

## CAUSES OF WAR AND THE FUTURE OF PEACE IN THE NEW EUROPE

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In 1989 Europe's post-war security system was history. Even before the revolutions in Eastern Europe, the dissolution of the Warsaw Pact, and the unification of Germany, the waning of the Cold War in the last half of the 1980s had left Europe with the task of constructing a new security order. By the close of 1991, the civil war in Yugoslavia and the dramatic death of the Soviet Union transformed Europe from the center of a seemingly stable bi-polar world of cohesive sovereign states under two "superpowers" to a region where territorial boundaries and political and ideological identities were dissolving. And the very existence of the nation-state as the provider of security in many places was in question.

This volume examines the sources of security and insecurity in the new Europe in the wake of these world historical events. It is a first cut at exploring how boundary and identity changes on the European continent affect the odds of war and peace there. Contested and disappearing boundaries are a potent source of insecurity in international relations and the single most important threat to peace in Europe today. The essays assembled here explore the responses to boundary transformation and disappearance and suggest a set of institutional responses to preserve the peace.

The transformation of Europe offers new fuel for the enduring scholarly debate on the causes of war and the prospects for peace in international relations. Our beliefs about the causes of war and peace and our uncertainty about those causes shape the kinds of security arrangements we prefer. Differing perceptions of the security threat in the new Europe are at the root of social and political debates over desired security arrangements and defense expenditures. Indeed, the policy relevance of these issues cannot be overstated: faulty security arrangements that give rise to false expectations can exacerbate old conflicts triggering more terrible disputes than would otherwise have arisen.

Recognizing the importance of the links between beliefs about security and institutions needed to provide it, this chapter does three things. It begins by defining the scope of our concern with European security issues. It then turns to an assessment of the conditions in Europe that increase or decrease the odds of peace from each of three theoretical perspectives on the causes of war. Two of the theories focus on international conditions: the structural realist view sees internal economic competition, international economic crisis (such as a worldwide depression) and unstable power balances among states as causes of insecurity; liberal theories predict that international processes like economic interdependence can mitigate interstate violence. the third perspective focuses on domestic conditions and predicts that the rise of liberal political identities in Eastern Europe and the Soviet Union will create a foundation for peaceful state behavior. The concluding section looks at the role of existing and emerging multilateral European security institutions and how they are linked to these alternative arguments about the future of European security. It further lays out some criteria by which progress in securing the peace in Europe can be recognized.

### **Defining the scope of European Security issues**

Because security is an essentially contested concept,<sup>1</sup> the scope of this project requires definition. The essays here are concerned primarily with the phenomenon of war and with the threat, use, and control of military force, both within the expanded area that we call "Europe,"-- including the nations of Central East Europe, East Europe, and the states that were formerly part of the Soviet Union.<sup>2</sup> European security means a set of both global and regional conditions that reduce the odds of a European war or European involvement in international war.

There will, of course, be objections to this narrow definition of security. Military power is not the only means by which security can be assured. Security is threatened in ways that are more indirect and not easily countered by military force.<sup>3</sup> Indeed, military force itself can be the most potent threat to security.<sup>4</sup> Uncertainty over boundaries and borders leads analysts and policy makers alike to view many cross-border challenges and risks as security threats. Peter Schulze's essay, here, for example, argues that the European security agenda should be opened to include ecological and social issues as well as economic, and human rights problems.

Most of these essays, however, base their analysis on more traditional security definitions. As Robert Art has persuasively argued, although military power guarantees neither survival nor prosperity, it is almost always the essential ingredient for both.<sup>5</sup> And although non-traditional security threats may indeed arise, the threat and use of force provide the heart of the security issue in international relations. Although the threat of environmental degradation and challenges posed by trans-boundary social problems, e.b. migration and drug traffic do indeed impinge upon our "security," they are unlikely to lead to interstate violence in Europe.<sup>6</sup> The papers here focus

on those issues likely to lead to war.

### Vulnerabilities and Threats

Following this admittedly narrow definition of security, then, this essay defines the scope of issues which might lead to interstate violence in Europe by making a distinction between vulnerabilities and threats.<sup>7</sup> The source of vulnerability can be found in one's capabilities in relation to the capabilities of others; the source of threats can be found in one's intentions toward others. In order to reduce threats, states attempt to affect the intentions of others; traditional means include the negotiation of treaties, like arms control or trade agreements. In order to reduce relative vulnerabilities, states must implement policies that expand their own military and industrial power, reduce the military and industrial power of others, and reduce their dependence on others.

This distinction is crucial for our efforts to forge a link between theories about the causes of war and policy prescriptions for peace. Those who focus on international causes disagree about the relative weight of threats and vulnerabilities. As we shall see in a moment, structural realists tend to focus on vulnerability and vulnerability reduction as the central security concern in Europe; they believe that states will enhance their capabilities to reduce vulnerabilities, and that they are constantly in the process of measuring the capabilities of others; indeed, war boils down to a dispute about that measurement. They further argue that states care more about relative than absolute gains of interaction, because the state who gains more will be the more powerful. Peace is thus best preserved by balancing power among states or clarifying unequal power relationships.

Liberals look to a set of processes and institutions that shape intentions to reduce the threat of war, despite a potential lack of clarity about power positions or vast differences in power. For example, the United States is a much more powerful state than Mexico or Canada, but the processes and institutions structuring their relationship reduce the threat of war between them.

Finally, those who examine the domestic causes of war and peace also look to the sources of threat rather than vulnerability. They argue that the nature of states and societies will determine the intensity of military threat. Peace can be preserved by international measures to shape societies in ways that foster and preserve peaceful intentions, no matter what the power balance among states might be. The European region in the post Cold War, post-Communist world offers the student of international relations a new set of conditions for determining the roles of vulnerability and threat, capabilities and intentions in setting the odds of international war and peace.

### Dissolving and Contested Boundaries

Despite the traditional framework within which we analyze security in this volume, the European region as a "laboratory" for the study of the causes of war and peace suggests a shift in conditions underpinning traditional security studies: the territorial, ideological, and issue boundaries which both guarded and threatened national security are changing.<sup>8</sup> This has important consequences for the security function of the state. The responsibility to society for countering military threats to national security has been lodged in the state; Most studies of "security" take the "state" and its ability to protect its territorial borders as the central focus of analysis.

The triumph of the sovereignty norm among European states in the late nineteenth century led to an important condition for the protection of security. As the rules of diplomacy shifted from great power primacy to the juridical equality of all states, great and small, European states came to accept some limits on "maximizing" their power, particularly through the instrument of force. Respect for territorial boundaries provided a means by which threats of interstate violence could be minimized, even between those states whose ultimate goals conflict, or whose power capabilities were vastly unequal.

The Cold War overlaid these territorial boundaries with stiff ideological boundaries dividing Europe into two ideological camps ruled by two superpowers. These ideological boundaries shaped political identities within the two camps and defined each camp's perception of threat. Ironically, these boundaries protected security in Europe: they provided certainty about the sources of threat and permitted states to take clear measures to prevent vulnerability. They were inherently unstable and bound to disintegrate, but they provided a kind of certainty that no longer exists in Europe.

Now these ideological boundaries have disappeared. And in Europe's post-Communist region, territorial boundaries are contested. Furthermore, as the EC moves toward economic and political union, territorial boundaries in the West have become increasingly permeable. The consequence is the most important challenge to state sovereignty since it was secured in Europe in the 19th century. A challenge to state sovereignty is a challenge state's ability to provide national security. Several essays in this volume examine two kinds of boundary changes posing that challenge: international economic interdependence and internal political challenges to the state's legitimacy.

Forces of international economic interdependence challenge state sovereignty by virtue of the fact that transnational actors ignore boundaries, international institutions usurp traditional economic functions of the state, and the globalization of production and exchange provides an environment in which other states control resources required for one state's security. Barry Eichengreen's essay here looks carefully at some of these effects on state sovereignty provided by European economic integration. He argues that each of the attributes of sovereignty--the right to determine economic policies, the right to regulate what crosses borders, and the right to issue and regulate the supply of money--have all been or will be renounced to some extent in Western Europe. The transfer of these rights to the EC reduces the sovereignty of member states, thus reducing their ability to provide security to their societies. Therefore Western European states will also seek security arrangements at the Community level. If the forces of international economic interdependence tend to reduce the capabilities of the state to provide security, then we may see the emergence of multilateral institutions as the chief guardians of the state's "national" security, and the disappearance of the institution of "neutrality" in Europe. Peter Schulze's essay looks at this issue of a "European defense identity" in depth.

The second challenge to sovereignty is illustrated by the Yugoslav civil war. Rigid Cold War ideological boundaries provided the illusion of state sovereignty over divided nations, and those states were able to keep domestic peace. The Yugoslav civil war shows that with the removal of those ideological boundaries, states under former Soviet domination may now be challenged by internal forces seeking "national" self-defense for separate ethnic groups within multi-ethnic states. It goes without saying that this challenge undermines the state's ability to define national security and protect society from war.

The fate of the former Soviet republics may point to a similar weakening of sovereignty. Except for Armenia, Georgia, and the Baltic states, divided nations lived within territory administered by "states" that were actually created by the Soviet communist party to keep a lid on both nationalist upheaval and on Islamic fundamentalism. With the removal of Communist party domination, the region may be beset with domestic struggles over the control of sovereign rights. The odds that these struggles will spill over into the international arena are highest when persecuted minorities have strong bonds to other nation-states. Bulgaria, Albania, and Hungary all have populations within Yugoslav territory. Similarly, the former Soviet Union leaves substantial national minorities outside their homelands. Strife-torn states are vulnerable to foreign intervention, thus increasing the odds that civil wars will lead to international violence.

