lived market developments.

With such close economic ties, it is imperative to develop common transatlantic approaches to the trade, economic, and technological issues facing the United States and the EU in a rapidly changing global economy. Recent years

From “In Dialogue | Trade and Economic Recovery: A Business Perspective”

“And at the end of the day, the situation is such that we are competing and cooperating. And that’s the very nature of the transatlantic relationship, is that we have competitors, both sides. It’s a tough competition. It think it’s very healthy as long as we have a level playing field and that it’s an amicable competition.”

—Airbus Chief Executive Officer Guillaume Faury

“Airbus CEO talks disputes with Boeing, a new Chinese rival, and hydrogen planes,” Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/airbus-ceo-talks-disputes-with-boeing-a-new-chinese-rival-and-hydrogen-planes/>.

20 Ibid.

21 Ibid; and Rochelle Walensky, “Spotlight | Transatlantic Cooperation: Vaccine Development” (EU US Future Forum, Atlantic Council, May 7, 2021), <https://www.youtube.com/watch?v=ArqBa8hmlow>.

22 Muñiz, Zacharopoulou, Wright, and Rizzo, “In Depth | Rebuilding Multilateral Cooperation for Global Recovery.”

23 Domingos Fezas Vital, Chris Van Hollen, Daniel Ahn, and Alexis Crow, “In Dialogue | Rebuilding Transatlantic Economic Cooperation for a Global Recovery” (EU US Future Forum, Atlantic Council, May 7, 2021), <https://www.youtube.com/watch?v=LSeoPuOpWhE>.

24 Malloy, “The Urgent Task before the US and EU: To Craft Democracy That ‘Delivers.’”

25 Daniel S. Hamilton and Joseph P. Quinlan, *The Transatlantic Economy 2021: Annual Survey of Jobs, Trade and Investment between the United States and Europe*, Foreign Policy Institute at Johns Hopkins University School of Advanced International Studies and the Woodrow Wilson International Center for Scholars, March 2021, https://transatlanticrelations.org/wp-content/uploads/2021/03/TransatlanticEconomy2021_FullReportHR.pdf.

26 Ibid.

27 Ibid.



In Dialogue | Creating an Inclusive Transatlantic Agenda for a Post-COVID-19 World: Vice-President of the European Commission for Promoting our European Way of Life Margaritis Schinas with Atlantic Council Europe Center Director Benjamin Haddad and Head of Institut Montaigne's Europe Program Georgina Wright, May 7, 2021. *Photo: Jasper Gilardi.*

From "In Dialogue | Re-imagining Post-COVID 19 Economic Resilience"

"It is time now to think how with our production we can immediately increase drastically the help and support for all countries, like Europe is doing now. But we don't want to be alone here."

**—European Commissioner for the Internal Market
Thierry Breton**

Thierry Breton, "Rebuilding Transatlantic Economic Cooperation for a Global Recovery," May 7, 2021, EU US Forum, <https://www.youtube.com/watch?v=LSeoPuOpWhE>.

have seen new trade disputes emerge between the transatlantic partners and old ones reemerge. Some have been concerned about an escalatory spiral of tariffs, counter-tariffs, and other retaliatory measures between the EU and United States that would harm both partners and create openings for new competitors. At the same time, transatlantic trade and investment also has the potential to become an important engine for EU and US recovery from the economic consequences of the pandemic, and a vehicle for both sides to set stronger global standards on issues ranging from product safety and labor rules to the environment.

KEY TAKEAWAYS:²⁸

EUFF speakers explored the elements of a forward-looking US-EU trade agenda that can support recovery and

28 "Airbus CEO talks disputes with Boeing, a new Chinese rival, and hydrogen planes," Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/airbus-ceo-talks-disputes-with-boeing-a-new-chinese-rival-and-hydrogen-planes/>; and Fezas Vital, Van Hollen, Ahn, and Crow, "In Dialogue | Rebuilding Transatlantic Economic Cooperation for a Global Recovery."

From “In Dialogue | Re-imagining Post-COVID 19 Economic Resilience”

“We know where we are by the way. We know who is our ally. This is the US and for decades. So, we don’t misunderstand what I am saying, we know exactly who are our allies. And by the way Chinese are considered our systematic rival.”

—**Commissioner Thierry Breton**

Thierry Breton, “Rebuilding Transatlantic Economic Cooperation for a Global Recovery,” May 7, 2021, EU US Forum, <https://www.youtube.com/watch?v=LSeoPuOpWhE>.

inclusive economic growth in the face of geo-economic challenges. There appeared to be broad agreement that a sense of transatlantic renewal has to be translated into tangible cooperation between the United States and the EU in a host of trade and regulatory fields. The multilateral trade framework under the World Trade Organization (WTO) and additional aligned approaches to tackling unfair trading practices and uncompetitive behavior by third countries were identified as areas of opportunity. While the resolution of legacy issues—such as the steel tariffs, the Airbus-Boeing dispute, and international data flows—are important, dealing with the trade policy implications of the green transition, digital transformation, and the long-term financial impact of pandemic measures must be incorporated in a positive trade agenda. On the latter, participants stressed the importance of better coordination between partners to ensure that recovery measures in both the short and medium terms do not turn into structural market distortions in the longer term. Enhanced US-EU regulatory cooperation on clinical trials, clean technologies, and new emerging technologies such as artificial intelligence (AI) could also help drive growth, competitiveness, and better practices on both sides.

The conversations also examined what impact the lessons of the pandemic may have for globally integrated supply chains that represent the backbone of transatlantic trade,

and how these may need to adapt to new economic and regulatory realities. In this context, the discussion focused on how to balance maintaining the openness of both economies with the need to secure the supply of certain raw materials and intermediate products. This would apply not only in the area of medical and pharmaceutical products but also in the technology trade, as exemplified by the global semiconductor shortage. The United States and the EU need to find ways to cooperate on supply chain resilience and export controls to ensure that necessary adjustments after the pandemic do not undermine the overall openness of the transatlantic economy and its benefits. The current framework in place constitutes a “lose-lose situation for everyone,” as Faury noted.²⁹ He added that trade barriers such as tariffs simply do not make sense in the context of the transatlantic economy.³⁰

He focused his attention on the aviation industry, which he characterized as “mainly a North Atlantic ecosystem,” given the extensive trade between US and European companies, which in turn engage with economies in the rest of the world.³¹ Whereas major sectors of the economy have faced severe losses during the pandemic, particularly the airline and travel industries, Faury exuded optimism as he discussed the “solidarity of the supply chain of aviation.”³² According to Faury, despite being forced to reduce expenses and the company’s workforce, Airbus successfully “found ways to sort of limit the impact of the pandemic and

From “Spotlight | Celebrating the EU-US Relationship”

“Let’s work together on common rules that foster competition, but also transparency and accountability in the digital space.”

—**President of the Slovak Republic Zuzana Čaputová**

“Slovak President Čaputová on EU-US pandemic recovery, the green transition, and digital regulation,” Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/slovak-president-caputova-on-eu-us-pandemic-recovery-the-green-transition-and-digital-regulation/>.

²⁹ “Airbus CEO talks disputes with Boeing, a new Chinese rival, and hydrogen planes,” Atlantic Council.

³⁰ Ibid.

