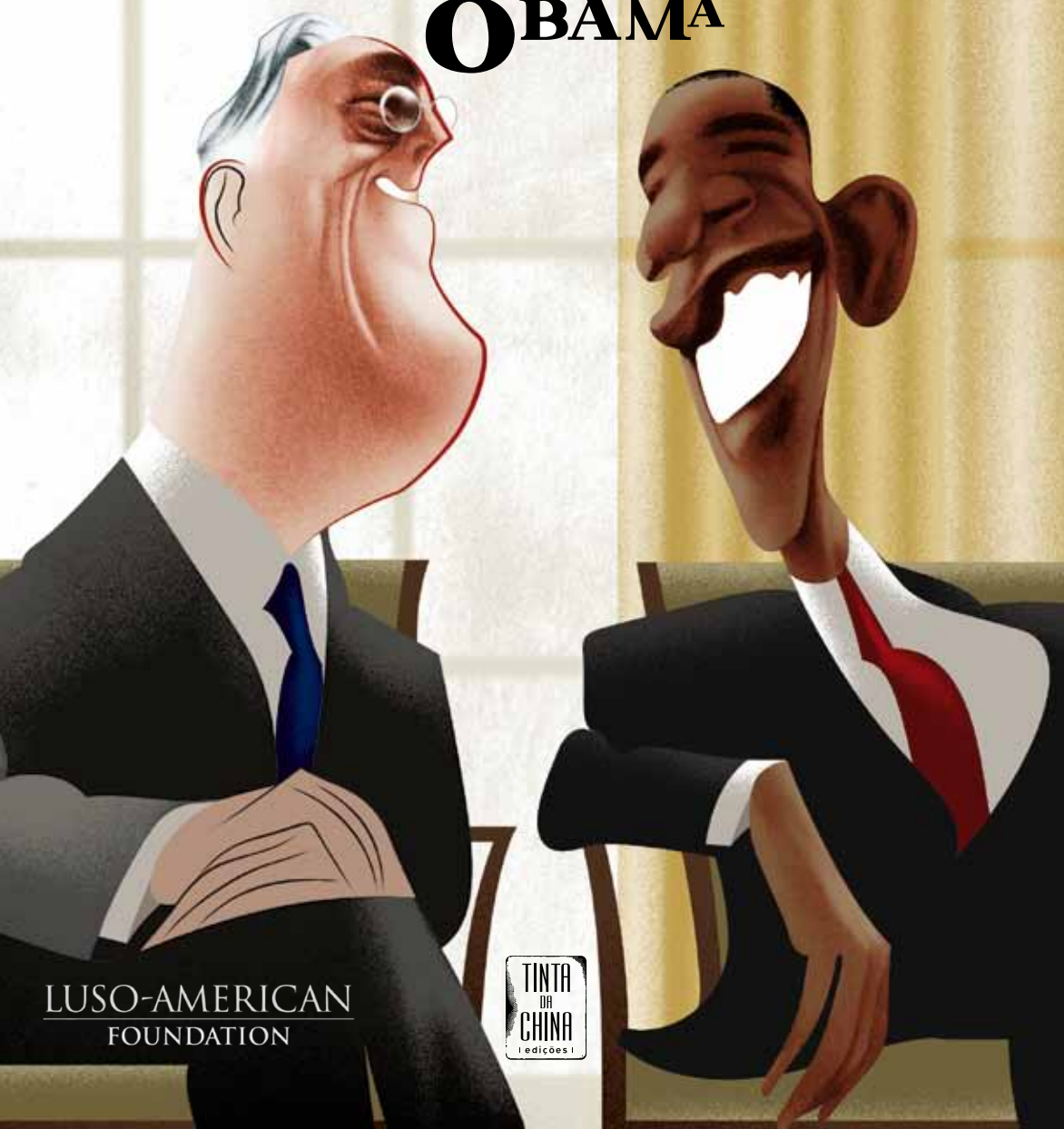


LANDMARKS IN TRANSATLANTIC STRATEGY

FROM
ROOSEVELT
TO
OBAMA^A



LUSO-AMERICAN
FOUNDATION





Depiction of Ponta Delgada Harbor commissioned by Franklin D. Roosevelt and painted by Charles Edwin Ruttan. In the foreground is the USS Dyer, the destroyer on which FDR sailed to Europe in 1918 when he was Assistant Secretary of the Navy. The painting hangs in the office of FDR's private residence in Hyde Park, New York, now home to the Franklin D. Roosevelt Presidential Library and Museum.



LUSO-AMERICAN
FOUNDATION

LANDMARKS
IN TRANSATLANTIC STRATEGY

from Roosevelt to Obama

First Franklin D. Roosevelt
Azorean Forum

Coordinators
MÁRIO MESQUITA
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L I S B O A
TINTA-DA-CHINA
M M X I

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© Luso-American Foundation
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Title: *Landmarks in Transatlantic Strategy
from Roosevelt to Obama*

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Translation: AmeriConsulta, Lda.

Revision: AmericaConsulta e Tinta-da-china

Layout: Tinta-da-china

Cover art: Tinta-da-china, from an illustration
by André Carrilho

1st English language edition: March, 2011

ISBN 978-989-671-075-0

Legal Deposit no. 323647/11

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FOREWORD

The First Franklin D. Roosevelt Azorean Forum took place in Ponta Delgada, Azores in 2008, from July 16 to 18, the exact dates Franklin D. Roosevelt, then Undersecretary of the Navy during Wilson's Administration, made his stopover in the Azores in 1918. Making his transatlantic journey on the warship USS Dyer, he came ashore to visit the islands of Faial and São Miguel en route to the theater of operations in Europe.

The Forum, which was held at the Teatro Micaelense in Ponta Delgada, aimed not only to commemorate the 90th anniversary of FDR's stopover in the Archipelago, but also to examine and discuss our "transatlantic relationship" at the very time when the US was about to transition from the Bush Administration to Obama's term in office. The essays in this book bear witness to those winds of change and reflect a pluralism that at the same time acknowledges the importance of the unique relationship between Europe and the United States, which is set on building a new worldwide equilibrium.

The book, notwithstanding a few exceptions,* is a compilation of the talks presented at the First Franklin D. Roosevelt Azorean Forum. In addition to the papers given at the gathering itself, we have also included the presentations of Ricardo Madruga da Costa and Robert Clark at the exhibition "Roosevelt in Faial" (at the Legislative Assembly of the Azores in Horta, 2008), and the talks by Pedro Aires de Oliveira and Daniel Matos to mark the exhibit "Roosevelt in the Azores" (at Pico Museum in 2009).

* The book *Franklin D. Roosevelt and the Azores during the Two World Wars*, a bilingual work published by FLAD and organized by Luís Nuno Rodrigues, launched during the Forum, contains the talks by Cynthia Koch ("Franklin D. Roosevelt: A brief biography"), Carlos Enes ("The Autonomy of the Azores between the Two World Wars"), Álvaro Monjardino ("The Controversy on the Fate of the Azores between 1918-1919"), and Luís Andrade ("The Azores and the Second World War").

Once all the texts had been submitted, they needed to be edited for overall consistency, since some had been delivered as essays, while others bore the stamp of oral presentations pegged to the time and circumstances in which they were delivered. Our editing job consisted of removing the more obvious traces of spoken language, expressions of gratitude and salutations made by the speakers, direct interactions with the audience, and references to the day and venue where the conference was held. In doing so, we have tried to avoid hampering the person's flow of speech or interfering with the integrity of the author's viewpoints. The only exceptions to this rule were the greetings to the participants of the First Franklin D. Roosevelt Azorean Forum sent (as a video) by James Roosevelt, Jr., which has been transcribed here in its entirety owing to its symbolic importance.

We have opted to group the texts into sections that do not obey the order in which they were presented, but their topical affinities. This required that we sometimes attribute a new title to the work either because one was lacking in the original or because we wished to highlight the author's point of view with regard to the topic it was organized under. Here, the organizers would like to express their gratitude to Paula Vicente for the outstanding job she did in first compiling the material.

INTRODUCTION

*Greetings to the participants of the
First Franklin D. Roosevelt Azorean Forum*

JAMES ROOSEVELT JUNIOR*

I am James Roosevelt Junior, and on behalf of the Roosevelt family it is a pleasure and a privilege for me to bring the greetings of the Roosevelt family to the inaugural Franklin D. Roosevelt Forum on Transatlantic Relations.

As you know, my grandfather, President Franklin D. Roosevelt, visited Ponta Delgada on the island of São Miguel from July 16th to July 18th in 1918, when he was Assistant Secretary of the Navy of the United States of America. He arrived on board a destroyer of the US Navy, the USS Dyer on her maiden voyage. He wrote in his diary and in his letters to my grandmother Eleanor Roosevelt and his mother Sarah Delano Roosevelt many wonderful observations about the beauty of the land he was visiting and about the usefulness of the conversations that he was having with governmental officials on his visit to the island.

It is my hope that this Forum will reestablish the era of transatlantic relations that were so important in my grandfather's time. To him, transatlantic relations were at the heart of United States foreign policy. He had a worldview, that's for sure, but he saw that the common interests of the nations that touched the Atlantic Ocean were so great that it had to be at the heart of US policy. We moved away from that over recent years, and it is my hope that this Forum will rekindle that important goal and really the center of US foreign relations. The theme of this Conference, "Transatlantic Relations and European and American Public Opinion," is a very important one in today's world. I think that the skepticism, as well as lack of confidence and mutual respect, that have come to the fore in transatlantic relations in recent years hurt all of us around the world, but particularly those of us on both sides of the Atlantic.

* Grandson of Franklin Delano Roosevelt, attorney, and Democratic Party official. This text is a transcription of his videotaped address to the Forum's participants in Ponta Delgada.

So I think that a re-establishment of focus that this Forum will bring is very much in the tradition of my grandfather's service under President Woodrow Wilson during and after the First World War and of his service as President of the United States for four terms in the 1930s and 1940s.

These are different times, these are difficult times. We all know that, but these are times when there has also been great progress and there can be a great and warm future if we refocus on our common interests.

So, on behalf of the Roosevelt family, I want to thank the organizers of this Forum for bringing together important policy-makers and spokespeople from both sides of the Atlantic to refocus us on our true interests as nations but as citizens of the world as well. I wish you all the best in your gatherings and deliberations and I look forward to hearing about the lasting effects that this Forum will have not only on world policy, but particularly on the foreign policy of the nations on both sides of the Atlantic.

Significance and objectives of the Roosevelt Forum

RUI MACHETE*

The reason the Luso-American Foundation and the Regional Government of the Azores chose the name of Franklin D. Roosevelt for this Forum aimed at examining and discussing international political issues warrants a bit of historical contextualization.

It was during President Wilson's mandate after America's participation in the First World War that the first proposals to change international law and the system of relations among states met with success. The paradigm of a balance of power among states based on a system of relations that is heedless to the internal political organization of each of the parties is replaced by the idea of a community of democratic states that pledge to mutually respect each other and seek to guarantee peace while exercising the power to lay the bases for free trade and cooperation among nations. A stable international order must be based on a community of democratic states whose development is sustained by the law – the civilizing tool of international social interaction. Only thus will autocracy and militarism be conquered. Wilson believed that the United States should act as the catalyst of this initiative, because she had the moral responsibility and the military and economic capability to do so.

Senate opposition prevented the US from joining the League of Nations and the organization's subsequent failure to thwart a new worldwide conflict destroyed America's hope of bringing about a liberal international world order, while the country periodically slid into "liberal imperialism" and invoked the justification of "exceptionalism" – stances the country's detractors were quick to condemn.

The Second World War and its aftershocks led FDR to take the initial steps in setting up the United Nations. The goal was to

* Former President of the Executive Council of the Luso-American Foundation.

safeguard peace and make it possible for “all the men in all the lands [to] live their lives in freedom from fear and want,” as stated in the Atlantic Charter of 1941. The articles of the UN Charter enshrine the principles of self-determination and a system of global collective security; the goals to achieve progress and well-being for all peoples are also explicit. Perhaps the most innovative feature of the new universally-oriented institution was its recognition of human rights, which were enshrined in the Universal Declaration of Human Rights, adopted and proclaimed by the General Assembly on December 10, 1948.

The sovereignty of states had now become less absolute and the right to legitimately intervene debuted as a principle of international law.

Aware of the shortcomings of the organizational instruments that marked Versailles, Roosevelt took special pains – with the Bretton Woods system – to lay the groundwork for safeguarding economic liberalism by outlining mechanisms to monitor and guarantee international trade and investment.

To bring about the reconstruction of Europe, laid waste by the war, the Marshall Plan was developed. The part of the Old Continent that had not buckled under Soviet imperialism joined the United States in a collective defense system that afforded them protection and tranquility and was the envy of other budding defense alliances that also coveted US participation.

NATO became the foremost agent for cooperation between the United States and Europe, acting both as a crucial element for strengthening ties between Americans and Europeans, and a trustworthy tool in defending Europe against the communist military threat. Though it was ostensibly a peer relationship, and one designed to surpass the confines of military security, it also became one of the most visible settings for American dominance.

In a bi-polar globe, the US was the undeniable leader of the Western world and she legitimized her superiority through her historical mission to safeguard the freedom of people and countries from the threat of Soviet totalitarianism.

We have used Roosevelt’s name in this Forum to pay homage to the man who co-founded the Atlantic Alliance with Winston Churchill. But in doing so we also meant to honor the statesman who crafted a new world order that took up where Wilson’s failed project

– the League of Nations – left off. Indeed, up to the day of his death, Roosevelt was still working on the Conference of San Francisco and mentally laying the cornerstones for what would soon be the United Nations Organization.

But we have also chosen FDR’s name for the Forum to commemorate the 90th anniversary of his stopover on the islands of Faial and São Miguel at the close of the Great War when, as Undersecretary of the Navy under Wilson, he came to inspect the naval base that had been set up in Ponta Delgada in 1918.

The First Franklin D. Roosevelt Azorean Forum was jointly organized by the Luso-American Foundation and the Regional Government of the Azores. We would like to thank the Regional Government’s President, Carlos César, for his efforts in organizing this event and the confidence he placed in the work of the organizing and program committees.

We would like to express our gratitude to the Republic’s representative, His Honor José António Mesquita, for having taken part in the Forum as a symbolic gesture of the lasting ties that connect the Portuguese Government with the governing bodies of the Autonomous Region of the Azores.

We would also like to acknowledge Dr. André Bradford, member of the organizing committee representing the Regional Government of the Azores, who was one of the architects of the Forum in terms of development and organization.

Let me highlight as well the dependably efficient cooperation of António Costa Pinto, Carlos Gaspar, Luís Andrade, and Miguel Monjardino, members of the program commission and Jack Loiello on the other side of the Atlantic, who helped us get in touch with our American participants.

In mentioning our valuable collaborators it is only fair to underline the support we received from the Portuguese Ambassador in the US, Dr. João de Valleria; the US Consul in the Azores, Jean Manes; and the Director of the Franklin D. Roosevelt Library, Cynthia Koch.

Over these three days, we have been pleased to welcome many students of International Relations and Communications Sciences to the Forum. Throughout the event, they have not only taken part in the workshops, but also had lively discussions with the speakers during the social gatherings that were planned throughout the con-

ference. At this point, let me express my appreciation to the colleges and universities that joined us in this initiative: Coimbra University, Nova (New) University of Lisbon, the Catholic University of Lisbon, Lusíada University, the Higher School of Mass Communication, and the Higher Institute of Political and Social Sciences.

The Forum has provided us with a wealth of information, understanding, and knowledge. A number of presentations brought new data to light. For three days politicians, diplomats, military officers, professors, and experts have shared their insights with us and we have managed to put together a discussion forum that is multifaceted and reflects diverse opinions, while still focusing on closer transatlantic relations.

One of the main aims of this Forum was to spotlight the Azores as a place for discussing international strategy and politics in an attempt to promote peace. And indeed the Forum's main objective was to contribute – however modestly – to finding a new balance that will allow us to build peace throughout the world. We will be continuing this initiative in 2010 on Terceira island in the cities of Angra do Heroísmo and Praia da Vitória where, using another context as a framework, we will continue to explore topics that help us to better understand how to achieve this overriding goal.

Comparative advantages of the Lajes Base as a relocation destination for AFRICOM

CARLOS CÉSAR*

In addition to serving as undeniable proof of the Azores' importance in the framework of cooperative relations between Europe and the United States, holding the First Franklin D. Roosevelt Forum on the island of São Miguel constitutes a very positive step towards strengthening the relationship between the Luso-American Development Foundation and the Autonomous Region of the Azores, a relationship that has taken various forms in recent years, including, among others, cultural, educational, and training initiatives in areas of mutual and/or compatible interests. Furthermore, we know that this Foundation came about as a result of a cooperation and defense agreement between the United States and Portugal, and that the primary bulwark of the bilateral agreement is the facilities that have been granted in the Azores.

If the Azores are the logical stage for a reflection on the state of transatlantic relations, in this particular case, according to a variety of sources of public opinion, Franklin Delano Roosevelt is indubitably the ideal patron for an initiative of this kind with these objectives.

I will not go into lengthy digressions on matters best left to specialists and researchers who are much better versed in their subjects than I am. However, I must mention what my civic consciousness revealed as I took a close look at this statesman who, fortunately for us, was and remains an important figure in the Azores. Roosevelt's perspicacity and his deeds have left an indelible mark on the Azores' military and strategic vocation, and will surely continue to do so.

It is also important for the Azorean people to acknowledge, at all times, that the successive generations that have lived the "American Dream" have been accompanied, at least, by successive generations of American politicians who have not forgotten, nor do they

* President of the Regional Government of the Azores.

forget today, the Azores. Some here and there perhaps for different reasons, but at the end of the day it always comes back to a question of common interests.

During the course of his four mandates as President of the United States, Roosevelt had the opportunity to forge and carry out a political program of recognized doctrinal value, one that proved to be of concrete benefit to America. No less important was his contribution to the world, helping to bring peace and redesign strategic balances that were more sensitive and resonant, showing genuine concern for bringing states together.

The career and political works of the 32nd President of the United States were founded on the firm conviction that, in his words, the Democratic Party “must be a party of liberal thought, of planned action, of enlightened international outlook, and of the greatest good to the greatest number.” These objectives were set forth in difficult and tumultuous times, both within the country and without, and underlying them was a profound respect for public service and an unshakable belief in the capacity of man and in the functions of the state. These objectives can be viewed once again as an important cautionary message in today’s politics in general.

Faced with an America that was financially and economically devastated, with a sharp drop in gross domestic product, combined with high rates of inflation and unemployment, drastic falls in industrial output, and extreme, widespread and persistent poverty, Roosevelt proposed a challenge to the country’s tradition of libertarianism and decentralization. He called it the “New Deal,” in contrast to the “Square Deal” of his ideological predecessor and adversary.

While still a presidential candidate, Roosevelt expressed a willingness to break with “the absurd tradition that the candidate should remain in professed ignorance of what has happened for weeks until he is formally notified.” He summoned the American people to be “prophets of a new order of competence and courage” and to win this “crusade to restore America to its own people,” in the name of basic rights to jobs, fair pay, a policy of more equitable distribution of national wealth, and “a reasonable measure of security.”

“We must lay hold of the fact that economic laws are not made by nature,” he maintained; the state must assume leadership, stimulating and monitoring the entire process, offering means of relief for those who are most in need and controlling those most able – in his

own words, “the test of progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.”

The current relevance of the context in which Roosevelt lived and his political solutions are obvious and need no further mention, but the merits of Roosevelt’s bold vision, the progressive nature of his political message, and the vitality of his example continue to be, in my view, reasons that merit him, in his own right, a prominent place among the great political figures of the 20th century.

The same could be said of his thoughts and accomplishments in the realm of foreign policy. Here his main challenge was the onset of Second World War and the tensions this created early on between the specific interests of the American people, who tended to be, historically and by nature, isolationists, and the internationalization of the risks and threats inherent in a war of such proportions.

Roosevelt understood from the outset that due to advances in military technology, in particular in the areas of air and submarine warfare, the two US coastlines were no longer reassuring natural barriers, but rather had been transformed into potential means of access to the very heart of the country, routes that had to be controlled in order to defend the vital interests of the United States and her allies.

This fear was echoed in an elucidative message to Congress when he declared that “the American people must reformulate their ideas about national defense,” and when he later proclaimed the entire North Atlantic to be a “territory vital to the interests of the United States,” bucking pressures from many fronts, including the isolationist tendency of Congress and a good portion of public opinion.

Meanwhile, under Roosevelt’s orders, the United States military machine was gearing up for war and supporting the Allies’ strategy, particularly the British in their defensive actions and, when necessary, involving itself in concrete interventions in areas critical to the defense of the Atlantic – which included the Azores, along with the Cape Verde and Canary islands to the south and Iceland and Greenland in the north.

Strategic and military imperatives led Roosevelt to extend what is considered American vital space further towards the east and to politicize geography, much to the disquiet of the Portuguese Estado Novo, which feared the expansionist ambitions of the Axis, but was even more afraid that the Azores and Cape Verde would become

Americanized, which would turn continental Portugal into a Nazi target.

It was precisely then that Roosevelt's Secretary of State, Cordell Hull, according to a report included in his memoirs, assured Salazar that the rumor circulating about the US's intention to occupy Portugal's Atlantic islands was unfounded. However, he also warned that if Germany made any attempt to occupy the Azores, "President Roosevelt had already given instructions to Admiral Stark (Chief of Naval Operations) to occupy them first."

In another of Roosevelt's celebrated speeches, one that was broadcast by radio on May 27, 1941, and which became famous for the declaration "we choose human freedom," Roosevelt dubbed the Atlantic islands "outposts of the New World" (in Monroe terminology), thus reiterating the crucial importance of our archipelago to the "ultimate safety of the continental United States herself."

Roosevelt had been acquainted with the Azores since 1918 when, as Assistant Secretary of the Navy, he visited the Ponta Delgada naval base – the first foreign base in the Azores – which had been created at Portugal's request after a German submarine attack off the coast of São Miguel and another off the coast of Horta.

Roosevelt himself confesses, in a letter addressed to Salazar, that he is particularly disappointed by the fact that his intentions in relation to the Azores were the object of doubt and contestation, since he had always maintained an especially favorable relationship with our region. And time has in fact borne this out. At the celebrated Newfoundland Conference, birthplace of the Atlantic Charter, the document that serves as the foundation of a set of principles that continue to govern – or at least should govern – international relations, and among which are included the right to self-determination, rejection of expansionism, and internationalization of improvements in working conditions, economic progress, and social imperatives, Churchill was insisting on the need for preventive intervention in the Canary Islands, to be led by the British, and in the Azores, spearheaded by the Americans (an operation known by the code name Pilgrim). Roosevelt, however, spoke out against the plan, thereby keeping his word to the Portuguese authorities. It was not that he was more ingenuous than the English Prime Minister, but rather he was wiser and more astute, as Churchill himself recognized when he wrote in a letter to his wife that "the Americans are magnificent in their breadth of view."

Once the United States declared her entry into the war, Roosevelt's views on the importance of the Azores became all the stronger. On the occasion of the Arcadia Conference in Washington in December 1941, it was decided that the Region would take on a decisive role as a support post for the Allied air forces, both combat and cargo, to be used in a plan for the liberation of Europe that was to spread from North Africa to southern Europe and then proceed northward.

Thus, the primary military and strategic vocation of the Azores – that of air support – was established in the decades to come in contrast to their historical function as a naval support base. The rationale is as valid today as it was then: to save time, money, and human and material resources by having a shorter and less onerous route than the North Atlantic, significant gains in moving troops to the eastern fronts of the war, and superior control of naval and air traffic in the Atlantic.

I guess we could see this as a groundbreaking moment, from a symbolic standpoint, in cooperation agreements between Portugal and the United States and the base at Lajes on Terceira island – currently manifested in the 1995 Agreement on Cooperation and Defense.

If history and geography made transatlantic relations a necessity, it was Roosevelt and to a certain extent Churchill who added, concretely and circumstantially, a political and strategic dimension to these relations. They understood earlier than anyone else that physical distance need not be an impediment to greater proximity and common interests and objectives.

No one can deny the British role in planning an air support infrastructure on Terceira island – this is widely known and documented – or the efforts and dedication of then Major Humberto Delgado in preparing for this undertaking. Nor do I wish to deny the tension that the Portuguese, the English, and the Americans experienced as they worked out to everyone's satisfaction how to make air access to Azorean territory a reality, despite the obstinate resistance of the Estado Novo to American interests and to the Trojan horse strategy of British diplomacy.

I would like to finish, however, in this same vein by pointing out what to me seems most relevant: the recognized value placed on the geostrategic potential of the Azores in the war effort in terms of con-

trolling the Atlantic, which made it clear that Portugal's particular importance in the international arena was – and still is – inevitably tied to her Atlantic island platform.

The Forum is of course also a tribute to the decisive impetus that Roosevelt gave to transatlantic relations and, in a broader sense, I believe, to his genuine internationalist efforts, which were prodigiously manifested in the plan he outlined to rehabilitate the ineffective Society of Nations. The United Nations – which Roosevelt thought to transfer, in part, from Geneva to the Azores (possibly to Horta, on Faial island), in addition to its headquarters in New York – was, in his eyes, tantamount to building a new world order based on cooperation among free countries.

Once again, going against the tide of rabid nationalism expounded by a certain American political class and a good portion of public opinion, Roosevelt strove to guarantee that America's leading role in the international arena would center on disseminating peace, justice, and democracy, through reason rather than the force of weapons, in the framework of a respected and dynamic organization of cooperation rather than deceitful unilateralism – an example that the world ardently needs to remember in these current times.

Just as they are today, the Azores have also been the stage for meetings between Europe and the New World in the past – not always free of controversy, but always fruitful. Tomas Hickling, the first consul of the United States in the Azores and in the world, was a European, English by birth, but American at heart. Settled and residing in Ponta Delgada, he loved the liberty born of the principles of the American Revolution.

The Azores have never stopped being the Atlantic crossroads of the Euro-American axis. As it has been pointed out on many occasions, the islands embody this spirit and consciousness. As for myself, like any Azorean of my generation who has part of his family living in North America, the good quality of relations between Europe and the United States is an outgrowth of the nature of the situation. European nationality and belonging do not overshadow the Azoreans' position or viewpoint with regard to America as a nation.

Azoreans are the sons and daughters of geography, par excellence. As I recall: the islands of the central and eastern group emerged from the Euro-Asiatic tectonic plate; those of the western group from the

American plate. The link between physical geography and political geography is – I repeat – a natural one.

At the present time, our relationship unquestionably confirms a willingness on our side to strengthen the commitment to our alliance of values. We must, however, be aware of changing dynamics resulting from the evolution of geopolitical and technological contexts and operational necessities, which are continually being played out in different situations and on different stages.

It is incumbent on the region's governing bodies, as well as on our diplomacy and defense structures, to maintain a clear and effective strategic orientation when it comes to updating our bilateral relationship, including drawing up new priorities for action abroad in response to those who cooperate with us. For example, with the Pentagon stepping up its interest in the African option – it is in the process of specializing and relocating AFRICOM, which is expected to be completed this coming October – we would like to point out the relative advantages that Lajes has to offer for this purpose, both in terms of its political and diplomatic involvement (much less tied to the fluctuating interests and dubious positioning of other possible sites) and due to its logistical and operational advantages, situated as it is halfway between the strategic setting and command headquarters. The Portuguese state should have a quick, clear, and positive word on the Azores regarding this subject.

The same can be said for the possibility of setting up a training camp for the latest generation of fighter planes off the coast of the Azores which could be based at Air Base no. 4. These are negotiations of a fairly high degree of technical specificity. However, there are imperatives of a political nature underlying the understanding between military personnel which include national interests and the interests of the Autonomous Region of the Azores itself, which must not be relegated to second place. For this reason, we must step up our contacts and clarify all the details needed to support this political decision as soon as possible.

I have already had the opportunity to convey my position to entities with decision-making powers on these matters on the appropriate occasions, both at here and abroad. I have done this in the name of the Azores and in the framework of the values we share and maintain with the United States in striving for a more just and democratic world.

Here on our islands we are clear about certain things: we do not wish to be isolated, nor do we want to feel used; we want to be a part of this world and to be useful, but always in keeping with our conscience and our values. We cannot, nor would we wish to escape who we are: European citizens bordering America, which shares our Western democratic values. We are therefore always more interested in emphasizing convergence in defending these values than in our differences about the ways to ensure this. We are – and wish to remain so – acutely conscious of the need for cohesive solidarity among the community of democracies. This community will never exclude and could never exclude the United States.

This is, in fact, Roosevelt's legacy with respect to the particular case of the Azores.

Roosevelt: A man for our times[†]

MÁRIO MESQUITA*

The First Franklin D. Roosevelt Azorean Forum aimed to put the Azores on the world map of initiatives to discuss and examine strategy and international politics with a view to peacefully solving conflict among nations. The Azores are sometimes brought into the limelight when war is being discussed; but this Forum strove to act as a modest contribution to striking a new balance that will lead to the building of world peace. The Azorean islands do not wish to be recalled only in discussions of military intervention – during which they have sometimes played a significant role. They also desire to be viewed as a place where strategies for peace are explored and discussed.

Elected with the support of an isolationist majority that toed the traditional line of the Monroe Doctrine, Roosevelt was shrewd enough to wait for the right opportunity – the attack on Pearl Harbor – to sway public opinion and join the war in Europe alongside the UK to stanch the Axis domination of Europe being spearheaded by Nazi Germany.

We chose the name of Franklin D. Roosevelt for this Forum to honor the man who – alongside Churchill – founded the Atlantic Alliance. But we have not forgotten that he was also the architect of a new world order, built upon the legacy of Woodrow Wilson, who designed the ultimately unsuccessful League of Nations. Roosevelt's last days were devoted to outlining the San Francisco Conference and consolidating the groundwork for the United Nations. We need only to look back at the chaotic state of international relations after the Cold War and September 11 to realize that, despite its limitations and imperfections, the UN remains one of the few great bulwarks we have for the construction of a new world equilibrium.

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As we evoke Franklin D. Roosevelt's memory, we are also recalling his (little known) stopover on the islands of Faial and São Miguel at the end of the First World War. The most direct reason we had for using FDR's name in our Forum is that this year marks the 90th anniversary of his visit to São Miguel and Faial as Assistant of the Navy under Woodrow Wilson.

FDR's stopover in the Azores came at a time of unrest and tensions that were centered on the archipelago.² The speech that the American Assistant of the Navy gave at the office of the Portuguese High Commissioner was especially significant. It recognized the importance of the Ponta Delgada Naval Base to the theater of war in the Atlantic: "Portugal has joined the European Alliance but the Azores have done more than that owing to the special circumstance of their strategic position."³ In addition, the American statesman unequivocally established the framework – under the aegis of bilateral relations between the Governments of the United States and Portugal – for the military concessions granted on São Miguel saying, "The American Government is duly thankful for the good will with which Portugal has lent us these islands to set up a naval base and recognizes the cordiality and spirit of camaraderie the central and local authorities have shown in allowing the base to be easily and successfully installed."⁴

The 90th anniversary of FDR's stopover in the Azores coincides with the revival of his presidential legacy. In his talk in Ponta Delgada, Pierre Hassner made reference to "the warmth with which the ties between Europe and America were being commemorated here," and added that "the target of all the enthusiasm is the work of Franklin D. Roosevelt and not the achievement of George W. Bush."

And why was that? Hassner suggested that perhaps "an implicit nostalgia regarding FDR and a call for a new message and a Rooseveltian approach to repair the damage (done by George W. Bush) were functioning as the implicit subtext." In other words, Bush's policies and their impact on the world order have probably lent special significance to FDR's legacy. "The current state of the world," stated Hassner in his Azores speech, "has made Roosevelt's legacy extraordinarily relevant." This is especially true when it comes to his "three great achievements": the New Deal, the plan he drafted for the wel-

fare state in the United States; America's intervention in the Second World War, in defiance of America's isolationistic bent; and his plans for constructing a new world order, which came to fruition in the United Nations Organization (UN).

After the fall of the Berlin Wall, the demise of the Soviet regime in 1991, the catastrophe of September 11, and the Iraq invasion, a new world order has been a long time coming. One of the few vestiges of the former balance that has remained after the end of the Cold War is precisely a project that Roosevelt masterminded: the UN. And even though the organization may not be in synch with today's reality, the UN still acts as one of the bulwarks for reorganizing our global system.

The methods used by FDR after the 1932 presidential elections to combat the chaos and despair that reigned in American society after the stock market crash of 1929 have been summoned once again: social security, unemployment compensation, progressive taxation, in short, state intervention in the economy. These methods of attenuating the disparities spawned by the free market economy, labeled "liberal" in the United States and "social democrat" in Europe, are what paved the way for greater balance in society, while creating an alternative to Soviet statism.

With the dawn of neoconservative theories during Reagan's two mandates, social policies became the favorite targets of the reigning political and economic elite. A new era was launched: one marked by the pursuit of "less Big Government" and the deepening of social inequality.

Paul Krugman⁵ has suggested that the 20th century economic history of the United States be classified by periods based on the criterion of *social inequality*. According to Krugman's classification, the first period began in the 19th century (1870) and lasted until the 1930s and the New Deal. It was an era marked by glaring social inequality, with no social protection for the working class or society's underprivileged.

FDR's 12 years in office kicked off a hiatus period which continued until the 1980s (the second period). Eisenhower, the first Republican president after FDR, to some extent accepted the legacy left by FDR's social policies. Between the end of the Second World War and the 1980s a kind of welfare state took root – with the consensus of both parties – that was imperfect, primarily because one of the main

objects of reform never materialized: universal health care, which remains an unrealized aspiration despite the (unsuccessful) efforts of Truman, Nixon, and Clinton, and which makes the United States (according to Krugman) the only highly developed country that does not provide blanket health coverage to all her citizens.

A certain bipartisan consensus between Democrats and moderate Republicans allowed a significant part of FDR's New Deal legacy to remain untouched until the Reagan Era (the third period) when the inequality gap began to widen to an extent that was reminiscent of the 1920s. Up until 1980, remarked Krugman, the rich were no richer than they had been in the Eisenhower Era. However, the ideological matrix for the turnaround was to come with the radicalization of the American right in the '70s. The America of Reagan and Bush would subsequently be the stage for social inequalities that harked back to the period preceding the Great Depression.

It is understandable that – in the midst of a veritable meltdown in neoconservative policies – some of Barack Obama's supporters would attempt to pass him off as the new Roosevelt, on the verge of offering a New Deal to the American people. "Franklin Delano Obama?"⁶ was Krugman's title-cum-query for one of his bi-weekly op-eds in the *New York Times*. Krugman offers a paean to political audacity. The motivating force was political change. "Institutions and norms, rather than technology or globalization, are the big sources of rising inequality in the United States," he asserts. Studies comparing the US with Canada, Great Britain, Japan, and France showed that, during the same time period, the deepening of social inequality in the US had far outstripped that of the other nations.

