

INTERDEPENDENCE: THE EUROPEAN EXAMPLE

In our spring issue, Joseph S. Nye, Jr. warned that "overreliance on the rhetoric of interdependence not only may blind us to the legitimate concerns of other nations, but can obscure our own choices at home." He suggests that we "pay more attention to the interconnection of domestic politics and foreign policy, and . . . think more imaginatively about the relation of our institutions with international institutions." Christopher J. Makins, former Deputy Director of The Trilateral Commission, comments on Nye's article below. His remarks are followed by a brief response from Nye.—The Editors.

Christopher J. Makins:

The confusion generated by abuse of the word "interdependence" needs to be dispelled. Joseph S. Nye's article "Independence and Interdependence" in FOREIGN POLICY 22 was an excellent contribution to this end. A further step—proscribing the word in serious discussion—may yet be necessary.

Nye correctly states that the choices confronting the United States—and other countries—are not between isolationism and interdependence. Stating them in such terms obscures the institutional difficulties nation-states now face in confronting common problems. In discussing these difficulties Nye rightly emphasizes the importance of the interconnection between domestic and foreign policy issues and the need to relate domestic and international institutions. Yet these two factors often pull in opposite directions. The stronger the domestic interests engaged in an issue, the longer governments tend to take to formulate policies, the more deeply national policies are cast in the concrete of delicate bureaucratic compromises,

and the later in the decision-making process international consultations are undertaken. But the need for effective involvement of international institutions dictates that such consultations begin before policy has crystallized and, indeed, often at the stage of analysis and assessment. The lack of such collaboration at an early stage can seriously diminish the value of subsequent consultation about policy. The transatlantic difference of view about the durability of the Organization of Petroleum Exporting Countries cartel and high oil prices in 1973-1974 is a case in point.

The most innovative recent attempt to find new techniques of conducting relations between nation-states jealous of their sovereign powers, but driven to closer cooperation, has been in the European Community. That the attempt has not been wholly successful should be of little comfort since the challenge is one which, in a different form, is faced by all the advanced industrial countries. Three features of the European experience stand out. First, the shared objective of European union. While the term has defied precise definition the idea has served as an incentive to governments to resolve or accommodate their differences. Second, within the community proper, the European Commission, with the sole right to propose common policies, has represented a powerful guardian of the concept of the collective interest against individual national interests. While the commission's position has been steadily weakened by member governments in recent years, its role as the prime source of ideas transcending—and reconciling—the interests of individual members has been a vital element in promoting closer cooperation between them. Third, in the European political cooperation machinery (formerly the Davignon Committee) the member states developed new techniques of multilateral diplomacy without challenging the independence of national decisions. The new machinery, based on direct contacts between senior officials in foreign ministries, has

created a remarkably intimate understanding and exchange of views on the subjects covered. While it has not always led to agreement, the process has revealed opportunities for common or coordinated action which might not have been perceived or exploited without it.

The Case for Closer Consultation

Are there lessons in the European experience for the advanced industrial countries as a whole? These countries manifestly do not have an ultimate goal of union such as exists in Europe. Yet now that, as Nye points out, the U.S. capability for hegemony has diminished, there are strong incentives for them to cooperate more closely on a more equal basis. The case can be made equally well about domestic economic and industrial policies; about international monetary matters, since despite the Jamaica agreements of January, closer multilateral surveillance of the flexible exchange rate system and control of international liquidity seem likely to be necessary before long; and even about "traditional" political and security issues. But the incentive is perhaps strongest on North/South problems. Informal discussions among developed countries on North/South issues have apparently become more frequent in recent months. But there is little sign of a systematic effort by these countries to coordinate their responses to the needs of the developing countries so as to maximize their effect and speed North/South negotiations. Where proposed national initiatives would require concerted financial commitments by the developed nations, full prior consultations among those countries would seem to be particularly important as a precondition for progress. Yet too often governments fail to consult.

The most common explanation of this failure is the persistence of interagency disagreements in capitals "down to the wire" and a touching bureaucratic modesty about revealing such disagreements to outsiders. Such an explanation, understandable on is-

sues involving major conflicts of interests among allies, is weak on those which present the developed countries with essentially similar problems. Intragovernmental disagreements on such issues are usually fairly easily discovered or inferred and are often mirrored within other governments. It is thus hard to see that the costs of more openness in consultations would be great.¹ And the option of a high-level decision to change the position of "the wire" so as to allow time for consultation always exists.