³¹ Ibid.

³² Ibid.

From “In Debate | Countering Digital Authoritarianism: A Strategic Roadmap”

“And while a lot of these tech executives that are benefiting from the increase of their role and their power are using words around shared values, democracy, human rights, they’re hardly ever explicitly aligning their terms of service, their company policies with either universal human rights or let’s imagine the process of the rule of law.”

—International Policy Director of Standard University’s Cyber Policy Center Marietje Schaake

Marietje Schaake, Francois Godement, Daniel Fried, and Rose Jackson, “In Debate | Countering Digital Authoritarianism: A Strategic Roadmap” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=tAzclAeeYU4>.

From “In Depth | Shaping a Transatlantic Digital Policy Agenda”

“Basically, the US and the EU, we need to work together for digital innovations while setting global norms and standards...Regulatory policies must accelerate innovation, not kill it.”

—Minister of the Economy and Innovation of the Republic of Lithuania Aušrinė Armonaitė

Aušrinė Armonaitė, Tyson Barker, Eva Maydell, and Fran Burwell, “In Depth | Shaping a Transatlantic Digital Policy Agenda” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=4JuwJN2qCLQ>.

the crisis on the workforce.”³³ Based on this initial prognosis, he was hopeful that air traffic would start to regain momentum closer to the summer of 2021.³⁴

Similarly, business perspectives stressed that it was not solely regulatory measures and the adaptability of business that would play a crucial role in the post-pandemic recovery. Innovation and technology transitions driven by businesses across sectors in areas of digital and green transition would also be crucial for a sustainable recovery.

Shaping a digital policy agenda

CONTEXT:³⁵

Digital technologies; their transformation of our politics, societies, and economies; and how policy makers can and should respond to changes will be one of the defining transatlantic—and global—debates of the next decade. Technological development has outpaced existing regu-

latory frameworks. This phenomenon will only intensify in the coming years, as AI, machine learning, quantum computing, and other emerging technologies rapidly develop and re-define our economies and societies. This is already fueling dynamic debates on both sides of the Atlantic about a range of issues at the intersection of democratic politics, regulation, innovation, technology, and inclusive growth. As the EU establishes itself as a regulatory superpower in the digital space, and as the United States prioritizes innovation, divergences in managing digitalization and technologies on both sides of the Atlantic have emerged. Dynamic debates around these issues in the United States and Europe appear to be converging of late around the pandemic, associated disinformation, and the emergence of a new authoritarian technology model juxtaposing Western democratic conceptions.

KEY TAKEAWAYS:³⁶

In a series of sessions focused on transatlantic values and the impact of technological change, the EUFF explored how the United States and the EU can build a framework of norms and values that will guide the development of

³³ Ibid.

³⁴ Ibid.

³⁵ “Slovak President Čaputová on EU-US pandemic recovery, the green transition, and digital regulation,” Atlantic Council, May 5, 2021, <https://www.atlanticcouncil.org/news/transcripts/slovak-president-caputova-on-eu-us-pandemic-recovery-the-green-transition-and-digital-regulation/>; and Marietje Schaake, Francois Godement, Daniel Fried, and Rose Jackson, “In Debate | Countering Digital Authoritarianism: A Strategic Roadmap” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=tAzclAeeYU4>.

³⁶ Aušrinė Armonaitė, Tyson Barker, Eva Maydell, and Fran Burwell, “In Depth | Shaping a Transatlantic Digital Policy Agenda” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=4JuwJN2qCLQ>.



In Dialogue | Rebuilding Transatlantic Economic Cooperation for a Global Recovery: Senator Chris Van Hollen, BNP Paribas' Managing Director and Chief US Economist Daniel Ahn, Ambassador Domingos Fezas Vital, with moderator and PricewaterhouseCoopers' Global Head of Geopolitical Investing Practice Alexis Crow, May 7, 2021.

From "In Depth | Shaping a Transatlantic Digital Policy Agenda"

"Democracies have to work together to preserve those shared values when it comes to regulating the future digital world."

—Vice-Chair of the European Parliament's Delegation for Relations with Japan Eva Maydell MEP

Aušrinė Armonaitė, Tyson Barker, Eva Maydell, and Fran Burwell, "In Depth | Shaping a Transatlantic Digital Policy Agenda" (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=4JuwJN2qCLQ>.

these technologies without stifling innovation, creativity, and technology leadership. One of the key conversations focused on how the transatlantic partners can work together more closely to ensure new technologies and their applications empower democratic participation and inclu-

sive economic growth, while not becoming instruments of autocratic manipulation or oppression. In addressing these challenges, the United States and the EU will have to look at external actors' disinformation strategies and cyber tactics, as well as domestic actors' disinformation efforts and a range of issues more difficult to deal with—from data protection and online campaigning to campaign transparency and media freedoms.

When assessing the challenges democratic societies face in this area, observers across the board warned leaders to not overestimate the policy differences between the transatlantic partners, however complex and important. They concurrently cautioned policy makers to not underestimate the strength, influence, and potential for transatlantic collaboration in key sectors of the economy, particularly in developing and regulating digital technologies. When compared to their authoritarian competitors, differences in US and EU shared values and approaches to individual liberties, privacy, and regulatory policies appear insignificant—an important perspective to keep in mind. Similarly, while challengers are credibly building up their technological development and capabilities, the United States and

From “In Depth | Shaping a Transatlantic Digital Policy Agenda”

“Let’s create ‘democratic autonomy.’ Let’s make trade and tech the next coal and steel.”

—Head of German Council on Foreign Relations’ Technology and Global Affairs Program Tyson Barker

Aušrinė Armonaitė, Tyson Barker, Eva Maydell, and Fran Burwell, “In Depth | Shaping a Transatlantic Digital Policy Agenda” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=4JuwJN2qCLQ>.

Europe continue to possess real assets in innovation, the deployment of technologies, cybersecurity, and a North Atlantic ecosystem of open markets, ideas, and democratic freedoms.

At the same time, EUFF discussions did not ignore existing policy disagreements between partners, focusing on disparities in approaching digital services taxes, the digital sovereignty question, and the EU’s efforts to regulate digital platforms through the Digital Markets Act (DMA). Similarly, the demise of Privacy Shield after a European Court of Justice ruling in mid-2020 and its potential impact on commercial data flows crucial to the transatlantic economy remain unresolved and are becoming more urgent by the day. German Council on Foreign Relations’ Tyson Barker encapsulated the fervor of this issue, noting that “Privacy Shield and getting this right is essentially the gateway to a constructive transatlantic digital relationship in the near term.”³⁷

While the EU has been driving forward a host of regulatory proposals to address the above challenges, there have also been warnings of their potential implications for innovation in Europe and criticisms that such measures could be seen as discriminating against US tech companies. A key debate throughout the forum was how to reconcile regulation protecting trust, security, and openness with innovation and

competition. According to Barker, the answer lies in our shared history: the enlightenment established a common understanding of the meaning of democracy in both the United States and Europe, which forms the foundation of transatlantic relations.³⁸ Despite several high-profile disputes, as exemplified by the conflict over Privacy Shield, disagreements on digital policy represent “shades of difference” rather than an impenetrable divide.³⁹ A focus on the overarching values underpinning US and EU digital conceptions provides a more promising and effective baseline for starting negotiations on more detailed rules to govern the transatlantic digital space.⁴⁰

However, the EUFF also explored a positive joint US-EU agenda on digital policy, identifying potential areas for transatlantic cooperation.⁴¹ One proposed solution for bridging the transatlantic digital divide was the establishment of a trade and technology council. As Vital outlined, the council would “serve as a forum to discuss what we are doing with third countries and regions to make sure that what we decide and agree with these third countries and regions do not come to hamper the bilateral relationship and cooperation.”⁴²

From “In Dialogue | Defending Liberal Democracy in Digital Transition”

“What we are focusing on in this plan is the protection of elections against cyber threats, cybersecurity threats, against abuse of private data of people, against disinformation and against the very harmful marketing methods in online campaigning.”