Conservatism held sway over American politics for close to three decades, despite the hiatus of the Clinton Administration. However, in 2008, the Reagan Era legacy literally went broke. The Wall Street meltdown, the economic recession, and the political crisis, according to Francis Fukuyama,⁷ all had their roots in the neoconservative model that had reigned until then: from its minimalist definition of the government's role in the economy, to its systematic opposition to any kind of social security and health care reform and, of course, its hegemonic view of US foreign policy with its hostile attitude toward most international institutions. With regard to US foreign policy, Fukuyama observed⁸ that "George W. Bush's great tragedy was to be persuaded that, after September 11, he could be Churchill standing

up to Hitler, or Reagan at the Berlin Wall, by using American military power in the Middle East."

With this context as a backdrop, it is easy to understand why there has been a revival of interest in the inspiring figure of Franklin D. Roosevelt in today's world where the functions of the state are extremely different from those of the 1930s. After the Democratic candidate Barack Obama won the presidential race, the cover of *Time* magazine showed the newly elected President in the guise of FDR, fedora perched on his head, cigarette in a cigarette holder clenched between his teeth, sitting comfortably behind the wheel of a 1940s convertible. Throughout his campaign, Obama had cultivated two registers: that of the consensus and supra-party President (or, as some would say, a post-party President) and that of the progressive President, heir to a liberal legacy (in the European social democratic sense). These two stances may not always work in synchronicity. They require that the President act pragmatically in order to ameliorate tensions and channel them toward positive goals.

Some people have accused the new President of raising the American people's expectations too high, not to speak of the expectations of the rest of the world. If this is the case, disappointment is inevitable. However, the Obama brand of optimism was not just a campaign ploy. The legacy of George W. Bush was what forced us to place our hopes so high. The now erstwhile Texan President left pile upon pile of rubble in his wake: from Iraq and the Gaza Strip to countless companies laid to waste by the whirlwinds of economic and financial crisis. Without the wave of enthusiasm that was unleashed in the US and the rest of the world, Obama would not be able to garner the trust that will allow him to conciliate the excess of caution exhibited by some with the unfettered impatience exhibited by others.

The First Franklin D. Roosevelt Azorean Forum did not confine itself to rehashing history. Throughout the sessions, with a spirit of openness and pluralism, the participants discussed the most pressing issues of today's world. Even though Obama's mandate as President was just a vague glint on the horizon at the time, the Forum – or at least most of its participants – could discern that the change we needed was underway in the United States.

Azores University: a link in transatlantic relations

JORGE MANUEL ROSA DE MEDEIROS*

I would like to begin my talk by citing Walter Lippman who, during the second half of the 20th century, said that “the Atlantic Ocean is not the frontier between Europe and the Americas. It is the inland sea of a community of nations allied with one another by geography, history, and vital necessity.”

In this light, Portugal, with her geographic position, acts as an Atlantic platform for international movement within the Iberian, European, and American markets, and increases the country's Euro-Atlantic centrality when it comes to intercontinental Atlantic routes, the Iberian Peninsula, and the rest of Europe.

There is no question that one of the ways Portugal is able to assert herself internationally is through the power conferred on her by her global positioning, which in turn comes from the high strategic value of her positions in the Atlantic, specifically of course, the Archipelago of the Azores. The Azorean Archipelago, spread out in the mid-Atlantic, occupies a large geographical area and is the European archipelago closest to the American continent. As such, the islands play an extremely important role both from a geopolitical and geostrategic point of view.

In 1918, Roosevelt recognized the geostrategic importance of the Azores to the point where he stated, in Ponta Delgada, that the support afforded Allied Forces during the First World War by the naval base in Ponta Delgada had been even more important than Portugal's participation in the European theater of war.

We should also keep in mind that first and subsequent generation Azoreans constitute the largest group of Portuguese immigrants throughout all of the United States, forming a veritable Azorean

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diaspora. There is a shared spirit of openness, understanding, competition, cooperation, and complementarity that has facilitated the relationship between the Azores and the continent of America and made it more efficient. Thus, for reasons that are geographical, historical, cultural, economic, and scientific, the Azores have become one of the most important bulwarks in the development of transatlantic relations.

As it is located in the Azores, the University of the Azores could not, by any means, overlook this reality. Within this framework, and as a means of delving even further into these issues, the University has set up the Centro de Estudos de Relações Internacionais – CERIE (Center for International Relations and Strategy Studies), which centers on the Atlantic, insular, and European position of the Azorean islands. As an organic part of the president's office, CERIE's mission is to bolster the university's external policy and contribute to the construction of a veritable "Atlantic bridge" between Europe and America, with its central pillar in the Azores.

Currently, CERIE's main priorities are to strengthen transatlantic relations, carry out studies regarding Europe, and then disseminate the knowledge gained in these areas.

It is our hope that the Center will serve as a useful instrument for political decision-makers, especially in the field of international relations, an area in which the University of the Azores expects to produce top-quality research.

The topics mentioned above have also been broached in a number of degree programs offered by the university such as our BA programs in European Studies and International Politics, and Public Relations and Communication, and our MAs in Island and Atlantic History, Military History, and International Relations.

With regard to research, it is worth mentioning that today the University of the Azores serves as a link in transatlantic relations for several areas of study, and has set up a number of research platforms in fields such as oceanography, volcanology, climatology, biodiversity, biotechnology, and economics.

NOTES

Introduction

- 1 This text is a summary of a talk given at the closing session of the First Franklin D. Roosevelt Azorean Forum in Ponta Delgada and material from the Notepad section of *Parallel* magazine, issue 3 (winter/spring, 2009), pp. 22-24.
- 2 Luís Nuno Rodrigues (ed.), *Franklin Roosevelt and the Azores during the Two World Wars*, Lisbon, FLAD, 2008; see in particular the articles written by Álvaro Monjardino, Carlos Enes, and José Medeiros Ferreira.
- 3 *Diário dos Açores*, July 19, 1918. Quoted by Mário Mesquita, in "A Escala de Roosevelt nos Açores durante a Primeira Guerra Mundial", a leaflet of *Boletim do Instituto Histórico da Ilha Terceira*, volume XLIV, 1986, p. 39.
- 4 *República*, July 20, 1918. *Loc. cit.*, p. 41.
- 5 Paul Krugman, *The Conscience of a Liberal*, New York, W.W. Norton, 2007.
- 6 *New York Times*, November 10, 2008.
- 7 "A New Era", *American Interest*, January-February 2009.
- 8 *Loc. cit.*

PART I

*The Azores as a geostrategic space:
past and future*

*The bases of bilateral relations with the USA
– a century of understandings*

ANTÓNIO JOSÉ TELO*

Since 1917, almost a century ago, there have been foreign military bases in the Azores with different statuses, missions, sizes, and users, belonging to the United States, the United Kingdom, France, and organizations such as NATO. Just over 90 years may not be much in the context of history, but it is enough to give us an overview of the phenomenon.

Many powers have had bases of different kinds in the Azores in a number of international systems and in very diverse circumstances, so it is a complex phenomenon that requires a multifaceted approach. In order to achieve an overview, we will first examine the great powers' strategies that led to their interest in setting up bases in the Azores. We will then consider the prevailing national strategic visions, including the way in which the foreign bases were managed to meet national needs.

Global strategies for controlling the Atlantic

In simple terms, we can say that, in the last century, the Azores have been enmeshed in the network of global powers through three types of strategy – negation, preemption and action, which can all be divided into several smaller subtypes.

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Global negation strategies

The negation strategies were less visible but more lasting than the others and were the first in historical terms. They came mainly from Britain, which for the most part was more interested in denying use of the Azores to an actual adversary or an emerging power and potential rival than in using the Azores directly.

Britain's reasons for wanting to prevent their use rather than actively using them are easy to understand. Her global power was built around an axis that started in Britain, extended towards the Mediterranean and into Gibraltar from the early 18th century, sailed into the Mediterranean, dropped anchor in Malta and Egypt, and from there moved on to the Indian Ocean, the Far East, and Australia. The less important alternative to this main axis went south along the African coast, sailed round the continent and anchored in Cape Town, after its conquest from the Netherlands, to reach the Indian Ocean. These were the two central axes of the British Empire after the independence of the United States, a vital line around which Britain's control of world trade revolved.

Outside these axes, there lay important support points in the Americas and Africa, from Bermuda to Canada or the Falklands, which completed a network of planet-wide dimensions that the global power needed. As Jack Fischer said, at the end of the 19th century, Britain had "the keys that locked the world." We must interpret this phrase on the basis of what was always the British singular perspective of the Empire. The main thing was to have the "keys" that enabled Britain to command and direct world trade. The British view in this respect was very similar to that of the Portuguese in the 16th century, at the time of the Eastern Empire, though very different from the Portuguese imperial paradigm in the 19th and first half of the 20th century.

In short, the basic axes of British power passed to the east of the Azores, both on the way to the Mediterranean and down the African coast. The other vital axis for Britain was the sea route to Canada and the United States, but it passed to the north of the Azores and outside their waters. This meant that the active use of Lisbon (en route from London to Gibraltar) was more important to the Lion of the Seas than the Portuguese islands in the Atlantic. Britain was traditionally more concerned with using Madeira than the Azores,

for the simple reason that it complemented Gibraltar in control of access to the Mediterranean and the route round the coast of Africa. We must remember that Britain's traditional rivals in the 18th and 19th centuries were Mediterranean powers (Spain or France). Later, as of the early 20th century, her main rival was Germany, a power with no direct access to the open Atlantic, as the German ports were on the Baltic or the North Sea.

During the French invasions, for example, Britain's armed forces occupied Madeira twice but never the Azores. In this period, it was normal to find a powerful British contingent in Lisbon to protect activities and interests in the peninsula. In short, in the golden age of the British Empire, the Azores constituted an accessory support point and were frequented – not by large fleets of liners – but by smaller ships like frigates and corvettes that fought the pirates who attacked the ships sailing from Europe to America laden with precious cargo.

The opening of the Suez Canal in 1869 increased this trend even further and moved the central axis of British power once and for all through the Mediterranean. The situation would have been very different if Britain had regarded the United States as a potential rival. The Azores would have been placed in the front line and their active use would have been essential. As this was not the case, Britain's rivals were in the east and her goal was to spread her power to the south and east, which was why the strategic potential of the Azores lay dormant for most of the 19th century.

But this dormancy was more apparent than real. Britain did not want to make active use of the Azores, though she did not want anyone else to either, and this required indirect strategies. The situation was clarified by the events of the late 19th century when Germany began the great naval race that would place it on a collision course with Britain. In these circumstances, it was essential for Westminster that Berlin should have no Atlantic ports outside the North Sea. Germany's naval power could easily be contained as long as it was confined there, as the Royal Navy could easily intercept and destroy a surface squadron trying to get through to the Atlantic. If Germany had a fortified naval base in the Atlantic, the whole balance would be upset. The Azores were therefore Britain's main concern. Even the largest squadrons could operate from Horta, and if this natural port were fortified with the means available in the late 19th century, an

inferior force would be able to hold off an attack by a much larger one. Moreover, in addition to the Azores, there was a risk of Germany setting up in three other places (Madeira, the Canaries, and the Atlantic coast of Morocco). Britain took this into account and aimed her foreign policy at preventing this from happening by strengthening relations with Spain and supporting France in establishing herself in Morocco, in order to thwart Germany's ambitions.

It was in this period that the negation strategy became particularly important. It consisted of finding secure ways of preventing any other powers from using bases in Portuguese territory.

These negation strategies mainly involved political and diplomatic measures, with no direct military pressure. In 1898, Britain merely asked Portugal for a secret guarantee that she would not allow a coal supply depot to be set up in the Azores without prior permission from Her Majesty's Government.

The Portuguese Government hesitated at first when faced with this unexpected request and failed to understand its scope. Westminster immediately put forward a simple theory. The alliance entailed obligations of mutual defense, and if Portugal did not comply with a request that was important to her ally's protection, then Britain would not feel obliged to do her duty to defend mainland Portugal and the empire. As Portugal was very much aware, it was not even a theoretical or distant obligation. Indeed, in that same year of 1898, Britain had signed a secret covenant with Germany on the possible division of the Portuguese Empire in certain circumstances and Germany was pressuring for the agreement to be implemented. In short, it was the very existence of the Alliance that was at stake. Faced with this explicit threat, Lisbon gave in and provided the secret guarantee.

From then until 1914, whenever the Government changed in Portugal, the British Ambassador requested an audience with the new foreign minister and formally asked for a renewal of the secret guarantees. This was how important Britain considered denying use of the Azores. There were some rather comical situations, because this was all done in the utmost secrecy, and sometimes the outgoing minister had no time to bring the new one up to speed, so he was taken unawares by an unexpected request from the British Ambassador and had no idea what to say.

As time went by, small extra requests were added almost imperceptibly when the agreement was renewed, and so the guarantees were progressively extended. In the final version, Portugal guaranteed that she would not make any concession (of any type) to a foreign power (no matter which one) of an Atlantic port (islands, mainland, or colonies) without Britain's prior permission. These were obviously secret guarantees and both governments knew that if they were to become public they would cause a wave of indignation and wounded national pride that would certainly bring down the executive and might even mean the end of the regime. The important thing is that scores of governments between 1898 and 1914, whether they were radical or conservative, monarchist or republican, agreed to renew the guarantees and ensured that they remained one of the Portuguese government's best-kept secrets. This attitude is one of the best examples of overall negation strategies and the direct connection between defense and diplomacy guided by a vision of national strategy going beyond the boundaries of regimes and government policies.

What happened between 1898 and 1918, with the successful use of the negation strategy, was a veritable geostrategic deflation of Portuguese territory. Lisbon may have had formal sovereignty over it, but its strategic significance was controlled by Westminster. It was a formal, willing concession of an essential aspect of sovereignty, which obviously offered important returns. The main one was the defense of the Portuguese empire against the ambitions of Germany and France, but there were others. Obviously, all the Portuguese Governments that gave up this sovereignty knew perfectly well that they were doing something that the public could never know about, something that would be classified as "shameful," "humiliating," and "unpatriotic" if it ever came out; something that would cause serious damage to Portugal's image abroad. The solution was to ensure that the guarantees remained confidential, the country's biggest and best-kept secret, one that, surprisingly, was actually kept in spite of great political unrest, a rapid succession of governments, and the change of regime.

Negation strategies became increasingly harder to maintain as the 20th century progressed. The way in which they were applied entailed international recognition of privilege and unequal treat-

ment. In fact, Portugal not only accepted that her ally would not develop a certain capability in her territory, but also undertook not to let others do so either. When this concept was applied to capabilities that the international community considers important, the situation became practically untenable. In the 1930s, for example, Britain tried to obtain exclusive civil aviation rights in the Azores, although she was not directly interested in routes stopping off in the islands. For Britain, it was much more advantageous to take the non-stop route across the Atlantic from England to Newfoundland but, given the state of technology at the time, any other power that did not want to use the British Isles had to stop over in the Azores in order to fly from Europe to North America.

In the 1930s, Portugal refused to grant Britain exclusive civil aviation rights. Indeed, this would not have been acceptable to the international community or the League of Nations. It is a good example of the growing difficulties in using negation strategies and a growing condemnation of this type of policy by the international community.

In the same way, in the 1960s, the United States also unsuccessfully attempted a negation strategy. This happened when France decided to develop her own nuclear weapons capability and expressed an interest in setting up a tracking station in Flores to follow the trajectory of her ballistic missiles tests over the Atlantic. The Flores tracking station was an important point in the development of France's nuclear "force de frappe," which was essential to her political independence from the USA. Not surprisingly, the US Government was not happy at the prospect of France setting up a facility in the Azores, as it was totally against her ally developing her own nuclear capability. It made discreet overtures to the Portuguese Government to refuse the request.

In the 1960s, however, French support was essential to continued Portuguese military efforts in Africa, and relations with the United States were tense. France's request was accepted and resulted in the French station on Flores, which was only recently closed down. It is a good example of failed negation strategies.

Global preemption strategies

Preemption is a normal economic policy in a context of conflict and was widely used in the Second World War. But it also has a political aspect. Preemption consists of taking action not because it is necessary to obtain something for our own strategies, but rather as a way of filling a vacuum before others can.

One of the best examples of preemption strategies involving the Azores was the case of the undersea cables. These cables were the only form of fast worldwide communication until the early 20th century, and so they were of huge strategic importance. Any power with global ambitions needed to have a secure cable network as a way of consolidating its areas of interest. Britain was well aware of this, and not only was she the first to set up a global network of submarine cables (the famous red network), but she also sought to do everything in her power to prevent potential rivals from setting up their own.

The network had a very simple rule. It only used as support points British ports or those linked to the UK under the statutes of her flexible informal empire. The only exception to this rule was Portuguese ports, which were part of the network from the start thanks to the cable station in Carcavelos (near Lisbon), which was part of the link between England and Gibraltar. Relay stations were necessary because the signal weakened in the undersea telegraph cables over long distances, meaning that it had to be repeated at regular intervals. Thanks to her unique geographical location, Britain was able to lay a direct cable to Canada with no intermediate stations, though any other European power wishing to lay a cable to North or South America would need a relay station. The Azores were the best-located islands for such stations, which explained their great importance. In short, Britain did not need the Portuguese islands for her own network, but she had to occupy them so that others could not use them and would therefore depend on the network.

Britain's first approach to solving this problem was relatively simple but could still be considered a negation strategy. She merely signed an exclusive contract for installing a submarine cable station in the Azores, though she had no intention of doing so. Every time the exclusive right expired, the British company would renew the contract, though it never built a station in the Azores.

The effect of this tactic ceased at the close of the 19th century, as it had become quite clear that what Britain wanted was not to invest, but to prevent others from doing so. As a result, strong international pressure was brought to bear against these unfulfilled exclusive contracts. Britain then built a large submarine cable station at Horta and managed to get the subconcession rights from Portugal. After that, French, German, and even American cables were moored at the Horta station on their way to destinations in North and South America via the British subconcession.

Horta became one of the largest submarine cable stations in the world, and there were four powers using the British company's facilities. The big advantage of this system was that the other powers' networks were only usable in times of peace. In the event of war, it was very easy for Britain to sever communications passing through her station at Horta and even take over enemy cables for her own use. Suffice it to say that a few minutes after the outbreak of the Great War, Germany lost all communications with America and her African colonies, and her cables were taken over for allied communications until 1918.

An interesting variant of preemption strategies was the British presence at Lajes after the Second World War. At the time, the Joint British Chiefs of Staff indicated to the United States that the bases in the Azores were not vital to their strategy, and that the need to cut costs meant that they would have to leave them. Washington, on the other hand, wanted to continue to use the Azores bases and asked Britain not to withdraw from Lajes right away, as the United States knew that her continued presence would facilitate the negotiation of an agreement with Portugal. Westminster reluctantly agreed to stay on for a limited period of time and negotiated a compensation agreement with the United States, without Portugal having any say in the matter.

In this interesting variant of preemption strategies, you occupy facilities not because you need them, but to help others get access to them.

Global action strategies

Global action strategies involve active use of the Azores in order to achieve a particular goal.

Global action strategies involving the Azores are associated mainly with the United States in modern times by the characteristics of the British vision.

The United States woke up very late to her global functions – during the First World War, at a time when she was the first global power and a naval power on a par with the United Kingdom. Before this, American foreign policy was guided by the principle of non-intervention in European affairs or in the frequent wars on the “old continent,” and so the USA saw no need to project power to the other side of the Atlantic. In the 19th century, the United States only showed a strategic interest in the Azores on two short occasions – during the Civil War in the 1860s and the short Spanish-American War of 1898. In both cases, her concern was to prevent others from projecting their power to Europe, rather than projecting her own. During the Civil War, it was a question of completing the Confederate maritime blockade in order to prevent any trade between the Confederate States and Europe. Few southern ships managed to get through, but those that did almost always passed through Azorean waters on their way to Europe, hence the interest in the archipelago. During the war with Spain, America's main interest was that the Portuguese islands should not be used as a base for operations by the Spanish Navy. Portugal remained neutral right from the start, just as Britain recommended. It was Britain's naval might that ensured Portugal's neutrality with regard to the Azores and Cape Verde. As a result, the United States rested easy on that count and was not tempted to occupy the Portuguese islands in any way. In the 19th century, the United States only felt the threat of an attack from the Atlantic on two occasions. One actually took place during the war of 1812 with Britain, while the other did not, during the 1898 war with Spain.

It was only after entering the Great War in 1917 that the United States began to show a concern for projecting her power towards Europe and on a huge scale. The problem was that of placing an army of some two million men on the old continent in a few months, which obliged her to face Germany's unrestricted submarine campaign. It was in this scenario that Washington wanted for the first time to set up a naval base in the Azores. Significantly, the United States negotiated the base in the Azores not with Portugal, as would have been expected, but with Britain in contacts between naval high commands in Washington. In view of the circumstances in 1917, for

the first time, Westminster agreed to a great power setting up a military presence in the Azores and gave the Americans the green light. After that, Portugal was merely informed (quite a while later) of the results of the negotiations between the United States and Britain and accepted them without protest.

The American naval base in Ponta Delgada was to be a minor, peripheral, secondary support point in the allied apparatus in the Atlantic. We need to understand its real strategic function, as there is considerable confusion on the subject among Portuguese authors. The Ponta Delgada base was not an important center in the convoy system, nor was it a supply point for large fleets. Indeed, Ponta Delgada would have been of no use for this purpose because of the deficiencies of its artificial harbor, which could only accommodate a few small ships. If the allies had been interested in this type of service they would have had to go to Horta, the only good natural port in the Azores and one capable of receiving large fleets. But this was not what they wanted.

The main concern of the United States was very different. She wanted to ensure that the Azores and Madeira were not used as supply points for long-range German submarine cruisers, which could launch a campaign against shipping close to the American coast. The submarine cruiser was a recent concept, having been developed in 1915. They were highly autonomous submarines with powerful surface weapons (usually two 155 mm guns) that could cross the Atlantic and bombard an unprotected port. Thanks to their guns, they had nothing to fear from escorts, patrols, or small ships for protecting ports. They had to avoid taking on larger enemy ships, which they did by submerging. It was vessels of this type that shelled the ports of Funchal and Ponta Delgada, giving the Portuguese defense no chance to respond, which created a new strategic scenario in the Atlantic.

In short, the Azores were mainly an outpost in the defense of the American continent, and not a base for projecting power towards Europe.

Indeed, the composition of the US navy force in the Azores clearly reflected this concern – one monitor, destroyers, and submarines plus long-range coastal defense guns, hydroplanes and marines. The monitor serviced the smaller ships and used its guns to defend

ports from submarines attempting surface attacks. The destroyers, in small numbers, carried out anti-submarine patrols around the ports. It soon became clear that they were ineffective, as submarines could spot them a long way away and dive long before the destroyers saw them. These ships were sent to France after only a few weeks in the Azores. The American submarines were the real anti-submarine weapon. They could stay submerged and ambush any German counterparts approaching the islands and trying to use their guns on the surface. At the end of the war, there was a plan to complete this apparatus with a hydroplane base and a strong coastal artillery system.

In short, the Ponta Delgada base in the First World War was essentially an advance post for defending the American coast, and was basically designed to prevent German submarine cruisers from threatening the Portuguese islands or being supplied there, even under cover.

One of the most significant events regarding the use of the Azores in this new sense took place immediately after the war. Important sectors of the US Administration, including the Navy, thought of the United States as having an active global role to play and being committed to maintaining world order through the League of Nations. They therefore thought they should maintain a capacity to project power and so keep a base in the Azores. Admiral Dunn, who commanded the Ponta Delgada base, campaigned for it to be kept active after 1919, and this included contacting autonomist movements in São Miguel. Some of the Azorean leaders of these movements were even taken to Paris by American military men on the islands during the Versailles Conference to try and convince the American leaders to stay on in the Azores.

All these hopes were dashed when the United States Congress decided to return to the traditional strategy of non-involvement in European affairs, and the United States withdrew from the League of Nations. As a result, the Ponta Delgada base was closed down in 1919.

The events of 1919 confirmed one of Portugal's greatest fears with regard to American bases on the islands, and that was the possibility of the United States being tempted to foster autonomy movements for her own strategic ends. This phantom would haunt bilateral relations after that, although it was all very discreet in 1919.

American interest in the Azores resurfaced in the Second World War, when the United States was called upon to defend the global

interests that she had rejected in 1919, preferring to stick to her traditional position.

The first manifestation of this interest resulted from the same concern shown in 1917, the advance defense of the American mainland. Much to everyone's surprise, by June 1940 Germany had overrun France in a few weeks, was advancing towards the Pyrenees, and seemed to have won the war. Only Britain was resisting, but the US Ambassador in London (Kennedy) felt that she could not hold out for long and would eventually accept a peace compromise. In view of this, the American executive took two immediate decisions. The first was to launch the largest armaments program in the history of humanity in order to be in a position to win a war against a Europe dominated by Germany and an Asia dominated by Japan within two years. The second was to occupy advance posts for the defense of the American mainland in preparation for a war against a German-dominated Europe, which would be waged fundamentally in the Atlantic.

The Azores were the first and most important of these advance posts, and President Roosevelt gave orders for their military occupation in 1940 by the 1st marine division, without reaching any prior agreement with Portugal. The operation only did not take place because Britain guaranteed that she had no intention of signing a compromise peace treaty, and that she would occupy the Azores herself if necessary. The United States backed off for a while in the face of these guarantees. This episode showed that in 1940 the United States began to regard the Portuguese islands differently, just as her strength, maturity, and determination had changed. The strategic concern was still the same as in the First World War, however – that of defending America against a threat from Europe.

I'm not going to repeat the long American saga leading up to her final occupation of bases in the Azores during the Second World War, as I described it widely and in detail in works published many years ago (Telo, 1993). What I would like to underscore was that America's plan was to achieve active use of the Azores, and that this plan became the main aspect of her bilateral relations with Portugal. The United States considered the issue to be so important that in 1943 she actually offered a guarantee of non-interference in Portuguese colonial issues, the first international commitment of this type she had ever made.

It is important to remember that the Azores played an active role in Allied strategies during the Second World War, which had not been the case in the First World War, even though Portugal remained neutral in 1939-45 but fought in 1916-18. Moreover, this active role was not that which many uninformed authors normally mention, i.e. the Azores were not an important center for the Atlantic convoy system or an essential base in the fight against submarines.

The Allied anti-submarine campaign was essentially decided in May 1943, when the U-boat threat was overcome by a wide range of new technologies and resources. This included a capability to decipher most of the German Navy's codes, and the use of aircraft carriers as escorts in hunter-killer groups, which sought out and sank submarines at their surface refueling points (U-boats were refueled by other U-boats at points indicated in coded radio messages). As of May 1943, the German submarine campaign was in constant retreat, and there were very few operating in Azorean waters. In short, German submarines ceased to be a serious threat to Allied shipping and were a mere irritation of ever-decreasing intensity.

This meant that when the concession of the Azores bases was discussed (early 1943), the Allies still regarded them as very important to the anti-submarine war, as the Battle of the Atlantic was at its height. However, when the agreement was actually signed and the bases were occupied, they were of much less significance. Britain occupied Lajes in October 1943 and initially stationed two RAF Wellington and Fortress anti-submarine squadrons there. One of these squadrons was withdrawn soon after due to a shortage of targets. Planes based in the Azores detected or sank only a few submarines in late 1943, 1944, and 1945. In short, Lajes was never a great anti-submarine base, much less a vital or decisive asset in winning the Battle of the Atlantic, contrary to what many authors would have us believe.

The Portuguese islands were important for a different reason, the emerging technology of intercontinental air transport. The first regular flights between America and Europe began a few months before the Second World War broke out and used Pan American Clippers, which stopped off in the Azores.

After the war began, at a time when the United States was still neutral, the final destination of these flights moved from London to Lisbon. British planes then flew from the Portuguese capital to Lon-

don. The clippers provided the only civilian flights between the two continents from 1939 to 1942.

In 1942, intercontinental flights began between North America and Europe on long-range planes, all of American origin. Most of them were C-54s and C-69s, though two-engine planes like the C-47 and C-46 also managed to make the trip with small loads. The United States made wide use of intercontinental air transport after disembarking in North Africa (November 1942), which was why she set up a direct air bridge from Florida and the Carolinas to Morocco and Algeria and later to Italy. There were few aircraft flying this bridge at first. They followed a long route via Brazil (Natal) to Gambia or Senegal before the final jump to North Africa. An alternative route took them directly from Canada to Britain, from where they went on to Gibraltar and North Africa. Either itinerary entailed a long detour, which prevented the real development of strategic air transport.

The availability of Lajes (October, 1943) made the air bridge much shorter and more direct. The time that it took the C-54s to fly from the United States to the Mediterranean via Brazil and the Gulf of Guinea was more than halved thanks to the use of the Azores, which meant that they could carry more than double the cargo at a lower cost. The initial few dozen monthly flights grew to more than a thousand as soon as they began to use the Azores.

For an understanding of the importance of this air bridge (the first on an intercontinental scale in history), allow me to recount a small episode. In his memoirs, Rommel said that he was finally convinced that the war was lost when German troops occupied an American command post in one of the rare successful German counter offensives. To his surprise, at the hastily abandoned facility the German Field Marshal found a chocolate cake still in its box with an indication that it had been baked in New York the day before and brought in by plane. If the United States was able to fly freshly baked chocolate cakes from New York to the Mediterranean when Germany could not even get munitions from Italy, twenty times closer, Rommel decided that the war was lost, and there was no point in resisting further. It was this unique capability, which only the United States had, that the Azores had rendered much cheaper and practicable on such a large scale.

The Azores were also important for other reasons (sea rescue, assistance to ships in difficulty, weather watching, interception of communications, surveillance). Lajes was also important in the

anti-submarine war after late 1943. However, not only had this war already been won, but German submarines were also sent to other areas, and so it was never a vital base in the Battle of the Atlantic. In almost all these cases, it was the United States and not Britain that was interested in using it and had the means to do so. In 1944, for example, around 95% of the planes stopping over at Lajes were American, although the base was theoretically British.

There was thus a paradox in the Second World War that would continue in subsequent years. The active interest in the Azores came from the United States, but Portugal insisted on making agreements on the bases within the framework of her age-old Alliance.

The United States was well aware of this problem, especially since it became clear in 1944 that her interest in the active use of the Azores would not end with the war. That year, the American Joint Chiefs of Staff classed the Portuguese islands as one of the most important long-term bases in the post-war period, as this time the United States was not going to turn her back on her global responsibilities after the conflict was over.

It is in this framework that we should regard the American request submitted in 1944 to build a large airbase in Santa Maria, which would be managed solely by the United States without any interference from Britain. Portugal was surprised at the way in which the problem was presented and, as was to be expected, began by consulting Britain. When Britain replied that she supported the request, as it was vital to bring the United States to Europe after the war, Portugal ignored any reservations she might have and for the first time negotiated Santa Maria directly with the United States.

Lisbon got a lot in return – an implicit guarantee that the regime would be supported after the war and accepted by the Western world, important economic and supply concessions, and an assurance that Timor would be returned to Portugal, and that a national expeditionary force would be allowed to liberate the country. This last point was important, as Australia had poorly concealed designs on Timor in 1944 (occupied by the Japanese at the time). Without American action, it was very likely that Australian troops would liberate Timor in 1945 and never leave.

The Santa Maria base would be built with American engineering in just a few months as one of the largest airbases in the Atlantic.

It was larger, more modern and better equipped than Lajes, as it was designed as a base that the United States wanted to keep up after the war. This did not happen because of the Portuguese Government's decision to concentrate all military operations at Lajes, while Santa Maria would be converted into a large civil airport. At this time, the Azores were expected to be widely used by civil aviation flying between America and southern Europe.

During the Second World War, the Azores became an essential factor in the difficult, turbulent relations with the United States. It was thanks to the islands that Portugal obtained three very unusual concessions that apparently had nothing to do with the Azores:

- an American guarantee that she would not interfere with the continued status of the Portuguese colonies;
- a guarantee that Timor would be returned after the war, even if it meant going against Australia's ambitions (apparently one of the United States' strongest allies);
- a guarantee that the regime would be fully accepted by the Western allies even though it was not a democracy.

After the war, Portugal announced that it would be "unthinkable" to allow permanent bases in peacetime and also would not accept direct payment for any American presence in the Azores, as this was considered to be forfeiting sovereignty. In spite of this position, the United States managed to stay in the Azores in peacetime year after year with countless concessions that were always presented as temporary and short term, but kept being renewed. The pretext was that Portugal did not have technicians trained for the complex equipment at Lajes, and so Americans were needed to operate it until Portuguese personnel could be trained.

In fact, although there were no direct payments, the United States continued to make large, unusual, mainly political concessions so that she could stay at Lajes in peacetime. Without going into too much detail, they included the following:

- Portugal was the only non-democratic country invited to be a founding member of NATO;
- Portugal was the only small power that managed to change important aspects of American policy on Africa from 1961 to 1963.

Thanks to the Azores, Portugal managed to get important concessions from the United States after the use of the bases in the 1973

air bridge to Israel, including a promise of American assistance if the military apparatus in Guinea collapsed and it was necessary to make a quick, improvised retreat to Cape Verde.

The Azores were used to moderate the United States' position after the 1974 revolution in Portugal and persuade Washington to accept the peculiarities of the Portuguese transition to democracy and support the country's democratic forces.

All these aspects are unusual in a relationship between two powers wielding such different weight (the American economy is some 200 times larger than that of Portugal). The situation of privilege and unusual Portuguese power can only be explained by that dysfunction called the Azores.

The Portuguese perspective

The role of the Portuguese islands was considered in the major powers' global strategies. Portugal's view of the Atlantic islands was different and varied considerably over time. First of all, it is clear that today Portugal has not and never could have the active means to assert herself as a world power. Portugal's action in terms of global power is situated mainly in her capacity for positioning herself between major powers' conflicting strategies. The country basically uses geostrategic advantages to obtain concessions in fields of national interest.

This does not mean that the Portuguese military apparatus, especially that installed in the islands, is useless or unimportant. On the contrary, it is essential in asserting and enhancing the value of Portuguese territory and therefore in achieving maximum advantages from the country's international positioning. This aspect is usually misunderstood, but it is particularly important in understanding the role of Portugal, a small power open to the world and highly dependent on foreign relations both in terms of essential aspects such as feeding the population (the age-old food balance deficit) and financial equilibrium (strong dependence on remittances from emigrants since 1850), on flows of technology, and on human and cultural relations (with more than one third of the Portuguese population in scores of communities scattered all over the world).

The role of the Portuguese military in the islands must be regarded in terms of the country's own, independent goals, which

may coincide with the vision of the major powers with bases there, but not necessarily. In short and in simple terms, the Portuguese armed forces defend territories, people, and facilities against small or medium threats, safeguard national sovereignty, which may be threatened by the presence of major powers, cooperate with allies in the exercise of global power, and carry out other functions in the public interest, which is particularly important in islands where seismic and volcanic phenomena are especially intense and frequent.

Although it is small, the Portuguese military apparatus is very important for several reasons. I will give two examples, both taken from the troubled period of the Second World War, when several major strategies clashed in the Atlantic.