In sum, economic forces appear to be challenging the sovereign state's ability to provide security in Western Europe, leading many political elites to seek a "European defense identity" and multilateral means to protect "national security." And the political challenges to sovereignty from below in the East increase the odds of war in Europe, calling for a multilateral solution to security problems. As we shall see below, however, this may not be possible without common liberal definitions of political identity throughout Europe. Although both international economic and domestic political forces challenge our concept of "national security," their impact on European security will be assessed differently, depending on the theoretical perspective of the analyst.

### **Three theories of war and peace in Europe**

Three broad schools of thought dominate the debate about the odds of interstate violence

in Europe and the institutions necessary to prevent it. The first is the structural realist view which takes the most radical stance by ignoring the weakening of sovereignty. This view sees the causes of war and peace arising from the distribution of state power in an anarchic international system. An alternative "liberal" perspective focuses less on anarchy and power and more on "processes" and institutions emerging at the international level to attenuate power relationships, promote common interests, and lead to peace. A third perspective sees both the causes of war and peace arising from forces within domestic society which nurture peaceful international behavior or push toward violent interstate conflict.

### **Structural realism and the Threat of War**

The essence of the structural realist perspective is that the international system is an anarchic one in which states--the unit and focus of analysis-- must amass power in order to protect their societies and to survive. International anarchy produces a "self-help" system in which there is no central authority over states to ensure peace among them and collective security is difficult if not impossible to achieve. Wars occur because there is nothing to prevent them.<sup>9</sup> It is the distribution of power among states in an anarchic system which is the best predictor of the odds of violent conflict.

Although there has been a debate among students of international relations over the stability of bipolar vs. multipolar international systems, prominent scholars point to the international system which emerged after World War II as evidence that a bipolar distribution of power among states is more peaceful than a multipolar distribution of power.<sup>10</sup> John Mearsheimer used this argument to predict that with the retreat of the U.S. from Europe and the

decline of Soviet power, Europe would again become part of a multipolar system in which the odds of war would increase.<sup>11</sup>

The argument can be stated in the following way: If war is a dispute over the measurement of power among states, power positions are most clear in the immediate aftermath of war; thus it is when the guns fall silent that there is the most certainty about power positions. And that certainty brings peace to the environment.<sup>12</sup> In a multipolar system, however, this clarity disappears over time, as power positions shift among many states. Under the Concert of Europe after 1815, for example, clarity was assured for a period after the Napoleonic Wars, but disintegrated after 1870 as Prussia increased its power position at the expense of Britain and France.

Under a bipolar distribution of international power like the one Europe experienced after World War II, the relative disparity in power between the two great powers and others in the system and the relative equality of power between them meant that they had only to look to one another as a source of threat to their security. Clarity was thus relatively easy to achieve. Bipolar stability was bolstered by nuclear deterrence, and the clarity that bipolarity and mutual deterrence offered made arms control agreements easier to reach.<sup>13</sup> Smaller states, anchored in alliances with the two superpowers, were protected from conflicts with each other and protected from the rival alliance. In multipolar systems, power positions are less clear and uncertainty is high about the source of the next conflict.

Furthermore, a multipolar distribution of power has many more potential conflict situations than a bipolar one. For example, small states are not protected from one another; nor are they protected from larger ones. Therefore, arms racing increases and alliances shift and

overlap as relative power calculations change, further increasing uncertainty.

Interwar Europe provides a good illustration. Some small states joined together in the Little Entente and overlapped in the Balkan Pact. Germany and the Soviet Union signed the Treaty of Rapallo and the Molotov-Ribbentrop Pact, and smaller states tried to sign pacts with both Eastern and Western great powers in order to prevent conflict between them from spilling over onto their territories. The Locarno Treaties represented an attempt to recreate the Concert of Europe and the League of Nations attempted to institute a collective security system in Europe; these overlapping arrangements, however, though they did not cause World War II did nothing to prevent it.<sup>14</sup>

These kind of shifting, ad hoc alliances may discourage any one state from seeking hegemony in Europe, but they breed instability, because they foster suspicion, encourage double-crossing, prevent the building of regional consensus. Structural realists argue that these consequences mean we can expect more conflict in a multipolar Europe than in a bipolar Europe.

#### Central East Europe's Response to the new Multipolarity

The end of the Cold War ended the age of bipolarity in Europe. Jane Sharp's contribution to this volume describes the effects of bipolarity's end on military relationships in Central East Europe. Her evidence suggests that the onset of multipolarity will have destabilizing consequences. Structural realist theory predicts that bipolarity's end would trigger a scramble for various overlapping alliances and bilateral treaties to counter uncertainties and risks and to provide protection and assurances against domination by stronger powers. Sharp argues that in the aftermath of the Cold War, Central European states immediately feared German economic

and cultural absorption; these fears were exacerbated when Germany broke from a common EC policy and unilaterally moved to recognize Slovenia and Croatia as Yugoslavia broke into civil war in the summer of 1991. These smaller countries also feared uncertainties about their fate in the shadow of a dying Soviet Union.

What was the response? By the end of 1991, cooperation among Central East European states to counter these risks was minimal--although evident in their intention to hold jointly to the Conventional Forces in Europe (CFE) treaty. Many political elites in Central East Europe had hoped that the CSCE would become a pan-european security institution that would bring East Europeans into "Europe." But the initial lack of a CSCE response to Soviet military action in the Baltics and the Yugoslav crisis did not inspire confidence in that emerging institution.

Poland, Hungary, and Czechoslovakia also requested membership in NATO. Ivan Tyulin's essay in this volume, written from a former "Soviet" perspective, views this prospect as a double-edged sword. On the one hand, he argues that

should offer security guarantees to the "emerging democracies," but on the other he warns that NATO must unambiguously renounce the extension of its military activities to the East, so as not to provide fuel for conservative forces in Russia and in the former Soviet military who might use the renewed Western threat to increase their domestic political power.

Could NATO be the institution to secure the peace in Europe? Could it accept new members from the East and counteract the emergence of the overlapping and unstable arrangements that Sharp describes? As 1992 opened, however, NATO was in the midst of an

identity crisis and its members were initially reluctant to extend territorial guarantees further eastward at the same time that they were thinning out their forces on the former front line and beginning to create a multinational rapid reaction corps to deal with new uncertainties and risks that might arise outside the defense area. At its summit meeting in Rome in late 1991, the most its leaders could do was to urge the creation of a new council enabling former Warsaw Pact countries and the Baltic states to consult with NATO.<sup>15</sup>

Central Europeans also approached the West European Union, hoping that association would bring them closer to EC membership. But those hopes, too, were dimmed. Poland joined Hungary, Czechoslovakia, Italy, Austria, and Yugoslavia "Hexagonale," to balance German economic power in central Europe.<sup>16</sup> Sharp's essay describes how these countries have begun to conclude overlapping bilateral agreements with individual former Soviet republics, with one another, and with France, Britain, and Germany. Her findings are remarkable consistent with the structural realist prediction and do not auger well for peace in Europe.

#### Economic sources of instability in a multipolar Europe

Above I argued that international economic interdependence undermines state sovereignty and thereby challenges the concept of national security. Structural realists elaborate on this argument, pointing to the problem of relative gains and new vulnerabilities under multipolarity. The relative gains problem and new vulnerabilities emerge when others control one's vital markets and when shaky states lose the ability to establish and enforce stable property rights. Realists argue that states react to economic interdependence and the challenge to sovereignty in ways that deplete security.

Under the bipolar distribution of power, economic interdependence between the two military blocs was low, while economic interdependence between western allies grew. As Barry Eichengreen's chapter reminds us, this was a direct result of America's containment policy. "Economic containment," a national security approach to U.S. foreign economic policy, became a central component of this strategy.<sup>17</sup> There was an implicit assumption behind this policy that international economic interdependence between rivals would undermine state sovereignty and national security.

The approach was two-pronged: First, relations with other industrial democracies were guided by liberal economic ideology, policies of economic "openness," and American leadership. A leader was needed to manage the interdependent system and bear a disproportionate share of the costs to maintain openness, whether to provide markets to stimulate exports or be a lender of last resort.<sup>18</sup> Open markets in democratic societies would nurture economic growth, vitiate internal communist movements, and build a bulwark against Soviet expansion. Economic interdependence among industrial democracies, under the hegemonic leadership of the U.S. "pole" in the bipolar system would lead to absolute gains for all allies--a requirement for unified strength to counter the Soviet threat.

Secondly, there would be an explicit denial of trade with the Soviet Union. Because the Soviet economy was geared to drive the Russian military machine and because Western exports to the Soviets would simply satisfy their thirst for power, East-West trade was thought to lead to the West's vulnerability. Economic interdependence with the adversary would lead to his gain and increase the vulnerability of the West. American leaders, then, formulated policies to increase the benefits of absolute gains from trade resulting from high interdependence among

Western democracies and reduce the costs of any relative gains the Soviets might achieve in economic interaction with the West.