—Vice-President of the European Commission for Values and Transparency Věra Jourová

Věra Jourová, Chris Murphy, and Fran Burwell, “In Dialogue | Defending Liberal Democracy in Digital Transition” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=sv6yihSuDis>.

37 Ibid.

38 Ibid.

39 Ibid.

40 “Annalena Baerbock on a ‘transatlantic green deal’ and German strategies in facing Russia and China,” Atlantic Council, May 6, 2021, <https://www.atlanticcouncil.org/news/transcripts/annalena-baerbock-on-a-transatlantic-green-deal-and-german-strategies-in-facing-russia-and-china/>.

41 Věra Jourová, Chris Murphy, and Fran Burwell, “In Dialogue | Defending Liberal Democracy in Digital Transition,” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=sv6yihSuDis>.

42 Fezas Vital, Van Hollen, Ahn, and Crow, “In Dialogue | Rebuilding Transatlantic Economic Cooperation for a Global Recovery.”

As Professor Timothy Garton Ash observed, “America is a trendsetter on the internet [whereas] Europe is the norm-setter.”⁴³ In his view, if the United States and the EU joined forces, they would find common norms that could serve as the basis for common rules in the digital space.⁴⁴ Panelists across events noted commonalities in approaches to emerging technologies (e.g., AI), industrial policy and market access issues, global standard-setting, a connectivity agenda for the global south, and digital rights. Minister Aušrinė Armonaitė summarized the situation well by acknowledging that, while the EU and the United States are generally allies, it is important to avoid unilateral decisions on either side of the Atlantic on digital policy issues such as a digital tax or common rules in the digital space.⁴⁵

Fostering a transatlantic green transition⁴⁶

CONTEXT:

The climate crisis is one—if not the greatest—of the twenty-first century’s defining challenges. The challenges of mitigating climate change and planning for a green future recur throughout regions and policy areas. Climate change is a destabilizing influence, and the EU and the United States have the potential to build a coordinated transatlantic agenda for a green transition. The COVID-19 pandemic has demonstrated the urgency of solving the climate crisis, and has shown that true transformation is possible with the advent of new technologies, strategies, and policies that are not simply abstract proposals, but present concrete actionable solutions.

As the transatlantic community makes its way out of the COVID-19 pandemic, there is a unique opportunity to reshape the global approach to climate change. Pandemic recovery efforts can and should be developed with an eye to a carbon-neutral future. As industries rebuild from the past eighteen months of economic downturn, the United States and the EU can prioritize green technologies and climate-conscious policies.

KEY TAKEAWAYS:⁴⁷

There is an appetite for a global green transition, especially among citizens of the United States and the EU. As part of the EU-US Future Forum, organizers conducted a series of polls and focus groups across the United States that showed

From “In Dialogue | A New Chapter for US-EU Climate Leadership: Aligning Strategies and Actions”

On building good working relationships in the fight against climate change

“But we also see that climate change is a challenge that no country and no sector can solve alone. So to create meaningful global change I actually see no alternative to the good working relationship between the European Union and the United States. And in this regard, technology and innovation are, in my view, some of the most promising and impactful areas for that cooperation.

And we shared the vision that breakthrough clean solutions, they are needed to make the transition faster. But also they are needed to make the transition cheaper and more capable of generating growth. ...But for global change, bilateral transatlantic cooperation will again not be enough, and we need to work together across the globe to promote topics of common interest.”

—European Commissioner for Energy Kadri Simson

“US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition,” Atlantic Council, May 6, 2021, <https://www.atlanticcouncil.org/news/transcripts/us-energy-secretary-granholm-and-european-commissioner-simson-on-ambitious-climate-targets-and-a-just-energy-transition/>.

43 Albright and Garton Ash, “Embracing Our Transatlantic History.”

44 Ibid.

45 Armonaitė, Barker, Maydell, and Burwell, “In Depth | Shaping a Transatlantic Digital Policy Agenda.”

46 Daniel Malloy, “Annalena Baerbock’s Message to America: She’s in Sync with Biden,” *New Atlanticist*, May 6, 2021, <https://www.atlanticcouncil.org/blogs/new-atlanticist/annalena-baerbocks-message-to-america-shes-in-sync-with-biden/>; “US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition,” Atlantic Council, May 6, 2021, <https://www.atlanticcouncil.org/news/transcripts/us-energy-secretary-granholm-and-european-commissioner-simson-on-ambitious-climate-targets-and-a-just-energy-transition/>.

47 “US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition,” Atlantic Council.

From “In Dialogue | A New Chapter for US-EU Climate Leadership: Aligning Strategies and Actions”

On gaining from the transition to a net-zero global economy

“I think it’s important to acknowledge that for far too long the global climate conversation really has assumed that climate action is a zero-sum with the economy, and we all stand to gain from developing the latest and greatest in clean energy, and we have an interest in shared progress. So it’s not zero-sum from country to country and it’s not zero-sum from the environment or climate to the economy. We all can gain, and we all can gain economically by addressing this issue. We want to all build net-zero economies. We’ve got to create new jobs and businesses for our people. We all want to make good on our moral debts to those who have been bearing the burdens of fossil fuel pollution. And we can do it. We can do all of it if we pair our fierce competition with constructive international cooperation, and that’s why forums like this are so important.

So we have similar dreams, similar challenges. Let’s work on them together.”

—US Secretary of Energy Jennifer Granholm

“US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition,” Atlantic Council, May 6, 2021, <https://www.atlanticcouncil.org/news/transcripts/us-energy-secretary-granholm-and-european-commissioner-simson-on-ambitious-climate-targets-and-a-just-energy-transition/>.

climate and the environment were the second biggest priority for Americans in the transatlantic relationship, behind security and defense. Leaders and experts on both sides of the Atlantic—including Annalena Baerbock, co-leader of the Alliance 90/The Greens Party;⁴⁸ Commissioner Kadri Simson; and Secretary Jennifer Granholm—reinforced climate as a priority in their conversations at EUFF.⁴⁹ All three leaders underscored that a green energy transition is central to present and future transatlantic cooperation. The shared goal of net-zero carbon emissions by 2050 provides a foundation for creative and cross-sectoral coordination on both sides of the Atlantic. Simson and Granholm both specifically discussed this agenda as an area of opportunity for economic growth and job creation.⁵⁰ Going one step further, Global Space Ventures Founder and Chief Executive Officer Laetitia Garriott de Cayeux presented a vision of a future that brings together “artificial intelligence, big data, [and] blue tech such as maritime robotics...powered by wind and solar so we’re able to see our oceans, and leverage these emerging technologies to mitigate cli-

mate change.”⁵¹ Emerging technologies will play an essential role in the green energy transition process and present a unique opportunity for innovation in both environmental and digital policy spaces. More importantly, these leaders were clear that the energy transition should be just and equitable, always mindful of the populations that are particularly vulnerable to the negative consequences of climate change.