In 1940, for example, there was no Portuguese military force worthy of that name in the Azores, as it only began to be set up at the end of that year. One of the effects was that, when the German Navy drafted plans for a major offensive in the Mediterranean and Atlantic, she thought that the Azores would be easy to occupy with a lightning strike by a handful of men brought in by air. The plan was for the three-engine Ju 52s to fly to the Azores from bases in France or Spain, parachute the men in, or make a surprise unauthorized landing on the few existing landing strips. The half dozen companies of special troops that they carried were considered quite enough to neutralize the small Portuguese military contingent and occupy key points on the main islands. The Ju 52s would not have enough fuel to return to base and so, after dropping the parachutists, they would have to land on the strips that had been occupied in the meantime.

At the same time, British plans also provided for the possibility of an operation of this type (like Germany's attack on Norway), and so her response would be immediate. In the second half of the 1940s, Britain had her only operational division ready to board ship at ports in southern England, sail at full steam to the Azores, and occupy the islands as soon as the first German soldier crossed the Spanish border, or as soon as she was sure that it was going to happen. In other words, Britain's plan was to occupy and defend the Portuguese islands in view of Portugal's lack of a force to provide an effective defense against a surprise attack. If the Germans launched an attack before the British forces could occupy the islands, their orders were to land and wipe out the small German force in the Azores, which had no way of getting reinforcements. As Germany could not trans-

port troops to the Azores by sea, her only way of attacking them was with forces brought in by air or submarine, which would obviously not be very numerous.

The absence of a minimally effective Portuguese force in 1940 meant that Germany was able to give serious consideration to occupying the islands in a daring surprise attack by small forces, while Britain was preparing for preventive occupation to be carried out as soon as she learned that the German plan was going ahead.

The second example is from 1943, when Portugal already had a sizeable military contingent in the Azores consisting of around 28,000 men on the three main islands. By this time, a successful surprise attack by the Germans was completely out of the question, as the Portuguese troops were more than enough to defend the key points against a small attacking force. The possibility now was of an attack from the sea by the Allied forces with the support of aircraft carriers and landing craft. The Trident allied summit between Britain and the United States had decided to mount such an attack on the assumption, erroneous as it turned out, that Portugal would not offer her bases voluntarily. As Portugal had a substantial military contingent in the Azores, the Allies were obliged to plan a large-scale operation involving tens of thousands of troops, sizeable air and sea support, and several months' preparation. This factor proved to be decisive as, during these months, the British Government, at Eden's instigation, decided to submit a diplomatic request in Lisbon for the use of the bases before a military operation was undertaken, though this had not been the Allied leaders' original intention. As Portugal acceded to the request, the military operation was cancelled.

In short, the existence of a substantial military presence in 1943 meant that the Allies could not occupy the islands in a small, immediate operation, and the time it took to prepare a larger one was important in contributing to the choice of a diplomatic solution.

We find that, in either case, the presence or absence of a Portuguese military contingent in the Azores was important. In 1940, its absence resulted in plans to occupy the islands in a small surprise attack, while in 1943, the existence of a substantial military force prevented forcible military occupation of the islands by the Allies.

The presence of foreign bases in the Azores was conditioned by many different visions, and there was a direct link between the type of

major strategy that inspired it and Portugal's military, political, and diplomatic response.

For almost half the period in question (1875 to 1943, with a small interval in 1916-19), the presence or absence of foreign military forces in Portugal was oriented by British negation or preemption strategies, which sprang from a concern for preventive occupation in certain periods and for specific purposes.

In two short interludes (1916-19 and 1943-45), the foreign military presence was mainly due to the need for advance defense of the American mainland (by the United States) or control of the North Atlantic.

From 1944 to the present day, the foreign military presence has sprung from the United States' need to project her air power along the United States – Mediterranean – Middle East axis. However, in part of this period there were other concerns, such as guaranteeing the depth or independence of European defense, which resulted in the installation of a French station in Flores.

Where use of these bases for national purposes was concerned, we can see that the main result achieved was political and strategic. There were four compensations for the use of the bases, which we have indicated below in order of their importance to Portugal.

Firstly, the foreign bases were regarded by Portugal's various governments as a form of legitimacy and international acceptance, or sometimes even as a way of guaranteeing the continuation of the regime (such as permission given to Britain to use the bases in 1943 or the Santa Maria negotiation).

Secondly, the bases were regarded and used as a way of achieving substantial political and diplomatic advantages, as was clearly the case in the 1960s in relation with the Kennedy Administration.

Thirdly, the bases were regarded as a way of ensuring the modernization of the armed forces in order to achieve national defense policy goals, even when the Allies did not share them (such as joint defense plans with Spain in the first decade of NATO or the defense of the overseas colonies after that).

Fourthly and finally, the bases were also used to obtain financial rewards, though this was always subordinate to the other aspects, which had absolute priority.

The foreign bases in Portugal were very important to the success of major national strategies and international acceptance of

the country's regimes. This was true even when national strategies clashed with those of the great powers that set up the bases, as during the wars in Africa. Since Portugal was usually highly dependent on the diplomatic or political support of the powers dominating the Atlantic, these factors were often her main reward for the use of the bases.

This helps us to understand the fact that direct financial and economic compensations were generally small. As the quid-pro-quo in other areas have been particularly significant, the trend has been to reduce compensation in terms of the direct payments requested.

There is also another reason for this, and it has to do with the recent past. Portugal has traditionally had a complex love-hate relationship with the power that dominates the Atlantic. It is a relationship that those in charge at a wide variety of levels, in power or the opposition, know is necessary for survival, and so they cultivate it in any way they can. It is also usually a relationship of fear, the clay pot's fear – so to speak – of getting too close to the iron pan.

The episode that best illustrates this "fear" is the famous "shameful ultimatum," though there are others. In the First World War, for example, Portugal was careful to place her largest ships in the Azores as a pale imitation of the American military presence. In the Second World War, when the Government decided to increase the military contingent in the islands in 1940, it was also thinking of a scenario that was never put into words but was still present, defense against a possible Allied attack. Indeed, this eventuality was far from belonging to the realms of political paranoia for reasons that are easy to understand. If a particular base was really vital to a great power's strategy, in a crisis the power would do everything to get it, by diplomatic or other means.

This love-hate relationship, this ever-present fear and suspicion of the Allies' real intentions, resulted in a unique approach by the Portuguese, in which they refused to accept direct compensation to avoid creating circumstances in which an ally could claim rights. What the Portuguese Government used to do was portray concessions as being involved in a legal tangle that it justified on the basis of generosity or a relationship between equals, even though the agreements were between entities wielding very different power. Within this approach, it would be normal to refuse payment or any other direct compensation.

American negotiators in the 1950s warned of something of which Britain was perfectly aware. The Portuguese were very sensitive about anything formally jeopardizing their theoretical sovereignty, and so all possible concessions had to be made in this field of very little actual importance, but of great significance when it came to appearances. As Salazar said, in politics, things are what they seem to be.

Curiously, this great concern for the formal aspects of sovereignty was sometimes accompanied by easy concessions with a real effect on sovereignty, provided that they were secret and they were not very important to public opinion. One example is the 1951 agreement at the height of Salazarism, when concerns for formal sovereignty meant that no mention was even made of direct compensation. The agreement quite simply provided for automatic use of the bases in the Azores by NATO and any other power in the Alliance, whether or not Portugal agreed with them.

The foreign military bases in Portugal illustrate one of the main aspects of the country's dysfunction in the international system. They are the main means for justifying Portugal's usual ability to achieve advantages and support from the international system that are seemingly above and beyond the country's relative weight. Portugal provided ample evidence of this ability in the 20th century, which allowed such abnormal things as the continuation of the dictatorship and the last European empire until 1974, and the fact that tiny Portugal managed to oblige the Kennedy Administration to change its policy in the 1960s. Thus, we can consider the foreign military bases in Portugal essential to an understanding of the originality of the country's development and unusual and unique path.

In this context, since 1898 the Azores have been one of the main if not the main factor of Portugal's dysfunction in her relations with the world. We use the word "dysfunction" here not in its medical sense but in its normal meaning in international relations. Dysfunction is the abnormal functioning of a body or entity. In the case of contemporary Portugal, working abnormally well rather than abnormally badly should be regarded as dysfunction. In other words, in many crises and situations in the last two centuries, Portugal has played roles and fulfilled missions that apparently go beyond her means and relative strength. This ability has been essential in the creation of contemporary Portugal, and can be attributed to a number of fac-

tors. The Azores and their strategic position are one of the main factors and the main one in many crises and concrete situations.

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*Where is Portugal
in Portuguese-American relations?*

JOSÉ MEDEIROS FERREIRA*

Historical introduction

At a conference at Brown University (May, 2008) I claimed that Portugal and the United States followed a very similar path in international politics between the Napoleonic Wars and the First World War. The big differences came later.

Both countries tried to maintain their neutrality and freedom of trade and the seas during the maritime and continental blockades that the two European presences imposed, Great Britain the maritime blockade and France the continental one. Portugal was at war between 1807 and 1814, and the United States was actually invaded for the last time in 1812, by Britain. It was freedom of trade and of the seas that was at stake.

Later, in the 19th century, Portugal and the United States defended the right of neutral nations in the Crimean War (1855), the Franco-Prussian War (1870-71), and the first years of the First World War. Both defended the right of neutral countries to continue to trade legally with the warring parties.

I know it may seem rather bold to compare two countries with such different standings today. But I am backed up in my boldness by one of Washington DC's best foreign policy analysts, George Kennan. In 1951, he wrote in his book *American Diplomacy*:

[...] The annals of American diplomacy in this half-century contain many positive aspects as well as negative ones.

Let us remember that for us this has been a period of tremendous and most trying transition. We entered upon it with the concepts and methods of a small neutral nation.¹

* Professor at the Universidade Nova de Lisboa (New University of Lisbon) and former Minister of Foreign Affairs.

These concepts and methods of a small neutral nation would lead to the ascension of the greatest world power of our times. Let us see what the concepts and methods of a superpower bring.

Together in the defense of the international rights of neutral countries for most of the 19th century, Portugal started up a kind of “collaborating neutrality” with the United States during the Spanish-American War of 1898, on the old principle that one warring nation can gain more from the neutrality of a country than the other. This was the case with Portugal’s neutrality in the Spanish-American War of 1898, the Boer War of 1899-1902, and the First World War.

The same happened with America’s neutrality from 1914 to 1917 and 1939 to 1941 in the conflicts against the “continental disturber” in which her sympathies and interests were focused on Britain.

Portuguese neutrality during the so-called “Cuban War” between Spain and the United States favored a rapid victory for Washington. The United States was hoping that Portugal would declare her neutrality in the conflict with Spain, thereby preventing Spanish ships from getting supplies and renewing their crews at Portuguese island ports.

When Portugal decreed her neutrality in 1898, the Azores and Cape Verde were at the center of the decision, or at least in the decree published in *Diário do Governo* of April 29 of that year. This six-article decree was very meticulous in regulating Portugal’s international rights and duties, especially with regard to the use of her Atlantic ports. The article on the strict obligations listed for equitable application between the warring countries was followed by one on the right to “lawful trade” with them by a power that had been declared neutral.²

The rights of neutral powers united the Portuguese and Americans in the Napoleonic Wars, the Crimean War in 1854, and from 1914 to 1916 in the First World War, in which they both remained neutral. “Indeed, the need to keep the Atlantic free from German submarine attacks on United States merchant ships was one of the factors that made Washington decide to declare war on the central empires.”³

It is true that Portugal did not declare her neutrality in 1914 by decree as she had done in 1854, 1870, and 1898, but her international status was neutral between 1914 and 1916. The two countries were therefore both neutral in most of the wars in the 19th century. In the First World War, they started out neutral but later entered the war

because of maritime transports – Portugal because, in February 1916, at Britain’s request, she considered “seized in prize” the central powers’ ships at national ports in order to increase the tonnage of allied shipping in a kind of common transportation policy, and the United States because she would not tolerate the *à outrance* submarine war being waged by the Germans, who torpedoed her merchant fleet crossing the Atlantic in 1917.

United in their neutrality during the Great War, and even in the form of their neutrality, which was favorable to Britain, the United States and Portugal also ended the war as belligerents on the same side of the barricade. Both helped Britain as neutral and warring nations in the First World War. It is difficult to find any other similarities between the two countries.

The First World War also brought the novelty of a US naval base in Ponta Delgada in mid-1917. It was negotiated from August to November, 1917.⁴

In diplomatic terms, these negotiations of an American naval base in São Miguel took place within a triangle of international relations established by the Portuguese Government, in which the other points were Britain and the United States. Allowing the United States to set up the Ponta Delgada Naval Base was something new in the North Atlantic and not only for the Portuguese, who were expecting the British to take care of maritime security in the area.

Washington’s timid attempts in the Caribbean islands all seemed to concentrate on the Panama Canal security line and little more than that: Cuba in 1898, Haiti in 1915, and the Virgin Islands in 1916. The leap to the Azores in 1917 just goes to show the Atlantic projection that the First World War provided the United States.

In this situation, and especially after the work at the Paris Peace Conference, Portugal showed a permanent reluctance to establish direct bilateral relations with the United States. This attitude was particularly strange as Washington had recognized the Portuguese republican regime before the major European powers in 1911, i.e. before Britain and even France.⁵

Only an overly historical view of the “war of alliances,” which the First World War indeed was, can explain the almost total absence of contact between the American and Portuguese delegations during the Paris Peace Conference in 1919, in spite of signs of possible American goals in the Azores at some chancelleries⁶ and the impor-

tance of American diplomacy at the Peace Conference and the constitution of the future League of Nations (LoN).

It is interesting to note here that President Wilson defended some of the goals of Spain, which did not attend the conference but was invited to join the LoN Executive Council as a representative of the neutral and Spanish-speaking nations, which was something that Portuguese diplomacy was unable to achieve when the organization was at its height.

The first major opportunity to establish a bilateral relationship between Portugal and the United States was missed during the 1919 Peace Conference and the foundation of the LoN. The nine-century alliance between England and Portugal explains the timid overtures of Portuguese diplomacy. The start of American isolationism in 1920 closed the door on the rest.

Nonetheless, the Azores retained their memories of the naval base, the aid to the local population in terms of food and health products, Roosevelt's visit in July, and the passage near Ponta Delgada's docks of the ship carrying President Wilson on his way to the Paris Peace Conference in December 1918.

But the alliance with Britain seemed to be alive and kicking, so much so that Britain renounced her alliance with Japan in 1920 in the LoN Secretariat and said nothing about the status of her alliance with Portugal.

The episodes in World War I are well known, as is the importance of the Azores in transatlantic relations, especially to Portugal's accession to NATO and the Cold War strategy.

It may be worth pointing out that the facilities in the Azores were once again conceived using the diplomatic Lisbon-London-Washington triangle that the First Republic had begun in 1917, and Salazar glorified as his own in 1943.

In 1944, the Santa Maria Agreement was bilateral between Portugal and the United States with regard to the Atlantic, but rather confused when it came to the liberation of Timor in the Pacific. After all, it was the Australians who showed up at the gates of Díli in September, 1945.

I don't plan to look again at the negotiations that led to the American presence at the Lajes Base, but these negotiations, which started out as bilateral, sometimes became multilateral, especially in connection with NATO, when its deadlines and terms stood to favor

United States positions. Without going too deeply into the subject, I would like to express my opinion that, contrary to the Portuguese political legend, it was the American negotiators who most often got their way on the terms of the Lajes agreement.

Let us see. Between 1945 and 1957, the intention of Salazar's Government was to prevent the Americans from setting up a permanent base at Lajes in peacetime. On 25 March 1951, Minister of Defense Santos Costa wrote to General George Marshall explaining that the government would oppose the stationing of American troops in the Azores in peacetime.⁷ During the negotiations on the renewal of the right to use the base in 1957, Salazar said to the United States Ambassador, "I would like to see the US forces out of the Azores in peacetime." He had not forgotten what Sulberger had written in the *The New York Times* in 1949, saying that the United States would set up permanently on a temporary basis in the Azores!⁸

The whole history of the negotiations on the renewal of American facilities in the Azores in 1957, 1962, 1969, 1979, 1984, and 1995 is a story of their stay at the Lajes Base practically on the United States authorities' terms. Further insight into the strategic function of the Azores for military use, the technical command of operating conditions, and a remarkable capacity for initiative in its proposals partly explains why they were generally successful.

Even the difficult understanding in 1962 because of the Kennedy Administration's African policy only led to more tolerance of Salazar's colonial policy. Where the terms governing the use of the Lajes Base were concerned, there were no improvements for Portugal, which has been forgotten by some people looking back at the episode. In other words, what really interested Washington was the immediate use of the Azores. The independence of the colonies was expected to occur around ten years later, which was in fact the case!

In order to understand the negotiations between the Kennedy Administration and Salazar's Government in 1962, which allowed the Lajes Agreement to stand in exchange for a reduction in Washington's diplomatic support for anti-colonial positions, especially in the UN, we have to establish the framework for the United States' foreign priorities. Among these priorities, the Azores had, for a long time, been more necessary than the immediate independence of Portugal's African colonies, which did not depend on the United States in any case. This position was taken several times by different bodies

in the Washington Administration, including the State Department, Defense Department, and the Joint Chiefs of Staff from at least the end of World War I to 1973.

When he was Ambassador to India, John Kenneth Galbraith, Kennedy's special adviser, referred specifically to US Azores versus Africa policy as follows:

In late 1961, I conducted a modest campaign by telegram against the Department's continued and undeviating support of the Government of Premier António de Oliveira Salazar of Portugal, with our associated and obsolete commitment to colonial rule in Africa and India. I noted, among other exaggerations, that we were exchanging our whole position in that part of the world for a few acres of asphalt in the Azores.⁹

It was Salazar's Government that was erroneously clinging to its African policy, wishing to maintain its old colonial ties and refusing to progress towards acceptance of the principle of self-determination. The United States just wanted to avoid a colonial war that she regarded as an obstacle to future understanding between the parties, and said so in writing several times.

Between 1961 and 1964 she even submitted several plans for helping Portugal toward gradual decolonization (Elbrick, 1961; George Ball, 1963; Anderson, 1964). One of these plans, which was drafted in 1962, is summarized in a memorandum from Paul Sakwa¹⁰ to President Kennedy.

It is realized that an aged potentate like Salazar is not likely to accept the above plan without the benefit of a frontal lobotomy... [...]

The basic idea is to present Salazar with an intelligent and detailed eight-year Plan for the Colonies, attached to which would be a plan for the economic modernization of Portugal designed to:

- 1) Replace the nostalgia for past colonial glories with the accurate attraction of the European present;
- 2) Double the per capita income to 550 dollars in above five years;
- 3) Integrate the Portuguese economy into the Atlantic community; and
- 4) Make Portugal a positive asset to the Atlantic community.

This plan would require the economic and financial cooperation of the NATO community and willingness on the part of Germany, for

example, to assist with grants, loans, technical assistance and heavy machinery in order to train and employ Portuguese manpower.

And he ended rather patronizingly:

A NATO investment of some 500M dollars per year to modernize their economy seems like a cheap way to avoid disaster. [...]

Portugal's friends have a moral obligation to help this unfortunate country.

Then George Ball made several attempts to persuade Salazar to accept decolonization, which Salazar said was a defeat for the West and a victory for the Soviet Union, a sentiment with which Kennedy's Undersecretary openly disagreed.

I did not speak of the communist threat before only because I deeply believe that the historic process of decolonization does not result from the Cold War.¹¹

He even held the Portuguese Government responsible for the possible influence that the communist countries might achieve in Africa:

Communist support in the so-called liberation struggle is an option that no African leader can refuse if he is convinced he has no other alternative open to him.¹²

Based on current State Department estimates, Ball said to Salazar:

You believe that time is on your side, but we do not. As I have had the opportunity to mention, our estimates indicate that, at best, you will have no more than ten years to prepare the Portuguese territories in Africa for the political act of self-determination.¹³

This forecast that the Portuguese and Africans would waste "ten years" on the colonial war was prophetic. Having failed in her efforts, the United States just waited. This was the context of the famous negotiations between Salazar and the Kennedy Administration on the renewal of the Lajes Agreement in 1962. And a pyrrhic victory it was.

The Azores still and always

Ten years' wait for the war to show the Portuguese governors that they needed to decolonize. And 25 April 1974 arrived within the period forecast by Kennedy Administration analysts in 1962 and 1963. On 25 April, 1974, Nixon had been President of the United States for six years.

Unlike the diplomatic team of the Kennedy era, the United States Embassy staff in Lisbon lacked a variety of contacts and was unaware of the seriousness of what was happening around it. This is shown by actual American documents. Even if they had been aware of the military movements of the captains, they would never have thought them capable of overthrowing Marcelo Caetano's Government.

In October, 1973, i.e. little more than six months previously, there had been a rather unpleasant episode between Caetano's and Nixon's Governments regarding the use of the Lajes Base in the Yom Kippur War between Israel and Egypt. Everyone remembered the Americans' efforts between October 11 and 13, 1973 to gain free access to the airbase for missions sent to assist Israeli forces. Nixon's Government, which had not received authorization from its other European allies in the emergency, sent more than 1,200 large planes loaded with war materiel via the Azores between October 14 and November 16.

For many reasons, there were no special expectations in Washington of events in Portugal, beyond independence for the colonies and a democratic regime at home. Nothing was expected to go against general American strategy. Political events in Portugal, however, inspired increasing concern in several capitals of the Western world in general and Washington in particular.

In view of the subject of this presentation, let us focus on the relationship between the revolution in Portugal, events in the Azores, and Washington's reactions during that period.¹⁴

No-one will find it odd that the Franklin D. Roosevelt Azorean Forum underscores the concerns aroused in Washington by the future political and strategic status of the Azores, as a result of events in Portugal between 1974 and 1976. In August, 1974, the Americans showed signs of concern as to the future of the Lajes Base in a telegram from Henry Kissinger, which mentioned information that had reached the Lisbon Embassy to the effect that there had been an "Arab offer" of

400 million dollars in exchange for the Portuguese Government forbidding the future use of the base during Middle East crises.¹⁵

Although the rumor was unfounded and the Ministry of Foreign Affairs and Mário Soares denied it, the tone had been set for Portuguese-American relations at the time – between America and Europe, what was to be done with the Azores? As a result of developments in the political process in Portugal, transatlantic relations turned into a kind of web involving the United States, European powers, mainland Portugal, and the Azores.

In April, 1975, Kissinger instructed the National Security Council to reassess "the political and military significance" of the Lajes Base and its "importance to the security of the United States and NATO." He asked the council to analyze four different scenarios:

The continuation of the agreements on use of the base, a request to review the agreements and limit the use of the base, a request from Portugal for an American withdrawal, and a decision by the United States to withdraw from the Azores.

Unilateral use of the airbase, which almost occurred in 1973, was not included.

The NSC and representatives of the State Department, Defense Department, Joint Chiefs of Staff, and the CIA drafted a Memorandum (NSSM 221) which pointed to the continued strategic importance of the Azores, although the Lajes Base was no longer "a number one priority," as it had been classified during the First World War, and indicated that there were alternatives.¹⁶

This study shows the function of the Lajes Base as a "link in the structure of overseas American military bases." This was undoubtedly one of the most unspoken facets at the time of negotiations with Portuguese representatives.

We can only fully understand this request from Kissinger if we realize that on April 2, 1975, Carlucci sent the State Department information on "the preparation of armed action in the Azores by groups of Portuguese exiles in Spain and MAPA, advising Washington not only to steer clear of these movements, but also to support the Portuguese Government if necessary."¹⁷

The fate of the Azores occupied a place in relationships between the United States and some European countries besides Portugal.

There are records of talks on the matter between senior representatives of the American, British, German, and French Governments in May and September, 1975. Spain was consulted in another context.

On May 29, 1975, Gerald Ford, accompanied by Kissinger, met with Chancellor Helmut Schmidt and asked:

How would the Europeans react if the Azores seceded from Portugal and proclaimed their independence?

According to Schmidt, he answered:

Eastern European propaganda would paint a declaration of independence as the result of American interference. On the other hand, Western Europe would accept the independence of the Azores if the situation became untenable in Lisbon. This is not currently the case.¹⁸

It is interesting to learn that, on a visit to Moscow, Willy Brandt and Schmidt had told Brezhnev that Portugal was “within the German sphere of influence.”¹⁹

In any case, the United States intelligence services paid a lot of attention to the reaction of European countries to the success of island separatist movements. This is what we can infer from a report by William Colby, Deputy Director of the CIA in May, 1975, in which he expressed a concern about a coup in the Azores, “whether or not it was successful,” being regarded by some European allies as a “hostile act against a NATO ally.” He wrote that it was unlikely that any European government would recognize the independence of the Azores, unless Portugal left the Atlantic Alliance.²⁰

The positions of some European countries on the future of the Azores and Washington’s fear of losing the alliance with Lisbon certainly acted as a deterrent against any unilateral attempt at separatism. Once again, Europe was moving closer to the Atlantic Ocean. Perhaps for the first time since the end of World War II, countries like the FRG and France were expressing opinions on the high seas of the North Atlantic.

In September, 1975, there were three meetings in the United States between senior American, British, and West German representatives to discuss the Azores. The first was held in New York on

September 5, the second in Washington on the 16th, and the third in New York on the 24th. At all the meetings, all the representatives were opposed to a unilateral declaration of independence by Azorean separatist movements. The European countries refused to countenance the possibility, and at the meeting on the 24th, Kissinger “did not hide from his colleagues (Genscher, Callaghan, and Sauvagnargues – from West Germany, Britain, and France) that Washington had approached the separatists several times and was in contact with them, but believed that ‘it was a big mistake to encourage them.’”²¹ Frank Carlucci, United States Ambassador in Lisbon, had said the same thing several times.

We all know how the political process in Portugal ended. In 1976, the country was provided with a democratic Constitution and the Azores received political autonomy with their own elected government bodies. In the words of Mota Amaral, President of the Regional Government, it was a “Portuguese, European, and Western solution.”²²

This solution warranted a highly significant gesture of support, as Ambassador Carlucci attended the opening ceremony of the Azores Regional Parliament in September 1976.

The Azores at the crossroads of Euro-Atlantic relations

This whole story shows the great geopolitical importance of the Azores in relations between America and Europe before, during, and after the Cold War. We are aware of the general lines of this importance before and during the East-West conflict. The new situation after Portugal joined the European Union (1986) and after the Cold War (1989) still has to be researched.

The general climate during the Cold War contributed considerably to successive renewals of the agreement on the Lajes Base, though not even the end of the East-West conflict extinguished American interest in the Azores. This interest seems to dwindle whenever the end of the agreement is in sight and, indeed, at these times many Portuguese strategists also discover that the importance of the Azores is on the wane.

But the most curious thing is understanding why, after the agreements have been signed or extended, the islands’ strategic impor-

tance rises again and even takes more forms, ranging from their use for training and testing troops to a stopover for other flights.

The transatlantic role of the Azores was far from being limited to the general framework of the East-West conflict, whether we regard it as a more strategic or more ideological, more oceanic or more continental European center. But the changes did not come only from the East-West conflict, and the true history of the Cold War and its role still has to be written.

Portugal's accession to the EU and the EU's development have played an important role in the new strategic situation of the Azores today. The Azores' position has changed considerably since Portugal joined the European Union. The Atlantic autonomy established in 1976 gained a more European dimension in the 1990s. And if we regard the Azores from a monetary point of view, they belong more than ever to the European mainland, as they belong to the Eurozone, part of the internal European market.

Perhaps surprisingly, when Portugal negotiated her accession treaty to the European Community (EC), the Azores Autonomous Region did not want a separate status, unlike the Faroe Islands when Denmark joined in 1973, and the Canaries during Spain's parallel accession process.

After Portugal joined the EC, the future of the Azores was linked to the European continent more than before and possibly more than ever in contemporary terms. The Azores were now subject to common commercial, maritime, and agricultural policies, among others, established in Brussels, although within the framework of support for ultra-peripheral regions of the European Community.

In other words, after Portugal joined the EC, the Azores, which were centered in the North Atlantic until 1986, began to fall under European bodies, institutions, and rules, while still maintaining special ties to the United States, though they were more military and technological than political or economic.

This European dimension was condoned and even accelerated by the United States' philosophy on the use of facilities in the Azores, especially with regard to the nature of compensation for their use.

The way in which the American Government saved on the financial recompense set forth in the 1984 Agreement became clear after the inflow of EC structural funds to the Azores in 1991, precisely the year substantial Community funds arrived. As EU funds from Brus-

sels and the Portuguese State Budget rose thanks to new conditions brought by EU ultra-periphery and economic and social cohesion criteria and the Autonomous Regions' Finance Law approved by the Portuguese Parliament in 1998, the income from the Defense Agreement with the United States dwindled to nothing, as shown by the table below dated 1998:²³

	1990	1991	1992	1993	1994	1995	1996	1997
UNITED STATES AGREEMENT	6,993	3,747	2,578	948	368	414		
EU FUNDS	5,682	11,779	9,881	7,300	10,789	11,430	11,191	10,672

(PTE billions)

This transition from American to EC financial assistance in terms of international agreements has been more accentuated ever since. Cooperation with the United States under the new 1995 Agreement went to other areas such as science and technology, though it was minimal.

It was as if Washington felt that development aid was now an obligation of EU territorial cohesion and that the United States could withdraw. What this may mean in the long run and other circumstances no-one knows right now.

Let's look at recent developments in the EU.

Although the EU is focusing more on itself again, there is a possible development that may still affect the Azores' strategic situation and this is the future ESDP (European Security and Defence Policy), if it aims more at projection of overseas forces than the continentalization of neighboring humanitarian missions. So far, EU security and defense missions have been more humanitarian than military. But will that always be the case?

The EU's maritime policy, which at the moment only seems to upset Canada, may show developments in this area that relocate the Azores in the separation of waters between Europe and the American continent, if the idea develops that the Atlantic will play a role as a Western maritime border and common commercial, fishery, spatial, and maritime policies will extend that far.

There does not seem to be any tension between the European Union and the United States in this area of the Atlantic. But who can

guarantee that in the future there will not be a clash of commercial, environmental, maritime, technological, in short, political interests?

As I have already written:

In prospective terms, the movement of a kind of political isobar over the archipelago will always tend to be shaped by the degree of understanding between São Bento, Westminster, and Washington and by the influence in the islands of factors of greater or lesser cohesion between them. But other powers may come and dispute influence, depending on the development of the international situation.²⁴

In the future, the Azores may be either a theater of Euro-Atlantic articulation or the stage for sharing scientific, technological, security, and defense missions. We may be a step away from sharing missions or dividing islands into areas of influence.

Indeed, the history of the handling of the Azores by national and international strategies is full of periods in which the islands were divided into areas of influence for use by different friendly, allied, or simply present powers. Faial was once more British, Santa Maria and Terceira more American, Flores more French, while São Miguel has been freer of outside influences.²⁵

As I have already written, and in answer to a question raised at this forum by the Secretary of the Presidency, Vasco Cordeiro:

Portugal is entering the 21st century with the precious asset of political and administrative unity in the Azores. [...] If this inter-island cohesion did not exist within the concept of harmonious economic and social development under the democratic bodies of the Azores' own government, what would most likely happen in the Azores would be a division of areas of influence, some more European and others more American.²⁶

Conclusion

Yesterday's atlanticism is not the same as today's. Oceans and regions communicate more with each other than before in this phase of globalization. The enlargement of the Atlantic Alliance to Eastern Euro-

pean countries has created a new context for the application of Article V on attacks on the territorial integrity of its members.

There has clearly been an exchange of roles between international organizations. NATO is committed to fulfilling a UN mandate in Afghanistan. The European Union is in Kosovo dealing with her unilateral declaration of independence. Since Yugoslavia was dismantled, the precedent of changing the European political map has been set with no schedule or limits. Even the United States is pushing the limits of her power and allowing herself to be pulled into wars of greed here and there after the terrorist attack of September 11, 2001.

The Azores should continue to be a factor of security and articulation in the cisatlantic, helping to guarantee the free circulation of aviation and shipping between continents and political entities on both sides of the ocean.

We do not know very much about a future European defense policy or its expression in the Atlantic if it is not just continental. In prospective terms, we may witness the formation of a kind of isobar in the Azorean atmosphere between more continentalist currents and more Atlantic masses of air once again causing the creation of micro-climates in the islands in different areas of environmental influence.

The political unity of the Azores enshrined in the Portuguese Constitution and promoted by the islands' autonomous institutions is therefore a precious asset that must be preserved. For its part, the Portuguese state must understand that it is obliged to be the best international negotiator that the Azores have.

*The singularity of the Azores and two-stroke
diplomacy: the unitary and the partner state*

ANDRÉ BRADFORD*

I

I will stick my neck out and, with all due respect for the peerless figure of Franklin D. Roosevelt, start by quoting John F. Kennedy who, while addressing the Canadian Parliament, stated, “Geography has made us neighbors. History has made us friends. Economics has made us partners. And necessity has made us allies.”

JFK’s comment on Canada could, with all appropriateness, be applied to Portugal and, more pointedly, to the relationship between the United States and the Azores, though we are more distant neighbors.

As far as geography is concerned, the facts are obvious. Portugal juts out into the Atlantic physically speaking. The distance between Lisbon and Madeira to the south is close to 900 kilometers; and from Lisbon to the Azores a little less than 1500, to which we must add another 600 if we are using Flores island as our point of reference. If we geometrically join the dots, even taking into account the international waters and airspace inside the lines, it is clear that it is not the Portuguese mainland’s lengthy Atlantic coast that determines Portugal’s Euro-Atlantic destiny and calling and gives depth of range to Portugal’s timelessly cherished aspiration to be a privileged interlocutor in the Euro-American dialogue.

History also leaves us little room for speculation. From the settlement of Hawaii to the pages of Melville’s *Moby Dick*; from the era of Billy the Kid to the California Gold Rush; from the first consular post of a free America, headquartered in this very city, to the huge waves of immigration that led to at least three times more people of Azorean background living in the United States than the 245 thousand who currently inhabit the Region – examples abound that

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clearly illustrate our intertwined past, wrought out of necessity, but also out of affection, forming a communion of dreams and triumphs.

This brand of historic relationship is not mirrored in any other part of the country and must not be overlooked when examining the present status and the future of our bilateral relationship because it is, after all, part and parcel of the basics that make up Portugal's Atlantic calling.

History also tells of a formal partnership – one that has been amply discussed in this Forum – which was brought to bear in a number of concession agreements for military facilities, the first being in Santa Maria, then on Terceira island. These agreements still assume particular importance as a source of legitimacy and are a core element in defining the extent of Portugal's influence abroad.

With regard to this issue, it behooves us to recall, because it was a harbinger of things to come, the document that was issued by the Information Department of the British Armed Forces' War Office, dated September, 1943. Coming in the wake of negotiations held with Salazar for the use of Lajes, the document outlines the arguments to be used by any military person in charge who discusses the issue in public or in private. The document states, "The temporary nature of the facilities granted must be underlined." Further on the paper states, "The notions that best suit the description of objectives are to safeguard the Central Atlantic route and the entrance to the Mediterranean," as well as "to heighten security for Allied transatlantic shipping." The document also stressed that "even though this agreement falls completely within the scope of the Anglo-Portuguese Alliance, the Americans have been systematically consulted on this issue and are in full agreement."