The end of bipolarity and the decline of U.S. hegemony has changed those calculations as relative gains come to matter in economic relationships among Western states and between states in the western and eastern parts of Europe. Two central foreign economic policy questions have emerged in the aftermath of the Cold War: how will the fruits of economic interaction be divided, and who will gain more from the relationship? Answers to these questions are not immediately apparent; the relative and slow decline of U.S. economic power, the rapid rise of Japan, the sprint toward an integrated West European economy, and the development of markets in the former Soviet republics make calculations about changing economic power positions increasingly difficult, breeding mistrust and suspicion.<sup>19</sup>

Relative gains from interdependent economic relationships matter for national security for two reasons. The first is the increasing importance of industrial strength to military power. In the long run, the strength of a nation's military is a distillate of its industrial power. A superior economy can be rapidly converted into a stronger war machine. No modern state has been able to maintain a first-rate military capability with a declining industrial base.

Economic power, in turn, depends on technological excellence. And technological strength developed in commercial competition can quickly be adapted to bolster military capabilities to counter potential new threats. Therefore, those states who are more innovative are both more competitive in the international economy and can more readily achieve military superiority.

Secondly, just as states have come to rely increasingly on industrial strength and

commercial technology for military power, the factors of production have become increasingly mobile: corporations can easily move their bases of operation to lower-cost production areas; technology and information diffuse almost instantly across national boundaries; raw materials are rapidly transported from their source to production sites thousands of miles away.

What this means is that military power has increasingly come to rely on goods and services allocated by global commercial markets. Not only will the market increasingly allocate goods necessary for national security but those goods cannot necessarily be confined to home markets which states can control. Market forces create a specialization of production meaning that different firms around the globe occupy niches in the markets which supply the defense industrial base of any particular nation. Vernon and Kapstein argue that market forces will push most countries to rely on foreign technologies in order to maintain their own defense capabilities.<sup>20</sup>

An inability to control those global markets supplying goods to the defense industrial base can make the "home" state vulnerable in two ways. The first is the vulnerability of dependence. Theodore Moran argues that if the sources of supply to a state's defense industrial base are concentrated in too few hands, one state's national security becomes increasingly dependent on others. As the state becomes increasingly dependent upon resources outside its borders, its ability to act autonomously is threatened and its capacity to channel resources to its military through authoritative allocation is diminished.<sup>21</sup>

Michael Borrus and John Zysman make a second argument about the effects of globalization, beginning with the claim that it does not necessarily lead to the specialization of production based on efficiency criteria.<sup>22</sup> If disparities of wealth and/or technological prowess

pose new threats, states are likely to use their national capacities to exercise power in their economic relationships with other states. States in intense competition with one another will seek to manipulate markets to control the resources of others, increasing the odds that they will clash directly with one another in economic competition. Conflicts over economic issues can thus break out among interdependent states in a multipolar world. If national strength in the global economy is the basis of political power, trade frictions can be interpreted as security threats.

In this context, Barry Eichengreen's essay discusses some of the security motivations for European integration and the potential security threats that may result from European economic unity. In order to free themselves from dependence on the U.S., and revitalize their economic power, European nations saw the need to shed "excessive regulation" which created barriers to innovation. Economic integration was a means by which this deregulation could occur and an independent technological base could be created, in order to assure regional autonomy and independent action in an anarchic world. The threat, of course, is that with increasing economic and political integration, Europe may be emerging as a power 'bloc' in a multipolar world. And jointly exercised economic power and influence may be increasingly used to counter threats arising in Europe's global economic relationships. Because trade and security issues are tightly linked, especially in relations with the United States, trade conflicts will reduce incentives to cooperate on security issues.

Ironically, in addition to increased incentives for all actors to control markets to their own

advantage, another source of insecurity under conditions of economic interdependence in a multipolar world is the loss of market control by some states. Janice Thomson and Stephen Krasner have argued that the very basis for growing international interdependence has been the consolidation of state sovereignty in the international system.<sup>23</sup> This is because states with interdependent economies have been able to establish stable property rights; in fact, states have been the only actors capable of doing so. Stable property rights are essential for the growth of international interdependence because "without secure property rights, market activities would be constrained because of uncertainty about the possessor's right to sell the commodity and the threat to achieve transfers through force and coercion rather than voluntary exchange." Those states whose economies have become competitive, interdependent, and strong have established stable property rights on the basis of market rational economic behavior.

The rapid changes in state power and legitimacy in the former Soviet Union and in Eastern Europe at the end of the Cold War, however, have triggered massive insecurity over the regulation and control of property rights, leading to increased vulnerability for trading partners. For example, the "threat" of a powerful Soviet Union cutting off energy supplies to the West in order to harm Western economies or manipulate Western politics under the bipolar system has now virtually disappeared. But the disintegration of the Soviet state and the inability of new authorities to establish stable property rights made the West and Eastern Europe vulnerable to energy supply cutoffs, no matter what the intention. 90 per cent of all "Soviet" oil is produced in Russia, and the former Soviet Union was the biggest world oil producer. In late 1991, Russia announced a ban on oil exports. The reasons for the cutoff were clearly not tied to the "threats" the West perceived throughout the Cold War period. The ban simply reflected declining

production capability and was part of an internal struggle within Russia between the state and private actors over the control of exports.<sup>24</sup> The ban illustrates the West's new potential vulnerability to a supply cutoff despite the disappearance of the Cold War threat.

Further economic signs of multipolar instability also appeared in economic relations. Those states who were heavy arms exporters found it difficult to convert their industries to civilian production with the threat of high unemployment looming over their heads. They thus continued to export weapons to dangerous Third World states. Hungary sold weapons to Croatia, fueling the Yugoslav civil war. In addition, uncertainty over control of economic forces and the disintegration of the Soviet state began to force thousands of Soviet scientists trained in building nuclear and chemical weapons to sell their expertise to states like North Korea or Iraq.<sup>25</sup>

Stephen Krasner's essay here assesses some of these issues affecting Europe's economic security in this new global environment. He argues that in a multipolar system, economic security will be a function of the size of a state's economy, the degree to which its markets are developed, and the stability of its political institutions. Even large West European states with highly developed markets, and the smaller states with robust political institutions will be vulnerable to economic collapse in an international economy devoid of hegemonic leadership. Nonetheless, since the onset of American hegemonic decline, they have generally been able to absorb external shocks to their economies and "their economic security has not yet been jeopardized by the loss of American power and leadership." Furthermore, because their economies are too locked together, they are unlikely to be targets of economic pressure or market control from each other.

Again, it is the Central European states who will be most vulnerable to both economic

shocks and external pressure. They are more dependent on their trading partners than their partners are on them, and in particular, Germany will be in a position to exercise considerable economic leverage over them. Nonetheless, even if Germany were to try to exercise malevolent economic leverage, it is likely to be countered by the United States and Russia or other large former Soviet republics.

### Realism and the role of international institutions in creating peace

Krasner thus recognizes new vulnerabilities which face European states with the demise of bipolarity and he takes a stark realist position when he recommends balance of power solutions to Central Europe's potential security problems; nonetheless, like others in this volume, he believes that there is a rational basis for states as self-interested actors to create institutions that can foster cooperation and keep the peace in a multipolar Europe.

Hard core realists like Mearscheimer have argued that under international anarchy and a multipolar distribution of power, where relative gains matter more than absolute gains, states have little incentive to trust others in cooperative regimes when it comes to their own survival; they would rather go it alone.<sup>26</sup> More to the realist point, they will join alliances to balance the power of their adversaries or potential adversaries, but they will not institutionalize security arrangements with those potential opponents. From the "hard" realist perspective,<sup>27</sup> if institutions joining opponents are built, they will be weak and ineffective. Witness the record of the League of Nations and even the United Nations. We can therefore expect institutions that join, for example, Hungary and Romania, Bulgaria and Turkey, Ukraine and Moldavia, Moldavia and Romania, or Armenia and Azerbaijan to be weak indeed.

Krasner's article represents a "softer" realist perspective<sup>28</sup> that recognizes a role for security institutions (as opposed to alliances) under anarchy. These institutions do not have to transform states' interests to make them peace-loving rather than security-seeking; they simply have to establish the incentive for self-interested states to cooperate in the pursuit of peace by assuring them that others will do the same. Indeed, the institution of the international treaty has served this function for centuries.<sup>29</sup> Institutions can provide the necessary transparency and information to reduce the suspicions associated with multipolarity; they can raise the costs of defection, and they can link issues in ways that lead to agreement.<sup>30</sup> It is from this perspective that Krasner suggests, for example, that if Germany is the potential economic security threat to Eastern Europe, then Germany's membership in the EC and in liberal multilateral trade regimes will mitigate that threat. Indeed, for Krasner, institutions are more important in securing Europe's economic security than power balances.

### **Liberal views of the Prospects for European Peace: International Processes and Institutions**

Liberal theories look to processes among states and international institutions which shape the definition of states' self-interest in ways that can reduce threats and thus lead to peace, despite the distribution of power in an anarchic international system. Some of these processes that have been discussed extensively in this literature are complex learning, "cognitive evolution," elite socialization, or movement toward restraint, obligation, and empathy in states' behavior as they recognize their interdependencies.<sup>31</sup>

Institutions can be created which codify this redefinition of interests in ways that reduce

threats and reinforce the processes that can attenuate the effects of anarchy, mute a concern with relative gains and power positions and can lead to peace. Within this approach, the system has an effect on states' interests--a deeper effect than on behavior. If the approach is correct, it's powerful, because international processes can transform bad states into good ones--that is, overcome second image causes of war.