As to institutions, the Organization for Economic Cooperation and Development (OECD) is ideally suited not only to being the focus of closer cooperation between the advanced industrial countries but also to playing an initiative role in suggesting policies conducive to a sounder world economy. The OECD cannot be expected to serve for its large membership precisely the function of the European Commission in the European Community. But member governments could give it more weight than in the recent past. There have been some stirrings. The OECD spring ministerial meetings of 1975 and 1976 were treated more seriously than their predecessors. Yet, as several studies testify, much more could, and should, be done to strengthen the roles of the OECD and its secretariat across the range of international economic issues.²

The Most Valuable Lesson

The third feature of the European experience—the European political cooperation

¹ See on this point McGeorge Bundy, "Towards An Open Foreign Policy," in Appendix A to the Report of the U.S. Commission on the Organization of the Government for the Conduct of Foreign Policy (Washington, D.C.: U.S. Government Printing Office, 1975). Bundy, like Nye, is clearly unimpressed by the supposed risks—domestic or international—of greater openness.

² See, for example, Miriam Camps, "First World" Relationships: The Role of the OECD (Paris: The Atlantic Institute for International Affairs, and New York: Council on Foreign Relations Inc., 1975) and C. Fred Bergsten, Georges Berthoin, Kinhide Mushakoji, The Reform of International Institutions (New York: The Trilateral Commission, 1976).

machinery—provides the most valuable lesson. Such a system of relatively informal but efficient intergovernmental consultation fills a vital gap in the spectrum between national actions and formal multilateral discussion and bargaining.

After rightly alluding to the importance of transgovernmental policy coordination directly between technical agencies, Nye refers to the need for White House or State Department monitoring of such contacts. But he does not take the important next step of providing for effective intergovernmental exchanges between those who, in the central staffs of prime ministers and presidents, as well as in foreign ministries, are responsible for reconciling various domestic interests with the international aspects of problems and monitoring the transgovernmental exchanges between different agencies.³ As the Europeans have found and as technical agencies quickly discovered in developing their own transnational relationships, cooperation of this kind can in modern conditions only be satisfactorily conducted by direct exchanges between responsible officials from capitals. Traditional diplomatic procedures are too unwieldy (and wasteful of time and effort) for the purpose. Foreign ministries, with vested interests in the operation of embassies and the careers of foreign service officers, have been reluctant to adjust fully to the "new diplomacy" and, supported by other agencies, have also resisted, with varying success, a wider role for the central staffs. But direct exchanges of an ad hoc kind between central governmental staffs and between foreign ministries have already begun to bypass the "usual channels," in a largely random and uncoordinated way.

³ This does not mean that all such exchanges should be centralized—a danger against which Nye rightly warns, as does William Wallace in his article "Issue Linkage among Atlantic Governments" in *International Affairs*, April 1976. But some coordination is necessary where several domestic agencies are involved and on politically sensitive issues, those responsible for striking the final balance within each government may be better placed than the representatives of any single interest to handle international consultations.

In developing improved consultative procedures, the advanced industrial countries should heed the lesson of the European political cooperation machinery on this subject.⁴

The establishment of such closer cooperation will not be easy. Problems of the exclusion of some countries, questions concerning the role of the U.S. Congress, and familiar European sensitivities will doubtless arise. But awareness of the need for the rehabilitation of multilateral diplomacy is growing. The Rambouillet and Puerto Rico summit meetings were examples of this. Nor will the need necessarily be less if the nationalist reaction to "interdependence" grows, since, as Nye's argument suggests, governments would inevitably find concerted action necessary on many problems in their own interests. And since nationalist pressures would almost certainly make such a concert harder to achieve, more effective techniques of multilateral diplomacy would still be needed.

Joseph S. Nye, Jr.:

I welcome Christopher J. Makins' comment and extension of my Third Century article. I agree with him that trends toward interdependence and transgovernmental coordination are far advanced in Europe—a fact that is often missed in the frequent laments one reads about the supposed failure of European integration. I also agree that the European experience and direct exchanges among central staffs may be important in organizing internationally in the post-hegemony period. The broader issues of organizing collective leadership are explored in the book on *Power and Interdependence* that Robert Keohane and I will publish this autumn.

⁴ A recent proposal along these lines is contained in Egidio Ortona, J. Robert Schaetzel, and Nobuhiko Ushiba, *The Problem of International Consultation* (New York: The Trilateral Commission, 1976).