Even though the document was drawn up during the direst throes of military conflict, and thus reflects above all contemporary concerns of an operational nature, one can see, peeking between the lines, a clear perception that the road to the future was also being paved, and that the future would certainly include the centrally located Atlantic position of the Azorean archipelago.

This geostrategic characteristic, bolstered by history, just as we have tried to demonstrate very briefly, is essentially structural and, at the same time, appears to be influenced by events. It certainly derives from what *is*, but also from what *seems* to be. Or, if one wants to be more realistic, from what it wishes to seem.

II

As an essential cog in the wheel that moves Portugal's diplomatic and negotiating stance as a nation with an Atlantic calling, the Azores themselves are also a direct interlocutor in the transatlantic dialogue, since they have traditionally stood with their back to the Arctic, facing south, a position that gives them an articulated view of the Atlantic's two shores.

The stance the Azores have assumed is echoed within the Constitutional framework in force and in the manner in which the system of autonomy, as we know it today, is structured. Transatlantic cooperation, as embodied within the framework of autonomy enshrined by the Constitution and the acts and duties of the Region's governmental bodies (allow me to make this regionalist plug), in this case takes on a particular character that is worth pointing out.

In this matter, more than in any other (even if we take into consideration European Community issues), the Azores have added a foreign dimension to their political activities by directly taking part in diplomacy and negotiations between sovereign states. We have here an example of what I would call (fully aware that I'm running the risk of spouting doctrine in someone else's backyard) "two-stroke diplomacy," where a region, with political autonomy, that is part of a larger, single state, in stroke one, carries out negotiations with regard to an international relationship with the state of which it is a part; then, in stroke two, negotiates with the other partner state, in accordance with the positions that were previously defined at the national level. The procedure is somewhat unusual and, I might say from firsthand experience, quite demanding.

The Agreement on Cooperation and Defense, signed by Portugal and the United States in 1995, which is still in force, also recognizes the special nature of the Region's relationship with the US within a bilateral context. In effect, the Agreement has enshrined the idea of "specific cooperation" with the Azores and enumerates potential areas in which the express desire to cooperate may be brought to bear. At the same time, the Agreement provides for attendance and participation of the Region's representatives within several specialized bodies and in the umbrella organization responsible for monitoring its enforcement. Most recently, at the behest of the Azores, it has also added a subcommittee exclusively devoted to issues regarding specific cooperation.

III

Therefore, ways, means, and grounds abound for us to accept the fundamental fact that the Azores decisively contribute to Portugal's status as an international player.

The question left outstanding is another one altogether, and has to do with how Portugal, over the years, has assumed and carried out her atlantist influence and the potential for furthering its aims that this distant territory made up of fragmented islands has provided.

As the questions implies, what we have here is a question of options: options that are interchangeable, coexisting and/or, competitive, but options nonetheless.

With breakneck speed, the very specific dynamics of international relations cause the balance of forces to change and countries to redesign their foreign policy priorities almost from minute to minute. However, over the last three decades, Portugal has opted – with obvious legitimacy – to take part in Europe's larger aims and within the framework of the bilateral relationship with the United States, taking advantage of the opportunities for multilateral dialogue and cooperation provided by such bodies as the European Union and NATO.

Possessing her own autonomous line of diplomacy, Portugal is more than just a direct interlocutor with the other side of the Atlantic in initiatives that, granted, are coordinated and in line with the other aspects and demands of her foreign dealings. It is, above all, a Euro-American intermediary that has at times hinged its position on fundamental issues on achieving an arithmetic balance when it comes to the means, to the detriment of the ends.

Symbolically speaking and as an example, I would like to bring up the fact that the agenda of Portugal's recent presidency of the European Union did not include any high-level event of a transatlantic nature, similar to the Europe/Africa Summit that was opportunely held in Lisbon.

Moreover, recent history has shown us that we are set on bolstering the defense component of the Agreement (and within this area, one specific sub-area), somewhat overlooking the cooperation component which, in my view, strategically and topic-wise holds greater potential and is more suited to furthering the contexts of how the Agreement should be applied, which would be to the greater benefit of Portugal herself and to the Azores.

The world is different today than it was in Roosevelt's time and in the era of the struggle for mastery over the Atlantic's sea routes. But the world is also different than it was in 1995, and the strategic options set by the United States' defense policy are of another ilk. The paradigm for international relations is undergoing deep-seated change, and the principal focuses of conflict globally are to attain mastery over the means, and not mastery for its own sake.

In this context, the Azores constitute an ideal meeting point for creating and managing a veritable transatlantic axis of cooperation on defense and security in conjunction with other issues of growing and crucial importance in the fields of ocean, air and earth sciences, meteorological observation, scientific disciplines linked to new information and communications technology, biomedical science, and of course the field of renewable energy – cooperative efforts we can carry out in the name of our shared history and on behalf of our common future.

However, it would be wise not to forget the cautionary words of the US Ambassador to Lisbon at the height of the Second World War, R. Henry Norweb, who, after describing the complex, difficult negotiations he had held with the Portuguese Government, wrote "[...] and we still have to contend with the habitual tendency of the Portuguese to haggle over the details."

*Center and periphery:
Roosevelt and the Atlantic centrality of the Azores*
CARLOS E. PACHECO AMARAL*

One of the great imperatives shaping the Western consciousness, which is largely responsible for the power of its civilization, invites us to get to know ourselves and probe our convictions and projects. In order to know ourselves, we must first be familiar with our history, since human beings are creatures from history and with a history. This is the case because, unlike other animals, human beings change, evolve, and regress over time. Rather than a product of *physis*, of nature, we are, at least in part, the product of our own will, of the choices that we make and the civilizing *nomoi* that we adopt to regulate our social cooperation. This is why history, which only human beings know, is so important, as it gives us a kind of portrait of what we have been since the beginning, and the way we have developed over time. At the same time, it also points to a universe of possible futures, i.e. what lies in store for us depending on the options that we take in relation to the main lines of force that condition our future.

The history of peoples, just like that of individuals, has idiosyncratic or fleeting moments whose significance ends practically as they occur. Moments, choices or policies of this kind can be important or even fundamental for our collective destiny, but will have little or nothing to say to us when projected into other domains or an exploration of the future that awaits us. However, history also knows other moments that are eternal, not fleeting, and are therefore decisive in explaining who we are and foreseeing what we may become.

This is why, from a civilizational point of view, it is important to know how to read history, identify the structural lines that form it, explain it, and transform it into a herald of the future instead of a warehouse of the past. This is also why events like this meeting are so

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important. By providing an opportunity for reflection on our history, they are precious moments in the social transformation process to which we are committed, thanks to the guidelines that they provide and the predictability that they offer.

As I am not a specialist in the history of American diplomacy or even a historian at all, I would like to focus the rest of my presentation on two or three aspects of Roosevelt's policy with regard to the Azores. They arise from the archipelago's position in the international system and constitute other decisive elements in the region's history and therefore its future as well.

Rising up in the heart of the North Atlantic, at the confluence of the three great continental shelves, Euro-Asian, African, and American, there was no way the Azores were going to escape Roosevelt's attention, just as they attracted the Portuguese navigators in the 1500s and for the same reasons, regardless of whether the Portuguese actually discovered them. Hence, the Azores assumed importance because of their central location and their role in meeting the great challenges that the 16th century Portuguese and the Roosevelt Administration had to face – the epic of the discoveries and World War II and the Battle of the Atlantic.

Using the categories of center and periphery established by Stein Rokkan and his associates to explain European and international geopolitics, we can say that the Azores are both central and peripheral or even ultra-peripheral, according to the current European Union categories.²⁷ The truth is, however, that center and periphery are relative concepts rather than absolute, independent concepts. They have no meaning in themselves, and only have value when compared to a concrete reality with a standard of reference.

The meaning of an absolute concept imposes itself regardless of the context. Take, for example, the concept of national independence, the attribute of a sovereign state. It does not allow degrees, and its meaning does not depend on the context. A sovereign state is either independent or it isn't a sovereign state. The international system does not countenance the possibility of there being sovereign states that are more independent than others, at least in doctrinal terms. The meaning of relative concepts is quite different. Let us take the concept of autonomy, for example. The independence of a sovereign state places all member states in the international system in a framework of strict formal equality. A nation-state is as indepen-

dent as it was and will continue to be, as the holder of the prerogative of a state and the attribute of sovereignty. A region, like the Azores, for example, may be more autonomous today than it was yesterday, while its autonomy may change again tomorrow. At the same time, while the Portuguese state, as a sovereign state, is on an equal footing with Spain, Belgium, Italy, or Finland, the Azores Autonomous Region is not the exact equal of the Autonomous Community of Catalonia, the Flanders Region, the Autonomous Region of Vale de Aosta, or the Aaland Islands.

Moreover, a concrete reality like the Azores, for example, may be peripheral in a conceptual framework like the European Union, and central in another, like the Atlantic, the Western civilizational community, and the system of international relations.

The archipelago's central location during the Portuguese discoveries was the reason why Portugal laid claim to these islands and stamped on them her civilizational and political matrix. This same central position systematically catapulted the archipelago into the sphere of interest of successive maritime powers over time – the Spanish, Dutch, British, and finally the Americans.

At the root of the discovery and settlement of the Azores by the Portuguese, we find the centrality of the archipelago for the great task that the country was preparing to perform, the discoveries. The archipelago's Western and transatlantic centrality would become an essential characteristic of the archipelago, resulting in its inclusion in the "European world economy" in the words of Immanuel Wallerstein,²⁸ and making it a pivot around which international trade and "the purest symbols of the Atlantic world"²⁹ revolved.

Their condition as the central stage for the Second World War is a perfect example of this. It also eloquently explains Roosevelt's interest in the archipelago during the war, the projects laid down by the international post-war order, and Salazar's fears as to America's intentions.

The centrality of the Azores was so important that the archipelago's name was mentioned in practically all chapters and, in some of them, on almost every page, of the volume about the war period in Franco Nogueira's work on Salazar. It was certainly mentioned more often than any other region of the country, although they were richer, larger, or more populated. At the same time, American interest in the archipelago was such that Roosevelt initially sought to occupy the

islands – the expedition Thruster, an operation with a tropical Brazilian flavor – though later, after intense Portuguese and British diplomatic activity, he gave up the idea of invading the Azores. However, there can be no doubt that the Roosevelt Administration only backed off because of the guarantee that, on one hand, the Axis forces would never reach the archipelago and, on the other hand, the Allies could install important military facilities essential to the war effort.³⁰

More than peripheral or central, it is more useful to think of the Azores as an articulation or border region between the two sides of the North Atlantic and the social and political communities that took root and developed there. There was the East, old Europe, and the West, the New World that Europeans would forge and mold after the Portuguese discoveries. To the north there were the United States and Canada, and to the south lay Latin America.³¹ The Azores have always been Portuguese for the simple reason that it was Portugal that gave them their civilizational form. More than this, as the Azorean writer and poet Vitorino Nemésio said, since they were forged at a time when Portugal was “a power on the march,” they are the quintessence of everything that is Portuguese.³²

Although they have been politically emancipated from the European countries that molded them, other Atlantic places, like Cape Verde, for example, or countries in the Americas, like the United States, Canada, Brazil, or Argentina, remain solidly anchored to the European civilizational matrix, as this was what was used to found them.

Indeed, it is this transatlantic centrality that accounts for the archipelago’s Portuguese nationality. The Azorean islands were already known before their discovery by Henry the Navigator’s sailors. Within the framework of the Eurocentric medieval political order, they were of little interest to the European powers. No-one bothered to claim them or settle them for the simple reason that not even the great medieval powers had any use for them.

In ancient times, all political, economic, cultural, military, and other relations revolved around the Mediterranean basin. This great area in which all social encounters took place in terms of empires and international relations stretched eastwards to Asia, southwards to Africa, and northwards to Europe. But it never stretched westward to the Atlantic. And we can basically say the same for the Middle Ages. Throughout medieval times, social and political relations were con-

finied to the Euro-Asian mainland and northern Africa. The Atlantic was the “fearsome sea,” and nothing that could be found there was of any interest.

In ancient and medieval times, it was the mainland matrix that prevailed. Using the classic four basic elements to which everything was reduced, earth, water, air, and fire, we could say that the social and political imagination of ancient and medieval times boiled down to the territorial dimension, and there was no room for the others. Indeed, it would be necessary to wait for modernity to find faith in water, the maritime, Atlantic element that would replace earth as the ballast of social relations and political power.³³ It was modernity that projected political life from the narrow boundaries of the Old World to the west, to the Atlantic, towards the whole planet.

It was in the framework of this great civilizational project that the Azores came onto the political scene, precisely because of the place they occupy in the heart of the North Atlantic and the roles that they would be called upon to play in that “widening of the world” from old Europe to new worlds. The Azorean islands were given Portuguese nationality because Portugal was the first great stimulus of this civilizational movement. It was the first great maritime power and therefore the first builder of modernity. Portugal was the first country to have a plan for these islands because of their centrality. And it was to implement this transatlantic plan that Portugal took them and settled them, imprinting her form on them and transforming them into extensions of her original Iberian territory. Moreover, there can be no doubt that all of the great seagoing powers that followed showed a vital interest in the archipelago, including Spain in the 17th century, Britain in the 18th and 19th, and the United States in the 20th century.

It was not just geography that catapulted the Azores to a central position on a transatlantic scale. The Azores have always been a region of emigration, practically since the archipelago was first settled. Centuries of emigration to the New World, Brazil, the United States, and Canada, in particular, would extend the Azorean community far beyond the confines of the archipelago and project it from those tiny inhabited islands to great North and South American cities, from the Atlantic to the Pacific.

Roosevelt seems to have been well aware of the centrality of the Azores, at least from the time when he stopped over here as

Assistant Secretary of the Navy during World War I. And their importance was very clear in his policies for the archipelago.

Roosevelt was indeed a “citizen of the world,” as many people have underscored during this Forum. He was the herald of an international order based on the universal guarantee by the new United Nations system of the four fundamental freedoms – freedom of religion, freedom of speech and expression, freedom from fear, and freedom from want. We are reminded of a curious parallel that we can draw between these four American freedoms and the fundamental freedoms chosen by the European Union – freedom of establishment within the European space, freedom of movement, free movement of goods, and free movement of capital.

On the other hand, while the European Union’s four freedoms are limited to Europe, where they are presented like so many other facets of the new European citizenship, the four fundamental freedoms to which Roosevelt committed and that Norman Rockwell celebrated were never reserved only for Americans. They were universal from the start. John Locke, one of the great figures of liberal tradition, established the essence of a political community in the sharing of a body of law.³⁴ Roosevelt believed that these four freedoms would make it possible to overcome modern state solipsist egoisms, break the otherness of national sovereignties, and walk towards the old Kantian ideal of peace by law.³⁵ Guaranteeing both the republican ideal and Kant’s *ius cosmopolitanum*, these freedoms took on a cosmopolitan projection in which they constituted the four great pillars on which the new international order would be built as an alternative to the old system of balance of power, which had done nothing more than drag Europe and the rest of the world into successive wars and, with the Second World War, to the brink of Armageddon.

And the Americans are from Mars, warriors, power-hungry capitalists, while the Europeans are from Venus, more inclined towards love, the law, and fundamental values!

However, Roosevelt was also an “American citizen,” committed, obviously, to safeguarding the “vital interests” of his country. As he had the opportunity to point out, the technological innovation brought by the 20th century substantially changed the United States’ historical international circumstances. With new transport and communication technologies, and air navigation in particular, as Roosevelt said, the Pacific and Atlantic ceased to be “reasonably

adequate defensive barriers” for the country.³⁶ As a result of World War II, it was necessary to redefine her borders and the American concept of national defense. I mean that it was necessary to replace the old policy of more or less splendid isolation that distanced the country from Europe’s conflicts and iniquitous manipulations and led it to focus attention on the Western hemisphere, i.e. the Americas, by a new policy that was more in line with the new times and technologies.

For the purpose of the argument that we are dealing with today, in Roosevelt’s view it was necessary to extend the United States’ strategic borders beyond the Western hemisphere, to the Atlantic archipelagos of the Azores and Cape Verde, for example, as they constituted “defense outposts” for the United States. In Roosevelt’s words, the Pacific and Atlantic were no longer effective barriers for “keeping the war far from our country and from our people.” New technologies made it easy to take the war to the United States and attack her territory directly. The Azores were, as he said, “closer to our shores in the Atlantic than Hawaii is on the other side.”³⁷

In other words, there were two parallel requirements for the defense of the United States. On one hand, she had to abandon her traditional policy of isolation from Europe and European conflicts. After all, after the globalization of conflicts brought by the Second World War, the defense of the United States meant defending the Atlantic and Europe, since, as Roosevelt pointed out, “Our Bunker Hill of tomorrow may be several thousand miles from Boston.”³⁸ Denying access by potential enemies to the Western hemisphere was no longer enough to guarantee the country’s defense. This was the second requirement for the defense of the United States in contemporary times. Roosevelt stressed that it was necessary to extend to the Atlantic the Monroe Doctrine, the policy for Latin America that had been followed since the first half of the 19th century and the end of the decolonization of South America.

“The Azores and the Cape Verde islands, if occupied or controlled by Germany, would directly endanger the freedom of the Atlantic and our own American physical safety. Under German domination those islands would become bases for submarines, warships, and airplanes raiding the waters that lie immediately off our own coasts and attacking the shipping in the South Atlantic,” Roosevelt warned.³⁹ And so, rather than occupying those archi-

pelagos, as had been done with Hawaii, the United States had to render them harmless for the safety of the New World. Occupying them would entail moving the United States frontier eastward and would place an even greater burden on the country's security and defense. Therefore, just as the security of the United States did not require the direct invasion of the Latin American countries, the Portuguese nationality of the two archipelagos did not stand in the way of American security, provided that these "defense outposts" could never be converted into "attack outposts" for Germany or any other future hostile power.

On one hand, the Monroe Doctrine had to be corrected, as the defense of the United States required the security, not only of the Western hemisphere, but also of Europe. This was why, in anticipation of the doctrine that Truman was to proclaim after the war, Roosevelt did not hesitate in guaranteeing the United States' "material support" to democracies all over the world. He swore that this guarantee "would be fulfilled." On the other hand, the doctrine had to be extended to the Atlantic, particularly to the Azores, given their position as the "island outposts of the New World."⁴⁰

Going back to the categories with which we started, and in conclusion, as time is growing short, I would say that this was the circumstance or good fortune of the Azores, for those who prefer Machiavelli to Ortega. It is constituting a space for articulation and a frontier between the New World and the Old. I do not mean a frontier in the modern sense of the word, a demarcation line asserting a radical otherness from everything and everyone on either side. I mean a frontier in the classic sense, as a *limne*, an area of confluence and gradual transition of civilizational and political spaces.

The archipelago's Portuguese nationality was not being called into question, and the United States had no interest in doing so. Rather, judging from recent experiences of the Second World War and the second half of the 1970s, in which successive American administrations did everything in their power to demarcate themselves from separatist whims coming from the Azores and some personalities in Azorean communities, Roosevelt's view and that of all his successors in the White House was that the archipelago should continue to fly the "Portuguese flag," a symbol of the nationality that had represented it "for five centuries," provided that the United States had access to the Azores and could control access by others.

The fact that they are a frontier region and therefore a point of confluence, also lends the Azores an inevitable centrality in the Atlantic, which the world's dominant maritime power can never ignore. Indeed, this status was mainly why the United States at first declined to take the archipelago by force and occupy it in order to fill the "Azores Gap," as their strategic area was called. It was a huge gap in an area through which transatlantic shipping had to pass unprotected at the mercy of German submarines.

In a new age, at the geostrategic level, the earth element had been overcome and replaced by water and air. New maritime and air navigation technologies were not only bringing the United States relentlessly closer to Europe, putting an end to the old American policy of splendid isolation, but they were also combining her defense with that of the Atlantic. Given the proximity of the Azores to the Eastern Seaboard, it was essential to guarantee that Germany could never occupy them and use them as springboards for attacks on the United States.⁴¹

However, the Atlantic was not the Pacific, and Europe was not Asia. The United States' choice to annex several archipelagos in the Pacific because of their geostrategic importance to the defense of North America would hardly have worked in the Azores.⁴² After all, Portugal was a NATO ally and the annexation of the Azores would certainly have repercussions throughout Europe and jeopardize America's policy of alliances and containment of Soviet power.

This explains why, in the "hot period" in the mid-1970s, it was the geostrategic importance of the Azores to the defense of the United States that dictated her government's commitment to refusing any involvement whatsoever with Azorean separatist movements at the time. Even though these movements spread outside the islands to the United States, especially the Azorean communities living there, where they had the support of many personalities, including congressmen and senators, the White House was careful to ensure that it was never associated with Azorean separatism, even when there was talk of annexation to the United States. The Azores were too important!⁴³

This is an aspect that we must bear in mind, particularly now, when the terms of the American presence in these islands and the benefits for the Azores of this presence are being discussed. No less important, it is a time when the European Union is establishing two

new policies with very important repercussions for the Azores, a foreign and security policy, and a neighborhood policy.

Europe's neighborhood does not stretch only to the east, as originally planned, or even to the south, as proposed now. It also extends westward towards the New World, from the Azores. In no way can a foreign and defense policy ignore Europe's Western, Atlantic projection, with frontiers in Canada and the United States. Neither can they forget the centrality of the Azores, a region on which these policies will have to reflect. But this is a matter for consideration at another time.

*The role of the Azores in strengthening
the Atlantic space*

DUARTE FREITAS*

I am a Portuguese politician who represents the interests of the Portuguese people and Portugal as a country in the European Parliament, but my soul is Azorean. And as such, it is divided between both the European and North American continents for geographic, historical, and cultural reasons.

The Azores, situated in mid-Atlantic, lie between the two continents, and even though we are peripheral when it comes to Europe, we are absolutely central within that space called the Western world.

History made the Azores a bridge to the New World during the period of the great discoveries, and it made America the Promised Land for so many Azoreans who left the islands in search of the "Californias of abundance."

Our culture is steeped in the sea and in distance. It lives both here and in America, hands joined in Lusitanian longing. We are half sea and half land. We are a people drenched in the odor of the tides. Being Azorean means being a Portuguese European; but even more, it means being Atlantic.

And just for the record, I would like to make it clear that I disagree with the anti-American positions that so often (and even once would be too often) some Europeans assume.

In the last few years, President George W. Bush and some of his policies have been used as a pretext by certain political leaders in Europe to exacerbate anti-American inclinations, and this has deteriorated the relationship between governmental and political entities on both continents.

However, the inclinations, demonstrated by some, which have often served party or group interests and made use of language that

* Deputy to the European Parliament at the time of the Forum.

more or less aims to cater to the masses, are fortunately not in synch with what lies at the core of the mature and profound relationship that exists between the two points of reference for the Western world. In this transatlantic affinity, the Azores play an essential role.

At a time when China and India are consolidating their positions as major players within today's world order, the attention of the United States may tend to be distracted away from the Atlantic zone. This geopolitical reality, plus new technological developments that have rendered certain structures and equipment obsolete, may mean that the Azores will lose some of their interest as a bridge linking the United States to Europe.

Yet, in a world in which it is often difficult to be American, Americans will find, in the Azores, a land in which they are cherished, that always guarantees them warmth and safety when all other allies wrestle with doubts or forsake them.

And to Europe, the Azores guarantee wider scope and depth into the Atlantic, like a European arm outstretched to the Americans, a place that today can assume a more relevant role as the bridge that links Europe and the European Union to the United States.

But in the future, a strengthened Atlantic space that includes the European Union, the United States, Africa, and Brazil, may provide the Azores with an excellent new opportunity that will allow them to take advantage of their reinforced centrality.

*In defense of the multilateral vision
outlined by the European Union*

JOSÉ MANUEL BOLIEIRO*

For three days, outstanding Portuguese and American researchers and thinkers in the field of international relations will be gathered here for reflection and debate at the First Franklin D. Roosevelt Azorean Forum at the Teatro Micaelense in the Azores. It is a landmark event that has sparked great expectation in all of us who realize how important it is for the event to be held on a regular basis – every two years – and who understand how relevant it is to the Azores, which thus take their place center stage in the reflection, research, and exchange of thoughts on transatlantic relations between Europe and the United States.

Personally, I place great faith in this Forum, since it has already had – and will continue to have, I believe – the capacity to bring together internationally renowned experts to discuss the topic at hand. I have no doubt that the Franklin D. Roosevelt Azorean Forum will turn out to be a state of the art event dealing with the status of Portugal and the Azores in the context of transatlantic relations.

Thus, I congratulate the Executive Council of the Luso-American Foundation and the Azores Regional Government in the partnership they set up, which has enabled this initiative to take place in the Azores.

With the greatest conviction, I would like to point out the importance, which has now become evident, of FLAD's having appointed an "Azorean administrator" to its Executive Council. One cannot deny that FLAD to date has carried out a number of valuable initiatives in the Azores and promoted the participation of Azoreans in several FLAD-sponsored events. Nonetheless, this initiative goes especially far in recognizing the Azores' contribution to the genesis

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and strengthening of bilateral relations between Portugal and the United States, and in doing so, enriches not only the Region but also the activity of the Foundation itself. The Autonomous Region of the Azores was right in wishing for an Azorean on the Executive Council of the Luso-American Foundation.

It has been 65 years since the first ships and, soon after, the first planes of the US Armed Forces arrived in the Azores, more specifically in Santa Maria. Despite some initial reservations, Portugal ended up making the Azores available to the Allied forces, thus contributing decisively to the Allied victory in the Second World War. Once the war was over, the Americans left Santa Maria and moved to Lajes. And, in the Azores, they have continued to count on Portugal as an ally. Both Portugal and the Azores realize the significant strategic, political, economic, cultural, and human impact exerted by the ongoing US presence on the Lajes Base.

Sixty-five years is a long time. It exceeds the years the Azores have been autonomous and democratic, and it is a quarter of the time the United States has enjoyed as an independent country.

The United States' interest in having a base on the Azores is long-standing and became a reality when the US naval base was set up during the First World War.

But we must make it clear that the American presence in Lajes is simply a presence within a Portuguese Air Force base. Lajes is, in reality, Air Base 4 of the Portuguese Air Force which, in turn, has granted the use of its installations to the American Armed Forces. Yet the Lajes Base is a key element in Portugal's foreign policy and pivotal in consolidating strategic ties and bonds of friendship between Portugal and the United States.

The Azores are an essential link between allies on both shores of the Atlantic. They have been and can continue to be a geostrategic and geopolitical reference point in relations between Europe and the United States. The United States and Europe share basic values rooted in their cultures – democracy, the rule of law, and respect for human rights.

I also believe that in the future it will be of interest to both sides to get along. The next challenge we must overcome is the discrepancy between America's tendency to view things unilaterally and the conciliatory, cooperative, multilateral vision of the European Union, of which I am part.

In any case, I would clearly and staunchly like to make two statements of particular interest:

1 – In my opinion, both Portugal and the Azores should show a balanced commitment to the country's integration within the European Union and constantly affirm the country's Atlantic calling;

2 – Portugal and the Azores are both experiencing some of today's undisguised tension and disagreements between the European Union and the United States; but this should not constitute a reason for it to become a counterpower to America, but a counterpart.

It is undeniable that terrorism has shifted the focus of world tensions to the Middle East. It is unavoidable that new strategic world players such as India, China, Iran, and Turkey will emerge and assert themselves. These new players will challenge the importance of the European Union and transatlantic relations, causing rifts among the EU member states. The differences of opinion with regard to Iraq, the World Trade Organization, the role of the International Court of Justice, and the Kyoto Protocol are well known to all.

But it is also true that the transatlantic alliance is a pillar of international security and that new, complex, world challenges can only be effectively dealt with in global terms. This assures that the European Union and transatlantic relations will continue to be indispensable.

Among other challenges, I would like to underline climate change, investment in research into alternative and environmentally friendly energies and making their usage viable, the resulting reduction in the world's oil dependency, the fight against poverty, water management, control of epidemics, and the war against drug and weapons trafficking.

That is why I believe that we can expect these relationships to be indispensable, and on a par with the success transatlantic relations have historically enjoyed up to the present, though sporadically tension may arise between the US and the European Union.

In light of this, it is important that we do not neglect to assert the importance of the Azores. It is imperative that in the context of this new international reality Portugal and the United States breathe new life into their bilateral relationship by recognizing the extent of its worth and striving to make it stronger.

My hope is that the Franklin D. Roosevelt Azorean Forum, with its debates, reflections, and strategic outlook will help to confer

added importance to the Azores and the role they stand to play in the future of our relationship.

This First Forum is indeed an auspicious event. I hope that the Azores University also joins this essential strategic undertaking with its own initiatives aimed at promoting more research and reflection on the topic at hand.

At this juncture, I would also like to underline the political objective the President of the Regional Government of the Azores discussed yesterday at the opening session. If I am correct, in it he demanded that the Government of the Republic come out quickly, clearly, and efficiently in favor of the Azores with regard to the relocation of AFRICOM, which is to be decided some time before this coming October. I too recognize that it is the duty of the Region's own bodies, as well as the duty of Portuguese diplomacy and our country's defense structure to highlight, and I quote, "the comparative advantages that Lajes has" when it comes to the relocation.

I do not want to conclude without stressing the social importance of the American presence at the Lajes Base and the respective Labor Agreement that was signed in 1995. In the 1970s the American presence at the Lajes Base generated close to 3,000 jobs. This year something like 850 jobs are held by Azoreans. There has been a clear downturn in the number of Azorean workers, but even so, given the social and economic context of Terceira island, the 2008 figures are significant and, of course, have warranted, as always, close monitoring, scrutiny, and moves targeting improvement on the part of the relevant bodies of the Azores Regional Government.

The truth is that during the times of financial quid pro quos, between 1979 and 1992, the Azores received close to 500 million dollars.

In addition to the geopolitical importance America's presence brings, we on this side also recognize the social weight of that presence. And the United States has also acknowledged the importance of her presence in the Azores. The truth is that even when there was talk of deep-seated restructuring of the United States Armed Forces, with the closure of several military facilities within the US and abroad, the Americans retained their presence in the Azores.

Now new expectations are on the horizon, with new US requests for eventually using facilities provided by Air Base 4 of the Portuguese Air Force. The US intends to set up a training camp for her

latest generation of fighter planes; thus, Portugal has been called on once again to cooperate in furthering the interests of the United States.

In line with the interests I outlined earlier, I should say that, in my opinion, Portugal should remain open to the request, pending careful analysis of the complex, technical requirements involved and their environmental and political impact.

I must add that this new request does not seem to fit in with the current agreement we have, i.e. a mere "executive agreement" for the United States. I believe that once the technical, military, and environmental details have been carefully examined, we may find that the new request will turn out to be a good opportunity for increasing Portugal's visibility in US political circles; but it must be dealt with differently. I firmly believe that the time has come to transform the agreement we have into an international treaty that is subject to the approval of the Portuguese Parliament and the United States Congress.

At this juncture, I would like to recall the distinguished and significant actions of those members of the US Congress of Azorean heritage who have been so attuned to Azorean issues. We cannot forget that the Azorean and Portuguese diasporas have decisively contributed to establishing stronger ties of friendship between Portugal and the United States.

It is to be expected that new and different types of negotiations aimed at establishing an international treaty for using the facilities at the Lajes Base will provide an opportunity to reach clear and viable solutions to the often conflict-ridden labor issue, without putting in check the dignity and sovereignty of either nation.

I will end here, reaffirming my hope that the Franklin D. Roosevelt Azorean Forum indeed realizes its aspiration of serving "as a safe harbor in the middle of the Atlantic for in-depth discussion of the relationship between Europe and America," and as means of highlighting the importance of the Azores' strategic position.

*Rattlesnakes of the Atlantic:
FDR and the freedom of the seas**

ROBERT CLARK**

The island of Faial was Franklin Roosevelt's first port of call when he crossed the Atlantic in the summer of 1918 as Assistant Secretary of the Navy on his way to Europe to see the Great War for himself. He made this voyage aboard the newly launched American destroyer the USS Dyer.

FDR's visit to the Azores made such a strong impression on him that, after returning to the United States, Roosevelt commissioned noted naval artist Charles Ruttan to paint the scene. Roosevelt supplied Ruttan with pictures of the Dyer, photos of Ponta Delgada, and detailed descriptions of the ship's arrival, even down to which flags were flying on the Dyer and the number and type of support vessels in the harbor at the time. Roosevelt favored this painting so much that he later took it with him to the New York Governor's mansion, to the White House, and finally to his study in the Franklin D. Roosevelt Presidential Library, where he hung it behind his desk, and where it remains to this day.

I see this painting almost every day as I pass by the President's study during my regular activities at the Roosevelt Library. Having seen the beauty of the Azores for myself, I now fully understand why the President treasured the memory of his visit here so much and why he always wanted the painting near him.

The painting also serves as a reminder to us all that the Atlantic Ocean was never far from FDR's thoughts.

Franklin D. Roosevelt was born to the sea. His mother Sara Delano Roosevelt's family had deep connections to seaborne commerce. The Delanos had been sea captains, ship builders, and ship

* Talk presented as part of the exhibition and colloquium "Roosevelt in Faial" at the Azores Legislative Assembly, Horta, November 24, 2008.

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owners for generations. FDR's maternal grandfather, Warren Delano II, made a fortune in trading tea and opium in China, and in 1862, his wife and children, including six-year old Sara Delano, traveled by clipper ship to join him in Hong Kong. Sara would live there for two years before returning to the United States.

While young Franklin's mother and grandfather fired his imagination with stories of Delano adventures aboard whaling and clipper ships, FDR's father James Roosevelt taught him to sail at an early age. FDR became an expert sailor who could navigate difficult waters with nothing more than a compass and a chart, and his father presented him with a 21 foot sailboat when he turned 16.

FDR swam, sailed, and canoed on the Hudson River, the Atlantic coast of New England, and in the waters surrounding the Roosevelt summer home on Campobello island in Canada. He and his parents also traveled regularly by luxury liner across the Atlantic to visit Europe, often staying months at a time. At age 22, FDR was elected a member of the New York Yacht Club. And a youthful ambition to enter the United States Naval Academy was thwarted by his father, who insisted that FDR attend Harvard instead.

FDR was not only an active participant on the sea – he also was a student of naval history. While a young man, he became an admirer of Alfred Thayer Mahan, whose 1890 book *The Influence of Sea Power upon History* argued for the decisive nature of naval power. FDR's collection of books on naval history would eventually number in the thousands.

Franklin was thrilled when his distant relation, Theodore Roosevelt, was appointed Assistant Secretary of the Navy in 1897. And his delight increased when cousin Theodore became President in 1901 and expanded and modernized the Navy. One of the great spectacles of Theodore Roosevelt's presidency was the around the world tour of the so-called Great White Fleet – an overwhelming show of American sea power consistent with Admiral Mahan's theories.