One way to understand how processes might overwhelm power as an explanatory factor in the debate over the sources of war and peace in Europe is to look at the changing definition of security in European societies and among political elites during the last stage of the Cold War. With the placement of Pershing missiles in Europe, fierce debates over new definitions of "security" began to cast doubt on NATO's original organization and purpose and the role that nuclear weapons played in Europe. Many argued that traditional concepts of security were too narrow, lending themselves to an overly military interpretation of the requirements for peace. The Cold War concept of security meant "containing" an inherently aggressive Soviet Union and deterring any incentive it might have to invade Western Europe. It was a unilateral notion of security which prescribed one-sided efforts to maintain or restore superiority in the balance of forces.

In the early 1980s, a movement had begun to replace this military notions of security with the idea of *common security*. In 1982, the Independent Commission on Disarmament and Security Issues (the Palme Commission) published a report entitled Common Security which argued that in a nuclear age, the old notion of security was no longer possible or feasible. It suggested that with the survival of all countries at stake, a reduction of tensions and mutual efforts toward security were essential in Europe. Security could not be achieved through national

defense efforts; nor could it be achieved through opposing alliances. The idea of common security implied the reduction of military forces throughout Europe. The idea was a powerful one which influenced both mass publics and political elites alike.<sup>32</sup> It was mirrored in and given more power by Gorbachev's "New Thinking," which let go of the idea that there was an inherent conflict between socialism and capitalism and argued that cooperation between the Soviet Union and the West was the surest way to security.<sup>33</sup>

How were these new definitions of security emerging in the Soviet Union and among significant West European elites in the 1980s diffused and reinforced? I mention only a few of the ways here: the Helsinki process which codified sovereignty, non-intervention, and human rights norms, the Stockholm Agreement of 1986 in which measures to reduce surprise attack in Europe were codified, confidence-building measures embedded in arms-control agreements like the INF and the CFE treaties, NATO's move toward less aggressive force postures, the decision to delay modernization of the Lance missile, and unprecedented Soviet troop withdrawals from Europe.

Through this process of redefining security, European states with ideologically opposed regimes began to change the frame of reference by which they planned for their own security; increasingly, intentions began to matter and affect how states managed their capabilities; absolute gains through arms control agreements became important; the reduction of threats had an important impact on perceptions of vulnerability.

The process singled out for discussion in this volume is that of international economic interdependence. From the liberal perspective, economic interdependence does not only create

vulnerabilities by changing the economic capabilities of states, as structural realists have argued; it affects intentions by reducing threats among interdependent states. The more that threats are reduced, the more absolute, rather than relative gains matter. The more that absolute gains matter, the more peace is produced.

There are three ways in which interdependence can reduce military threats. First, in Power and Interdependence, Keohane and Nye argued that economic interdependence among advanced industrial states can enhance security directly by reducing their incentives to use of force against one another in settling their disputes.<sup>34</sup> Richard Rosecrance elaborates on this argument in his essay here and argues that because all advanced industrial nations have "stakes" in each others economies, none can afford to threaten the others militarily. This means that the likelihood of a "Fortress Europe" and trade wars among industrial powers is low.

Secondly, because the terms of interdependence may favor one nation over another, interdependence can spark new conflicts, not possible among states who remain aloof from one another. But to reduce those conflicts, states have institutionalized their interdependencies in international regimes. The rules and procedures of those regimes enforce the norm of reciprocity and ensure a convergence of expectations which can lead to compromise. Mediated through international regimes, interdependence reduces threats to national security from economic partners by reducing their incentives to translate power into military threats. This was the argument for increasing economic interdependence with the Soviet Union in the early days of detente. It is an argument supported by the Western Europe's evolution from bloody balance of power politics to the halting but relatively peaceful regional integration of the European Community.

A third argument focuses on the trend toward the globalization of production and exchange. As structural realists argue, "globalization" increases competition among states for wealth and power. But at the same time it shifts economic priorities in ways that can reduce traditional threats to national security.

How is this possible? Heightened economic competition among states emerges under conditions of globalization as they search for ways to ensure that innovative activity takes place on their territory and not on someone else's. Because an open international economy and the institutions that bolster it foster global production and exchange, if national firms are not competitive internationally, the societies in which they are based will grow poorer because capital moves elsewhere in search of efficient production. To enhance their own power, states seek to ensure that wealth-generating production stays within their territory.

There is a growing debate about the sources of national competitiveness in the international economy, but most analysts agree that those nations which have a skilled workforce, and are capable of rapid technological innovation to adapt to new market opportunities and make production more efficient, will be the most competitive internationally. Technological advance is crucial to a state's successful participation in an interdependent international economy.

As a consequence, there has been an important shift in economic priorities among industrialized nations. The foundation of a state's economic strength and ability to compete internationally is no longer sought in the promotion of heavy industries which depend on relatively simple technology and a large unskilled labor force. It is sought instead in knowledge-based production which relies on a cadre of highly trained engineers and a smaller,

technologically sophisticated production workforce in all sectors of the economy. A country's ability to compete internationally lies in its capacity to absorb new technologies into the production process in all sectors and apply them efficiently. Other factor endowments like raw materials and cheap labor are less important in creating competitive advantage and determining the total cost of production.<sup>35</sup>

This shift in economic priorities can enhance national security by reducing threats in a way not previously discussed in the interdependence literature. In the past, incentives to engage in military aggression often derived from opportunities to extract wealth from others in the form of land, raw materials, or industrial capability. Nowadays, more territory may not add to economic power, but innovative technology certainly does.<sup>36</sup> High technology industries would be of little use to a conqueror without the expertise to exploit them, or without the cooperation of the local population. With some important and notable exceptions, territorial aggression for economic gain is increasingly less frequent.<sup>37</sup>

Alexie Arbatov's essay here argues that this process will be the determining one in explaining the future relationships among the states of the former Soviet Union. These economic relationships will be the basis for cooperation in defense, political, and social issues; indeed, based on economic interdependence among these countries, Arbatov sees a relatively peaceful transition in the wake of the demise of the central Soviet state.

Economic interdependence is not the only process which acts on intentions to reduce threats. Adler's essay here, for example, discusses how processes of negotiation, bargaining, and institution building among political elites can socialize political actors and create bonds which reduce incentives to engage in violent conflict. Nonetheless, for Adler--and for other

contributors discussed in the following section--the original causes of international security and insecurity lie within domestic politics and society. It is thus to this domestic level of analysis that the discussion now turns.

### **Domestic Sources of War and Peace**

International relations theorists generally agree that there is insufficient evidence to determine whether the particular distribution of power in the state system is a decisive force for war or peace. And the process of interdependence can lead to war if state actors believe that it increases their vulnerabilities more than it reduces their threats. Furthermore, many claim that whether a particular distribution of power or a particular set of international processes will lead to peace or war is highly dependent on the individual characteristics of the states and societies in the system, on their policies and preferences; it is these individual characteristics which determine whether their relations with one another will be peaceful or violent.

From this perspective it is how societies define their political identity that provides the central explanation for war and peace. How political identity is worked out in the domestic arena will determine how political elites view their role in the international order. Some states can define their identities in ways that lead political elites to overturn the international order by secession, irredentism or aggression; others can define their identities in ways that lead elites to cooperate with others to maintain international order. Those states whose political identity is contested invite intervention from opposing forces who want to shape that identity.

Cold War boundaries clearly defined political identity in each camp on the basis of opposing political ideologies and in ways that closed off all interaction with the adversary,

thereby contributing to a peaceful if not cooperative environment. Neither camp was particularly tolerant of the other's ideological identity; nonetheless both respected the boundaries that kept them from conflict.

Now the definition of political identity, particularly in former Communist countries, is up for grabs: And some argue that Germany's new sovereignty will permit a new definition of political identity that may be more aggressive. In some areas like Yugoslavia and the former Soviet Union, political identity is contested by violent means; in other areas it is not clear whether political identity will be formed along ethnic, territorial, or ideological lines.<sup>38</sup> The essays in this volume that pitch their analysis at the domestic level implicitly argue that both whether a political identity emerges in the wake of disappearing ideological boundaries and the content of that identity will determine the odds of war and peace in Europe. As 1992 opened, the contest for political identity could best be characterized as a struggle for "ethnic" dominance or "liberal ideological" dominance over populations within (often disputed) territorial boundaries.<sup>39</sup> The assumption that undergirds the bulk of the essays here is that liberal ideology must be victorious in that contest for peace to be assured. Liberal ideology will be the basis for the creation of political institutions that create channels of legitimate action in which the losers of political battles accept the political authority of the winners.

Liberal ideology creates a commitment to means rather than ends of political debate and thus creates a commitment to a legitimate political process rather than to specific individual leaders. Liberalism rationalizes society by introducing contractual relations, procedural rules, individual rights, civil liberties, pluralism, secular society, social, political, and religious tolerance, and the fragmentation of political power. Liberals want social and ethnic integration in

single civil societies.

"Ethnics," on the other hand, espouse values of collective exclusivity; they oppose diversity, and political identity is based not on a commitment to impersonal processes but on separate and bounded cultural characteristics defined in opposition to the "other." Ethnic identity coalesces around race, religion, language, or a combination of these factors in opposition to other races, religions, or languages. "Ethnic" definitions of political identity do not accept minority rights within the political arena they wish to define and do not accept the legitimacy of opposing groups in power. They will therefore engage in violent conflict to achieve their own ends of political power or engage in territorial aggression to reclaim land populated by their ethnic kinsmen.

Liberals, on the other hand, will be more likely to insist on adherence to procedural rules for settlements of conflicts between divided nationalities and among themselves. Liberals in different states can, as Adler suggests, form a "we" feeling that can provide the basis for an international community and a sense of moral solidarity. The very basis of ethnic identity, however, precludes the creation of this "we feeling" or a moral community, and when irredentist claims are at stake, it will be difficult for states with rival ethnic identities to agree on what constitutes an acceptable international order.