Throughout the forum, there was also an acknowledgment that a strong, coordinated climate strategy would be important for other sectors. Kaljulaid notably highlighted the urgency of climate action for democracies, warning that a failure to “[save] the planet” could lead many people to “say that democracy is not delivering because the process is very slow.”⁵² She focused her discussion on the concept of “smart connectivity,” one of the main themes of the Three Seas Initiative, which she emphasized has the potential to not only ensure an “efficient and energy efficient” transportation network in the region but also allow

48 “Annalena Baerbock on a ‘transatlantic green deal’ and German strategies in facing Russia and China,” Atlantic Council.

49 “US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition,” Atlantic Council.

50 Ibid.

51 Laetitia Garriott de Cayeux, Ulrike Franke, Melissa Flagg, and David Bray, “In Depth | Emerging Technologies, Ethics, and Geopolitics” (EU US Future Forum, Atlantic Council, May 5, 2021), <https://www.youtube.com/watch?v=jVbGd3w2nj4>.

52 “Estonian President Kaljulaid and US Senator Shaheen on challenges from Moscow and the future of Nord Stream 2,” Atlantic Council.



In Dialogue | A New Chapter for US-EU Climate Leadership: Aligning Strategies and Actions: Secretary Jennifer Granholm, Commissioner Kadri Simson, with moderator and Founding Chairman of the Atlantic Council's Global Energy Center Ambassador Richard Morningstar, May 6, 2021.

Balkan countries to resist predatory capital investments.⁵³ The geopolitics of the green revolution was a key element underpinning the discussion of Russia's involvement in the Balkans and Ukraine. Later in that same conversation, US Senator Jeanne Shaheen (D-NH) referenced recent legislation that coordinates foreign policy through a climate policy lens, an acknowledgement that the climate crisis is not bound by borders and impacts sectors beyond energy.⁵⁴

Transatlantic cooperation is integral to the success of the green energy transition. As Simson discussed in her remarks, relaunching the EU-US Energy Council would serve

as a fundamental step in the establishment of a new "clean tech alliance."⁵⁵ She envisions the council being "a dynamic setting where business will be able to share their experience and network and develop new projects."⁵⁶ She predicts this would lead to the creation of markets that could cooperate on new technologies such as renewable energy, with such efforts paving the way for investments to the benefit of "green companies on both sides of the Atlantic."⁵⁷ The financial and environmental benefits are enormous: by removing barriers to trade and the exchange of knowledge, transatlantic cooperation on clean energy and technology will create more jobs and opportunities for both European and US businesses.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ "US Energy Secretary Granholm and European Commissioner Simson on ambitious climate targets and a just energy transition," Atlantic Council.

⁵⁶ Ibid.

⁵⁷ Ibid.

From “Annalena Baerbock’s message to America: She’s in sync with Biden”¹

Climate and social justice

- Befitting the leader of the Greens, Baerbock frequently returned to the climate crisis as a motivating factor in her policy agenda—and she foresees Biden being a strong partner in that endeavor. “We have a bright future together if we work together on a transatlantic green deal,” Baerbock said.
- From rejoining the Paris climate accord to a new infrastructure plan that invests heavily in fighting climate change,² Biden’s agenda drew praise from Baerbock for “investing really in a **future of carbon neutrality together with a strong movement on social justice**. And this is actually the same idea we’re having on the other side of the Atlantic.”
- And as Biden did in his recent address to Congress,³ Baerbock described these actions as a test of liberal democracy itself: “It’s really crucial that democracies show, within the upcoming months, that we can not only fight a pandemic with democratic measures, but also the biggest threat—like the climate crisis—as democracies. And so it will strengthen the climate, it will strengthen the welfare, but also, if we do it right, international institutions and the rule of law worldwide.”

- 1 Daniel Malloy, “Annalena Baerbock’s message to America: She’s in sync with Biden,” Atlantic Council, May 6, 2021, <https://www.atlanticcouncil.org/blogs/new-atlanticist/annalena-baerbocks-message-to-america-shes-in-sync-with-biden/>.
- 2 Emma Newburger, “Here’s how Biden’s \$2 trillion infrastructure plan addresses climate change,” CNBC, March 31, 2021, <https://www.cnbc.com/2021/03/31/biden-infrastructure-plan-spending-on-climate-change-clean-energy.html>.
- 3 Josh Lipsky, Barry Pavel, and Jason Marczak, “FAST THINKING: Biden’s challenge to China and Congress,” Atlantic Council, April 29, 2021, <https://www.atlanticcouncil.org/content-series/fastthinking/fast-thinking-bidenschallenge-to-china-and-congress/>.

Strengthening transatlantic cooperation in Foreign and Security Policy⁵⁸

CONTEXT:

The United States and the EU are now at a crossroads between the growing monopoly of Chinese products in the digital space and the increasing frequency of Russian cyberattacks—the unity of the transatlantic response to those challenges is being tested in unprecedented ways.

Western democracies have thus far failed to provide a viable alternative to increasingly important sectors of modern society. As the Chinese economy continues to grow, questions arise as to whether democratic institutions can withstand competition with state-controlled economies. Cybersecurity also presents a challenge for both the United States and the EU. As illustrated by Russia’s efforts to interfere in American elections, the recent hacking of Colonial Pipeline in the northeast United States, and the doubling of cyberattacks against critical European targets

From “In Depth | Addressing China Together”