The Assistant Secretary position was one that FDR had himself aspired to for much of his life. FDR saw Theodore Roosevelt as a role model, both in terms of his progressive politics as well as his career path. In 1907, as a young lawyer in the New York firm of Carter, Ledyard, and Millburn, FDR once told a colleague that he thought he had a real chance of becoming President one day, and he intended to

get there by first winning a seat in the New York legislature, then an appointment as Assistant Secretary of the Navy, and then becoming Governor of New York before running for the presidency.

Franklin Roosevelt obtained the Assistant Secretaryship in his own right as a result of his efforts in the 1912 presidential campaign of Woodrow Wilson. A vigorous young New York State Senator who had made a reputation for himself by challenging the state's political machine, Roosevelt had worked hard for Wilson's nomination and election. At the Democratic convention in Baltimore, FDR had come to the attention of Josephus Daniels, a North Carolina newspaperman and Wilson ally. Roosevelt impressed Daniels with both his strong progressive politics and his unwavering support for Wilson. When Wilson then named Daniels to be Secretary of the Navy, Daniels offered Roosevelt the number two post in the department on the very morning of Wilson's inauguration.

Roosevelt's response was an enthusiastic yes – "It would please me better than anything in the world," he said. "All my life I have loved ships and have been a student of the Navy, and the assistant secretaryship is the one place, above all others, that I would like to hold."

At the age of 30, FDR was sworn in as Assistant Secretary of the Navy on his eighth wedding anniversary, March 17, 1913. Later that day he wrote to his mother, "I am baptized, confirmed, sworn in, vaccinated – and somewhat at sea! For over an hour I have been signing papers which had to be accepted on faith – but I hope luck will keep me out of jail. All well, but I will have to work like a new turbine to master this job – but it will be done even if it takes all summer."

FDR's primary areas of responsibility in the peacetime Navy Department were overseeing the department's thousands of civilian workers and related labor issues, handling contracting and procurement for the Navy, and inspecting naval yards and stations.

Nothing made FDR happier than to board a ship bound for the next destination. Because the President and Navy Secretary each had their own flag that flew when they traveled by ship, FDR designed his own assistant secretary flag, and he delighted as he received a 17 gun salute as he came aboard – that's four more guns than a rear admiral gets.

Through these inspection trips, FDR came in contact with young Navy officers who he would remember later as Commander-in-

Chief. Among these notable young officers were William D. Leahy, who would become President Roosevelt's Chief of Staff; Husband E. Kimmel, future Commander-in-Chief of the Pacific Fleet at Pearl Harbor; Harold L. Stark, future chief of Naval Operations; and Chester Nimitz, destined to greatness in the Pacific war.

Perhaps the most memorable encounter, though, came when FDR ordered the destroyer commanded by Lt. William F. "Bull" Halsey, Jr. to take him to a naval base near Campobello island, the Roosevelt family's summer home off the coast of Maine. Roosevelt asked Halsey's permission to pilot the ship through the treacherous Lubec narrows, and Halsey reluctantly agreed. Halsey feared that the Assistant Secretary would not understand the difference between handling a 700-ton destroyer and a pleasure boat. Much to Halsey's relief, Roosevelt expertly guided the ship through the dangerous channel that he knew so well.

In the meantime, of course, the situation in Europe deteriorated dramatically. In June 1914, Archduke Franz Ferdinand was assassinated in Sarajevo, beginning a cascade of events that would soon embroil the continent and the Atlantic Ocean in a general war. FDR feared that there was no hope in averting a larger conflict. He wrote to Eleanor who was at Campobello: "The best that can be expected is either a sharp, complete, and quick victory by one side, a most unlikely occurrence, or a speedy realization of impending bankruptcy by all, and a cessation by mutual consent, but I think this is too unlikely."

The Navy was charged with watching the coasts, protecting the neutrality of American ports, and preventing the shipment of any kind of munitions to the belligerents. Roosevelt was appointed to two cabinet-level committees, one of which was to find practical ways to implement Wilson's neutrality policies, and the other to provide aid and relief to Americans stranded in Europe by the war.

Roosevelt took his role in Navy preparedness seriously. Roosevelt anticipated that the Navy might have to be used later in active conflict, and he moved as best he could to put the Navy on a war footing.

FDR was also eager to see the war firsthand. His first attempt to get there in December 1914, however, proved unsuccessful. An official request to the First Lord of the Admiralty – Winston Churchill – received the following reply through the American embassy: "The

First Lord desires me to express his regret that the present pressure of work in the Department would render it impossible to offer the assistance necessary for the accomplishment of such a visit." Certainly an inauspicious beginning to what would, 25 years later, become one of the seminal friendships of the 20th century.

The war at sea accelerated as 1915 began. Germany declared the waters around Britain to be a war zone, threatening to sink Allied vessels and neutral merchant ships. Britain responded with a counter-blockade. President Wilson maintained neutrality, but he was stunned when the *Lusitania* was torpedoed in the Irish Sea with nearly 1,200 lives lost, including 128 Americans. Wilson and Berlin then exchanged protest notes, the last American dispatch resulting in the resignation from the Cabinet of Secretary of State William Jennings Bryan – a committed pacifist – because he believed it would lead to war.

In July, 1915, Roosevelt was called upon by Daniels to draft plans for the Navy's expansion. FDR was delighted. By December, a plan had been pushed through Congress to increase the Navy by 176 ships within three years, at a cost of \$600 million – the largest peacetime construction program in the nation's history to date. Included in the plan were ten battleships, six battle cruisers, ten light cruisers, 50 destroyers, and one hundred submarines, along with all of the sailors necessary to man the new vessels.

As the naval build-up proceeded, Roosevelt took steps to mobilize the nation even more rapidly. He designed and proposed to President Wilson the creation of a Council of National Defense to coordinate war production. But the President was unwilling to take so drastic a step. Roosevelt continued to lobby Wilson on the Council, and finally in August, 1916, Wilson permitted it to be attached as a rider to an Army appropriation bill. The council was authorized to place defense contracts directly with suppliers and to draw up plans for the coordination of the nation's resources towards full mobilization. FDR's role in the creation of the National Defense Council was important for the future as well, for FDR would reactivate the Council's advisory panel in 1940 after the fall of France.

1916 also saw Woodrow Wilson reelected to a second term, and Franklin Roosevelt made plans to remain another four years in Washington. At the same time, Germany took another bold step – ordering

unrestricted submarine warfare in an effort to drive Britain out of the war. The subsequent sinking of the American freighter *Housatonic* caused Wilson to sever diplomatic relations with Germany. Roosevelt, inspecting Marines in Santo Domingo, was urgently called back to Washington by Secretary Daniels.

By the end of February, 1917, German U-boats had sunk nearly 800,000 tons of Allied shipping. Under this pressure, the British Admiralty revealed the intercepted Zimmerman telegram to the American embassy. This dispatch from the German Foreign Minister to the German Ambassador in Mexico City proposed an alliance between the two countries that would see the return to Mexico of Texas, New Mexico, and Arizona. An angry Woodrow Wilson released the telegram to the press on March 1st, and a wave of anti-German sentiment swept the nation.

Eighteen days later, three American steamers were all torpedoed, one without warning, and President Wilson called a Cabinet meeting to discuss the issue of war. With tears in his eyes, Navy Secretary Josephus Daniels cast the last vote for war and made the decision unanimous. On April 2nd, the President went before Congress to ask for a declaration of war. FDR was seated in the chamber of the House of Representatives as the President told the Congress that "war has been thrust upon us" by the German Government, and that "the world must be made safe for democracy." Congress rose to thunderous applause. America was now at war.

FDR threw himself into his mobilization duties. At the time Congress declared war, the Navy had slightly more than 60,000 men in its ranks and a meager 197 ships in active service. Within 6 months, its strength was quadrupled, and by war's end, it would have nearly half a million men and over 2,000 ships. Except for sporadic firings on German submarines, the US Navy for the most part did not engage the enemy in the First World War. But thanks to its escort duties across the Atlantic, at the time of the armistice, the Navy could boast that not one of the troopships that carried 2 million American servicemen to the war were lost on its watch.

Roosevelt was also responsible for Navy supply procurement. He contracted for vast amounts of materiel, sometimes before Congress had even appropriated the money, and he ordered the rapid expansion of training camps and the acceleration of ship construc-

tion. FDR was so effective at these tasks that the phrase "See young Roosevelt about it" was often spoken in wartime Washington.

Indeed, Roosevelt was so successful in the procurement arena that a mere two weeks after entry into the war, FDR was called to the White House for an urgent meeting. It seems that the Army Chief of Staff had complained to President Wilson that "young Roosevelt" had cornered the market on supplies. An amused Wilson told FDR "I'm very sorry, but... You'll have to divide up with the Army."

As successful as he was, though, FDR did not want to be behind a desk for the duration of the war. He wanted to be on a ship, not only out of patriotism, but because he knew that military service had been a part of cousin Theodore's path to the presidency. Indeed, FDR went to TR and asked the old lion's advice: "You must resign." Theodore Roosevelt counseled. "You must get into uniform at once."

But both Daniels and Wilson saw it differently. The talents, energy, and decisiveness that FDR brought to his position were indispensable as far as they were concerned. Daniels told Roosevelt that he was "rendering a far more important war service than if he put on a uniform." United States Army General Leonard Wood, who had gotten wind of FDR's desire to resign, wrote that "Franklin Roosevelt should under no circumstances think of leaving the Navy Department. It would be a public calamity to have him leave at this time." Finally, President Wilson put an end to the matter, instructing Daniels to "Tell the young man to stay where he is."

His disappointment at not being allowed to enlist did not dampen Roosevelt's enthusiasm for his job, however. One of FDR's most notable achievements during this period was his support for the laying of a North Sea mine barrage – a chain of underwater explosives stretching from the Orkney Islands to Norway.

President Wilson, at the height of the U-boat offensive, had asked the Navy Secretary, "Why don't the British shut up the horns in their nests?" The British had indeed already considered such a plan, but had rejected it as too costly and too unreliable given the distance and depth of the North Sea.

Roosevelt, however, had no such reservations. He persisted in pushing the plan, and by October, 1917, the Navy had designed and developed a mine that did not need direct contact to be detonated—only the brushing of a long antenna by a metal object. This new

design meant that far fewer mines were necessary to make an effective barrier. On his own initiative, FDR authorized the production of 100,000 of the new mines, and Daniels and Wilson soon signed on.

Daniels put pressure on the British Admiralty to agree to the plan, and they reluctantly acquiesced, although they called the plan “wild-eyed.” In February, 1918, a special convoy sailed for the North Sea loaded with 11,000 tons of explosive, 50,000 feet of wire, and the 100,000 mines FDR had authorized. Mining began in June, and by October, 70,000 mines had been laid. Although the war ended before the barrage could be fully operational, at least four U-boats are thought to have been destroyed by it, and some estimates say possibly 23. One Admiral called it “one of the wonders of the war,” and another said that without Franklin Roosevelt “there would have been no North Sea mine barrage.”

Finally, in the summer of 1918, FDR got his chance to see the war. Secretary Daniels had ordered Roosevelt to go because the Senate Naval Affairs Committee was leaving for Europe soon, and he wanted FDR to get there first and to correct any problems that might raise the ire of the committee.

Roosevelt departed for Europe on July 9, 1918 aboard the USS Dyer, a newly commissioned destroyer that was rushed into service without a shakedown so it could escort a convoy of troopships across the Atlantic war zone. FDR would consider his trip to Europe during the First World War to be one of the great adventures of his life, and many of the stories he told about the trip became more colorful with each telling.

Never a particularly good or faithful diarist, FDR nevertheless documented most of the 1918 trip through letters and memoranda that Eleanor Roosevelt later pieced together into a diary of sorts. His accounts of events are vivid and detailed, and he delighted in the more adventurous parts of his crossing. For example, two days out of Brooklyn, New York, the convoy hit rough seas, and the Dyer was pitched about. As FDR recounted, “One has to hang on all the time, never moving without taking hold with one hand before letting go with the other. Much of the crockery smashed; we cannot eat at the table even with racks, have to sit braced on the transom and hold the plate with one hand. Three officers ill, but so far I am all right...”

There was much excitement the next day too, as FDR’s convoy crossed courses at dawn with another American convoy out of Hampton Roads, Virginia – “a slip up by the routing officers” as FDR called it. But before the other convoy could be identified as friendly, the Dyer’s alert whistle had blown and everyone had manned their gun stations. As the lookout spotted more and more vessels, “we began to wonder if we had run into the whole German fleet.”

Later the same day, just a few hundred miles from the westerly Azorean island of Faial, a periscope was reported by the lookout. The Dyer headed for it at full speed and fired three shots from the bow gun. It turned out to be a floating keg with a little flag on it, probably thrown overboard by a passing vessel as a target to train gun crews. But FDR took it in stride, and through the years of retelling the floating keg would become a menacing U-boat that grew closer and closer until FDR could almost see it himself.

On July 15, FDR arrived in the Azores. He spent a day on the island of Faial, touring the port of Horta and paying a courtesy call on the Governor and British consul. He would later say that the few hours he was able to spend on Faial “were very delightful.”

The Dyer then left for Ponta Delgada on the island of São Miguel, where the American naval base was located. Over the next two days, Roosevelt met with the Admiral in command and inspected the naval facilities. He also toured the island’s picturesque landscape, visited small villages, and banqueted with the Portuguese High Commissioner, the British Consul, and other high officials, making three speeches during his brief stay on the island.

Roosevelt and the Dyer then left the relative tranquility of the Azores and proceeded to England, where FDR arrived on July 21st. He spent the next six weeks inspecting naval stations and touring the battlefields of France before returning to the United States. As a result of this trip, FDR would later declare to the country and the world “I have seen war. I have seen war on land and sea... I hate war!”

FDR crossed the Atlantic once more as Assistant Secretary, this time in January, 1919 en route to Paris. Roosevelt did not participate in the peace talks – he was sent to oversee the demobilization of the US Navy – and he returned to the United States the next month aboard the USS George Washington. One of his traveling companions on the return voyage was President Wilson who had taken a personal hand in the peace negotiations, hoping to base the treaty and

the League of Nations upon his famous Fourteen Points enunciated the year before.

The second of Wilson's Fourteen Points reads as follows: "Absolute freedom of navigation upon the seas, outside territorial waters, alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants."

Although the United States would never join the League of Nations, Roosevelt nevertheless continued to embrace Wilson's vision of a post-war world. In 1921, Roosevelt became the national chairman and a lifetime member of the newly formed Woodrow Wilson Foundation, established as a living memorial to the President and designed to promote his ideals as expressed in the Fourteen Points, including the freedom of the seas.

And while illness forced Roosevelt to step out of politics for the next several years, Wilson's idealism tempered by the practical lessons learned as Assistant Secretary of the Navy during the First World War would serve FDR well when he acceded to the presidency in 1933, and was faced with an even greater international crisis across and on the Atlantic.

Franklin Roosevelt and Adolf Hitler both came to power in 1933, a mere six weeks apart. At the time, and for many years afterwards, the United States was extremely isolationist in her attitudes towards foreign affairs. Mired in the Great Depression and believing that they were protected by two oceans, the American people insisted that the new government's attention be paid to the deepening depression at home, where banks were failing at an alarming rate and 25% of the population was unemployed. FDR would launch his New Deal program to provide the United States the economic stability and social security she craved.

Although faced with similar economic circumstances, Adolf Hitler chose another path. Having written that "Germany will either become a world power or cease to exist," Hitler's economic revitalization program was in large part the result of his efforts to break the back of the Versailles Treaty and to rearm Germany in violation of her obligations to limit the size of her army and navy.

As Hitler grew more aggressive and threatening in the mid-1930s, Great Britain – the unchallenged master of the sea – negotiat-

ed a startling naval limitations agreement with Germany. It permitted Germany to build up her Navy to one-third of Britain's naval tonnage, and up to 60% of Britain's submarine strength. In exchange, Germany promised to abide by the humane international rules of submarine warfare. This decision would prove fateful, because the German U-boats would soon prowl the Atlantic in wolf-packs, threatening Britain's very existence.

As the clouds of war gathered over Europe, the United States Congress passed a series of Neutrality Acts designed to keep the United States out of war. Features of these acts included mandatory arms embargos on belligerents, prohibitions on American ships carrying war materials and other goods to belligerents, withholding protections from Americans traveling on belligerent ships, and a prohibition of credit and loans to belligerent nations. Given the isolationist mind-set of a majority of the Congress and the American people, President Roosevelt had no choice but to sign them into law.

But FDR was no isolationist, and he had long understood that it was a much smaller world than it had been in 1918. Roosevelt warned that "the inflexible provisions (of the Neutrality Acts) might drag us into war instead of keeping us out." The worst aspect of the Neutrality Acts was that they made no distinction between aggressor nations and those nations who were being attacked. As Roosevelt perceived it, these isolationist acts with which he did not agree had the dangerous result of supporting an aggressor by refusing to aid its victims. In practical effect, the Neutrality Acts denied Great Britain and France the weapons they needed to defend themselves while Germany was producing her own weapons at an alarming rate.

War finally broke out in September, 1939, with Hitler's invasion of Poland, and Britain and France's subsequent fulfillment of their treaty obligations to come to Poland's aid. The next month, the supreme commander of the German fleet pressed Hitler to allow unrestricted submarine warfare. Fully understanding the lessons of the First World War, Hitler initially denied the request, fearing that incidents in the Atlantic like the sinking of the *Lusitania* would inevitably result in the entry of the United States into the war. The German fleet was still in its infancy, and it could not withstand the combined might of the British and American navies – at least not yet.

In 1940, Hitler established a war zone around the British Isles – a war zone that corresponded exactly with the zone into which the United States, through her Neutrality Acts, had prohibited American ships from entering. Hitler hoped that this would ensure that no American ship would accidentally be torpedoed.

During late 1939 and early 1940, the German fleet's operations were mainly supplementary to the operations of Hitler's land armies, including the invasion of France. Shortly afterwards, Hitler approved the expansion of the U-boat fleet and the training of submarine officers and crews for larger operations in the Atlantic, primarily aimed at cutting off supplies to Great Britain.

At the same time, Hitler considered plans to acquire Atlantic sea bases for the German fleet, particularly U-boats. He primarily had in mind Iceland, the Azores, Cape Verde, and the Canary Islands. These plans were accelerated when Franklin Roosevelt brokered the Destroyers-for-Bases deal in September, 1940, whereby the United States transferred 50 overage destroyers to Britain in exchange for 99-year leases on naval bases in the Atlantic.

The fall of France had shocked the American people, and as public opinion became more sympathetic towards the Allies, FDR used his executive authority to by-pass Congress and make the Destroyers-for-Bases deal. Not only did it provide the United States with a perimeter of bases from which she could defend herself and the Western hemisphere, it provided ships – albeit old ones – that Britain could modify to combat the increasingly dangerous U-boats that were sinking so much tonnage in the North Atlantic and around the British Isles.

Roosevelt's actions outraged Hitler, who ordered the immediate expansion of the German Navy, and he continued to toy with the idea of seizing various Atlantic islands, including the Azores. He saw a strong surface fleet as a necessity if he were to make further advances over the ocean with the ultimate goal of occupying the Azores and other islands. Indeed, Hitler saw in the Azores the only possible site from which to carry out aerial attacks from a land base against the United States.

Meanwhile, Franklin Roosevelt had not been idle. Certain that the United States could not avoid involvement in the war, the President slowly took steps to prepare the nation despite its lingering isolationism. The survival of Great Britain was vital to the security of the United

States, and Roosevelt saw that the control of the world's major maritime routes was the only way to ensure that survival. In July, 1940, FDR signed the Two Ocean Navy Expansion Act, which was to prepare the United States for the possibility of war in both the Pacific and the Atlantic. It was the start of the greatest expansion in the history of the United States Navy.

In March 1941, the Lend-Lease Act became law, relieving Britain of her "cash-and-carry" burdens under the previous Neutrality Acts, and providing much needed war materials to the embattled island nation. Later that month, the United States and Britain's military staffs produced an agreement that committed the United States to a Europe-first strategy should she enter the widening war.

And in April, 1941, Roosevelt authorized the creation of a support force of the Atlantic Fleet to aid in convoy duty of shipments going to Britain and to patrol the ocean for enemy ships threatening American interests. These activities could take place in any area of the Atlantic designated by the President as being within a zone necessary to the defense of the United States. Taking an expansive view of the Western hemisphere, Roosevelt extended this American Defensive Zone across the Atlantic to include the Azores, all of Greenland, and to the west of Iceland. With this action, Roosevelt was edging ever closer to full participation in the Battle of the Atlantic.

May, 1941 was a disheartening month for the Allied cause. Britain suffered a string of reversals in the Mediterranean, and the German battleship Bismarck broke out into the Atlantic starting a campaign that resulted in the sinking of the HMS Hood. Although the German ship was eventually hunted down and sunk, President Roosevelt was not pleased with the British Navy's poor performance. And press and intelligence reports were coming into him that made him even more concerned: there were too many German troops in Africa than were needed to capture Suez, German troops were concentrating on the Spanish border, and there were reports of so-called "tourists" from Germany arriving in Lisbon. Roosevelt began to consider a plan for the protective occupation of the Azores, should it prove necessary. As he wrote to Churchill on May 10, "I believe the outcome of this struggle is going to be decided in the Atlantic, and unless Hitler can win there, he cannot win anywhere in the world in the end."

At the same time, Britain's continued naval losses in the Mediterranean required it to remove ships from duty in the Atlantic,

making the convoys of needed war materials and supplies for her population even more vulnerable. German U-boats were becoming more daring, moving west of the American Defensive Zone lines to areas south and southeast of Greenland. In response, Britain began destroyer escorts all the way across the Atlantic. And on May 23, 1941, Prime Minister Churchill requested that President Roosevelt move American naval forces more directly into the Atlantic convoy lanes as a deterrent to Germany.

In the face of these grim developments, Roosevelt went on the radio and announced to the American people the proclamation of an unlimited national emergency on May 27, 1941. Roosevelt declared that:

The war is approaching the brink of the Western hemisphere itself. It is coming very close to home.

Control or occupation by Nazi forces of any of the islands of the Atlantic would jeopardize the immediate safety of portions of North and South America, and of the island possessions of the United States, and, therefore, the ultimate safety of the United States herself..

The Axis Powers can never achieve their objective of world domination unless they first obtain control of the seas. That is their supreme purpose today; and to achieve it, they must capture Great Britain...

But if the Axis Powers fail to gain control of the seas, then they are certainly defeated. Their dreams of world domination will then go by the board; and the criminal leaders who started this war will suffer inevitable disaster...

The Battle of the Atlantic now extends from the icy waters of the North Pole to the frozen continent of the Antarctic. Throughout this huge area, there have been sinkings of merchant ships in alarming and increasing numbers by Nazi raiders or submarines. There have been sinkings even of ships carrying neutral flags. There have been sinkings in the South Atlantic, off West Africa and the Cape Verde islands; between the Azores and the islands off the American coast; and between Greenland and Iceland. Great numbers of these sinkings have been actually within the waters of the Western hemisphere itself...

We can answer this peril by two simultaneous measures: first, by speeding up and increasing our own great shipbuilding program, and second, by helping to cut down the losses on the high seas....

Our national policy today, therefore, is:

First, we shall actively resist wherever necessary, and with all our resources, every attempt by Hitler to extend Nazi domination to the Western hemisphere, or to threaten it. We shall actively resist his every attempt to gain control of the seas...

Second, [...] we shall give every possible assistance to Britain and to all who, with Britain, are resisting Hitlerism or its equivalent with force of arms...

I say that the delivery of needed supplies to Britain is imperative. I say that this can be done; it must be done; and it will be done.

With these words, Roosevelt challenged the American people to support him, and the response was overwhelmingly favorable.

The next day, Roosevelt suggested to the British Ambassador that American forces relieve the British garrison in Iceland. This would permit American convoys – protected by the American Navy – to take goods bound for England all the way to Iceland, where they then could be transferred to British convoys. This proposal was also no doubt prompted by Roosevelt's own fear of a German seizure of Iceland.

The President's concern for the Azores and Cape Verde islands did not lessen, but an American occupation there grew increasingly less feasible. Portugal, in fact, preferred British protection, and Churchill – in light of America's takeover of Iceland – offered to safeguard the southerly islands.

The Battle of the Atlantic momentarily turned in Britain's favor in the summer of 1941. U-boats faced increasingly more escorted convoys, there were more air patrols, shorter summer nights, and a shortened hunting time for the wolf-packs the farther west they roamed. Additionally, Hitler was preoccupied by the German invasion of the Soviet Union. Most importantly, though, the British had captured a German Enigma cipher machine in May, and by the summer had cracked the German Navy codes that allowed the British Royal Navy to track and attack German supply ships, battleships, and submarines, causing the German naval command to shift some of the U-boats away from the Atlantic. And American naval patrols now moved directly into the convoy lanes between the United States and Britain.

Then in August came the Atlantic Conference, the first face to face conversations between Franklin Roosevelt and Winston

Churchill. Taking place at Argentia base in Newfoundland – one of the bases transferred to the United States by the Destroyers-for-Bases deal – the two leaders agreed on essential war aims and strategy and to joint British-American convoy protection duties. Roosevelt and Churchill also issued a statement of principles, a statement that would become known as the Atlantic Charter.

One of the major provisions of the Atlantic Charter declared as follows:

[...] [A]fter the final destruction of the Nazi tyranny, [we] hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all men in all lands may live out their lives in freedom from fear and want... [S]uch a peace should enable all men to traverse the high seas and oceans without hindrance.

Twenty-three days after the Atlantic Conference ended came one of the most controversial and pivotal events of the Battle of the Atlantic – the Greer incident.

Up to this point, American naval vessels operating in the Atlantic American Defensive Zone were prohibited from taking offensive actions. They were limited to escorting and protecting convoys and conducting patrols.

On September 4, the American destroyer USS Greer, patrolling the waters southwest of Iceland, sighted circling in the air a British bomber that had been tracking the German U-boat U-652. The submarine was clearly within the Defensive Zone and could pose a possible danger to American shipping.

The commander of the Greer's intention was not to attack the U-boat, but merely to shadow the submarine and radio her positions back to his superiors in Washington. In accordance with fleet-wide orders, these position signals were transmitted in the "clear," enabling British warships and reconnaissance planes in the area to pick them up and use them.

The British bomber then dropped four depth charges and returned to base because it was low on fuel. The Greer continued to shadow the U-boat, transmitting her position along the way. Already submerged before any depth charges had dropped, the U-boat commander had no way to know whether his pursuer was American or

British or if the depth charges had come from the air or from a ship. After four hours, the submarine decided to strike back, firing two torpedoes at the Greer. These torpedoes passed by the ship causing no damage, and the Greer responded by dropping eight depth charges, causing only minimal damage to the submarine. Shortly, a British warship arrived on the scene, dropped a depth charge, and steamed away. Before leaving the scene, the Greer made one more pass and detected a sonar signal below the surface. The Greer then dropped 11 more depth charges. However, the signal had been false, and the U-652 was already some distance away.

Initial reports back to Washington of the ten-hour showdown in the Atlantic suggested that the Greer had suffered an unprovoked attack. Contrary reports quickly came in indicating what had really happened – the Greer had served as a "spotter" for the British bomber and navy and had therefore been an active participant in the hunting of the U-boat, and the U-boat had responded in self-defense.

At a press conference the next day, the President dismissed the notion that the Greer had somehow provoked the attack, maintaining that the U-boat had shot first. He also pointed out that the Greer had been operating in the "American side of the Ocean," Roosevelt having extended the American Defensive Zone to include Iceland two months before.

Seizing on the Greer incident as an opportunity to move the American people further along the road towards intervention, Roosevelt again took to the radio waves to deliver one of his most important "Fireside Chats."

Using the facts as they had first been reported to the White House, the President explained that the American destroyer had been on a "legitimate mission" in waters declared to be essential "for the defense of our own land." The Greer had been operating in broad daylight and had been properly marked and flying the American flag. A German U-boat had then fired first, "without warning, and with deliberate design to sink" the American vessel.

The President declared, "This was piracy – piracy legally and morally. It was neither the first nor the last act of piracy which the Nazi Government has committed against the American flag in this war. For attack has followed attack."

Roosevelt recounted other episodes of the sinking of American ships, including the merchant ship Steel Seafarer in the Red Sea on

September 5 and the merchant ship Robin Moor in the South Atlantic a few months previously. Roosevelt continued:

The important truth is these acts of international lawlessness are a manifestation of a design which has been made clear to the American people for a long time. It is the Nazi design to abolish the freedom of the seas, and to acquire absolute control and domination of the seas for themselves.

[...] The Atlantic Ocean which has been, and which should always be, a free and friendly highway for us would then become a deadly menace to the commerce of the United States, to the coasts of the United States, and even to the inland cities of the United States...

Generation after generation, America has battled for the general policy of the freedom of the seas. And that policy is a very simple one – but a basic and fundamental one. It means that no Nation has the right to make the broad oceans of the world at great distance from the actual theater of land war unsafe for the commerce of others...

Unrestricted submarine warfare in 1941 constitutes a defiance – an act of aggression – against that historic American policy...

No matter what it takes, no matter what it costs, we will keep open the line of legitimate commerce in these defensive waters.

We have sought no shooting war with Hitler. We do not seek it now. But neither do we want peace so much, that we are willing to pay for it by permitting him to attack our naval and merchant ships while they are on legitimate business.

[...] [W]hen you see a rattlesnake poised to strike, you do not wait until he has struck before you crush him.

These Nazi submarines are the rattlesnakes of the Atlantic. They are a menace to the free pathways of the high seas. They are a challenge to our sovereignty. They hammer at our most precious rights when they attack ships of the American flag – symbols of our independence, our freedom, our very life...

My obligation as President is historic; it is clear. It is inescapable.

It is no act of war on our part when we decide to protect the seas that are vital to our defense. The aggression is not ours. Ours is solely defense.

But let this warning be clear. From now on, if German or Italian vessels of war enter the waters, the protection of which is necessary for the American defense, they do so at their own peril.

The orders which I have given as Commander-in-Chief of the United States Army and Navy are to carry out that policy – at once.

Following Roosevelt's shoot-on-sight order, Neutrality Laws were modified to permit American merchant ships to enter war zones and to arm themselves against the threat from submarines. American material assistance to Britain increased dramatically, as the "great arsenal of democracy" produced an ever increasing tonnage of goods and the massive Liberty cargo ships to transport them.

The attack at Pearl Harbor on December 7, 1941 would thrust the United States into the Pacific War – not the war that Roosevelt wanted to be in. But in what must be considered one of the great blunders of history, Hitler declared war on the United States on December 11th, even though he was not technically bound to do so under the Tri-Partite Pact.

The Battle of the Atlantic would rage on with increased fury for another year and a half, with heavy losses in shipping during the early months of 1942 as U-boats patrolled in large wolf-packs. But Allied shipping losses began to steadily decline in late 1942 and early 1943 as an increase in the production of destroyers, escort carriers, and long range aircraft enabled the Allies to close defensive gaps in the convoy system.

And another break in the German naval codes gave the Allies the information necessary to create hunter-killer squadrons that could track down and destroy U-boat wolf-packs. Nearly 100 U-boats were sunk in the first five months of 1943, 47 in the month of May alone. During 1942, a U-boat had had an operational life of one-year. Now in 1943, the average U-boat survived less than three months. The overall casualty rate for the U-boat service was 75%, with 25,000 crew members killed and another 5,000 captured.

This dramatic reversal of fortunes caused the German High Command to withdraw nearly all its U-boats from the North Atlantic on May 24, 1943. In doing so, Grand Admiral Donitz later wrote, "We had lost the Battle of the Atlantic."

German U-boats were held in check for the remainder of the war. Over the next four months alone, 62 convoys made up of 3,546 merchant ships crossed the Atlantic without a single loss.

In May, 1941, Franklin Roosevelt had declared to the American people and to the world that "All freedom – meaning freedom to live,

and not freedom to conquer and subjugate other peoples – depends on freedom of the seas.”

Two years later, with victory in the Battle of the Atlantic assured, Franklin Roosevelt’s freedom of the seas was at last restored, and that freedom has been maintained without interruption ever since.

As I conclude my remarks I want to read from a letter that Franklin Roosevelt sent to the Prime Minister of Portugal, Dr. António Salazar, in November, 1943, just as the Battle of the Atlantic was brought to a close, and as freedom of the seas was assured.

My Dear Dr. Salazar:

[...] may I take this opportunity to remind you of a story with which you are familiar. In 1918, when I was Undersecretary of the Navy, I went to Horta and to Ponta Delgada, in both of which ports the Allies were using repair, refueling and anti-submarine facilities. In fact, in Ponta Delgada the American Navy had a full-fledged base of operations – and very many of our ships used the harbor at Ponta Delgada for our fueling and repairs...

I do wish that I could have a chance to see you one of these days, because I want to talk to you about another matter – the furtherance of cultural relations between the United States and Portugal... In other words, a closer association between [...] nations in regard to an improved status after the war is over... I am thinking in long range terms because I do not think that our peoples have been in close enough touch in the past.

Well, I believe these conferences are the manifestation of FDR’s desire to bring the people of the United States and the people of Portugal and the Azores closer together. I am honored and humbled to have contributed in some small way to fulfilling Franklin Roosevelt’s dream for our two nations.

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*Faial island during the transition to
the 20th century: a brief outline of the main
socioeconomic issues**

RICARDO MANUEL MADRUGA DA COSTA**

I will try to provide a view – albeit somewhat diffuse – of the “era of Faial” in the decades that preceded the turn of the century. At first glance it will seem – but only seem – to be the era of a distant Faial, in the midst of an immense ocean that geographical circumstances, however, have rendered unavoidable whenever the Atlantic and the interests of the countries it bathes on both shores were placed at risk. Yet, despite this idea of “absence,” it was a Faial that belonged to an era of turmoil in Portuguese politics, one that takes us from one frustration to another, to the patriotic glimmer of reaction to the Ultimatum, reproaching the betrayal of the “old ally”; it was a time when hope ran out and turned into political unrest which, in turn, ultimately led to the affirmation of the Republican regime. It is a Faial that belonged to a tumultuous epoch in Europe in which nationalisms clashed and in which the protagonists of diplomacy proved to be powerless in containing the bellicose impulses that would eventually lead to the First World War. It was a Faial that lay on the farther outskirts of the realm and was, as the poet said, more aware of “the lost Californias of abundance”⁴⁴ whither the contaminated winds of republicanism blew in and the place that spawned the bright, envy-inspiring “eagles” brought by successful emigrants, which was the most likely motivation behind the emergence of some of the sentiments favoring independence that the “great republic” would also inspire.⁴⁵

The first issue to consider, after providing the framework for one of the epochs that define this discussion, is where to set the starting point for this course of events. To be credible, any analysis

* Talk presented as part of the exhibition and colloquium “Roosevelt in Faial” at the Azores Legislative Assembly, Horta, November 24, 2008.