According to this logic, the odds of war increase when different ethnic groups compete for political dominance over territory, when ethnics compete with liberals for political power, and when liberalism as the ideological definer of political identity is defeated. The odds of peace increase when liberalism triumphs because liberals can more easily agree on a common set of procedures to resolve disputes, a set of common values, and compatible policy preferences. The

discussion now turns to an assessment of these arguments and their power to explain recent events in the European political arena.

### Contested Identities

Before the revolutions of 1989, Communist ideology defined the identities of Yugoslavia and the Soviet Union. Its death in these multi-ethnic states has meant the emergence of a struggle over the content of political identity within a given territorial space. In Yugoslavia, in the period since Tito's death in 1980, the power of the central government eroded; Communist political elites in the republics seized as much political control as they could, using ideological definitions of political identity to repress "other" ethnic groups in their regions. The demise of communist ideology meant that ethnic identities would compete, and that it would be difficult for liberal ideology to define the region's political identity.

Slovenia and Croatia were historically the wealthiest republics, earning most of Yugoslavia's hard currency. A common "western" tradition meant that there was little animosity between these two regions. But Serbia, a poorer southern region, with a less educated population and a tradition of ethnic solidarity, sought more federal control in order to transfer wealth from the northern region to the south, leading to increasing tension between the Serbia and the other two regions.<sup>40</sup> Serbian nationalist ideology called for both a "greater Serbia" and a Serb-dominated Yugoslavia.

Serbia initially opposed liberal reforms at the federal level in the wake of the 1989 revolutions throughout Eastern Europe, leading Slovenia and Croatia to seek independence, both to escape the financial burden of membership in the federation and to pursue democratic and

market-oriented reforms. While Slovenia, which lacked a significant Serbian minority, quickly obtained de facto independence, Croatia, with a well-armed Serbian minority struggled with Serbia for both independence and territory. Serbian officials claimed that they would not fight Croatian independence as long as Croatia would redraw its boundaries to bring all Serbs under one government. This would reduce Croatia to 60 percent of its size, a proposal Croatian officials would not consider.<sup>41</sup> And the dominant Croatian Democratic Union (HDZ) espoused increasingly nationalist sentiments with clear statements of anti-Serbian racism.

Political identity in Yugoslavia is violently contested, and the battle for identity has been transformed into a battle over rival ethnic definitions of identity within contested territory. In addition, all conflicting political elites push toward increasingly virulent ethnic identities which conveniently distract populations from economic crisis. What is clear is that the central state can no longer protect the security of society. And the fear is that contested identities within territories invite international intervention, increasing the odds of widening the war. Clearly the Yugoslav case supports the hypothesis that contested identities increase the odds of violent conflict.

The Yugoslav crisis, however, does not support the case that these kinds of conflicts are likely to spread as a result of wider territorial claims or foreign intervention. As 1992 opened it became certain that no other East European countries would use their national militaries to intervene in the crisis. As Jane Sharp's essay suggests, the armies of Eastern Europe are not equipped to engage in external conflict; with the exception of Bulgaria and Romania they have all taken steps to reduce their ground forces, and even these two countries are prepared only to mount a conventional defense, and growing equipment and maintenance problems are likely to make any defense ineffective.

And unlike the pre 1914 situation in Europe, no animosities in West European states can be inflamed by a breakup in the Balkans. In 1914 Croatia and Slovenia were drawing away from Austria and the West, not toward it like they are in 1992. Nonetheless, as Van Evera's essay points out, West European countries have proven that they are sensitive to pressures from ethnic groups from particular regions in forming their policies. 700,000 ethnic Croats live in Germany, and 200,000 of these are voting citizens. They were highly active in lobbying the Bonn government to recognize Croatia, and were decisive in shaping the German government's tilt toward recognizing Croatia, even when other EC members pushed for continued support of the central Yugoslav state.<sup>42</sup>

What we can expect, as a more immediate source of conflict, however is a "demonstration effect" in which ethnic groups throughout Europe and the former Soviet Union are encouraged in their separatist tendencies. And ethnic separatism can become a potent force to unite populations against governments who fail to provide for economic welfare.

Of course the next arena in which the drama of contested identities will be played out is the former Soviet Union. Steve Van Evera argues that "the newly-freed states now find themselves thrown together with no pre-existing agreements on their rights and responsibilities toward each other, or on the rule of the game that should govern their interactions." Assuming that if ethnic rather than liberal principles come to dominate political identity, and recognizing that many borders in the region lack legitimacy, he argues that bitter national conflicts can break out, made more dangerous by the intermingled distribution of the peoples of the region.

It is not clear, however, the extent to which the identity battle in the former Soviet Union will be between divergent ethnic identities. In Ukraine, regions heavily populated by Russian

minorities voted for Ukrainian independence along with the Ukrainian population indicating more liberal tendencies uniting different ethnic groups and a preference among those groups for national independence over ethnic dominance. And ethnic Poles in Lithuania supported Lithuanian independence along with ethnic Lithuanians because they felt that they shared a set of religious and anti-communist values. On the other hand, Russians and Ukrainians in Moldavia protested independence for that republic, fearing that an independent Moldavia would not respect minority rights. And the Turkic-speaking Gagauz minority declared its ethnic independence within the Moldavian state.<sup>43</sup>

#### The defeat of liberalism and the rise of aggressive states

Contested identities can raise the odds of violence within states; the emergence of decisively non-liberal identities can lead to states' aggressive behavior, particularly if the content of that identity justifies expansionism and militarism. Below I discuss the prospects for liberalism's triumph in Eastern Europe and the former Soviet Union; here I briefly look at the possibility of the emergence of aggressive states. In this volume, this question focuses on Germany.

Looking at the history of European war in the 20th century, three essays in this volume examine the potential for Germany to emerge again as an aggressor. Steve Van Evera argues that the dramatic transformation of German society since 1945 has removed that possibility. Social leveling and the firm establishment of democratic institutions have dissipated the hypernationalism and militarism that led to previous German aggression, and the nuclear revolution has made available to Germany weapons of absolute security if Germany faces a

serious threat.

Dieter Dettke's essay adds to this list by underscoring the importance of Germany's membership in Western multilateral institutions; firmly tied to the EC, Germany signals its commitment to international cooperation based on liberal principles. By tracing the historical evolution of German foreign policy, Crawford and Halfmann show how this commitment -- though imposed by Germany's security dependence on the United States--took root among the political elite across the political spectrum and continued after that dependence waned. The historical evidence also suggests that Germany's commitment to Western institutions and its historic interest in drawing closer to the East will shape Germany's diplomatic position in ways that will lead Germany to support multilateral security institutions that include both East and West Europe and Russia as well. Furthermore, they argue that contrary to becoming an aggressor state, the fragmentation of the German party system, the lack of a sense of "mission" in the world combined with the entrenched commitment to multilateralism will lead Germany to refrain from acquiring the capabilities that would enable it to become a global military power. Others dispute this argument by suggesting that Germany is simply using multilateral means and the appearance of striving for consensus within the Western community to pursue a purposive strategy of domination.<sup>44</sup>

Although each of these essays seems to lay to rest the problem of aggressive states in Western Europe, they all overlook the issue discussed at the outset of this essay: the disappearance of firm boundaries has created a source of insecurity within Western Europe which has been expressed in rising xenophobia, violence against immigrants, and the growing strength of right-wing nationalist parties.

For example, the EC Commission calculates that by the year 2000 Arab countries will have a hundred million people more than they may be able to accommodate in Arab countries, and that the answer will be migration to the Ec. There are now over four million Muslims in France and sixty million directly across the Mediterranean in North Africa. Fear of immigrants has led to a defection of working class voters from the French Socialist and Communist parties to the far-right national Front. These workers complain of job and wage competition from North African immigrants, who account for 20-30 percent of the population in urban industrial areas. Indeed, conservative parties in France have also lost supporters to the National Front. And in Germany, the beating and killing of refugees has raised international concern.<sup>45</sup>

#### Liberal identity as a condition for peaceful behavior

Essays by Van Evera and Adler in this volume make prescriptive arguments about the importance of liberal definitions of political identity within states as a condition for European peace. Although they disagree on the proper institutional embodiment of security cooperation in Europe, they agree that cooperation will be more robust among like-minded liberal states. Van Evera emphasizes that the adoption of market economic policies in the East will prevent beggar-thy-neighbor practices that lead to trade wars. He further makes a persuasive argument about the transparency of liberal institutions: open political discourse can provide an important critical and evaluative function for public policy. Liberal institutions and the autonomy of civil society from the state help avoid debased public discourse, political demagoguery, and the domination of propaganda purveyed by the government or private special interests.

Using the example of Western Europe, Adler argues that a community of like-minded

democracies can develop a "security community" because each can demonstrate its respect for the rule of law and human rights in its relations with others, and democratic mechanisms of peaceful conflict resolution can be used in relations with others. Political identity shaped by liberal ideology will create values which are shared and trusted by other liberal states, and common identities can emerge which form the basis for community.

This is less possible when democracies face other states whose political identities are not liberal. In that case, democracies may be compelled to resort to force, because the states with whom they interact will not respect more peaceful liberal principles. And a security community is probably not possible among states whose basis for political identity is ethnic-territorial; because there is no common ideology to unite them. Because each bases its identity on separateness, there will be little basis for mutual trust, and common values.