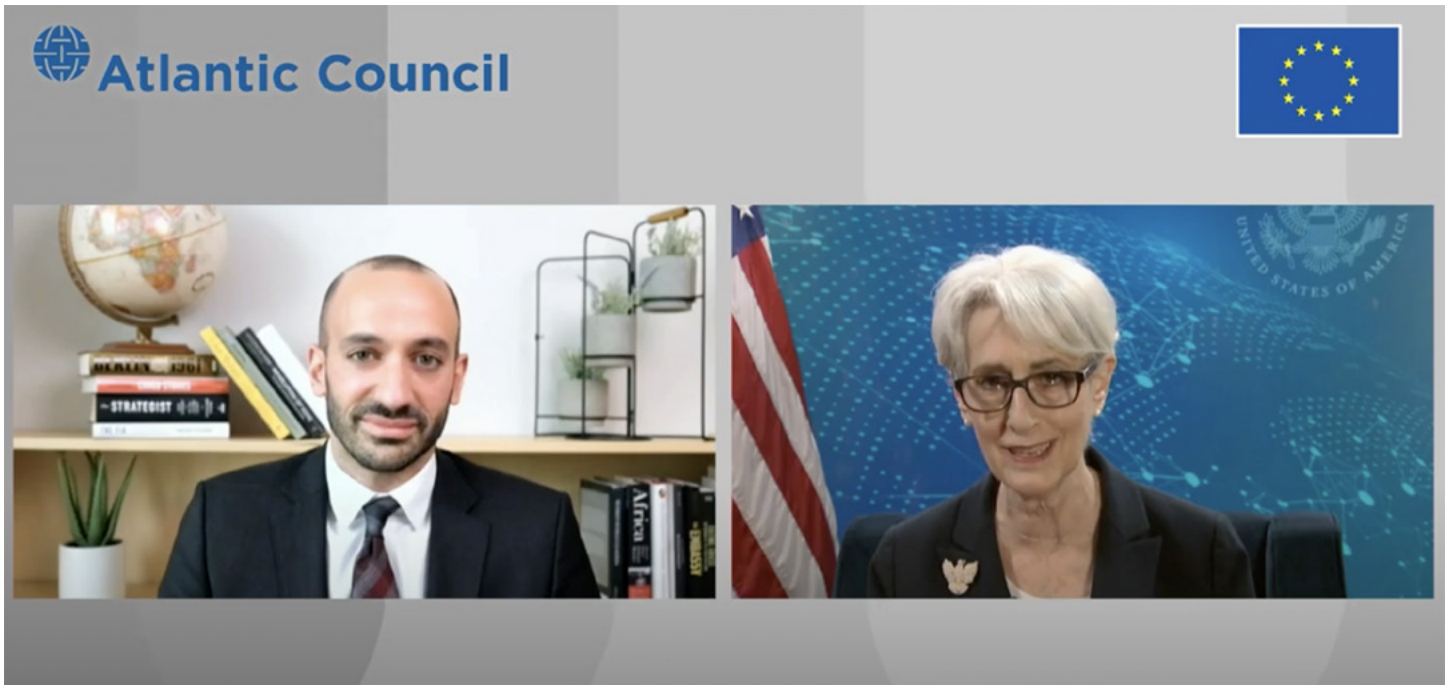
“When we look at President Biden’s most important imperatives... showing that democracy delivers, for him this is very much about that. That is the defining challenge as he has laid it out and the United States and Europe have done so much over the decades together to ensure robust democracy not in our own countries, but around the world.”

—NSC Senior Director for China Laura Rosenberger

Laura Rosenberger, Antoine Bondaz, Zdenek Hrib, and Stuart Lau, “In Depth | Addressing China Together” (EU US Future Forum, Atlantic Council, May 6, 2021), <https://www.youtube.com/watch?v=3ozQNIwMjCg>.

this past year, there are gaping vulnerabilities in both digital systems.

⁵⁸ Rosenberger, Bondaz, Hrib, and Lau, “In Depth | Addressing China Together.”



In Dialogue | The Next Transatlantic Decade: US Deputy Secretary of State Wendy Sherman with moderator Benjamin Haddad, May 7, 2021.

Transatlantic cooperation is integral to countering the prowess of authoritarian regimes that threaten to destabilize the very foundations of liberal democracies. Shared values of transparency, freedom, and human rights form the ba-

sis of the US-EU relationship, and these values must form the basis of a common foreign and security policy going forward to effectively counter encroachment from malign actors around the world. Given the stark differences in their approaches to handling the challenges of China's rise and regulating the digital space, the United States and the EU will likely face tense negotiations in the coming months.

From "In Depth | Addressing China Together"

"As [US Secretary of State Antony] Blinken has made clear, this is not about the United States asking any of our allies to choose between the United States and China, but we do think we need to figure out the best shared approaches that we can have together."

—NSC Senior Director for China Laura Rosenberger

Laura Rosenberger, Antoine Bondaz, Zdenek Hrib, and Stuart Lau, "In Depth | Addressing China Together" (EU US Future Forum, Atlantic Council, May 6, 2021), <https://www.youtube.com/watch?v=3ozQNIwMjCg>.

KEY TAKEAWAYS:

As Deputy Secretary of State Wendy Sherman stated in her remarks, Biden has "put alliances and partnerships at the center" of his administration's foreign policy, an announcement that was welcomed by European leaders.⁵⁹ Multiple speakers at the EUFF, including heads of state and decision makers both in the public and private domains, spoke of how they look forward to building stronger partnerships with the United States in the areas of foreign and security policy.

As Rosenberger stipulated, the focus should be on re-investing in our democracies as part of a unified foreign

⁵⁹ "Wendy Sherman on the Iran nuclear talks, multilateral cooperation, and transatlantic data flows," Atlantic Council, May 7, 2021, <https://www.atlanticcouncil.org/news/transcripts/wendy-sherman-on-the-iran-nuclear-talks-multilateral-cooperation-and-transatlantic-data-flows/>.

and security policy. She focused on the example of China, emphasizing the importance of US-EU collaboration to determine where the areas of greatest shared interest are in order to maximize concerted efforts.⁶⁰ Concurrently, she noted we must recognize that there will be differences in our approaches, but that we should focus on initiatives that serve our common goals. She added that given Biden's goal to strengthen the resilience of democratic systems around the world, pandemic recovery efforts and addressing the economic fallout provide a unique opportunity to reinvest in our democracies.⁶¹

Both Center for American Progress Senior Fellow Max Bergmann and European Parliament Security and Defense Subcommittee Chair Nathalie Loiseau emphasized the importance of European strategic autonomy in efforts to counteract the malign practices of autocratic regimes.⁶² Yet, as Bergmann observed, there are misperceptions about what strengthening European strategic autonomy means in practice. He noted that many in Washington view the EU and NATO as being in competition with one another, and conflate the strengthening of European military capacity with a weakening of the NATO alliance.⁶³ He defined European strategic autonomy instead as simply "Europe being able to act independently and on its own, without needing the United States," which he believes is something Washington should actually "embrace."⁶⁴

Loiseau similarly remarked that European strategic autonomy is "good news."⁶⁵ Defined as "[the] willingness to become a relevant and reliable security provider, working with allies every time it can and working autonomously whenever it has to," European strategic autonomy in Loiseau's conceptualization is remarkably similar to Bergmann's definition.⁶⁶ Strategic autonomy as such allows Europe to be a stronger ally to both the United States and NATO without needing extra support to overcome its own region-specific challenges that may differ from—or at times even contradict—those of its allies. As Faury summarized, when it comes to matters of defense, the United States and the EU

From "In Debate | Strengthening Europe's Role in Transatlantic Security"

"We [European Member States] know that we are too dependent on and too vulnerable—technologically, industrially—towards some powers which might not be friendly, namely China, and the appropriate answer to this kind of challenge is more a union like the European Union, with the vast range of instruments that we have than simply a military alliance. So, this is not contradictory to NATO, this is not against the United States, this is a strong pillar of transatlantic partnership."

—European Parliament Chair of Security and Defense Subcommittee Nathalie Loiseau MEP

Nathalie Loiseau, Anna Wieslander, Max Bergmann, and Alena Kudzko, "In Debate | Strengthening Europe's Role in Transatlantic Security" (EU US Future Forum, Atlantic Council, May 7, 2021), <https://www.youtube.com/watch?v=d3oJS7Q9zAc>.

"are together in NATO" and are united by the desire to ensure that the "rules of the game" remain fair to both sides, despite at times having competing interests.⁶⁷

The forum also drew attention to key issues in regulating the digital space, and the vulnerabilities of democratic regimes to cyberattacks from authoritarian regimes. As Institut Montaigne Senior Advisor for Asia François Godement emphasized in his remarks, both the United States and the EU are internally divided on these issues.⁶⁸ Given this reality, he recommended that we come together to debate these issues and make compromises to ensure that we do not isolate ourselves from the rest of the world.