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requires not only a certain amount of distance, which the standard rules impose on the historian, but also a suitable “breadth of time” that allows one to accurately assess the unfolding of the facts that frame a given period. Thus, I believe that in interpreting the transition to the 1900s, one has to analyze those decades in which the course of events sheds light – not only on the incidental – but on the major lines of a coherent course based on factors of some permanence. In one way, Roosevelt offers us the solution.

Reading Roosevelt’s travelogue brought to us by Mário Mesquita,⁴⁶ we are struck by a significant fact. On more than one occasion, upon arriving in Faial and then afterwards, in Ponta Delgada, Franklin D. Roosevelt mentions the Dabneys and, in his comments, displays at least a reasonable understanding of the significance of their presence in the Azores and of the extremely close relationship between Faial and the United States during the era the Dabneys were on the island. In a sentence from Roosevelt’s diary for July 18, 1918 we read:

The few hours we spent in Faial on Monday were wonderful. It is a small place, removed from the rest of the world, where the memory of the Dabneys and the traditions of the old merchant marine ships and whaling vessels are still very much alive.⁴⁷

A quarter of a century after Samuel Dabney had left the city of Horta for good in 1892, where his family had stayed for nearly a century, the Dabneys and their influence on the local community, in Roosevelt’s mind, were still worthy of mention in a diary entry the personal nature of which lends it a feeling of undeniable authenticity.

Motivated as well by “Rooseveltian” inspiration in framing the era of this discussion, I shall use as my starting point the 1860s, an era that was still markedly influenced by the Dabneys, but also one in which the emergence of new facts and the intervention of new protagonists unleashed a chain of events whose impact would spark deep-seated social and economic changes on Faial island. Thus, broadly speaking – and somewhat boldly – we have set half a century in our sights.

A time of crisis and the end of a hegemony

First we must broach a few initial issues regarding ideas and comments sparked by this period, which owing to the manner in which they are formulated, are not entirely true, and thus may be misleading.

It has often been said that the 19th century on Faial was a period of unusual prosperity which was linked to the extraordinary amount of shipping through the port of Horta, the orange trade, and, most of all, the export of wine and brandy produced on Pico island. Yet if we restrict ourselves to these aspects of the Azores’ economic history, we must admit that the widespread idea that the entire 19th century was a comfortable era makes no sense. The truth is that at the close of the 50s, worrying signs of a crisis – one that would be deep and lasting – were already noticeable. First there was an attack of oidium, which first struck on Pico island in 1852.⁴⁸ The blight was of such virulence that it would devastate all the vineyards on the island, nearly totally halting wine production toward the end of the decade.⁴⁹ Though the use of the Izabella vine variety as a substitute sparked great hopes, the wine produced would never achieve the quality needed for it to become a viable alternative to Verdelho as an export product. Crisis had already struck the orange crops in the ‘40s; and disaster struck again with the phyloxera blight of the ‘70s. But, in reality, the volume of export had never reached significant levels on Faial island.⁵⁰ Therefore, the idea that there had been an “era of the orange” in the Azorean economy in the 1800s can be taken as nothing more than an expression of what was a dominant crop of the era, relevant to the export market of the Azores for sure, but one that essentially impacted São Miguel island, since even on Terceira island production was far from reaching that of São Miguel.

Ocean shipping had a significant impact on the economic life of Faial island, though it can be said that the volume of shipping throughout the 19th century was highly irregular, subject as it was to random factors, often of a very flippant nature.⁵¹ Yet, since it has been stated so often, the idea arose that ships of the US whaling fleet, predominantly those out of New Bedford, put into port at Horta by the hundreds during summertime throughout the whole 19th century up to and throughout the first two decades of the 20th century. Detailing the supply curve for shipping with regard to Horta’s port is certainly not part of this discussion; but it is safe to say that the

frequency with which even whaling ships put into port varied widely. I am not sure whether the statistics put together by Marcelino Lima have been responsible for the inflation of the figures regarding traffic at the port, as I am unaware of the sources used to substantiate them, because he does not disclose them; but what can be safely said is that one must exercise caution in analyzing the figures he published.⁵² A comparison with some of the data presented by Marcelino Lima leads us to believe that Lima collated his data from information contained in reports put out by the civil government. However, if we examine the 325 ships that called at the Horta port in 1858 using Marcelino Lima's statistics – the same vessels that Governor Santa Rita had logged for that year – we can see that 152 are Portuguese, coming to a mere 20% of the total tonnage, which includes cabotage vessels, 69 without decks, which probably corresponds to the traffic between the islands of Faial and Pico.⁵³ It is obvious that citing 325 ships as having called at the port of Horta, without providing any additional information as to the composition and nature of the vessels, can only lead to a completely distorted appraisal of the situation.

Moreover, if we assume that the Horta port was strongly influenced by the number of American whaling ships that called at the ports of the Azores throughout the 19th century, we must also underline an extremely relevant fact that would sow devastating consequences for the US whaling industry – and one that would not leave Faial island in particular untouched – the discovery of oil in Pennsylvania in 1859, to which one must add America's War of Secession (1861-65), the effects of which would aggravate the situation irretrievably. The almost constant presence of ships in the summertime, especially during the 1840s and 1850s, would, because of the events mentioned above, give way to an unstoppable decline, even though oscillations during some years might give the impression that the number of calls at port had reached the volumes of previous years.

To this scenario of profound change, having lasting economic impact, we must finally add an event whose consequences are difficult to assess.

In providing an accurate analysis of the issues we are about to briefly discuss, we should, at the outset, dispel the idea that since 1806 – when John Bass Dabney, the first US Consul in the Azores set up residence in Horta⁵⁴ – and 1892 – when Samuel W. Dabney left Faial for good – the economic and social life of the island had almost

exclusively taken place under the supervision and influence of this Yankee family.

First of all, this overriding belief must be dismissed because, at the end of the 1850s – when apparently Dabney & Sons was at its height, and when Charles William Dabney ran the family business and acted as US Consul – an event with far-reaching consequences for Faial would occur that would deal a death blow to the interests of Dabney & Sons. The extent of the harmful effects it would bring to the interests of Faial island is a more complex issue altogether, and one that is not within the scope of this paper. The truth is that the set-up of the Bensaúde business in the city of Horta and (this is the fact we would most like to stress) Walter Bensaúde's intervention in the management of his firm's business would turn out to constitute a formidable obstacle to the activities carried out by the Dabneys up to that time. The Bensaúdes brought an end to the hegemony of Dabney & Sons; and from then on, there would be ongoing, stubbornly-waged disputes between the firms, the results of which were favorable to the Bensaúdes but not necessarily to Faial island.⁵⁵

Topping off this accumulation of factors that affected the course of events and day-to-day life on the island of Faial – but this time clearly adversely – was the early construction of the Ponta Delgada docks. The work began on October 28, 1862, and the first boat docked in 1867.⁵⁶ However, work on the dock in Faial only began almost 10 years later, on March 20, 1876,⁵⁷ and a decade after that the local press was still announcing that work had just begun on the breakwater wall.⁵⁸

This agglomeration of factors, which kept on accumulating, acted together to form a scenario that was extremely unfavorable and assumed characteristics that necessarily produced effects that were as broad in scope as the Atlantic itself. Add to this the clash of interest between the Dabney and Bensaúde companies, and we can see that at the time, Faial island had truly been brought to the tipping point.

Even without identifying the factors we have mentioned as reasons for the decline in Faial's economy, the general Administrative Junta of the District of Horta, in a report dated 1857, described the situation in Faial in dramatic terms, revealing that:

[...] the state of misery and ruin into which have fallen the fortunes of the inhabitants of this district, who in the last 18 years have seen their crops wither little by little from potato and orchard blights and principally the

vineyards, where the ruination is total, demands an effort, a heroic remedy, that will rescue us and save us from total annihilation...⁵⁹

The solution that was envisioned, and the one that was requested repeatedly of the Government was a public works program in which the construction of the Horta docks took priority. The year of 1858 was approaching; it was to be one of many “years of hunger” and not one that was very propitious to the realization of such aims.

The final decades of the 19th century

The picture I have drawn in very quick strokes depicts a national political context of great – and growing – instability and financial hardship that were to last until after the fall of the monarchy and be marked by stark inactivity with regard to the problems and aspirations of the archipelago on the part of the highest state authorities, who were repeatedly asked to take action. Thus, it is safe to say that the Azores, during the second half of the 19th century, and especially during the last 25 years of that century, had to contend with the persistent distancing of the Government of the realm which, in turn, led the archipelago into a state of marked economic depression, as witnessed by the quote cited above.⁶⁰

In addition to the constraints that were affecting the archipelago as a whole, Faial in particular suffered from a complete lack of any driving force capable of producing alternatives for either agriculture or industry, which made the dire crisis sparked by the overall course of events even worse, with the size of the island and its demographic realities also playing a part. The oft-repeated complaints patent in the annual reports the Horta district governors submitted, though tempered by the submissive language used when addressing His Majesty's Government, still paint a calamitous picture in which one can perceive the abandonment and disinterest of the higher administrative authorities.⁶¹ We reach the same conclusion when reading the reports put out by the District's General Junta*, which deal primarily

* The *juntas* and *junta(s) Geral(ais)* [General Juntas] were consultative bodies that had to assist the general Administrator and decide on several administrative issues, mainly of a financial nature. The terms have been left unitalicized in their original singular and plural Portuguese forms (T.N.).

with the issues of greatest urgency.⁶² We should say that the absence of measures on the part of the Government of the realm, which in turn forced district authorities to repeat the same complaints and demands over a span of decades, make these reports somewhat repetitive. Civil Governor Santa Rita wrote in 1866 that the reports were not always able to present news that would make them interesting reading, and added this telling bit of prose:

However, as I must comply with the law by presenting my annual report on the state of the district, and since I have few things to add to the reports of previous years, I am forced to make a summary of the needs and proposals that were included in previous reports, adding the little bit of news there is to mention.⁶³

The blights that struck the orchards and vineyards were catastrophic and radically put an end to Faial island's export capacity, thus depriving the whole archipelago of its main source of wealth from foreign trade. Charts dealing with Faial's foreign trade show a striking imbalance that would only be offset to some degree by invisible transactions such as services rendered to shipping and the influx of money from emigrants. Faial continued to have needs that the King's Government did not satisfy, and it spent a considerable amount on imported goods, mainly from England, the United States, and Brazil; yet now it was limited to exporting hand-made products which were, for the most part, hats and basketry.

With fewer American whaling ships calling at Horta bay, and shipping slowly but surely switching to the shelter afforded by the works on the breakwater in Ponta Delgada, even when docking facilities were not completed, and with a floating dock for coal loading, Faial's fishermen lost the opportunities they had previously had to load and unload vessels and do ship repairs; while the island lost the traffic in visitors that fed local trade and provided outflow for agricultural surplus to resupply shipping. Messrs. Dabney and the consignees who little by little joined the dispute over which ship would align with which agency, would certainly have become alarmed when mulling over the debits and credits of their meticulous accounts. The agreement to divide up the supplying of coal at the port in Horta, signed by Charles William Dabney and Walter Bensaúde in 1869, constitutes the set-up of a veritable cartel made up of both

firms, as one can tell by the exchange of correspondence between both companies. The correspondence also makes it clear that the dominant status of the Dabneys had come to an end, as had the boon days, all of which demanded deal-making and concessions in order to weather the rough spots.⁶⁴ It would be interesting to analyze the real effects of this strategy, especially its impact on demand for the port and on the economy of Faial in general, but this is well beyond the scope of this paper.

What resulted from the circumstances I have broadly outlined was an impoverishment of Faial's society, which became patent in mass emigration to the United States and Brazil.

A scenario of decline – the major issues

The publication of periodicals in Horta began in 1857 with *O Incentivo*, a paper that was to be short-lived on Faial's journalistic scene. Next came *O Fayalense* which, contrary to its predecessor, was to enjoy a lengthy life span. Although the advent of print media was to come late to Horta – in relation to Angra and Ponta Delgada – the papers proved to be a significant social and cultural boon to the Faialese community and act as an essential source of information for today's scholar of the epoch. Even though some papers acted as official mouthpieces for the establishment, and others were predominately literary, the truth is that the actual news items and informational content manage to paint a revealing picture of daily life in Faial in pieces denouncing deficiencies and shortcomings and demanding improvements that would monotonously be republished over the course of decades.

During this span of time of close to half a century that we have briefly attempted to characterize, the concerns of the elite – a major force behind the local press – and the thing on which, in their opinion, the prosperity of their homeland depended, was the vitality of the Horta port. Even when there were other issues such as the need for a lazaretto, or demands for lighthouses on the island's coasts, and the inclusion of Faial in the plans for a future submarine cable, it was always the port that determined the priorities.⁶⁵ Even when the administrative bodies of Faial island voiced the needs of public education, they were careful to underline how important it was to set up courses in piloting and seamanship, given the island's inti-

mate connection with the sea and the interests of the port. It may be said that the unrelenting petitions the authorities submitted to the Government of the realm requesting these projects, year in year out, were seen as indispensable in rescuing Faial from the state of veritable decline into which it had sunk. The reports issued by the civil governors and the Juntas Gerais frequently suggest adopting a large-scale public works program to create jobs and help resolve the scourge of emigration. In this program, the construction of the Horta dock was seen as the top priority, since all hopes were pinned on it as the way of reviving a bygone era of prosperity. The reference made to this issue in the report of Horta's Junta Geral for 1856 is a telling illustration of this:

Although it may seem an exaggeration, the reality is that the Bay of Horta provides the inhabitants of this city with most of their occupations and livelihoods, in other words, manpower to repair the ships that put in to repair the damages done by the sea, the sale of refreshments, mercantile transactions, coal depots to supply the steamships, as well as other invaluable activities.⁶⁶

Yet, despite the hopes that had been placed in these plans for revival, one can tell, by reading the Faial press of the time, that profound discouragement had taken hold, and nostalgic reflections on the still-recent past – when wine and oranges were being exported and when there was an intensely growing demand for the Bay of Faial – are recurrent themes. In a piece dealing with the municipal elections of 1868, one can read these eloquent outpourings, which illustrate the current state of pessimism:

Horta, that small but beautiful city, set in the middle of the ocean, with highly just aspirations of joining the community of civilized cities, seems now to have been forsaken by God and men in those highly essential aims of cleanliness, beautification, recreation, and instruction.⁶⁷

The same sort of lamentation pervades the report of the Junta Geral referred to above, and hints that there are hidden powers bent on bringing about Faial's downfall:

Some malign influence has dried up all the fonts of prosperity in this district, as the Juntas have pointed out in the several previous reports they have brought before His Majesty's throne. Income from the dock would be the only means of offsetting such ills and saving this district.⁶⁸

This was not just one isolated cry but one that mirrored a state of mind which, in turn, translated into the belief that the demands of Azoreans, and those of Faial in particular, were being systematically ignored by the government powers in Lisbon. In a report of the Junta Geral of the District of Horta,⁶⁹ referring to previous reports, the members of the aforementioned administrative body go on to lament, in tones fraught with bitterness:

[...] that they did not even manage to obtain a reply with a negative ruling; and this silence with regard to such grave issues leads the Junta to reflections that cannot be stifled without smothering our very consciences.⁷⁰

At one point, the same report, stressing the fact that the population of Faial was the most unfortunate, implores the Queen to attend to the articles of the report, and strongly states:

[...] there is nothing more scandalous than commanding the Juntas Gerais to speak, then not listening to them.⁷¹

Though simply said, it is a harsh criticism of the way the demands of the legitimate administrative bodies of the islands were treated. The truth is that these reports and those of the civil governors, reiterating requests for direly needed improvements and detailing, year after year, an unchanging list of needs, clearly convey their interlocutor's insensitivity and justify the accusation that the motherland was a stepmother rather than a mother, as the writer of an article in *O Açor* was to affirm, stating:

[...] still, despite these and many other important issues, which have still not received the attention of the Powers of the State, the members of the court do not cease to proclaim the great benefits that we poor and always forgotten islanders owe to our tender motherland which, unfortunately, has not been a mother, but a cruel stepmother.⁷²

This “stepmotherliness” of the Lisbon Government, to use a term coined by Mário Mesquita⁷³ and news of success spread by the emigrants in America, in which the Dabneys played a role, were probably two of the linchpins for the variety of separatism that tended to assert that the Azoreans' problems would be solved if the islands were taken under the protection of the United States – the “Great Republic” of the United States as the Faial press invariably dubbed it.

Getting back to the question of the eternally-delayed construction of the Horta port, the truth is that not only were people aware of the negative impact not carrying out the plans would have on Faialese life, but the facts themselves also prove that their fears were justified. A close look at the statistics published in the *Arquivo dos Açores*⁷⁴ dealing with the period of time from 1867 to 1916 leads to the conclusion that there was a steady decline in sailing ships at the ports of Ponta Delgada, Angra, and Horta. However, with regard to steam shipping, the growth curve rises and, starting in 1867 – the date the first ship put in at the dock in Ponta Delgada – this last port was to assume a position of growing importance as port of call for steamships. The terms of the report of the Junta Geral for 1856 – when construction on São Miguel's dock had not even begun – amply demonstrate how sensitive the issue was, and the clear understanding the Faialese had of the much-feared early realization of the project. Even the delicate terms the Junta uses to express itself cannot conceal what was really in jeopardy:

This gigantic construction work [the Ponta Delgada dock] of great expense (when it is carried out, which is much to be desired) would spell death for this island.⁷⁵

This same Junta Geral, in a session held in 1868, reproached the Government because, even though the law authorizing construction of the Horta dock was dated June 20, 1864, and even though payment of taxes had been made since November of 1865, under the terms of the same law, four years had gone by with everything still at a standstill.⁷⁶ As we have already mentioned, construction on the Horta dock only started in 1876. The fact that a great opportunity was being lost is patent in a very critical – even defeatist – article published in *O Açoriano*, that spells out the symptoms witnessed after the port in Faial had lost its relevance:

As long as we are talking about this city's port, let us say that currently it means nothing to the livelihood of this island, of which it used to be the exclusive source. The fact that most of our caulkers have emigrated is clear proof of that. We learned that one of them only worked eight or ten days over the last two years!

This is the infallible symptom of a crisis we will have to withstand sooner or later. Importation is enormous, while exportation is next to nothing.⁷⁷

As a result of this prolonged lack of action – and not only in relation to this project – both on the part of a Government of the realm stubbornly remiss with regard to the islands, and local authorities constantly in need of financial support⁷⁸ even for the most basic activities, and the additional negative effects of a downturn economy that years of subsistence crises made worse, Faialese society was mercilessly buffeted by the dispersion of its population, who emigrated to Brazil and the United States where they found a path to hope and a more comfortable life. Both the press and official reports assess the emigration phenomenon as being one of the most pernicious for the progress of the island and one that caused irreparable imbalances in Faial's society and economy. We should mention that not all sources were unanimous with the regard to the impact of this human blood-letting – even demographically – since some of the civil government reports record instances where the population is balanced.⁷⁹ At least they were hesitant in peremptorily stating that there had been a loss of population.⁸⁰ However, the fact of the matter is that the figures for both legal and illegal emigration were extremely high, and it is difficult to accept claims of demographic stability, given this type of scenario.⁸¹ Primarily after the onset of the oidium blight and the decimation of the vineyards on Pico island, there was growing concern that emigration would rise, and the authorities exerted strong pressure for the government to approve a public works program to attenuate the situation.⁸² As far as the causes of emigration were concerned, there was a general consensus, which was echoed in the press at the time, blaming military conscription for the departure of so many Faialese youth, who were generally regarded as intrinsically averse to military service. The fact is that, as a way of explaining the first wave of emigration, the numbers did convey a surprising reality that led to the expedient claim that the island's young men

hated military duty. In 1858, according to Civil Governor Santa Rita, of the 62 young men eligible for military service, only one was ever recruited.⁸³ However, as Maria Isabel João asserts, the reasons for the exodus were, in fact, rooted in the shortcomings of a socioeconomic system that was patently archaic and incapable of providing people with a means of subsistence.⁸⁴ The laws governing recruitment and the widespread notion that young men were averse to being called up, in my point of view, acted as “the straw that broke the camel's back” which led many young men to leave their island of birth. At the end of the day, by leaving their parents' home (and here I am only talking about the emigration of young people), they would be committing themselves to an absence that brought with it a suffering that qualitatively was not any different from that of any other hardship they chose. In effect, sailing aboard an American whaling ship would mean a prolonged exile of three or four years, during which they would have to face untold perils and the cruel demands of a job whose rigors they were certainly aware of. In a lengthy and well-founded discussion of emigration in his 1867 report, Governor Santa Rita, well-aware of certain unexplained discrepancies, demonstrated that he had qualms about blaming the recruitment laws and the subsistence crisis for the youth emigration phenomenon.⁸⁵

We do not know whether his statement was generated by convictions similar to those we have outlined here, but the Faial newspaper *A Palavra* commented as follows, stating that the underlying causes were:

[...] veritable poverty that borders on indigence, a poverty that is every day made worse by the enormous sacrifices demanded of a people, to whom Governments do not offer a means to live, and who take from them the little that they earn from the sweat of their brow.⁸⁶

With regard to this same issue, it is worth mentioning that even at the Government level, there were those who asserted that emigration was an “asset” to the country, since it would bring in more capital, offsetting the shortfall in local production, and thus compensating for the deficit in foreign trade. Like voices also asserted that it was a boon in civilizational terms, since the returnees would gain knowledge and experience that they would later bestow on their homeland communities, sparking a type of cultural improvement that was regarded as

beneficial. Horta's Civil Governor Sampaio Júnior made the following comment in which he claimed that emigration to America

[...] has not only brought an abundance of money to these islands; but to the less wealthy classes it has also spread certain habits of comfort and social well-being, unknown even to our people on the mainland.⁸⁷

He concludes his somewhat extravagant observations with this wildly optimistic pronouncement, stating that the wave of emigration

[...] compensated, not only in terms of capital and occupations, but even more in terms of ideas and enlightenment, which will turn out to be one of the most powerful causes of change in old habits and the progressive improvement of the district.⁸⁸

It is hard for us to share his sunny outlook. If the data given by Governor Santa Rita in his 1868 report are accurate, 120 men signed aboard American whaling ships per year, and this does not take into account the significant number who did so illegally.⁸⁹ In an exposé quite different from that of Sampaio Júnior, Governor Santa Rita displays much greater realism and observes that, with a period of severe food shortages looming on the horizon, emigration would rise; and he adds that

[...] the departure of people becomes a sad, irrevocable expedient in removing from our sight the heinous spectacle of misery, hunger, and death.⁹⁰

We will conclude our reflections on this subject by mentioning that a decade later, despite persistent emigration, Viscount Castilho was still playing down the importance of the phenomenon and taking comfort in the fact that a great many émigrés "improved, [...] have come back tamer so to speak."⁹¹ So it seems that after just a few short years, there had been an evolution in how the persistent migratory flow and its motives were being assessed. In an article on the same topic, a writer for the *O Atlantico* said that using recruitment laws to explain emigration was a thing of the past, and that by that time, it had turned into a mere pretext.⁹²

As an aside, yet in order to analyze the issue accurately, one must differentiate between emigration to Brazil during that era and emigration to the United States. In effect, the former was the object of severe criticism because of the degrading conditions Azoreans were subjected to upon arriving in Portugal's former colony.⁹³

Having outlined the larger issues that concerned Azorean society and its district authorities, we should mention that, in addition to these questions, there was a long list of other needs that the local press repeatedly voiced. For decades, the columns of Faial's papers were filled with unending lists of improvements that had been relegated to the back burner. And when the last decade of the 19th century was about to begin, the papers would restate the usual problems: the submarine cable connection, the creation of a free port, public education, the desirability of holding a district exhibition, improvements in the prisons, creation of a fire department, cleaning of the streets, policing of the wells, water supply to the city, improvement in the laws for military conscription, law enforcement, public lighting, taxation, the lighthouses, health regulations for promoting the port, creation of a course in seamanship in high schools, and relief for the impoverished and aid to beggars.⁹⁴

Aside from construction on the dock, which dragged on into the 20th century, the only accomplishment of note to come out of this exasperating litany of complaints was the submarine cable in 1893. Admittedly, it was a civilizational step forward of some significance, since it would, in the long run, enable Horta to become an important telecommunications hub.⁹⁵

It was a half-century in which the stunning incapacity to deal with the most insignificant issues painfully persisted, and during which power was held alternately by Regenerationists and Progressives. It was a power playoff that did little more than feed inconsequential, local infighting, systematically repudiated with the awakening of Republican ideas which were to be voiced by Horta's first Republican newspaper *O Democrata*,⁹⁶ founded in 1885.

As today, perhaps inspired by groups of Americans who often visited Horta in the late 1800s on a recreational sortie in search of the salubrious Atlantic air, one alternative or another would arise to extricate Faial from the bog it had fallen into; and it was tourism that was seen as the cure-all. For some, expectations ran amok. In an 1899 article for the newspaper *O Fayalense*, the writer commented on what

he saw as the future of Faial. After extravagantly extolling the landscape, the columnist commented that the island should become “the meeting point for all Azorean tourists.” Now there was a man who set his sights high!⁹⁷

In light of this somewhat depressing panorama, it is amazing – and a bit paradoxical – that during this period Horta would display a surprising cultural vivacity that manifested itself in a variety of ways. The production of newspapers began in 1857; associations geared toward a number of activities were formed; initiatives of a cultural nature continued apace, to wit, activities spurred on by an elite with a passion for arts and letters. In other words, in the second half of the 19th century and into the first quarter of the 20th, Horta was the stage of a cultural vitality that contrasted starkly with the scenario of decay we have been portraying here.

Taking the press alone as an example, one sees that during this period an appreciable number of newspapers, of the most diverse ilk, sprang onto the scene, even though some were to be short-lived. Within a few years, the Faialese reading public was to have *O Açoriano*, *O Atlântico*, *O Fayalense*, the *Gazeta Judicial*, the *Borboleta*, the *Arauto*, *O Debate*, *A Verdade*, and the *Açor* all at their disposal at the same time. And their merits weren’t only in their numbers, as one can infer by the opinion of the Ponta Delgada newspaper *A Persuasão*, as cited by *O Açor*. The newspaper lavished praise on Horta’s journalistic scene, calling it peerless in the archipelago.

Currently nine newspapers are being published in the city, one of which is a daily. Faial is indisputably the part of this archipelago that is represented in the press with most distinction. We admire the facility with which periodical publications are begun and sustained, and the fact that they are so broad, so clearly printed, and so edifyingly written. The Faialese can be very proud of this.⁹⁸

We are not going to initiate yet another chapter in this presentation, which is already lengthy. Suffice it to say that this was also a brilliant era for Azorean letters. It was an epoch of affirmation and maturity with such important names as – and this is not meant to be an exhaustive list – Florêncio José Terra, Manuel Zerbone, Garcia Monteiro, Ernesto Rebelo, Manuel Joaquim Dias, António de Lacerda Bulcão, António Lourenço da Silveira Macedo, António Ferreira de Serpa,

Marcelino Lima, Osório Goulart, Rodrigo Guerra, Manuel Greaves, and António Baptista.⁹⁹ Whether it be in journalism, the short story, the novel, poetry, drama, or history, many wrote, with great dignity, works of remarkable quality that led many to consider Horta of that era the most enlightened district capital in the Azores.

Concluding remarks

While going over this long exposition – long at least for a work that set out to be just a brief outline – at one point we were left with the strange impression that we were actually glossing the verses of Pedro da Silveira’s magnificent poem “Horta: Quase Réquiem.”¹⁰⁰ Upon reading it, the poem seemed to be offering disconcerting proof that the prosaic observations penned in this paper have most likely been redundant and useless. The truth is that, exercising amazing intuition, Pedro da Silveira, without the slightest concern for placing his verses within a precise time frame, has managed to produce a magnificent summary of a span of time that could have found – in the time period I have attempted to portray – the root cause for the waning of what the poet perceives was once “the anchored face of civilization! [...] the most joyous, the greatest small city in the world!”

In the breadth of scope of his poetic portrayal of Horta, where all license is permitted, Pedro da Silveira could just as well have devoted one of the verses of his poem to Franklin Delano Roosevelt. And he could have told us that on that morning of July 15, 1918, when Roosevelt stood aboard the USS Dyer and spied an island emerging from the mist, it was precisely the Faial we have portrayed here where, as the poet says, “the only thing that remains of the Dabneys is a street name.”

*Franklin D. Roosevelt: lord of war,
architect of peace**

PEDRO AIRES OLIVEIRA **

Lately there has been renewed interest in the figure of Franklin Delano Roosevelt (FDR). The fact that President Obama began his mandate under the looming cloud of a grave recession – surely the most serious one since the Great Depression – plus the heightened expectations regarding Obama’s agenda of reforms, have generated inevitable analogies with Roosevelt’s 1933 arrival in the White House. Three books on FDR’s first “Hundred Days” (a yardstick established by Roosevelt himself) and an imaginative *Time* magazine cover¹⁰¹ are only a few examples that attest to the trend. Now that the supremacy of monetarist and neo-liberal formulas seems to have suffered a reversal of fortunes, it is no surprise that attentions have once again turned to the pragmatic, inventive solutions posited by the New Deal, which, more than anything, could boast of having helped the American public regain trust in their democratic system and in a capitalism tempered by social concerns.

Gone are the Reaganistic rollback days of the ‘80s, when neo-conservative proponents promised the end of the Big Government era, and scorned the alleged concessions FDR had made to Stalin as a result of his naïve, internationalist notions. In the throes of a momentous economic crisis, America is also grappling with challenges to the uncontested supremacy it had been enjoying since the end of the Cold War. In this regard, President Roosevelt’s 12-year mandate provides us with countless lessons that may help America find the inspiration to tackle current dilemmas: how to enact pro-

* I would like to thank Carlos Gaspar for having read and commented on the first version of this text.

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found reforms despite powerful entrenched interests? How to reconcile the complex system of checks and balances enshrined in the Constitution with the emergency measures that an atypical crisis demands? How to garner favorable public opinion for initiatives that clash with time-honored ideas?

In this paper, we will be examining some of the most salient features of FDR's leadership during the Second World War. First, this will allow us to analyze the kind of tensions and constraints a democratic statesman must face during a crisis. Second, it will permit us to learn why the type of approach used by Roosevelt turned out to be totally suited to the idiosyncrasies of an American public still shaken by its experiences in the previous world conflict. In the light of recent history-based literature, we will also examine the basis of certain accusations that have gone into forming a type of "counter-legend" about Roosevelt's performance toward the end of the war.

America inside her shell

It is common knowledge that until 1938, foreign policy was far from being one of Roosevelt's priorities.¹⁰² Economic recovery was commanding almost all of his attention, and the resistance to some of his ambitious reforms and social policies offered by certain sectors of American society left him little time to concentrate on international issues. If perchance he had only completed two mandates and left office in 1940, it is certain he never would have been linked to any type of internationalist – much less liberal – vision. In 1933, his intervention was said to be one of the factors that doomed the London Economic Conference, where over 60 countries made a last-ditch attempt to stave off increasingly protectionist tendencies, stabilize currency exchange rates, and reinstate the gold standard. As a result, nationalism and economic orthodoxy won the day and, in the following few years, the stagnation of world trade worsened the Depression and its political and social aftermath. Believing that the solution to America's problems lay primarily in domestic responses, Roosevelt chose not to squander his political capital on initiatives that might alienate the isolationists who dominated both houses of Congress or influential sectors of the press. US membership in the League of Nations, Woodrow Wilson's great project, was immediately sidelined

in 1935 when the Senate overwhelmingly vetoed a bill proposing the US join the International Court of the Hague. By the mid-1930s, the idea that the Wilson Government had been duped by a cabal of bankers and arms dealers who wanted the US to join a conflict that was against her real interests had gained currency, especially after the hearings held by the committee spearheaded by Republican Senator Gerald Nye.

The Nye findings provided decisive impetus for the adoption of the Neutrality Acts, passed by Congress between 1935 and 1939. Thereafter, stringent limits were set on the Administration's freedom to act in matters of foreign policy. The Neutrality Acts, which set up embargoes against loans and exports to warring countries, and declared that American citizens on warring ships traveled at their own risk, embodied the prevailing pacifist tendencies of the post-First World War period, and fueled American society's deep-seated mistrust of the alliances and disputes that had raged on the Old Continent since the pre-independence era. Buffered by great expanses of ocean, America could afford to adopt a complacent attitude toward her own security. Even so, there were voices clamoring that the legislative measures were not bold enough. In 1937, by a narrow margin, the House of Representatives turned down a bill for a constitutional amendment that, had it been approved, would have subjected any future declaration of war – not only to congressional approval – but to a public referendum.¹⁰³

In short, American diplomacy gave every appearance of being hamstrung when it came to the events that preceded the Second World War: Italy's invasion of Abyssinia, the arms build-up in the Rhine, the Spanish Civil War, Anschluss, the dismantling of Czechoslovakia, and lastly, the Danzig crisis. With a tone of bitter irony, British Prime Minister Neville Chamberlain commented, "It is always best and safest to count on nothing from the Americans except words." Up until then, the Roosevelt Administration had demonstrated few perceptible signs of out-and-out disagreement with the "peacemaking" stance the democratic powers had adopted toward Fascism in Europe. Even his own party had a respectable number of ultra-conservative senators and congressmen from the South, which helps to explain the kid gloves the President used to deal with any and every move that could potentially alienate party members who sympathized with isolationism. The escalation of belligerence among totalitarian powers

coincided with one of the most delicate periods in FDR's presidency: his tug-of-war with the Supreme Court over the defeat of most of the New Deal's key legislation. Deeply cognizant of how the balance of power worked in the US democratic system, FDR never lost sight of the need to garner solid popular support before embarking on any initiative that would spark opposition from an establishment with pre-conceived ideas and entrenched interests, or spawn the notion that politics to a great degree is an exercise in setting priorities. This may explain the apparent timidity he exhibited on issues that probably demanded more boldness on the part of his Administration such as (in this case not) offering refuge to the throngs of German Jews who had begun to seek asylum in other countries as a result of the Nazi's increasingly stringent anti-Semitic policies.