Valerie Bunce's essay here also points out that Communist ideology was also unable to create a solid basis for cooperation among states; CMEA and Warsaw Pact cooperation proved to be hollow, and as the Soviet Union withdrew, these institutions disintegrated, leaving isolated East European states in competition. Unlike the West, the Soviet bloc was fragmented, not integrated.

If Adler is correct, liberal democratic states have "solved" the security problem for Western Europe because they have created a security community. And common values unite Europe and the United States in this broader security framework. Not to worry, then, about the Atlantic partnership. If a community of like-minded liberal states can lead to peace, then the real focus of our concern for European security should be former Communist states' "transition to democracy."

Ken Jowitt provides two caveats to this scenario. First, he cautions that the "Leninist legacy" will continue to shape political identity in Eastern Europe, and that the transition to democracy is far from certain.<sup>46</sup> He argues that 40 years of Leninism created a "ghetto" political culture in which society is deeply suspicious of government, and people are distrustful of one another. Because rumor is the chief mode of discourse, Van Evera's requirement of evaluative political discourse is difficult, if not impossible. And the socio-economic division of labor in which the workplace doubled as the marketplace, often growing its own food and as the focus of social life enforced social isolation and prevented the creation of civil society.

Secondly, even if the Leninist legacy is overcome, liberalism may not take hold in the East (no matter how much the west pushes in this direction) and may be even be weakened in the west in the new post-Cold war, post-Communist, and post-Soviet environment. Jowitt argues that because it is incomplete and always contested, liberalism will generate challengers;<sup>47</sup> its focus on individualism, materialism, achievement, rationality, and impersonalism, leave out community, security, and heroism, all essential ingredients of political identity. And history has demonstrated that it has not been easy to sustain a liberal capitalist democratic constitution.

Valerie Bunce, however, presents convincing evidence that the Leninist legacy as well as ethnic definitions of political identity have been attenuated if not eliminated in many areas, and that liberal values are coming to dominate political life in much of Eastern Europe. She argues that the revolutions of 1989 were the culmination of a redistribution of power from state to society which began in the 1950s and that governments established in Hungary, Czechoslovakia, and Poland according to liberal principles are both stable and peace-loving. Indeed, domestic institutions show signs of being able to manage both economic difficulties and ethnic disputes.

Furthermore, she argues, among East European States there are increased political ties and signs of successful adjudication of cross-border ethnic disputes.

### **Policies and Institutions to Secure the Peace**

Structural realists would disagree with the wider implications of Bunce's analysis for European security. They would argue that bipolarity repressed rather than erased underlying historical disputes, which will now re-emerge. They further argue that the rising importance of both global industrial production and relative over absolute gains from trade mean that trade frictions will increasingly be interpreted as security threats; Soviet collapse further means a loss of market control in the East that threatens economic crisis.

The overwhelming majority of the authors in this volume, however, argue that much progress has occurred in Europe in the years since 1945, and policy makers can now build on growing interdependence and the triumph of liberalism to secure the peace. Even realists admit that although vulnerabilities persist, states will make commitments to multilateral security institutions to reduce threats.

Indeed, it is important to note here that the bipolar balance of power in Europe did not create a stable peace. Both NATO and the Warsaw Pact, as military alliances were institutional responses to a failed collective security experiment in the U.N. created in the aftermath of the Second World War. NATO had its origins in the failed aspirations of "internationalist" architects of the post-World War II global order. These post-war planners--whose beliefs in the causes of war arose from the painful experience of two wars that caught fire in Europe and spread throughout the world--had hoped to create a global collective security system in the new United

Nations organization. Collective security, they believed, with its slogan "one for all and all for one" would deter aggression wherever it occurred if all states promised to unite against the aggressor. Grounded in the belief that alliances contributed to war because they aroused suspicion and pulled many states into disputes among a few, collective security meant that all nations would automatically become allies in the case of an act of aggression.

This hope for a global collective security system was dashed, however, with the onset of the Cold War. Superpower conflict and veto power in the UN security council created gridlock on security matters; hopes for global collective security and a cooperative system among neighbors were dissolved into two rigid alliances in Europe, NATO and the Warsaw Pact, each of which tried to protect itself by maximizing its own power and military might. For forty years, the nuclear stalemate in Europe both prevented war and stopped either side from imposing its will on the other.

But this nuclear standoff came at great cost and had no guarantee of success. U.S. extended nuclear deterrence and NATO's nuclear doctrine raised the real threat of nuclear war. The threat that war could be caused by miscalculation was higher than the threat of Soviet aggression. The 1980s in Europe looked more like 1914 than 1939. If deterrence had broken down, Europe would have been destroyed.

Indeed, the Cold War persisted for 45 years because of the inability of World War II's winners to agree upon a security structure for Europe. The substitute for agreement was political and military stalemate that was stable as long as power positions remained fixed, but was never a satisfactory way to preserve the peace.

Under the peculiar logic of the Cold War the prospect of disintegration and chaos in the

Soviet Union represented a welcome scenario to many. It is an ironic twist of history that as the region is being integrated into Europe, turmoil and chaos in the former Soviet region can no longer be cheered but is now seen as a security threat.

Taken together, the essays in this volume argue that with the dissolution of the Warsaw Pact, the dramatic reduction of armaments (especially nuclear weapons) throughout Europe, and the dissolution of the Soviet empire, the world is faced with two central challenges: first, a Europe in which new sources of conflict are emerging that result from uncertainty over boundaries, and second, the reality that an agreement on an all-European security structure is both possible and necessary for the first time in 45 years. Our essays suggest that agreement must establish new boundaries, not necessarily based on the requirement of preserving the traditional territorial functions and sovereignty boundaries of the nation state. That agreement must be based on a redefined notion of security which evolved during the Cold War as a result of nuclear technology and a changing meaning of sovereignty. They must take into account new vulnerabilities and threats. Finally, those arrangements must institutionalize security commitments with potential opponents, not in conflict with them.

What are the most appropriate institutional arrangements to secure peace in Europe? Here the authors disagree. All of the essays in this volume suggest that the central factor affecting the stability of new European security arrangements will be the course of reform in former Communist regimes and that stability will vary with the robustness of liberalism in the East. They disagree, however, on which institutions would be the most appropriate to nurture liberal tendencies, especially in the East. While many argue that NATO should be scrapped, others suggest that it is the most appropriate institution upon which to build Europe's security

future. while some argue that the CSCE is the most appropriate European security institution, others suggest that it is too large to be an effective instrument of peace. While some claim that Europe should develop its won security identity; others claim that peace will not be stable without U.S. participation. It is to these debates that the discussion now turns.

### The case for preserving NATO

Under United States leadership, NATO members were protected both from the Soviet threat and from one another. Defense budgets could be initially low and West European states were free to pursue economic and social goals. There are three arguments for the preservation of NATO: First, Russia is likely to come back as a great power. If it revitalizes its economy, it will not only continue as a nuclear power but will have built the economic basis for renewed global influence. And the project of institutionalizing a liberal political identity may fail. If structural realists are correct, a weakly defended Europe would be open to future Russian domination.

Second, NATO must be preserved because "out of area" threats are likely to increase. Potential instabilities in the Persian Gulf, for example, can become a military threat to Europe. Even if such conflicts are contained, European energy resources become vulnerable, and conflict the Middle East can quickly become an economic threat to Europe. NATO is the most appropriate institution to reduce vulnerabilities.

Finally, it can be argued that United States nuclear guarantees within a revived NATO must continue because without them, a non-nuclear Germany would face a nuclear Russia. If the project of liberalization is successful, this is not a cause for alarm. But if it is not, such an

imbalance would push Germany to acquire nuclear weapons, greatly increasing the security threat within Europe. Indeed, it is widely argued that NATO must be preserved in order to harness German power and prevent Germany from acquiring weapons of mass destruction.

Peter Schulze suggests that while NATO might be an interim solution to Europe's security problems, the European continent's peaceful evolution depends on transcending the Cold War requirement for military alliances in Europe. If NATO persists as a military alliance, including the U.S. and excluding the East European states, it is likely to face problems of internal friction among its members and new kinds of instabilities in Eastern Europe.

First, there will be renewed disputes between the U.S. and Europe as the European allies gain an increasingly prominent voice in West European defense matters and as U.S. willingness and ability to pay for Europe's defense continues to decline. Such frictions were evident before the Cold War order crumbled. Differing European and American interests in NATO were patched over in the past because of U.S. dominance in the alliance. But as the U.S. retrenches, these differences may become irreconcilable, and Western Europe may establish a defense "fortress."<sup>48</sup> As Barry Eichengreen suggests, U.S.-Europe disputes on trade issues may exacerbate these conflicts.

Steve Weber, however, argues here that the solution to these problems is to revamp NATO in such a way that it is both an alliance and a security community. By security community, he means that states recognize that to enhance their interdependence, they must settle disputes peacefully and promise not to use force against one another. To do this they create institutions which embody liberal principles of transparency, information-sharing, and confidence-building. And they establish a set of liberal dispute settlement procedures. Weber

argues that because we do not know whether the structural realists or the liberals are correct in their predictions about the causes of war and peace in the new Europe, NATO must become an institution that can counter different kinds of threats. Furthermore, he does not believe that liberal states will "naturally" cooperate. Therefore, security institutions need to be need to be created which can meet both external threats and counter internal threats "from a member of the group itself which chooses to betray its friends and use force against them." NATO, he argues, is suited to both purposes.