In terms of cybersecurity and countering digital authoritarianism, speakers emphasized the need to build resilient supply systems in order to construct a digital infrastruc-

60 Rosenberger, Bondaz, Hrib, and Lau, "In Depth | Addressing China Together."

61 Ibid.

62 Nathalie Loiseau, Anna Wieslander, Max Bergmann, and Alena Kudzko, "In Debate | Strengthening Europe's Role in Transatlantic Security" (EU US Future Forum, Atlantic Council, May 7, 2021), <https://www.youtube.com/watch?v=d3oJS7Q9zAc>.

63 Ibid.

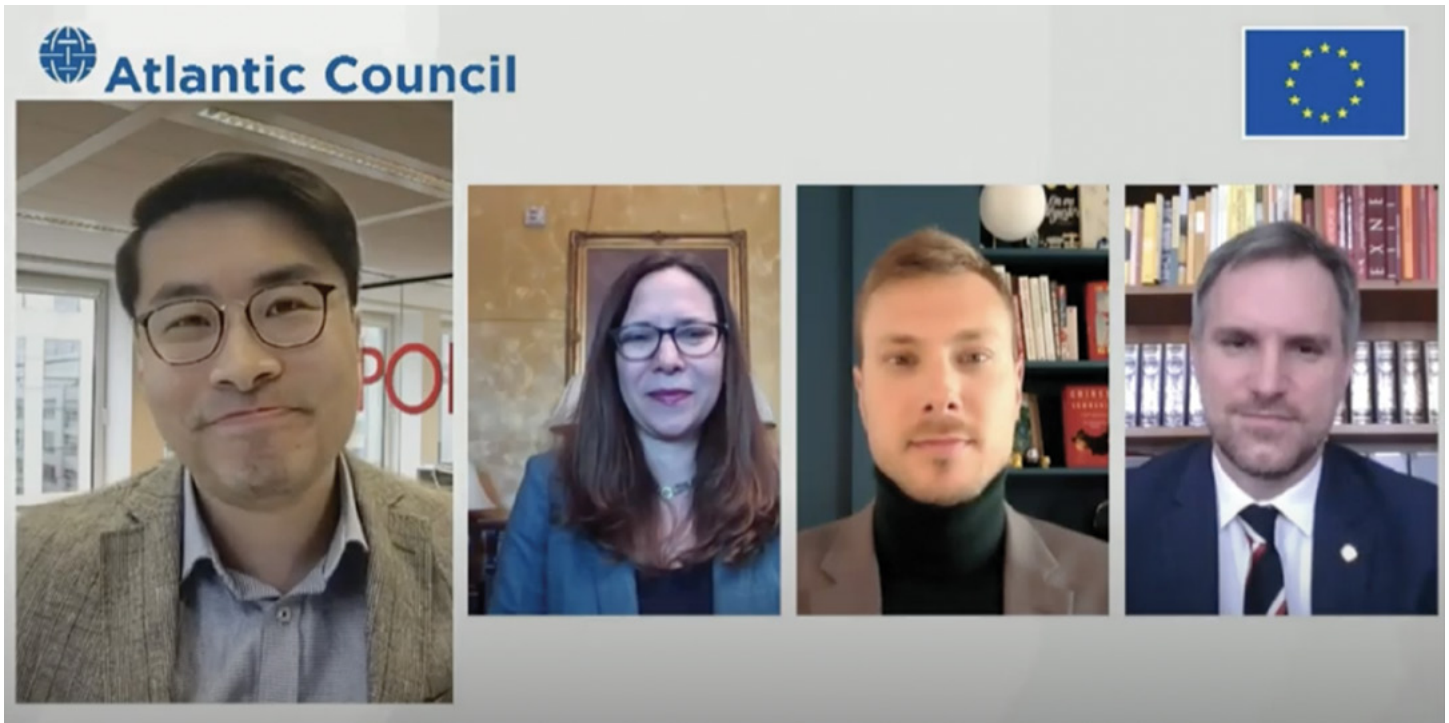
64 Ibid.

65 Ibid.

66 Ibid.

67 "Airbus CEO talks disputes with Boeing, a new Chinese rival, and hydrogen planes," Atlantic Council.

68 Schaake, Godement, Fried, and Jackson, "In Debate | Countering Digital Authoritarianism: A Strategic Roadmap."



In Depth | Addressing China Together: Laura Rosenberger, Fondation pour la Recherche Stratégique’s Research Fellow and Director of the Taiwan Program Antoine Bondaz, and Mayor of Prague Zdeněk Hřib, with moderator and POLITICO’s Europe-China Correspondent Stuart Lau, May 6, 2021.

ture that is controlled by the principles of the free market economy, rather than those put forward by authoritarian regimes. Shared values of freedom and transparency bind the United States and Europe and form the foundation of transatlantic cooperation. Now is the time to use this foundation as the basis for joint action on cybersecurity and the development of a digital economy that aligns with democratic institutions. Without compromising concerns for the right to both privacy and national security, panelists encouraged the United States and the EU to set aside their differences and present a unified front against malign actors that threaten to destabilize democracy.

In terms of defense, panelists emphasized the importance of transatlantic cooperation on new technologies to present a united front and counter systems being developed by authoritarian regimes like China and Russia. Van Hollen noted that 5G was a notable gap in the Western world’s technological capacity and recommended that the United

States and the EU invest in the development of new technologies to counter existing Chinese platforms.⁶⁹ This is an opportune moment for the United States and the EU to openly discuss the transatlantic relationship, and, in the words of Atlantic Council Senior Fellow Melissa Flagg, “consider how much power we have when we are actually acting in concert.”⁷⁰

Reframing the EU-US relationship for an American audience

CONTEXT:

The transatlantic relationship has undoubtedly been strained in recent years. The Trump administration ushered in a period of American isolationism not seen in decades and severely weakened European leaders’ trust in the United States as an ally. As the United States pulled out of seminal international agreements and revoked its member-

69 Fezas Vital, Van Hollen, Ahn, and Crow, “In Dialogue | Rebuilding Transatlantic Economic Cooperation for a Global Recovery.”

70 Garriott de Cayeux, Franke, Flagg, and Bray, “In Depth | Emerging Technologies, Ethics, and Geopolitics.”

The US-EU relationship is a “huge factor to political stability worldwide.”

—Indiana focus group participant

“Focus Group on US-EU Relations in Partnership with 2018 Millennium Leadership Fellow Pete Seat (Indiana),” Atlantic Council, April 22, 2021.

“If there’s anything I think that we have learned, hopefully, from this pandemic, it’s that we truly, as a planet, as a human family are in this together, and that we are going to... rise or fall together. The whole America first idea is as flawed as it can get, and I hope that that’s a lesson that comes out that we can build upon as we try to talk about how we go forward as a human family that is so interconnected.”

—Michigan focus group participant

“Focus Group on US-EU Relations in Partnership with the University of Michigan,” Atlantic Council, January 27, 2021.

ship from numerous international organizations, EU leaders were forced to ignore—or worse, operate openly against—the country that was once its strongest supporter.