It is apparent that after the Munich Summit, Roosevelt became deeply apprehensive about the outcome of German expansionism, a phenomenon he bragged about knowing first-hand, since he had spent a few years as an adolescent in Kaiser Wilhelm's Germany. Roosevelt was an anti-fascist by instinct: for example, privately he was known to make unequivocally hostile comments about Franco's role in the Spanish Civil War, which were in stark contrast to the anti-Republican opinions voiced by future British Prime Minister Winston Churchill.¹⁰⁴ He also displayed more than a smattering of the messianic and universalist outlook that, after the onset of the 20th century, had pervaded the visions of a string of US Presidents, especially his uncle by marriage Theodore Roosevelt and former first executive Woodrow Wilson. His belief in America's benevolent might and her calling to set right the evils of the world and spread well-being far and wide remained with him until the end.¹⁰⁵ Letters from eye witnesses and special government envoys in Europe at the time convinced Roosevelt that the fate of the Old Continent hinged on the actions of a mentally disturbed individual (a "nut," as he called Hitler) who didn't feel behooved to follow conventional diplomatic procedure, and had commandeered the loyalties of a fanatically militaristic people – a realization that in 1943 led him to insist on Germany's unconditional surrender. The ill-will was mutual. As historian David Reynolds points out, "The eugenicist Führer despised the American President as the 'crippled leader of a mongrel race.'"¹⁰⁶

However, even though he gradually became aware that sooner or later America's security could be jeopardized by the imperialis-

tic ambitions of the totalitarian powers, Roosevelt always remained cognizant of how hard it would be to persuade the American public and their elected representatives to accept the price of playing a more active international role. Ironically, he himself had unwittingly made the task even harder at the start of his mandate by focusing on the essentially internal nature of America's economic problems and the need to opt for domestic solutions to overcome the crisis.¹⁰⁷

The great persuader

War broke out in Europe in September of 1939, yet the ferocity of Germany's invasion of Poland was still not enough to unseat isolationist and pacifist opposition. From 1939 to 1941, the organization America First rallied the opposition of millions of Americans of every ideological ilk who shared the conviction that America's fate would not be significantly compromised should Hitler win the day. Quite the contrary: they thought that joining Great Britain in the war effort could topple American democracy and leave its economy in shambles (in the case of defeat); or lead to the persecution of German and Italian Americans, a Jewish dictatorship, or a Communist regime (in the case of victory).¹⁰⁸ Opinion polls – a tool for monitoring public opinion that entered the mainstream in the 1930s thanks to pioneers like George Gallup (whom the White House consulted) – showed that American voters had little desire to become embroiled in a European conflict: at the end of 1939, only 5% of respondents approved of involvement, a figure that would rise to only 7.7%¹⁰⁹ the following year.

In addition to the public's reluctance, there was a simple statistic that was all too telling of how far America needed to progress to make a difference in the European war effort. At the time of Germany's springtime Blitz of 1940, the US Army had 245 thousand troops who were outfitted with rifles from the First World War. Ranking 20th among the world's armies, it placed even lower than the Netherlands. The air corps was composed of 1350 aircraft (deployed for domestic defense) and, though somewhat better equipped, the Navy was essentially only ready to act in a defense capacity.¹¹⁰ Politically, the picture offered by the Congress, which had a Democratic majority in both houses, was deceptive: a significant portion of congressmen from the South sided with conservative Republicans on countless issues. They

formed a cadre with a unilateralist, isolationist mentality that was exceedingly deep-seated. Another factor to reckon with was FDR's decision to run a third time in the fall of 1940, a move that understandably led him to act more prudently in matters of foreign policy.

The period between 1939 and 1941 is especially telling when one examines Roosevelt's leadership qualities, since it demonstrates how his accurate perception of reality and keen tactical sense perfectly matched his policy, which had in no way garnered the consensus of American society. This policy consisted of viewing Great Britain and, until 1940 France, as America's first line of defense. As such, they were to be given every possible support to curtail the German onslaught. In November of 1939, a congressional vote authorized the US to sell military equipment to warring nations again, though on a cash-and-carry basis. For many observers it looked like a replay of the circumstances that had led the US into the First World War – a fact harped on by prominent figures such as aviator Charles Lindbergh, historian Charles Beard, and Senator Robert Taft.¹¹¹ FDR was aware of the damage the analogy could do to his bid for another term, so he restated his commitment to neutrality, and in one celebrated pronouncement, discarded the possibility of American soldiers fighting on foreign soil again.

His tactic meant taking every opportunity to educate the public first on how the US must not stint in her support for nations that still stood up to Hitler and second, on the country's need to seriously bolster her own means of defense. Throughout 1940, the dramatic downturn of events in Europe paved the way for the Destroyers-for-Bases Agreement with the UK led by Churchill, the Selective Service Act (requiring that men sign up with their draft boards, an unprecedented act during peacetime), and a far-reaching program of rearmament.

In early 1941, the American public was starting to side more with the interventionists: the rearmament programs sparked industrial growth, making unemployment fall dramatically; the UK's victory in the Battle of Britain blew a hole in the myth of Hitler's invincibility; and society had started to effectively stand up to organizations like America First, with movements like the Committee to Defend America by Aiding the Allies.

Still FDR, the consummate realist, remained on the cautious side. He wanted, above all, to avoid being seen as the one dealing the

first blow. In his eyes, only unprovoked aggression would be able to rally overwhelming national unity and lay to rest, once and for all, the assertions of the isolationists. Until that moment arrived, he would take advantage of all the chinks in the armor of neutralist legislation to assist financially depleted Britain. For example, the way he thought up and presented his famous Lend-Lease Program (passed under the symbolic designation HR 1776, in January of 1941) amply attest to his creativity and keen political sense. Its provisions stated that the British Government – or any other allied Government for that matter – would automatically be exempt from the costly cash-and-carry provisions of the neutrality legislation, benefiting from virtually unlimited credit from US authorities for the purchase of any goods the President deemed vital to the country's defense. In exchange, the goods could not be incorporated as British exports, and Britain further agreed to eliminate all discriminatory measures and reduce customs tariffs for US imports, while paying in kind for the goods being loaned. Thus, both selflessness and self-interest were conveniently safeguarded.

In a historic press conference, Roosevelt employed a parable that would resonate deeply with the American public:

Suppose my neighbor's home catches fire, and I have a length of garden hose four or five hundred feet away. If he can take my garden hose and connect it up with his hydrant, I may help him to put out his fire. Now, what do I do? I don't say to him before that operation, "Neighbor, my garden hose cost me \$15; you have to pay me \$15 for it." What is the transaction that goes on? I don't want \$15 – I want my garden hose back after the fire is over. All right. If it goes through the fire all right, intact, without any damage to it, he gives it back to me and thanks me very much for the use of it. But suppose it gets smashed up – holes in it – during the fire; we don't have to have too much formality about it, but I say to him, "I was glad to lend you that hose; I see I can't use it any more, it's all smashed up." He says, "How many feet of it were there?" I tell him, "There were 150 feet of it." He says, "All right, I will replace it." Now, if I get a nice garden hose back, I am in pretty good shape.¹¹²

In his own unpretentious fashion, the President had turned a complex, controversial issue into a story about neighborliness everybody could identify with.¹¹³

Even though he didn't pen his own addresses, he was responsible for inserting a number of memorable expressions into the speeches that during the winter of 1940-41 helped prepare the American public for the eventuality of war: "We must be the great arsenal of democracy;" "No nation can appease the Nazis. No man can tame a tiger into a kitten by stroking it." And then of course there were the "four essential human freedoms" (freedom of speech and expression, freedom of religion, freedom from want, and freedom from fear) that embodied his vision of the post-war world.

And though he took pains to instruct the people in democracy, he also did not shy away from resorting to less orthodox means to achieve his ends. As Gore Vidal observed somewhere, FDR was the "great Machiavelli" of the American Republic.¹¹⁴ With the war-time restrictions on information acting in his favor, FDR seized the opportunity to put his own spin on certain episodes (such as the famous Greer incident) to demonize the Axis powers, especially after North Atlantic shipping had been hit by a number of German submarine strikes. On other occasions, he apparently resorted to outright disinformation, using forged documents to denounce Hitler's expansionist designs on the Western hemisphere. In conjunction with a Hoover-led FBI, he contrived to discredit the members of the America First Committee insinuating that they were acting at Berlin's behest. In July of 1941, he froze all Japanese assets in the United States, thus sparking an economic war against Tokyo without prior consent from Congress. The duplicitous, manipulative side of FDR has long been fodder for countless conspiracy theories regarding how much he really knew about Japanese plans to attack the US Pacific Fleet anchored at Pearl Harbor – an accusation most FDR biographers and Second World War espionage historians discount.¹¹⁵

The President's efforts to educate the US public about the inevitability of a clash with Axis forces would pay off in December of 1941, when the unprovoked strike Roosevelt was waiting for came in the form of a Japanese attack on the US Naval Base at Pearl Harbor and Hitler's subsequent declaration of war against the United States. Despite his understandable desire to retaliate, Roosevelt made a point of choosing the European theater as his priority. It was one of his most outstanding strategic decisions, and the staunchness and eloquence with which he defended his position showed he had the very stuff statesmen are made of. It was, of course, a well thought-out, eminently rational deci-

sion. A world in which Hitler gained hegemony throughout Europe, the Middle East, and Russia, would be a world in which the US was unlikely to prosper in peace. And no matter how strong the desire for revenge against Japan was, it was fairly evident that the Pacific archipelago did not possess the critical mass to be as formidable a threat to America's democracy and way of life as Nazi Germany, and could be defeated by a slow war of attrition.

I could cite other aspects attesting to Roosevelt's skill as the Commander-in-Chief of a nation at war¹¹⁶ such as the masterful way he dealt with his military chiefs (especially the obstreperous General Douglas MacArthur), his hands-off approach to operational planning, his decision to back the Manhattan Project, and even the patience he demonstrated in dealing with less cooperative neutral countries such as Salazar's Portugal. Equally impressive – given their starkly different views of the post-war world – was the understanding FDR struck with Winston Churchill as of 1940, and the respect and trust he earned from the inscrutable Joe Stalin.

Subject to constant debate by historians, many of Roosevelt's most controversial decisions have tended to gain validation when examined in the light of possible alternatives.¹¹⁷ Although the choice of North Africa as the site of the first Allied landing may have exasperated the Soviets (and some American strategists), the truth is that conditions were not ripe for a Normandy-type landing in late 1942-early 1943 (at least in the opinion of one Democratic statesman who believed combat casualties should not be taken lightly). And although the option to demand unconditional surrender may have compromised speedier Allied advances through Italy, it was crucial in assuring Stalin of American and British loyalty (allowing them to postpone the opening of a second front until 1944), and staunching any illusions the Germans had as to a reconstitution of German nationalism. Even the decision not to bomb the death camps and the infrastructures underpinning the Third Reich's genocidal policies – demanded by some Jewish leaders – was carefully scrutinized in the light of how efficacious such an option would ultimately be, and the dire consequences it might provoke.¹¹⁸ In the final analysis, in this case – as in so many others – Roosevelt's position was marked by unassailable coherence: the best way to end Hitler's atrocities was to resoundingly defeat the German leader as quickly as possible.

But perhaps his most impressive quality was his ability to rally the American people toward victory even when it meant clashing head-on with sectors in the trade unions who opposed the sacrifices demanded by the war effort, as was the case in Roosevelt's tug-of-war with the miners in 1943, which was only quelled by the threat of military intervention. At one point, Roosevelt affirmed that Dr. New Deal had fulfilled his mission; it was now time for Dr. Win-the-War. It is obvious that without the actions of Dr. # 2, in future years the efforts of Dr. # 1 would not have been viewed as an effective cure for the Great Depression. Aside from solving certain problems that had remained hanging since the end of the 30s (namely structural unemployment), the war convinced many businessmen of the virtues of planned capitalism – with a social conscience – while laying the groundwork for what would eventually be dubbed “the military-industrial complex” that enabled the US Government to play a significantly active role in the economy, while maintaining the illusion that it was market forces and free enterprise that held sway.

Winning the peace without selling your soul

President Woodrow Wilson, whom FDR served as Undersecretary of the Navy, had been fated to win the war and lose the peace. Building the peace was therefore something Roosevelt sought to assure as soon as circumstances permitted. The groundwork for the post-war world was to be laid as early as August of 1941 at the Placentia Bay summit with Churchill which resulted in the approval of the Atlantic Charter, a document that spoke of home-rule and collective security and, as such – though non-binding – came to be powerfully emblematic. Aside from the pressing need to defeat, disarm, and occupy the enemy powers, while laying the cornerstones for global economic cooperation, Roosevelt's main concern was to persuade the American people to shoulder greater international responsibility, as evidenced in one of his Fireside Chats in February, 1942. Relying on his habitual use of imagery, FDR referred to Pearl Harbor as an incident that proved the folly of those who for years “wanted the American eagle to imitate the tactics of the ostrich.” In Roosevelt's words, after the war, Americans should avoid the temptation to imitate the turtle, who seeks safety by cowering inside its

shell. As he notably asserted, “We prefer to retain the eagle as it is – flying high and striking hard.”¹¹⁹

Even though he identified with the internationalist goals of his Democratic predecessor, FDR had his own particular vision of the new world order the USA should help to build; it was a vision shaped by his acute awareness of the power plays and constraints that characterized the US political establishment. Thus, the main adversaries he was forced to contend with were not the isolationists, but the neo-Wilsonians, who advocated a newly-empowered League of Nations, though one based on the premise of the sovereign equality of States and the ideal of collective security. It was, however, a vision Roosevelt deemed unfeasible, since it did not reflect the realities of power that reigned in the international arena. In his estimation, the only alternative to Wilsonian utopianism was what one could characterize as a reworking (though imperfect) of the concert of powers established after Napoleon's defeat in 1815. His hope was that the Allies would continue to cooperate after the Axis was defeated. FDR's system of international security would therefore consist of a trusteeship made up of the victorious nations which would form a type of executive committee charged with swiftly handling emerging threats to peace. This body, which would include the US, the USSR, Great Britain, and China – the so-called “Four Policemen” (or Sheriffs) – would hold a monopoly on military might with all other states being obliged to give up any armed forces that might pose a threat to neighboring nations.¹²⁰

It is easy to see why this vision was not an easy one to “sell” to the American public, especially those who considered the League of Nations problem to have been a lack of US commitment rather than the structure and mechanisms of the League itself. To many, Roosevelt's plans smacked too much of traditional European realpolitik and the notorious concepts of “spheres of influence” and “balance of power.” Perhaps fearing a hostile reaction, he resorted to a tried and true expedient – sending up a test balloon – this time in the form of an interview with the *Saturday Evening Post* (1943), where he described, in broad strokes, his vision of the international trusteeship. Predictably, his views were harshly criticized, even by his former right-handman in the Department of State, Sumner Wells, who pointed out the imperialistic underpinnings of Roosevelt's new scheme.¹²¹

Ever the consummate pragmatist, the President acted on Cordell Hull's suggestion to transform the Four Policemen into what would

later become the Security Council of the United Nations. For Roosevelt, the packaging the UN came in was not as important as the core vision that guided it, which was based on cooperation among the powers of the Great Alliance. Gradually he acceded that the most effective way to keep isolationist sentiments from rearing their heads in the near future was to enmesh the US in a web of commitments and institutions that formed the fabric of a more cooperative international system. The lesson afforded by the Great Depression had been learned: greater economic openness and joint management of international security risks by the most powerful nations were key concepts in avoiding a resurgence of bellicose nationalism. In a series of conferences that took place in 1944, the Roosevelt Administration secured US involvement in a number of international financial and trade agreements, and accords to aid refugees, reconstruct crippled economies, provide food, promote agriculture, and deal with civil aviation, among others. Despite their imperfections and shortcomings, these institutions are still alive today, and in many ways, still form the bedrock for a more prosperous, humane, and peaceful world order.¹²²

FDR's willingness to adjust his tactics in order to salvage the essence of his views on peace was a trait the President particularly evidenced toward the end of the war and at the Allied conferences in Teheran and Yalta. And herein lie some of the misapprehensions that have fueled the myths spun by his left and right-wing detractors.

For example, let us first examine his stance on European colonialism. The hostile comments he leveled at Europe's colonial powers are well known.¹²³ They reflected the traditional sympathy Americans felt toward self-government but were an inevitable source of friction when it came to certain American allies such as Great Britain.

Following through on the League of Nation's mandates to organize a new world order in order to speed up the independence of such territories as Korea and Indochina was one of the tacks FDR took in the hopes of garnering more active international involvement on the part of the US. In private, however, he conceded that many colonies were still not prepared for home-rule, and would still have to submit to another 20 to 30 years of oversight. He saw the US as playing a major role in this respect. By doing so, the US would be able to attend to her national security concerns (especially in the Pacific) and maintain order in zones vulnerable to a power vacuum, while satisfying the idealistic expectations of the American public.¹²⁴ In the final months

of the war, however, the need to guarantee the collaboration of such allies as Britain and France and even certain backward regimes such as Salazar's Portugal (to assure American access to military facilities in the Azores after the war), led him to begrudgingly admit the continued survival of the old imperial order. This fact is unquestionable. But anybody familiar with the history of decolonization knows that one must not underestimate the impact of the United Nations Charter when it came to the rights and duties of mandatory powers, not to speak of the Charter's reference to self-determination in article 1, which was to ignite and galvanize nationalist sentiments throughout the colonial world in the following decades.

Even more controversial though is FDR's allegedly acquiescent attitude toward Stalin and the Soviet Union, which recently warranted a reproachful comment from George W. Bush during the 60th anniversary commemorations of the end of World War II. In the opinion of the erstwhile Republican President, the "attempt to sacrifice freedom for the sake of stability left a continent divided and unstable;" and the ensuing servitude of millions of Central and Eastern Europeans would be remembered as one of history's greatest blunders.¹²⁵

To what extent is this pronouncement true? In this paper, we cannot examine in detail the complex issues discussed in Crimea; therefore, we will only highlight a few points that put the results of the summit into perspective. First off, it is crucial to bear in mind that – as is standard for multilateral diplomacy – negotiations involving the three great powers would have required mutual concessions, with none of the parties satisfying their whole agenda, but with everyone involved gaining and conceding something.¹²⁶ Seen in this light, the analogy made between Yalta and the emblematic appeasement summits must be consigned to the category of myth.¹²⁷

Roosevelt made the long, exhausting trip to the Black Sea with a number of primary objectives in mind. One was to assure Soviet participation in the United Nations and in the plan for collective security the UN would embody. Wilsonian idealism had to be rooted in reality. Close cooperation between the US and the USSR was the only way to achieve this. This may have even implied veiled acceptance of the idea of power spheres. However, it was important to guarantee that these spheres of influence would not be "exclusive" or "closed" as they had been in the past, but "open," i.e. capable of adapting to the changes

imposed by the free flow of ideas, culture, and economic interaction. As historian Warren F. Kimball noted when formulating this imprecise distinction, FDR was attempting to build a bridge between the imperial visions of Churchill and Stalin and the structure conceived by Wilson in the aftermath of the First World War.¹²⁸

The second goal was to secure Soviet participation in the Pacific theater. Though he had been informed that the first atom bomb would be ready in August of 1945, the President had no way of predicting the devastating effects it would have on Japan's will to resist. Roosevelt's military chiefs still believed that a bloody, prolonged invasion of the Japanese islands would be necessary, which could probably not be achieved before the spring of 1946. Once again, the fact was a weighty one for the leader of a democratic country. In the end, both goals were achieved: the USSR agreed to the inaugural conference of the UN in San Francisco, dropped her demands to have the 16 Soviet republics in the General Assembly, and agreed to be a cooperative partner in the Security Council where the permanent members would have the right to veto. Stalin also agreed to take part in the war against Japan as soon as hostilities in Europe were over, and did not oppose the role Roosevelt had reserved for nationalist China in the new international system.¹²⁹

As far as Germany's future was concerned, both the Americans and the English achieved possibly more than they had bargained for, since Stalin ended up not demanding a fixed amount (20 billion dollars) in war reparations, a point the British felt strongly about owing to the dire consequences wreaked by the Versailles Treaty's scheme of reparations after the First World War. Additionally, France was given one of Germany's occupied sectors, which made Churchill breathe easier and lightened America's load in the task (in one of their sessions, FDR confessed to the British and Russians that Americans would find it hard to accept the continued presence of GIs in Europe two years after hostilities ended).¹³⁰

However, the Soviets were considerably tougher on items directly involving their own security, which is comprehensible if we consider Stalin's paranoid personality and Russia's fear of a resurgence of German power. This became patent in two dossiers that were found that would generate considerable controversy during the Cold War: the dossier on prisoners of war and the one on the future of European countries occupied by the Red Army.

Demanding the handover of all "Soviet citizens" in German custody, Stalin, who did not distinguish between prisoners of war and deserters, ended up sending several hundred thousand former captives to the Gulags or to their deaths. We should stress, however, that at the time, the USSR had a significant number of English and American prisoners in custody, captured by the Germans, and that according to reports, they were being subjected to abuse. Again, it was not an issue to be ignored by leaders accountable to the voting public.

Roosevelt and Churchill's margin for maneuver was even more limited in countries occupied by the Red Army. The idea that the USSR could be forced to withdraw from these areas was ludicrous, and no one attuned to the realities of the time defended the idea. Soviet predominance in Central and Eastern Europe was a result of US and British war strategy, to wit the decision coming out of Teheran to open a second front in France after 1944. Western diplomats returned to Crimea convinced they had done everything in their power to at least mitigate the most pernicious effects of the USSR's rise to power in that part of Europe. Their concern – which had already been manifested in the now-famous percentages agreement negotiated by Churchill and Stalin in Moscow in 1944 – in Yalta led to the Declaration of Liberated Europe, whereby the countries previously under the Nazi yoke would regain full sovereignty and have democratic institutions instated by free elections which were to be held as early as possible. The Soviet interpretation of the Declaration is all too well-known. However, it is important to underline that by refusing to ratify the borders drawn by the realities of military occupation, the Allies denied the USSR the satisfaction of legitimacy – a fact that always preyed on the minds of Soviet leaders. Decades later, the people of Central and Eastern Europe would finally regain their freedom in the name of the ideals enshrined by the Yalta Declaration.

In hindsight, it is easy to see how Roosevelt's views on the Soviet system and Stalin's personality had been conditioned by having been raised in an environment light years away from the universe that spawned totalitarianism. FDR seemed to countenance the Soviet strongman as a party leader receptive to the give-and-take of democratic politics. He was probably also taken in by Stalin's personal charisma (which, according to his admirers, could melt glaciers), and

the trump cards he thought he held to guarantee that Stalin faithfully cooperated in jointly managing international security. The idea that Bolshevik revolutionary fervor had fizzled, and that the USSR – pending a few economic enticements – would align with the liberal-capitalist status quo, now seems like an idea out of Lala Land. But in 1945, it was conventional wisdom among the most well-informed diplomatic circles.¹³¹ There is evidence that in the weeks before his death, FDR had grown more cognizant of the possibility that Stalin might flout his Yalta commitments, yet most likely he continued to insist on cooperation among the Allies. His final notes show that while he was prepared to deal firmly with unreasonable Soviet demands, he was convinced that routine consultation and cooperation would end up quashing the contentiousness between the US and the USSR.¹³² Between that and knowing whether it could have avoided the ensuing volley of recriminations and Manichean escalation that blazed the trail toward the Cold War, is simply the stuff of virtual history.

Looking at FDR's approach to the post-war period in the same terms as politologist G. John Ikenberry, who distinguishes between a "containment order," spawned by deteriorating relations with Moscow, and the liberal, democratic order, forged by the crisis conditions of the 1930s, we are struck by how insightful many of the solutions designed by FDR and his advisors are. The shelf-life of the containment order expired with the end of the Cold War. The liberal-democratic order, forged in Bretton Woods and Dumbarton Oaks, is still in fairly good health.¹³³

I will end with a quote from recently-departed, FDR biographer and JFK advisor Arthur Schlesinger Jr., who wrote a piece on Roosevelt for *Time* magazine's 1998 special issue on the great political figures of the 20th century: "The world we live in today is Franklin Roosevelt's world. Of the figures who for good or evil dominated the planet 60 years ago, he would be least surprised by the shape of things at the millennium. And confident as he was of the power and vitality of democracy, he would welcome the challenges posed by the century to come."¹³⁴ The assessment still rings true today.

NOTES

Part I

- 1 George Kennan, *American Diplomacy*, Chicago University Press, 1984, p. 91.
- 2 See José Medeiros Ferreira, *Cinco Regimes na Política Internacional*, Lisbon, Ed. Presença, 2006, pp. 24-25.
- 3 Ibidem, "O Mar dos Açores nas duas Guerras Mundiais", in *Revista de História e Teoria das Ideias*, vol. XI (2nd series), Lisbon, UNL, 1999, p. 120.
- 4 Ibidem, "Os Açores nas duas Guerras Mundiais", in *Boletim do Instituto Histórico da Ilha Terceira*, vol. XLV-1987, Angra do Heroísmo, 1988.
- 5 Ibidem, *Portugal na Conferência de Paz de Paris (1919)*, Lisbon, Quetzal Ed., 1992, and *Cinco Regimes na Política Internacional*, Lisbon, Ed. Presença, 2006.
- 6 *Op. cit.*, p. 89.
- 7 In *Chronology in Azores Base and Summary Survey of Selected Principal Problems and Issues Relating to the 1957 Agreement on the Azores*, 5 June 1962, President Kennedy Library, Boston, National Security Files, Box 155.
- 8 Idem.
- 9 J. Kenneth Galbraith, *A Life in Our Times*, Boston, 1981, p. 401.
- 10 Paul Sakwa, "US Policy towards Portugal", 17 January 1962, 6 typed pages, National Security Files, Kennedy Library, Boston, Box 154.
- 11 Memorandum from George Ball to Salazar dated 21 October 1963, published in an official Ministry of Foreign Affairs translation by Diogo Freitas do Amaral, in *A Tentativa Falhada de Um Acordo Portugal-EUA sobre o Ultramar Português*, Coimbra Editora, 1994, p. 77.
- 12 *Op. cit.*, p. 78.
- 13 *Op. cit.*, p. 80.
- 14 I have mentioned this matter in several other works, including *Portugal em Transe*, vol. VIII, in *História de Portugal*, coordinated by José Mattoso, Editorial Estampa, pp. 177-96.
- 15 See José Medeiros Ferreira, "A Revolução Autónómica (1974-1976)", in *História dos Açores*, Angra do Heroísmo, IAC (foreward).
- 16 "National Security Study Memorandum 221: US Interests in the Azores", April 8, 1975, quoted in Bernardino Gomes and Tiago Moreira de Sá, *Carlucci vs. Kissinger*, Lisbon, D. Quixote, 2008, p. 195.
- 17 *Op. cit.*, p. 198.
- 18 Helmut Schmidt, *Des Puissances et des hommes*, Paris, Plon, 1989, pp. 189-91, quoted in *Portugal em Transe*, *op. cit.*, p. 187.

- 19 Bernardino Gomes and Tiago Moreira de Sá, *Carlucci vs Kissinger*, Lisbon, D. Quixote, p. 271.
- 20 *Memorandum*, May 31, 1975, "Intelligence Alert Memorandum: Possible Coup Attempt by Azorean Separatists", Director of Central Intelligence, Azores, Box 1, NSA, Gerald Ford Library, quoted by Nuno Simas, *Portugal Classificado: Documentos secretos norte-americanos. 1974-1975*, Lisbon, Alêtheia, 2008, p. 176.
- 21 Bernardino Gomes and Tiago Moreira de Sá, *op. cit.*, pp. 316-22.
- 22 José Medeiros Ferreira, *Portugal em Transe*, *op. cit.*, p. 192.
- 23 Ibidem, "Os Açores na Encruzilhada da Política Europeia de Segurança e Defesa Comum", in *Política Internacional*, no. 22, Lisbon, fall-winter 2000, p. 180.
- 24 Ibidem, *op. cit.*, pp. 181-82.
- 25 See José Medeiros Ferreira, *Cinco Regimes na Política Internacional*, *op. cit.*, pp. 72-74.
- 26 Ibidem, "Os Açores na Encruzilhada da Política Europeia de Segurança e Defesa Comum", *op. cit.*, p. 181.
- 27 See in particular "Territories, Centres and Peripheries: Toward a geoethnic-geo-economic-geopolitical model of differentiation within Western Europe", in Jean Gottman (ed.), *Centre and Periphery. Spatial variations in politics*, Beverly Hills, Sage Publications, 1980, and *Stato, nazione e democrazia in Europa*, Bologna, Il Mulino, 2002.
- 28 Cf. Immanuel Wallerstein, *El moderno sistema mundial. La agricultura capitalista y los orígenes de la economía-mundo europea en el siglo XVI*, Madrid, Ciglo XXI, 1979, p. 425.
- 29 In the words of Bentley Duncan, cf. *Islands in the Atlantic. Madeira, the Azores and Cape Verde in seventeenth century commerce and navigation*, Chicago, University of Chicago Press, 1972, p. 252.
- 30 Cf. Franco Nogueira, *Salazar*, particularly vol. III, *As Grandes Crises (1936-1945)*, Porto, Livraria Civilização Editora, 1986.
- 31 Africa was never Europeanized, i.e. it never adopted the Old World as its civilizational matrix.
- 32 Cf. his famous essay "Açorianidade", in *Insula*, nos. 7 and 8, July, August 1932 and *O Açoriano e os Açores*, Porto, Renascença Portuguesa, 1929.
- 33 At the same time, we could fix the closure of modernity and the dawn of contemporary times when water made way for air, not only in terms of social relations (the colonization of air space is still in the realms of science fiction), but at least in terms of power and its projection. If ancient and medieval times were the "Earth Ages," modernity was the "Sea Age," and contemporary times the "Air Age," we might ask what kind of future lies in store with us in the "Fire Age." For a curious view of this issue, see *Land and Sea*, by Carl Schmitt, and the inter-

- esting Preface that Viriato Soromenho-Marques prepared for the Portuguese edition (*Terra e Mar: Breve reflexão sobre a história universal*), published in Lisbon by Esfera do Caos, in 2008.
- 34 Cf. his magnificent *Segundo Tratado do Governo*, Lisbon, Fundação Calouste Gulbenkian, 2007.
- 35 We are referring in particular to the Kantian project of universal peace. Cf. his work *Perpetual Peace and other Essays on Politics, History and Morals*.
- 36 Franklin Delano Roosevelt, *Address Before a Joint Session of Senate and House of Representatives Asking for Additional Appropriations for National Defense*, The Capitol, May 16th, 1940, in <http://www.ibiblio.org/pha/7-7-188/188-16.html>.
- 37 Ibidem, *Radio Address Delivered from Washington on December 29th, 1940*, in <http://www.mtholyoke.edu/acad/intrel/WorldWar2/arsenal.html>.
- 38 Ibidem, *Address Before the Governing Board of the Pan American Union, The White House, May 27th, 1941*, in <http://www.ibiblio.org/pha/7-2-188/188-26.html>.
- 39 Ibidem, "Fireside Chat 17", *On an Unlimited National Emergency, May 27th, 1941*, in <http://millercenter.org/scripps/archive/speeches/detail/3814>.
- 40 Ibidem, *Address Before the Governing Board of the Pan American Union, The White House, May 27th, 1941*, *op. cit.*
- 41 About this dimension and the American plan to invade the Azores, cf. Norman Herz, *Operation Alacrity: The Azores and the war in the Atlantic*, Annapolis, Maryland, US Naval Institute Press, 2004.
- 42 Hawaii and Guam are the best examples of this American annexation policy in the Pacific.
- 43 Apropos of this subject, see the collection made available by the Gerald Ford Presidential Library on the Azores and Azorean separatism, much of which has been declassified, namely the correspondence exchanged between the US Department of State and the US Embassy in Lisbon after the April Revolution, and the attempts of leading members of Azorean communities to contact the Department of State through senators and congressmen from their states and voting districts.
- 44 A poetic expression referring to the fascination that America held for the Azoreans, in Pedro da Silveira, *Fui ao Mar Buscar Laranjas 1*, Angra do Heroísmo, Direcção Regional da Cultura, 1999, p. 53.
- 45 For further information on issues of separatism in the islands, aside from the local press of the epoch, one should consult Francisco José da Silva Júnior, *Emanipação dos Açores*, Lisbon, Typographia Universal, 1871; António d'Avila Gomes, *A Independência Açoriana e Seu Fundamento*, Angra do Heroísmo, Typ. Minerva da Livraria Religiosa, 1892. For information on the relationship between the separatist phenomenon and the plans that led to the autonomy movements and the

- special law of March 2, 1895, see Maria Isabel João, *Os Açores no Século XIX. Economia, sociedade e movimentos autonomistas*, Lisbon, Edições Cosmos, 1991.
- 46 Mário Mesquita, “A Escala de Roosevelt nos Açores durante a Primeira Guerra Mundial”, in *Boletim do Instituto Histórico da Ilha Terceira*, Angra do Heroísmo, vol. XLIV, 1986, pp. 37–65.
- 47 *Op. cit.*, p. 47.
- 48 António Lourenço da Silveira Macedo, *História das Quatro Ilhas Que Formam o Distrito da Horta* (facsimile reprinting of the 1871 edition), Angra do Heroísmo, Direcção Regional da Educação e Cultura, 1981, vol. II, pp. 213–14.
- 49 Tomaz Duarte Jr., *O Vinho do Pico*, [Madalena], ed. sponsored by the Madalena do Pico City Council, 2001, p. 74.
- 50 As an example, during the 1856–57 season, São Miguel produced 300,000 crates of oranges, Terceira 40,000 and Faial 5,500 crates, 1,500 of which were shipped to the United States. See Instituto Açoriano de Cultura, *Correspondência dos Consules dos Estados Unidos nos Açores. 1795–1863*, CD1, Rolo 4, doc. 422–423. [Edition based on microfiches in the National Archives of the United States].
- 51 Take, for example, the unusual demand for the Horta port that occurred in 1809 and 1810 as the result of embargoes decreed by America aimed at harming English interests. See Ricardo Manuel Madruga da Costa, *Os Açores em Finais do Regime de Capitania-Geral. 1800–1820*, Horta, Núcleo Cultural da Horta, Câmara Municipal da Horta, 2005, vol. I, p. 30 and foll.; ibidem, “Faial 1808–1810. Um tempo memorável”, in *Boletim do Núcleo Cultural da Horta*, Núcleo Cultural da Horta, 1993–1995, pp. 135–284.
- 52 Marcelino Lima, *Anais do Município da Horta. Ilha do Faial*, Famalicão, Grandes Oficinas «Minerva», 1940, p. 396.
- 53 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Colecção dos Relatórios das visitas feitas aos districtos pelos respectivos governadores civis em virtude da Portaria de 1 de Agosto de 1866*, Lisbon, Imprensa Nacional, 1868.
- 54 Ricardo Manuel Madruga da Costa, “Algumas Notas sobre o 1.º Cônsul Geral dos EUA nos Açores e Um Contributo para Uma Bibliografia sobre os Dabney”, in *Boletim do Núcleo Cultural da Horta*, vol. X, 1993, pp. 89–140.
- 55 For information on this point, see Ricardo Manuel Madruga da Costa, “Breves Notas para a História do Porto da Horta” (followed by a transcription of Dabney-Bensaúde correspondence), in *Boletim do Núcleo Cultural da Horta*, vol. XII, 1996–97, pp. 9–109. See also Fátima Sequeira Dias, “Walter Bensaúde: O princípio da sua actividade empresarial, na ilha do Faial (1868–1873)”, in *O Faial e a Periferia Açoriana nos Séculos XV a XX* (Actas do Colóquio), Horta, Ed. Núcleo Cultural da Horta, 2007, pp. 205–45.
- 56 M.J. Andrade, “A Doca de Ponta Delgada”, in *Açoriano Oriental*, August 9, 1993.