Weber also believes that NATO is well suited to steer the East European liberalization effort. Although individual states can influence change in the East by persuasion, the West needs to enforce a more rigorous strategy of conditionality and linkage. Only NATO can coordinate linkage among Western states offering certain types of aid to Eastern Europe. Only NATO's supra-sovereign alliance structure can coordinate Western conditionality on economic aid for reduced East European military expenditures or weapons exports and avoid bargaining for better terms by East European actors.

Weber's essay raises the issue of Western intervention in the East to steer the course of change. Intervention normally violates the principles of self-determination and national sovereignty. And it is self-determination and sovereignty that Central and Eastern European countries have finally gained. Conditionality and issue linkage are common and accepted forms of intervention. But Weber's NATO as an alliance may be called on to intervene with military force in civil wars or other disputes in the struggling East. Under what conditions could such intervention be considered legitimate? Under what conditions would West Europeans be willing to sacrifice the lives of their young men in a conflict in Eastern Europe or the former Soviet

Union?

### The case for Collective Security

The alternative argument is that an alliance is a relic of the balance of power system of the past and is not suitable as the basis for a new European security community. For a new security system to be **stable**, that is, conducive to adjusting conflicting interests through diplomacy--it must be accepted as **legitimate** by all the major players. History suggests that peace settlements based on **compromise** are far more durable than those imposed on the losing side by the victors' preserving. It follows then that the creation of a new, truly European architecture is the central pillar of any strategy that seeks to integrate the East into Europe .

Following this logic, Europe's peace depends on the transition from alliances to collective security arrangements built on new concepts of common security, which link human rights with territorial guarantees, and provide a forum for further arms reductions in Europe.<sup>49</sup> Adler's "pluralistic security community" in Western Europe might provide a model. Security problems are minimal in Western Europe, even without U.S. protection. Among West European nations, common democratic values inhibit the use of force in their relations; the ideologies of democratic nations do not conflict, and it would be difficult for a European democracy to legitimate an act of war against another democracy. Entrenched democracies help protect minorities against human rights abuses. Although many abuses still persist, they are unlikely to lead to wider conflict in a stable democratic international order. In a pluralistic security community, defense expenditures can be low. Western Europe has a highly developed human rights regime. Economic growth, stability, and integration managed by the EC help prevent economic competition from spilling

over into military conflict. The CSCE is the most likely forum for the creation of a pluralistic security community for all of Europe. Promoting human rights, it played a vital role in encouraging the emergence of civil society in Eastern Europe, particularly in Czechoslovakia. And it has provided a framework for negotiations on conventional arms reductions in Europe.

Nonetheless, a pan-European collective security arrangement will have to deal with the following questions: To what extent should the right of self-determination for minorities be recognized? Should international institutions intervene in domestic conflicts to protect minority rights? Intervention--even to protect human rights-- generally violates the principles of self-determination and sovereignty, and it is self-determination and sovereignty that Central and Eastern European countries are attempting to regain. Under what conditions could such intervention be considered legitimate? How will the military forces of both East and West Europe be dealt with in a collective security system?

### Overlapping institutions

An alternative to one or the other type of institution would be the creation of overlapping security institutions which nurture those forces discussed throughout this volume that "produce" security and mitigate the forces that "deplete" it. Steve Weber's vision of NATO, for example, could provide for the external and internal defense of a group of European states to guard against the multiple source of threat found in a multipolar world. Together with a revived West European Union, it could guard against arms buildups which are likely to occur under multipolarity by continuing to provide a forum for arms control negotiations. And NATO could deter potential aggressor states and prevent the spread of conflict caused by contested identities in

multiethnic states.

The CSCE could serve as a dispute settlement mechanism in those contests, and it could establish and institutionalize liberal democratic norms protecting human rights and liberal principles of conflict resolution. To mitigate economic crisis as a source of conflict, aid to Eastern Europe could be carried out by NATO or the European Community, Political conditionality attached to that aid could serve as a force for further liberalization in the East. Commitment to all of these institutions and the division of labor among them will bolster cooperation in Europe and between the "new" Europe and the United States, mitigating trade conflicts as a security threat. This cooperation will permit diversity in European political culture but nurture economic interdependence among liberal and liberalizing states, further reducing incentives for violent conflict.

There are two objections to this suggestion for a division of labor in providing for an institutional solution to Europe's security requirements. First, the structural realist can argue that it is a signal of multipolarity's instability. Recall that in the interwar period, states entered into overlapping and sometimes clashing security arrangements in order to guard against multiple and uncertain threats. Those arrangements did nothing to prevent the outbreak of World War II. Because structural realists see multipolarity as a cause of war, overlapping institutions are viewed as a manifestation of that cause rather than a solution to it. Although the arrangements suggested here are different in their institutional structures and processes, they may still dissipate one another's energies.

Secondly, alliances, collective Security organizations, and institutions which promote "Common Security" may all embody mutually exclusive notions of "security. Can an alliance,

like NATO, which is organized to maintain a balance of power, organized to confront an enemy militarily, perform alternative functions and peacefully coexist with a collective security system in which all European states act together to renounce the use of force in their dealings with each other, creating dispute settlement mechanisms, with a common military force that would intervene to oppose an aggressor or still a conflict? An alliance among some members of a collective security system would only rouse suspicion among the others. We saw this throughout the cold war that institutions created to balance power separated blocs in such a way that stifled the development of institutions to protect "common security."

Nonetheless, given the shifting, contested, and disappearing boundaries in Europe, a set of overlapping arrangements to create a temporary set of issue and ideological boundaries is the best interim alternative. Security institutions are hypotheses about the causes of war; Multiple arrangements can be tested and repaired to bring about the most robust security environment. For example, if the European Community's efforts in Yugoslavia were unsuccessful, it was not because the EC is incapable of providing for conflict resolution; it simply may mean that the EC needs to devise a new set of instruments to perform this task. Or the task might be better handled by another organization.

According to the logic of overlapping institutions, those that mitigate the most potent causes of war in Europe will survive and those based on misplaced beliefs about war's causes will disappear. Security arrangements that leave out key players and key issues will have little enforcement capability, and those that include too many players will suffer from high information costs, problems of reaching agreement, and lack of control, rendering these arrangements ineffective. Those which constrain too much will disintegrate, and those that do

not constrain enough will be irrelevant. Presumably these institutions would fall by the wayside, while more effective institutions gain credibility.

What is essential to recognize is that a firm foundation for progress in European security has been achieved in the years since the end of World War II: there is little evidence that all of Europe has returned to 1914 or 1939 or that conditions in Europe are pushing in either of those directions. Now is the time to build institutions on the progress that has been achieved. Actions taken in the next few years will do much to determine the shape of the European security order for the next several decades.

1. Barry Buzan, People, States, and Fear (Boulder, Co.: Lynne Reiner Publishers, 2nd edition, 1991), p.7.
  
2. See Stephen M. Walt, "The Renaissance of Security Studies," International Studies Quarterly Vol. 35 No. 2 (June 1991), pp. 211-239, and Joseph S. Nye and Sean Lynn-Jones "International Security Studies: A Report of A Conference on the State of the Field," International Security Vol. 12 No. 4, pp. 5-27.
  
3. See, for example, arguments by Richard Ullman, "Redefining Security," International Security Vol. 8, No. 1 (Summer 1983), pp. 129-53, and Jessica Mathews, "Redefining Security," Foreign Affairs, Vol. 68, No. 2 (Spring 1989), pp. 162-177, and Lester Brown, World Without Borders (New York: Random House, 1972).
  
4. In the nuclear age, military force can even be seen as a threat to national security.
  
5. "To What Ends Military Power," International Security Vol. 4, No. 1 (Spring 1980), pp. 4-35.
  
6. Stephen M. Walt makes this point in "The Renaissance of Security Studies," p.213. It might actually be useful to consider these non-traditional problems as risks and challenges rather than threats; indeed military interests in the United States have attempted to couch drug problems in terms of military threats in order to enhance their role in the aftermath of the Cold War. For an excellent argument against translating environmental degradation into a national security threat see Daniel Deudney, "The Case Against Linking environmental Degradation and national Security," Millennium: Journal of International Studies Vol. 19, No. 3 (Winter 1990), pp. 461-476.
  
7. People, States, and Fear, pp. 112-116.
  
8. See Ken Jowitt, "A World Without Leninism," unpublished manuscript.
  
9. Kenneth N. Waltz, Man, the State, and War (New York: Columbia University Press, 1959), p.

232.

10. See Kenneth Waltz, "The Stability of a Bipolar World," Daedalus Vol. 93 (Summer, 1964), pp. 881-909, and Karl W. Deutsch, "Multipolar Power Systems and International Stability," World Politics Vol. 16, No. 2 (April 1964), pp. 390-406.

11. John J. Mearsheimer, "Back to the Future: Instability in Europe after the Cold War," International Security Vol. 15, No. 1 (Summer 1990), pp. 5-56.

12. This is the argument Geoffrey Blainey makes in his excellent book The Causes of War (New York: The Free Press, Third Edition, 1988).

13. Collective goods literature supports this claim with its demonstration that agreements are more stable in small groups than in large ones. See Mancur Olson, The Logic of Collective Action (Cambridge, Mass.: Harvard University Press, 1965).

14. The best discussion of alliances in this period can be found in Stephen M. Walt, The Origins of Alliances (Ithaca: Cornell University Press, 1987).