European leaders are now optimistic about the possibilities of renewed transatlantic cooperation with the new leadership in the Biden administration. However, they are reluctant to welcome the United States back with open arms. Biden’s rhetoric of US-EU cooperation has been viewed with some skepticism, as European leaders openly question whether he truly views the EU as an equal partner, or simply a useful ally in areas of shared interest. Whether the Biden administration will stand true to its grandiose statements of rebuilding transatlantic partnerships remains to be seen.

KEY TAKEAWAYS:⁷¹

American views toward the EU have generally been consistent and positive, while European attitudes towards the United States, which were net negative a few months ago, have now since rebounded. While Americans overall view the EU as an ally, only a fraction designate it as “strong” or “very strong,” with a little over 10 percent going so far as labeling the EU a “weak” ally. This attitude pervades even the highest positions of authority: despite President Biden’s statements describing Europe as a key partner in critical issues such as climate change and rising authoritarianism, it has become increasingly evident that the United States does not view the EU as its equal—at best, Europe plays a “supporting role in America’s struggle against Chinese authoritarianism.”⁷²

The partisan divide plaguing American domestic politics also extends into the realm of foreign policy. Democrats are

significantly more likely to rank the EU as a strong or very strong ally than Republicans. The partisan divide also influences opinions on what areas Americans think the United States should focus on in partnering with Europe. Whereas Democrats say the environment should be the country’s focus, Republicans overwhelmingly emphasize security.

A plurality of Americans says the United States and the EU should partner on security and defense, and nearly as many say the same for climate and the environment. Focus group discussions corroborate these findings, with multiple participants noting the shared security interests of the United States and the EU, particularly through their commitments to NATO and a shared objective of confronting rising nativism and authoritarianism.

A recurring theme across focus group discussions was a lack of awareness among Americans of what the EU truly

“I think most Americans don’t know what the EU really stands for.”

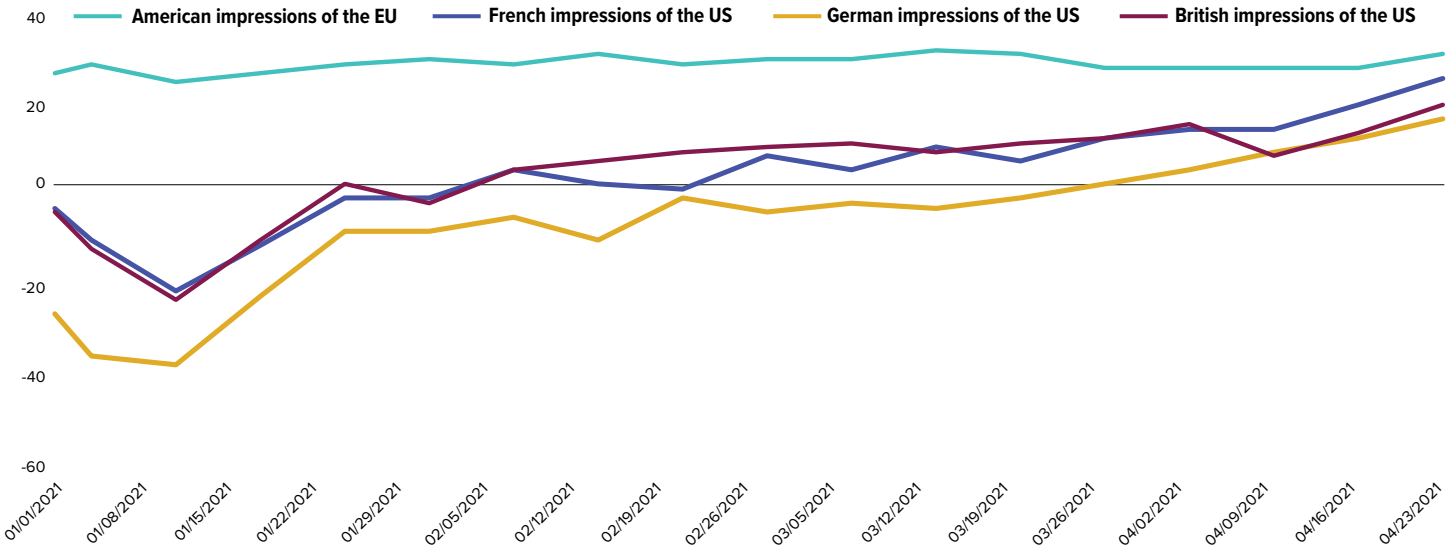
—Florida focus group participant

“Focus Group on US-EU Relations in Partnership with The University of Florida,” Atlantic Council, March 24, 2021.

⁷¹ “Focus Group on US-EU Relations in Partnership with the University of Michigan,” Atlantic Council, January 27, 2021.

⁷² Jeremy Shapiro, “Biden Talks a Big Game on Europe. But His Actions Tell a Different Story,” *Politico*, June 4, 2021, https://www.politico.com/amp/news/magazine/2021/06/04/biden-administration-europe-focus-491857?__twitter_impression=true.

Figure 1: American views towards the EU



American views towards the EU have been consistent, and positive, while European attitudes towards the U.S. were net negative months ago and have since rebounded (01/01/2021-04/23/2021, Morning Consult).

stands for⁷³—this lack of awareness has led to confusion and misunderstanding about the purpose of the European Union and what it has accomplished.

A few key threads emerged across our discussions in Michigan, Florida, Indiana, and the Pacific Northwest. First, the lack of a coherent EU brand was highlighted, especially among those who do not follow EU affairs regularly. This manifested itself in one of two ways—either the individual

member states had more name recognition and more coherent brands than the EU as a collection of institutions, or the Brexit process was participants’ most prominent association with the EU.

Second, the importance of cultural exchange to the US-EU relationship surfaced across conversations. Participants spoke fondly of family ties to the continent, of travel to member states and opportunities for cultural experiences that were unique to the countries they visited, and of educational trips and exchanges that they undertook as students or educators.

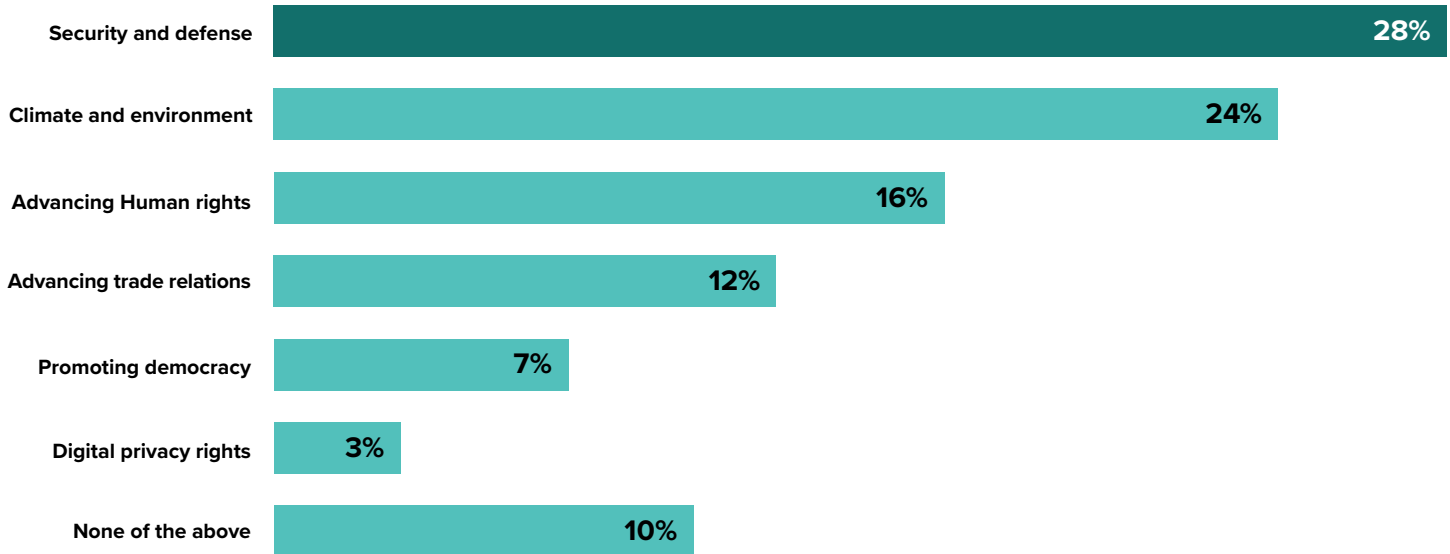
Third, representatives from the business community expressed mixed engagement with the EU. Travel to the EU was usually positive, and they were appreciative of the ease of dealing with common market, as opposed to regulatory fragmentation between member states, as they did business. However, that said, they highlighted issues with trade barriers, tariffs, and regulatory mismatch with the United States, especially with regard to certain sectors like aviation.

“Post-pandemic, there’s going to be some of something of a void for things that could capture our attention, and. . .maybe this is just the best possible time to reinvigorate the relationship with a focused effort.”

—Michigan focus group participant

“Focus Group on US-EU Relations in Partnership with the University of Michigan,” Atlantic Council, January 27, 2021.

73 “Focus Group on US-EU Relations in Partnership with The University of Florida,” Atlantic Council, March 24, 2021.

Figure 2: American views on priorities for US-EU partnership

A plurality of Americans say the United States and EU should partner on security and defense, and nearly as many say climate and the environment (04/27/2021-04/28/2021, *Morning Consult*).

Encompassing diverse participants, issues, and perspectives, the focus groups provided helpful insights for future efforts on transatlantic engagement at the grassroots level. The following themes clearly emerged: the European Union as a partner in global challenges; the importance of opportunities for cultural, educational, and scientific exchanges with different stakeholders in the United States; the potential the Single Market, as a highly developed, integrated economic space, holds for US entrepreneurs and businesses, large and small; the strategic importance of coordination on China; and the history and challenges shared by the United States and the EU—including the defense of human rights and solutions for the climate crisis—as leading advocates of freedom, individual liberties, and democracy. These issues resonate with different US audiences to varying degrees, but they may represent the core elements of a potential brand identity for the EU in the United States, one that more effectively captures and combines the political, economic, cultural, and value dimensions of the multi-faceted US-EU relationship.

FINAL RECOMMENDATIONS

After fourteen hours of public programming, plus data from four focus groups with participants from all across the United States, we found some clear common threads and

recommendations. Following the EU-US Summit in June 2021, where Biden met with EU leadership and confirmed both the principle of US-EU cooperation and practical policies that would bring the transatlantic relationship closer together, there is real and urgent momentum to turn these policy prescriptions into reality. This is far from an exhaustive list of the recommendations that our speakers and focus group participants brought to us over the past few months, but rather a small sample of the things we could achieve together:

Defending common democratic values

- The United States and the EU should ensure the upcoming Summit for Democracy is really a summit *for* democracy, not a summit of democracy. Rather than debate which countries are democratic enough or deserve to participate, it should tackle the challenges to democratic, open societies with real, actionable solutions.

Shaping a digital policy agenda

- The United States and the EU should work together on common rules that foster competition and open market access, but they should also promote transparency and accountability in the digital space. As digital and emerg-

ing technologies develop exponentially, the transatlantic community should prioritize innovation that protects the rights of citizens and the use of these technologies for good.

Rebuilding transatlantic trade

- The United States and the EU should not implement trade barriers in key transatlantic trade areas and markets. Together, the transatlantic marketplace can be more competitive and can foster innovation and creativity, while also protecting critical infrastructure and supply chains from malign actors.
- The United States and the EU should prioritize the removal of irritants in the trade relationship and proactively manage potential conflicts in order to protect seamless trade across the Atlantic.
- The United States and the EU should empower the newly-formed Trade and Technology Council to establish norms around the digital marketplaces that protect competition and open trade. Early wins for the council could include setting standards on AI, export controls, semi-conductors, and critical supply chains.
- The United States and the EU should establish a coordinated campaign to reform the World Trade Organization and reengage international organizations, both to counter Chinese influence and promote rules-based globalization.

Fostering a transatlantic green transition

- The United States and the EU should relaunch the EU-US Energy Council as soon as possible—the Energy Council serves as a vital policy engine that could maintain alignment and coordination in the ongoing transatlantic green transition.
- The United States and the EU should establish a new clean tech alliance, encouraging simultaneous digital and green transitions that feed off one another to foster innovation and a just transition to a green, digital world economy.
- The United States and the EU should prioritize a common approach to the carbon border adjustment mechanism in order to prevent irritants in the relationship as both work toward solving the climate crisis.

Delivering an inclusive COVID-19 pandemic recovery

- The United States and the EU should revamp global health architecture by strengthening the World Health Organization, building supply chain resilience, modernizing health data information systems, and facilitating the exchange of health information, among other key aspects of pandemic resilience.
- The United States and the EU should invest in vaccinating the world against COVID-19 and other communicable diseases, including through COVAX and similar systems.

Strengthening transatlantic cooperation in foreign and security policy

- NATO, as a key pillar of transatlantic security cooperation, should put out a new strategic agenda that addresses the new challenges facing the transatlantic community, such as cyber, the climate crisis, global pandemic resilience, human rights institutions, and other nontraditional security challenges.
- The United States and the EU should work together on initiatives such as the Three Seas Initiative to connect Eastern European countries with smart roads and railways to ensure they are energy efficient, revive discussions on safe technology, build pipelines for hydrogen instead of gas, and create a special fund to invest more in Ukraine and other non-EU states, countering predatory capital from other actors.
- The United States should support European defense integration efforts because the EU and NATO are not in competition with one another—they are force multipliers when cooperating on European and transatlantic defense.
- The United States and the EU should prioritize a transatlantic strategy on China—given the areas in which their interests diverge, maintaining close coordination is essential to prevent cleavages in the relationship over issues related to China.

Reframing the EU-US relationship for an US audience

- The EU should lean into the policy areas that set it apart from other international organizations, engaging the US audience on comprehensive human rights policies, including the abolition of the death penalty and compre-

hensive gender equality, through leadership by member states in the United Nations Security Council.

- The United States and the EU should place equal emphasis on—and scale up—educational programs and

cultural exchanges, with a particular focus on populations outside of capitals. These programs should target diverse audiences and include a focus on representatives of civil society and the private sector.

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