15. Alan Cowell, "Bush Challenges partners in NATO over Role of U.S.," The New York Times, November 8, 1991, p. A4. The United States had argued for East European membership in NATO in order to enhance NATO's security role at the expense of competing arrangements which would exclude or downplay U.S. participation. France, of course, in a transparent effort to reduce American influence in European security issues, blocked the idea, arguing that the expansion of NATO would duplicate the role of the CSCE.

16. Multipolar systems also encourage increasing "Finlandization" of states. This situation might be temporarily stable, but it will not resolve security problems arising from domestic conflicts which spill over borders, territorial disputes, or conflicts between divided nationalities. The Finlandization of Eastern Europe would inhibit the mobilization of coalitions to deter an aggressor there and deal with crises in other parts of the world. By late 1991, however, none of the Central East European states appeared to be moving in this direction. This can be explained by their desire to eventually join the European Community.

17. See Michael Mastanduno, "Strategies of Economic Containment: United States Trade Relations with the Soviet Union," World Politics Vol. 37, no. 3 (July 1985), pp. 503-31.
18. Charles Kindleberger, The World in Depression (Berkeley: University of California Press, 1973).
19. The end of the Cold War brings dire warnings from Western commentators about the rise of Japanese economic power. For example, Karel von Wolferen writes: "Japan's power is unprecedented. It has been created through the consolidation of an intricate informal system of control over economic and political life, to a point where there is no line of true demarcation between public and private sectors. This means that large, well-connected companies cannot go bankrupt. So foreign companies, no matter how much they increase their efficiency, can ultimately never compete with Japanese firms. . . . The U.S. cannot afford to wait for another Pearl Harbor to wake up." "An Economic Pearl Harbor?" The New York Times, December 2, 1991, p. A15.
20. "National Needs, Global Resources," p. 19.
21. Theodore Moran, "The Globalization of America's Defense Industries," p. 82.
22. Michael Borrus and John Zysman, "The Highest Stakes: Industrial Competitiveness and National Security," in Michael Borrus, Wayne Sandholz, Jay Stowsky, Steven Vogel, and John Zysman, The Highest Stakes: Technology, Economy, and Security Policy (New York: Oxford University Press, forthcoming).
23. "Global Transactions and the Consolidation of Sovereignty," pp.
24. Matthew L. Wald, "Russians Ban Some Oil Exports," The New York Times, November 16, 1991, p. 17.
25. See Eric Schmitt, "U.S. worries about spread of arms from Soviet sales," The New York Times, November 16, 1991, p. 5.

26. See John Mearscheimer's reply to Robert Keohane and Stanley Hoffman in *Correspondence International Organization* Vol. 15 No. 2 (Fall 1990), pp.196-199. See also Joseph M. Grieco, "Anarchy and the Limits of Cooperation: A Realist Critique of the Newest Liberal Institutionalism," *International Organization* Vol. 42, No. 3 (Summer 1988), p. 488.

27. See Daniel Deudney and G. John Ikenberry, "Soviet reform and the end of the Cold War: explaining large-scale historical change," *Review of International Studies* Vol 17, 1991, pp. 225-250.

28. At the risk of proliferating labels, I use this term to distinguish the rational/behavioral view of institutions in international relations from the more process-oriented, liberal view discussed below. See Robert O. Keohane "International Institutions: Two Approaches" *International Studies Quarterly* Vol. 32 No. 4 (December 1988), pp.379-396. and Alexander Wendt, "Anarchy is what States Make of It: The Social Construction of Power Politics," forthcoming in *International Organization* note: why did slavery end? What about torture? How do we know when interests are transformed and when actors with fixed interests simply use a different (cooperative) means to ensure that their interests are met?

29. This has been the historical function of treaties in international law. See Joseph M. Sweeney, Covey T. Oliver, and Noyes E. Leech, *The International Legal System* (Mineola N. Y.: The Foundation Press, 1981), pp.951-1038.

30. A good discussion on the role of institutions from this perspective can be found in Charles A. Kupchan and Clifford A. Kupchan, "Concerts, Collective Security, and the Future of Europe," *International Security* Vol. 16, No. 1 (Summer 1991), pp.130-133. The argument, however, plays fast and loose with the concept of issue linkage--Barry Eichengreen has a much more sober analysis in his paper. Discuss this.

31. See, for example, Joseph Nye, "Nuclear Learning and U.S.-Soviet Security Regimes," *International Organization* Vol 41 (Summer 1987), pp. 371-402, Robert Jervis, "Realism, Game Theory, and Cooperation," *World Politics* 40 (April 1988), pp. 340-344, Emanuel Adler, "Cognitive Evolution: A Dynamic Approach for the Study of International Relations and Their Progress," in Emanuel Adler and Beverly Crawford, eds., *Progress in Post-War International Relations* (New York: Columbia University Press), pp. 43-88, G. John Ikenberry and Charles Kupchan, "Socialization and Hegemonic power," *International Organization* Vol. 44 No. 3 (Summer 1990), and Beverly Crawford, "Toward a Theory of Progress in International Relations," in Adler and

Crawford, Progress in Post-War International Relations, pp.438-468.

32. For a detailed discussion about how these ideas shaped new NATO policies and strategies and how they bolstered the legitimacy of the CSCE see Beverly Crawford, "Creating a New Europe: Challenges and Opportunities," pp. 6-13, Ferenc Mislivetz, "Redefining the Boundaries of the Possible: European Integration from Eastern And Western Perspectives, pp. 84-101, and Michael R. Lucas, "The Conference on Security and Cooperation in Europe and the Future of U.S. Foreign Policy," pp. 45-83 in Beverly Crawford and Peter W. Schulze, eds., The New Europe Asserts Itself.

33. Michael Gorbachev, Perestroika: New Thinking for Our Country and The World (New York: Harper and Row, 1987).

34. Power and Interdependence, pp. 27-29.

35. For a detailed discussion of this argument, see W. Michael Blumenthal, "The World Economy and Technological Change," Foreign Affairs Vol. 67, No. 1 (January 1988), pp. 529-50.

36. Richard H. Ullman, Securing Europe (Princeton: Princeton University Press 1991) goes even further in this argument. He cites modern weaponry, the substitutability of resources (except petroleum) and the demographic changes which reduce the value of farmland and other factors affecting the declining value of territory. See pp. 23-27

37. Most of the wars of our time have not resulted from conflicts over territory, raw materials, or colonies, the Gulf War of 1991 notwithstanding. In fact, most of the political violence which has inflamed the world in the post-war period has resulted from conflicts within states and societies. More often than not, they have been struggles within new states about their own national identity or over who will govern them. See Timothy J. McKeown, "The Limitations of 'Structural' Theories of Commercial Policy," International Organization Vol. 40, No. 1 (Winter 1986), p. 53.

38. See Ken Jowitt, "The Leninist Legacy," unpublished manuscript, 1990.

39. This argument draws heavily on two important essays: Adam Michnik, "Notes from the Revolution," New York Times Magazine, March 11, 1990 and Ken Jowitt, "A World without

Leninism."

40. A good history of ethnic and political animosities in Yugoslavia can be found in J.F. Brown, Eastern Europe and Communist Rule (Durham: Duke University Press, 1988), pp. 337-370. See also Dennison Rusinow, "Yugoslavia: Balkan Breakup?" Foreign Policy No. 83 (Summer 1991), pp.143-159.

41. See "Yugoslavia Appears Ready for Attempt To Restore Peace," The Christian Science Monitor, September 4, 1991, p. 1; "Europeans Arrive in Yugoslavia to Promote Peace Plan," New York Times, September 2, 1991, p. 3; "Yugoslavs Joust At Peace Meeting," New York Times, September 8, 1991, p. 9; and "Quiet, but no peace," Economist, September 28, 1991, Volume 320, p. 55.

42. See Stephen Kinzer, "Slovenia and Croatia Get Bonn's Nod," The New York Times December 24, 1991, p. 3.

43. See Stephen Kinzer, "Atom Plant's Staff Clings to Pleasant Life in Lithuania," and Brenda Fowler, "In Moldavia, Claim of Independence Incites Protests," The New York Times September 2, 1991, p. 6.

44. They point to Germany's unilateral recognition of Slovenia and Croatia in spite of the caution urged by President Bush and Secretary General Javier Perez de Cuellar of the United Nations. See Stephen Kinzer, "Germany Jostles Post-Soviet Europe," The New York Times December 27, 1991, p. A6.

45. The number of attacks on foreigners increased tenfold from the end of 1990 to the end of 1991 to 2,368. See "Big Rise in Attacks on Foreigners," The Financial Times, January 17, 1992, p. 2.

46. Ken Jowitt, "The Leninist Legacy," pp.6-10.

47. See Ken Jowitt, "The Leninist Extinction," unpublished manuscript, pp.26-39.

48. For example, the United States was increasingly excluded from the European defense market, even before the old order collapsed. In 1988, European governments began to collaborate on military research and open more of their annual procurement of defense equipment to bids from each other's companies. West Germany, Italy, Britain, and Spain agreed to build a European fighter plane without participation from the United States. The establishment of a French-German Defense Council, the coordination of a European naval presence in the Persian Gulf, and the adoption in October 1987 of a European platform on security in anticipation of NATO's task redefinition all pointed to a reduced role for the United States. The German-French decision to expand its common military cooperation in 1991 provided further evidence for a more distanced role for the United States.

49. On the potential for collective security in Europe see Charles A. Kupchan and Clifford A. Kupchan, "Concerts, Collective Security, and the Future of Europe," International Security Vol. 16, No. 1 (Summer 1991), pp.114-161.