- 57 Marcelino Lima, *op. cit.*, p. 229.
- 58 *O Açor*, January 6, 1889.
- 59 *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes relativas ao anno de 1857*, Lisbon, Imprensa Nacional, 1858, p. 99.
- 60 For a general overview of the situation in the Azores throughout the third quarter of the 19th century and how it clashed with the national political framework in power, aside from the work already cited by Maria Isabel João, see Carlos Cordeiro, *Insularidade e Continentalidade. Os Açores e as contradições da Regeneração (1851–1870)*, Coimbra, Minerva Histórica, 1992.
- 61 Cf. *Relatórios sobre o estado da administração pública nos districtos administrativos do continente e ilhas adjacentes em 1856*, Lisbon, Imprensa Nacional, 1857. (See also the identical reports for the subsequent years up to 1867). The first civil Governor of the District of Horta, José Vieira Santa Rita, arrived in Faial in 1842 — cf. António Lourenço da Silveira Macedo, *História das Quatro Ilhas Que Formam o Distrito da Horta* (facsimile reprinting of the 1871 edition), Angra do Heroísmo, Direcção Regional dos Assuntos Culturais, 1981, vol. 2, p. 173.
- 62 Cf. *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes do anno de 1843*, Lisbon, Imprensa Nacional, 1845. [See identical reports for the following years].
- 63 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Colecção dos Relatórios das visitas feitas aos districtos pelos respectivos governadores civis em virtude da Portaria de 1 de Agosto de 1866*, Lisbon, Imprensa Nacional, 1868, *op. cit.*
- 64 Cf. Ricardo Manuel Madruga da Costa, “Breves Notas para a História do Porto da Horta” (followed by a transcription of Dabney-Bensaúde correspondence), in *Boletim do Núcleo Cultural da Horta*, vol. XII, 1996–97, pp. 9–109.
- 65 Faial’s newspaper *O Açor* attributed the decline in shipping to the absence of a submarine cable — cf. *O Açor*, January 1, 1889, issue # 1.
- 66 Cf. *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes do anno de 1855 e 1856*, Lisbon, Imprensa Nacional, 1857.
- 67 Cf. *A Palavra*, April 15, 1868, p. 1.
- 68 Cf. *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes do anno de 1855 e 1856*, Lisbon, Imprensa Nacional, 1857.
- 69 The consultas (reports) of the district Juntas Gerais were not random initiatives these bodies took when particular situations made it necessary for them to state their cases before the government of the realm; they were an obligation set down in the Portuguese Administrative Code. In the texts of the reports we have available, article 218 is cited as requiring the annual presentation of a consulta, a provision corresponding to the Code of 1842. However, article 77 of the 1836 Administrative Code already sets down the obligation to submit a report as

- one of the duties of the Juntas Gerais. See *Código Administrativo Português* (Ponta Delgada), Typ. de F.X.J. Corrêa, 1837; *Código Administrativo*, Lisbon, Imprensa Nacional, 1842.
- 70 “Consulta da Junta Geral do Districto da Horta do anno de 1843”, in *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes do Anno de 1843*, Lisbon, Imprensa Nacional, 1845.
- 71 Idem. This report was submitted at a particularly adverse time for Faial island. Aside from the severe shortfall of grain production that occurred in 1842, since 1840 a blight had overrun the island’s orange groves, totally decimating Faial’s orchards and destroying the only source of export produce that the island depended on for foreign trade. A few years later, in 1846, the potato crop would also be struck, not only affecting the population’s subsistence needs, but also the island’s ability to resupply the US whaling ships putting in at Horta. Cf. António Lourenço da Silveira Macedo, *História das Quatro Ilhas Que Formam o Distrito da Horta* (facsimile reprinting of an 1871 edition), Angra do Heroísmo, Direcção Regional dos Assuntos Culturais, 1981, vol. 2, pp. 168, 173, 184.
- 72 Cf. *O Açor*, January 19, 1889, # 19.
- 73 Cf. Mário Mesquita, *A Regra da Instabilidade. Textos políticos*, Lisbon, Imprensa Nacional-Casa da Moeda, p. 65.
- 74 *Arquivo dos Açores* (facsimile printing of the 1920 edition), Ponta Delgada, Universidade dos Açores, 1983, vol. XIII, p. 579.
- 75 *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes relativas aos anos de 1855 e 1856*, Lisbon, Imprensa Nacional, 1857.
- 76 *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes relativas ao anno de 1868*, Lisbon, Imprensa Nacional, 1868.
- 77 Cf. *O Açoriano*, January 18, 1885.
- 78 The permanent shortage of financial resources was also felt by the municipality which, in addition to a lack of funds that were almost insufficient to deal with the dire issue of abandoned infants, had to grapple with negligence and carelessness as well. For further information on this issue, aside from other publications, see “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1859*, Lisbon, Imprensa Nacional, 1861; “Governo Civil do Districto Administrativo da Horta”, in *Colecção dos Relatórios das visitas feitas aos districtos pelos respectivos governadores civis em virtude da Portaria de 1 de Agosto de 1866*, Lisbon, Imprensa Nacional, 1868.
- 79 Although doubt has almost always been cast on the data it contains, Governor Santa Rita’s 1863 report mentions the following figures for the population of Faial island: 1860 – 25,237 inhabitants; 1861 – 25,492; 1862 – 24,946 and 1863 –

- 25,361 inhabitants; cf. “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o Estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1863*, Lisbon, Imprensa Nacional, 1865.
- 80 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1859*, Lisbon, Imprensa Nacional, 1861. This report, however, concedes that there was an increase in emigration owing to the food crises of the previous years. See also “Governo Civil do Districto Administrativo da Horta”, in *Colecção dos Relatórios das visitas feitas aos districtos pelos respectivos governadores civis em virtude da Portaria de 1 de Agosto de 1866*, Lisbon, Imprensa Nacional, 1868.
- 81 For the whole district of Horta (Faial, Pico, Flores, and Corvo), see the emigration statistics compiled for the years 1856 to 1866, in Fátima Sequeira Dias, “A Visão Oficial do Distrito da Horta no Século XIX”, in *O Faial e a Periferia Açoriana nos Séculos XV a XX*, Horta, Núcleo Cultural da Horta, 1998, p. 276. If we limit ourselves to Faial island in 1858, we see that 459 individuals emigrated to the United States and 548 to Brazil, which includes 500 colonists and 48 passengers. The number for the United States includes 123 individuals signing aboard whaling ships. However, we must underline that there was a predominant conviction that the figures for illegal emigration rivaled those of legal emigration. Cf. “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1859*, Lisbon, Imprensa Nacional, 1861, *op. cit.* Three decades later, the newspaper *O Açor* on February 26, 1889 stated that 701 persons had left Faial as émigrés, and that those departing illegally most likely doubled that.
- 82 Cf. *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes relativas aos Açores de 1855 e 1856*, Lisbon, Imprensa Nacional, 1857.
- 83 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1860*, Lisbon, Imprensa Nacional, 1863.
- 84 Maria Isabel João, *op. cit.*, p. 190.
- 85 “Relatório do Governador Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente do Reino e Ilhas Adjacentes em 1867*, Lisbon, Imprensa Nacional, 1868.
- 86 Cf. *A Palavra*, May 14, 1868, # 14, p. 1.
- 87 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Relatórios sobre o estado da Administração Publica nos Districtos Administrativos do Continente e Ilhas Adjacentes em 1856*, Lisbon, Imprensa Nacional, 1857.
- 88 Idem.

- 89 Cf. “Governo Civil do Districto Administrativo da Horta”, in *Colecção dos Relatórios das visitas feitas aos districtos pelos respectivos governadores civis em virtude da Portaria de 1 de Agosto de 1866*, Lisbon, Imprensa Nacional, 1868, *op. cit.*
- 90 Idem.
- 91 Visconde de Castilho, *Relatório* (à Junta Geral do Distrito da Horta), November 15, 1877.
- 92 Cf. *O Atlantico*, December 13, 1890.
- 93 The report of the Junta Geral of the District of Horta for 1853 decried this situation calling attention to the “the scandal of slavery it has become” — cf. *Consultas das Juntas Geraes dos Districtos Administrativos do Reino e Ilhas Adjacentes do anno de 1853*, Lisbon, Imprensa Nacional, 1853.
- 94 Cf. *O Açor*, August 21, 1889, # 220. Ten years later, the list was identical. Cf. *O Fayalense*, July 8, 1900, # 36, 2nd series.
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- 102 For a comprehensive analysis of Roosevelt’s foreign policy, see the reference

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- 103 Ian Kershaw, *Fateful Choices: Ten decisions that changed the world 1940–1941*, London, Allen Lane, 2007, p. 191.
- 104 Roy Jenkins, *Franklin Delano Roosevelt*, London, Pan, 2003, pp. 99–100.
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- 106 David Reynolds, *From Cold War to Cold Peace: Churchill, Roosevelt and the international history of the 1940’s*, Oxford, Oxford University Press, 2006, p. 170.
- 107 A point made by H.W. Brands, *Traitor to His Class. The privileged life and radical presidency of Franklin Delano Roosevelt*, New York, Doubleday, 2008, p. 550.
- 108 Hugh Brogan, *The Penguin History of the United States of America*, Harmondsworth, Penguin, 1985, p. 575.
- 109 H.W. Brands, *op. cit.*, pp. 531–32.
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- 111 Robert Schulzinger, *US Diplomacy since 1900*, New York, Oxford University Press, 1998, p. 167.
- 112 December 17, 1940 press conference. The complete transcript can be found at <http://www.presidency.ucsb.edu/ws/index.php?pid=15913>.
- 113 For the whole context on the creation and ratification of the Lend-Lease Act, see, among others, Ian Kershaw, *op. cit.*, pp. 220–32.
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- 115 The most thorough examination of American intelligence and preparations for the attack on Pearl Harbor was written by Roberta Wohlstetter, who clears FDR of all accusations of having deliberately allowed the Japanese to attack Pearl Harbor so that America could declare war. See Roberta Wohlstetter, *Pearl Harbor, Warning and Decision*, Stanford, Stanford University Press, 1962.
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- 128 Warren F. Kimball, *Forged in War: Roosevelt, Churchill and the Second World War*, New York, William Morrow and Company, 1997, pp. 332-33.
- 129 David Reynolds, *Summits*, p. 114.
- 130 H. W. Brands, *op. cit.*, pp. 797-98.
- 131 David Reynolds, *From Cold War to Cold Peace...*, especially the chapter entitled "Churchill, Roosevelt and the Stalin Enigma", pp. 235-48.
- 132 Warren F. Kimball, *op. cit.*, pp. 332-36. For a critical view of Roosevelt's alleged "naiveté", see Henry Kissinger, *Diplomacy*, New York, Simon and Schuster, 1994, namely the chapter entitled "Three Approaches to Peace: Roosevelt, Stalin, and Churchill in World War II", pp. 394-422.
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PART II

Political transition in the United States and its worldwide impact

*A return to ethical values to solve
the crisis of the West*

MÁRIO SOARES*

The name of Franklin D. Roosevelt, four-term President of the United States of America, is in and of itself enough to imbue this Forum bearing his name with great political and social significance. It is also quite timely in light of the particularly turbulent times that the world is experiencing today.

Roosevelt is one of the 20th century politicians and statesmen that I most admire, on a par with Churchill, Gandhi, Gorbachev, and Nelson Mandela, among others, who left their mark on the previous century. He was, without a doubt, one of the great winners to come out of World War II, a war that defeated Nazi Fascism and, prior to that, the creator of the New Deal, a successful policy of economic and social development inspired by Keynesian economics, which came to have a significant impact on the social policies – and well-being – of European social democracies. Roosevelt was also, and above all, the person who contributed the most to creating – from the celebrated Atlantic Charter to the San Francisco Conference – the United Nations (UN) which, despite its weaknesses, has managed to avoid an outbreak of a new world war – with all the crimes and horrors such a war would bring – for the last 63 years.

Roosevelt died, exhausted from the struggle, at the close of the war in Europe. He did not attend the Potsdam Conference, which was attended by his successor, Harry Truman, and the British Labor Party's Clement Atlee, who replaced Churchill when he lost the elections, despite having won the war. In the post-war period, it was Atlee's formidable government that took up the challenge of adapting the British Empire to modern politics and the (inevitable) decol-

* Former President of the Portuguese Republic.

onization of the British Empire, beginning with India, the so-called “jewel in the crown.”

While he was Assistant Secretary of the Navy during the First World War, Franklin Delano Roosevelt stopped over in the Azores on July 16, 1918, making brief stops in Horta and Ponta Delgada on his way to Europe, where American forces were still engaged in combat. He enjoyed his visit immensely and understood the Azores’ geostrategic importance in the North Atlantic, as you can see in a very interesting article published by Mário Mesquita in 1986 entitled “Roosevelt’s Stopover in the Azores during the First World War.”

The topic I have been asked to speak about and to encourage reflection on at this Forum, which is so rich in interesting historical and political presentations, is “The Future of Trans-Atlantic Relations,” a nearly impossible topic. Why impossible? Because, amid the turbulent times we find ourselves in today – where so many contradictory variables and limitations clash with each other – unpredictability has become the rule. Any analyst, however modest, must take this into account.

At the end of the 20th century, with the implosion of the USSR and the peaceful fall of the Iron Curtain and the Berlin Wall, and the collapse of Communism as an ideology, it was thought that the hegemony of the United States as the dominant and unparalleled military superpower would ensure universal democracy and human rights. One well-known political pundit, Francis Fukuyama, went so far as to announce “the end of history,” which of course he came to regret.

On September 11, 2001, with the terrible attacks on the Twin Towers in New York and the Pentagon in Washington, which took us all by surprise, the world was shocked to realize how vulnerable the American superpower was. And from all corners of the world came gestures and words of solidarity with America. The attack did not, however, come from another nation. It arose from a phenomenon of hitherto unknown dimensions: international Islamic terrorism, fostered by a little known but very effective organization, a network – Al-Qaeda – which had a face: Osama Bin Laden, who even today remains a shadowy figure, despite his numerous strategic television appearances.

The truth is that seven years later, the world is a radically different place. International terrorism has grown, not lessened, in spite of the persecutory fervor coming from America that has contami-

nated the West as a whole, clearly in decline in the face of the growing and inevitable potential of emerging countries – the four most often cited being Brazil, Russia, India, and China and others, alone or grouped by regions, rising on the horizon.

Seven years later, it is clear that the United States was wrong about the enemy: when she attacked Afghanistan, involving NATO in an extremely dangerous operation, and one in which there appears to be no way out; attacking Iraq without the United Nation’s approval, doing her best in fact to push the UN aside unilaterally; and most of all, seeking to combat the “terrorists” with complete disregard for human rights – as in the cases of Guantánamo and Abu Ghraib, among others – and for international law.

The prestige of America in the world has been damaged to such an extent as to be nearly irrecoverable. The conflicts in the Middle East have been particularly aggravated, as witnessed by the ongoing war between Israel and Palestine, the invasion of Lebanon by Israel, and the current situation and utter lack of safety in both Afghanistan and Iraq, without forgetting the destabilization of Pakistan and Turkey, and other countries in the region.

The unilateralism of American foreign policy, where the US assumes the role of police and judge of the world, ignoring the United Nations and classifying some countries as belonging to the “axis of evil” based on moral and religious criteria, has been found to lack substance, and emerging countries, some in Latin America, Asia, and Oceania have begun to stand up to or argue with the United States on an equal footing, insisting on multilateralism.

The truth is that in recent years, the neoliberal economic model, which has been imposed as the dominant ideology, is on a downward spiral. The financial crisis, which started in the US, has been worsening and spreading to the European Union. With large banks, American and European, on the verge of bankruptcy and the difficulties that large, well-established companies like General Motors are experiencing, it seems certain that the West is entering the biggest economic recession since the depression of 1929, which led to the rise of Nazism in Europe and military build-up, as was seen in Spain with Franco’s victory and in Japan.

The crisis we find ourselves in at the beginning of the 21st century is much more far reaching than that of 1929, because it is a crisis of civilization since, in addition to being financial and economic, it

is also political, social, and environmental; it affects energy and food, with prices of petroleum, gas, minerals, and food products increasing sharply. It prompts the question: where is the West going?

The European Union has been paralyzed in recent years, due more to sins of omission than of commission. Focused inward on its own problems – particularly institutional problems – the Union has found itself incapable of playing the role in the world that was expected of it in light of its ambitious and innovative project and its demographic and historical weight. Blocked by the French and Dutch “no” – or at least on this pretext – the Union worked hard to prepare a new Treaty of Lisbon during the Portuguese presidency, only to find it once again paralyzed by the Irish “no.” We lack leaders with the ability and the clout to give a much-needed new impetus to the European Union.

Curiously, America seems poised to break free from a tragic cycle, as the end of President Bush’s mandate comes to a close. As the upcoming presidential elections draw near, political conscience, a sense of responsibility, and American idealism and pioneering spirit appear to have been reawakened. The best and brightest of American thinkers, both within universities and without, among the nation’s youth, the middle class and the working class, in the sciences and the arts, seem to have come to the conclusion that it is time for a radical change in policies (social, economic, environmental, and cultural) to save the West, starting with the United States, from entering into an irreversible decline. The neoliberal economic model is bankrupt. It underlies the severe crisis we are experiencing today, one which can only get worse. It is essential therefore that we change paradigms. Unregulated globalization – the fruit of unfettered “casino” capitalism – only leads to greater concentration of wealth in fewer hands and more poverty in developed countries and in the world as a whole. Globalization must therefore be brought under control, consensually, so that we can create a new world order, one that ensures peace and sustainable development among peoples and nations.

It was in this climate of tension that Barack Obama’s candidacy set off an unexpected wave of enthusiasm in the electorate, one capable of leading to radical changes: primarily in the United States, but also in European-American relations, in Latin America, including Cuba, in the Middle East, in the United Nations, and in relations with emerging countries.

Obama managed to win the race for the Democratic nomination. Of course, he will still have to beat McCain to make the needed change a reality. It will not be easy, but it is possible. An African-American in the oval office of the White House is in and of itself a cultural revolution in the United States. It can only be likened to Roosevelt’s victory in the 1930s.

It is clear that the situation in Europe will change if a new political wind blows in from America, as I hope it will. This would strengthen European-American ties and make them more fertile. Portugal – and by extension the Autonomous Region of the Azores – has only to gain from this, given her geostrategic position in the North Atlantic. It would also bring benefits in terms of the environment, climate, and protection of the oceans. The University of the Azores, already highly regarded, is ideally positioned to strengthen scientific ties to universities in both the United States and Europe.

The year 2008 has been a particularly complex and unpredictable one. Who would have thought that neoliberal economics, born in the United States, would also begin to die in the United States itself? Who would have thought that the Federal Reserve Bank would, through massive bailouts, intervene in private American banks to save them from imminent bankruptcy? Who could have said that it would be politics that would save the economy in crisis, as in Roosevelt’s time, rather than the opposite? The theory of “less government, better government,” letting private initiative be entirely responsible for sectors as important and attractive as health, education, labor, and social welfare, makes no sense in times of great distress, because it ends up resorting to new nationalizations to save companies and banks from imminent collapse. At times like these, the theory, once so absolute, is tossed out the window, and everyone turns to the government for help, just as they do in times of natural disasters, as we saw with hurricane Katrina, which partially destroyed New Orleans.

In conclusion, allow me to return to a subject I brought up earlier: how do we resolve the many crises we are experiencing and – now we cut to the chase – head off the decline of the West that seems to be peeking over the horizon? There are no sure-fire, uncontroversial recipes. But there is common sense and pragmatism, and we have the ethical values of universal humanism that have always inspired us, Americans and Europeans alike, which in difficult times gave

us the strength to overcome two world wars in the last century. Let us return to those values: respect for the law, for human rights, and for international law in the unending quest for peace, sustainable development, respect for nature and the defense of our planet, so severely threatened, and the tireless struggle against poverty – one of the Millennium Objectives undersigned by the heads of states of five continents – and completely forgotten right after they were ceremoniously signed. Without these values, we will be unable to prevail against violence and terrorism.

It is by speaking to each other that human beings come to an understanding, in spite of language barriers, which nowadays is much less of an obstacle. We must insist on dialogue between the various civilizations and religions – on dialogue as a means to peace and understanding of others.

This First Franklin D. Roosevelt Azorean Forum is being held at a time when the world is set to change dramatically, on the eve of the American presidential elections, perhaps the most important elections since Roosevelt's first victory. They may, we hope, bring a decisive strengthening of the ideals of peace, break the cycle of pessimism, and give rise to new hope.

Whatever happens, however, the Azores, a natural bridge between the two sides of the Atlantic – an ocean that has spoken Portuguese for many centuries – by reflecting on geopolitical strategy and on democratic political thought, are making an important and very timely contribution. They are becoming a distinctive Euro-Atlantic reference point that must not be underestimated since we belong to the Iberian Peninsula, and we have put down cultural roots in Latin America, Africa, and increasingly in North America itself, and given the significant influence of the so-called Hispanics (Spanish and Portuguese) there.

Inspired by the great Roosevelt, this Forum cannot help but be a Forum for European-Atlantic-American peace, freedom, and dialogue.

A post-American or a neo-Rooseveltian international order?

PIERRE HASSNER*

The Bulgarian writer Ivan Krastev has launched the formula of the 21st century as the “anti-American century,” as opposed to the new American century announced by the neoconservatives.¹ The writer and columnist Fareed Zakaria has written about a “post-American world.”² Krastev's contention is that the present international scene lacks a positive consensus, but that with the exception of Israel and Eastern Europe, there does exist a negative consensus based on hostility to the United States or on blaming it for all the disasters of the world.

Whatever one may think of his general thesis, certainly the Azores should be added to his list of exceptions, witness the warmth with which European-American ties have been celebrated at the First Franklin Roosevelt Azorean Forum on Transatlantic Relations. However, the object of this enthusiasm was directed at Franklin Roosevelt's achievement rather than at George W. Bush's. Perhaps an implicit nostalgia for the former and a call for a new Rooseveltian message and action to repair the damage caused by the latter was an implicit subtext.

Indeed, the present situation of the world makes the legacy of Roosevelt extraordinarily relevant. His three great achievements were the New Deal, the intervention in the Second World War with the forging of the victorious grand Alliance against the totalitarian axis, and the projects for the reconstruction of the international order after the war. The current financial crisis calls for a new New Deal, both in the United States and in the world. America's active involvement in Europe and the world, in collaboration with other Great Powers, is needed to defend and promote the Four Freedoms

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proclaimed in Roosevelt's address to Congress on January 1st, 1941, and developed in the Atlantic Charter. And the imagination and combination of idealism and realism which presided over the creation of the United Nations and of the Bretton Woods system are needed again for the creation of a post-Cold War order.

Not that Roosevelt's achievements can be recreated as such. The present state of the world shows that their initial resounding success has in great part spent itself, thus revealing that some of their aspects may be obsolete, or may have been flawed from the start.

The Four Freedoms are as valid as ever, but as guidelines and aspirations rather than as achievements. The freedom of speech and expression and the freedom to worship in one's own way have made great progress, both in the aftermath of World War II and in the post-Cold War period, but are currently suffering important setbacks, through the comeback of authoritarianism in some countries like Russia and, above all, through the progress of religious fanaticism, inspiring religious wars and terrorism.

The freedom from want, too, has made great progress, through the decrease in poverty, due to globalization, in many regions, particularly Asia, but new inequalities and food crises, coming from varied sources which go from the price of energy to climate change, have been challenging this progress. The freedom from fear, which had increased first with the end of Second World War, then with that of the Cold War is back even more directly since 9/11. Along with global terrorism, various forms of violence linked to organized crime, to civil wars, and to epidemics and natural disasters are creating an atmosphere of panic without even mentioning the fear produced by increasing economic insecurity.

Hence the need for reinventing a New Deal, not only on the national, but also at the international, and the global, level.

It is clear, however, that the Rooseveltian conceptions have to be considerably amended, particularly concerning the international order, and especially concerning the structure of international security.

Roosevelt's conception, reflected in the construction of the United Nations Organization, was a compromise between Wilsonism and realism. He shared the universalistic Wilsonian ideals, but he believed even more in an understanding between the great powers. This was reflected in the notion of the "four policemen" (the United

States, Great Britain, Russia, and China) who were supposed to control international order. The Cold War was quick to show that he had lost his gamble on Russia, over-estimated the post-war importance of England and, of course, could not have foreseen the revolution and subsequent evolution of China, which fundamentally changed her international role.

Nor did he foresee the formation of the European Union. He had a great distrust both of France and of Germany. On the other hand, he did not consider keeping American troops in Europe for the foreseeable future as either desirable or possible. His vision was that of a Europe controlled by Britain and the Soviet Union, under the distant supervision of the United States. If one compares his view with the later ones of George Kennan and Dean Acheson (as does John Harper in his excellent book),³ clearly the former's proto-gaullist one, envisaging a retreat of the superpowers and a Europe united and independent, and the latter's atlanticist view considering an indefinite indispensable American presence, were closer to the options available under the Cold War.

After the Cold War: renewed hopes, renewed disappointments

The fall of the Iron Curtain was succeeded by a brief period in which two conceptions of the international system emerged: the undisputed situation of the United States as the only superpower or the "hyper-power," and the "new world order," characterized by a return to the United Nations and collective security and by humanitarian intervention. This seemed to be confirmed by the first Gulf War, and the grand coalition against Saddam Hussein, but was soon to be proven too optimistic by the wars in former Yugoslavia and in Somalia. Then came 9/11, the appearance of globalized terrorism, and the definition by the Bush Administration of its task as "the global war against terror." Since 2005, we have been living the third stage of the drama with the humiliation of the United States in Iraq and Afghanistan, and her worldwide loss of power and prestige, the spectacular emergence of China and India on the world scene, and the re-emergence of Russia as a threat to her neighborhood, and as an unfriendly and unreliable yet indispensable interlocutor of the West. Today we have probably

entered a fourth stage, with the emergence of the energy crisis, the ecological drama of climate change, and, above all, the financial crisis and its social consequences.

These third and fourth acts are no less important than the first two. Indeed, one can argue that part of the effects of the first, concerning the prospects for democracy in Russia and for the undisputed primacy of the United States, are already significantly reversed. As for 9/11, while its symbolic value as a writing on the wall for the long run is undiminished, politically and in the short run, it is important above all via the reaction of the United States and, even more, via the reaction of the world to the American reaction.

Today, the situation is defined above all by the crisis of American power and influence. Krauthammer's "unipolar moment" and Vedrine's "hyperpower" are gone, and may have been exposed retrospectively as wild exaggerations. But they are succeeded neither by the multipolar concert of powers, on the model of the 19th century European concert, advocated by the realist school and the Gaullist tradition, nor by the rule of multilateral institutions, as advocated by the liberal school. To be sure, both classical diplomatic, military or deterrent balances and functional international institutions do maintain a modicum of rationality and moderation in international affairs, but these are partial at best. Their mechanisms are constantly subverted, blocked, or overwhelmed by the escalation of passions and myths, by armed prophets and blind or desperate followers, by crumbling structures, and uncontrollable social and cultural evolutions.

The present international order is fundamentally heterogeneous and contradictory both in the nature and dimensions of its units and in the direction of their tensions, solidarities, and oppositions. One major trend seems to be that of a confrontation between the West and the South, with China and Russia playing a highly complex role of arbiters or holders of the balance of power. For the West, they are indispensable partners but, at the same time, dangerous competitors and, in many cases, outright or potential adversaries. In economic terms, China and Russia can be seen, in spite of their spectacular differences, as part of what has been called the BRIC countries, which also include India and Brazil, i.e. a group of emerging economic powers whose interests and policies transcend the North-South divide. But another, partly contradictory trend is that of religious divisions within the South or the Middle East themselves, particularly between

Shiites and Sunnites. This may produce new alignments of states. These new alignments could be exploited by the United States if their protagonists were not at the same time united in their distrust and hostility towards the West. Perhaps the most worrying feature of the present scene is a multiplication of civil wars, whether religious, ethnic, ideological, or economic — which threaten to become interlocked or contagious and to engulf entire regions like Western Asia, or the Middle East, the Horn of Africa, or the Great Lakes. This would make external control, regulation or pacification, whether by great powers or by international organizations, a Herculean task.

Of course, this situation was not created by the last few years. It is the result of long term trends like the ascent of Asia, the decline, both demographic and psychological, of Europe, the re-emergence of Russia thanks to high energy prices and to Vladimir Putin's half-fascist regime. More generally, the coincidence between, on the one hand, technological factors like the revolution in the means of communication and the means of destruction, both becoming more widespread and less costly, and on the other hand the tensions created by the struggle between globalization and ethnic or nationalist parochialism and, ultimately, between modernization and tradition, leading to the religious revival and the ascent of competing fundamentalisms, constitutes the basic theme of the drama played out by the various political events and evolutions.

The upshot was bound to favor the East versus the West, and non-state violent subnational or transnational groups versus states. But these trends were unbelievably accentuated and accelerated by Western political and military actions: above all, the invasion of Iraq, with its false justifications, its accompanying atrocities, and its ultimate demonstration of the "impotence of victory" (Hegel) and of the limited and sometimes counterproductive effects of military power. Other negative events were the French and Dutch referendums demonstrating the paralysis of Europe and the half-defeat of Israel in Lebanon against Hezbollah. Even though our time has seen the successive shattering of the Soviet empire, and of the dreams of a United Europe and of a "New World Order" based on the United Nations, seldom in history has the transition from hubris to humiliation been so rapid and so abrupt.

The result is a world where old hierarchies, even when apparently still alive, are decisively challenged. The United States is still

the richest and most resourceful power, the only one which can intervene in each point of the globe, and the one whose actions are most sincerely meant to save the world, even when they endanger it. But her illusions of omnipotence and of innocence, which, combined with her new feeling of vulnerability, had driven her reaction to the 9/11 attacks, are profoundly shaken. She is faced with a world from which she cannot withdraw, but which she cannot control nor really understand. The rise of new powers which constitute potential threats to her supremacy is the least unfamiliar challenge: America is used to periodic challenges, from Germany and Russia, from Japan and China, and has so far resisted them victoriously in war and in peace. More unsettling is the complexity and ambiguity of her relation to them, the impossibility of applying the simple categories of friend, foe, or competitor. Much more unsettling still is the power of an increasing number of small states including in her own backyard, to defy her will and, even more, the diffuse hostility of groups and of masses whose resentment and resistance seem equally mysterious, and who challenge her main asset: her positive perception of herself and of her role in the world.

Nothing is more striking for foreign friends of the United States, whether Asians like Kishore Mahbubani⁴ or Europeans like this writer, than the discrepancy between the concepts into which both the Bush Administration and its liberal critics try to translate the new realities and those which seem obvious, in different ways, to the rest of the world. The pitiful results of American attempts at public diplomacy testify to this disconnect. Nothing is more urgent than to try to narrow the gap, both between these different perceptions, and between them and the realities which keep escaping or contradicting them.

The last stages, and especially the events of August and September, 2008, may go some way towards narrowing this gap. The energy crisis and global warming have shaken to some extent the complacency and the feeling of exceptionalism of the United States, including those of the Bush Administration. It seems more and more obvious that revolutionary changes are needed in the consumption patterns of the developed and emerging nations and that, on the other hand, global problems call for a global governance. The food crisis caused in great part by the rise of energy prices and, even more, the financial crisis caused by globalization but also by deregulation and

by the excesses of the search for immediate profit are shattering, in the whole world and even in America, the faith in the virtues of capitalism, in the safety of the market, and in the ability of the US to lead the world economy at a time when her dependance on foreign capital is increasing and the trust of foreign leaders can less and less be taken for granted.

Yet amid all their doubts and anxieties, leading American politicians continue to talk about world leadership, and the newly ascendant powers are more prone to follow their national interests narrowly conceived than to follow the rules of global governance. While the state is challenged by domestic strife, transnational forces, and global problems, the reaction everywhere seems rather a reinforcement of nationalism and of the dream of isolation or self-closure.

In security matters, the Russian-Georgian war has shown that the United States could, at least in some cases, neither control her allies nor protect them in time of need. It has shown the limits and uncertainties of deterrence, just as Iraq and Afghanistan have shown the uncertainties and limits of military intervention. On the other hand, Russia's actions and her complete neglect of the United Nations and its principles of non-intervention and of territorial sovereignty have shown that she is more interested in taking revenge on past humiliations and in recovering her great power status than in a Rooseveltian world governed by rules.

The hopes in a world governed by a concert of the great powers are once again disappointed, as is the dream of world government or of world peace through world law.

Yet a world in which great powers and other nations claim the right to use force unilaterally either, like the United States, in the name of prevention or of regime change or, like Russia, in the name of protecting her Russian speakers abroad or her own sphere of special interests, makes for misunderstandings and escalation. A dialogue about the use of force as well as about the rules of credit and financial transactions in general is needed for a minimum understanding between various actors beyond the asymmetries of power and the divergent conceptions of legitimacy. But this time, it will take more than a great statesman like Roosevelt and a great power like the United States to construct a new framework for international order.

A Portuguese view from Washington

JOÃO DE VALLERA*

Introduction

While trying to focus on the subject of my presentation, “A Portuguese view from Washington,” I was struck by the way in which the European element inveigled itself, sometimes surreptitiously, into my attempts to form judgments. This simple confession can be put down to the bad habits of my career, to the fact that I arrived in Washington on the eve of the latest Portuguese Presidency of the EU and that our attitude towards the transatlantic relationship increasingly takes into account our membership in a work in progress, European integration. Our position as an EU Member State also has an albeit not always spontaneous or conscious influence on the way in which our great partners on the other side of the Atlantic regard us. I believe, for that reason too, that what I have to say about the complex, fundamental transatlantic link must include a special mention, which I will make later, of the effect of our Presidency in Washington and some comments on the state of our bilateral relationship.

As I needed to find a focal point in the vast, super-populated subject that we are discussing today, I decided to choose two elements with underlying structural ambitions that come together in the transatlantic space. They are Europe’s expectations regarding the next United States Administration and America’s expectations, in good part fueled by European Governments, on what Europe will become and the new credentials that it will have to submit in the field of transatlantic relations and the world stage with the approval of the Treaty of Lisbon. Where this last aspect is concerned, I would like to add the expectations genuinely created in Washington with regard to the new generation of European leaders, particularly in Germany and France. It is naturally a mobile, dynamic angle of

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observation that is awaiting clarification from both sides and to which the referendum in Ireland has brought new, uncomfortable question marks. These elements of doubt, accompanied here and there by natural distortions arising from states of anxiety, do not prevent us from considering that today there are positive developments that combine in an undeniable opportunity to enrich transatlantic relations. In any case, most economic and security traffic between the two sides of the Atlantic will continue to be determined in the near future by the way these expectations develop and are managed, and by the test of their encounter, or confrontation, with the realities that await them downstream.

Some thoughts about Europe's hopes with regard to the next Administration

We have been watching an election campaign in which the element of surprise has played an unusually important role. There have been blatant errors in the forecasts of top analysts and commentators rather than mistakes in analyzing and assessing the surrounding conditions, which have sometimes tended to clash with a reality bent on countering them, as I was able to see not only from assiduous reading and presence at public events, but also during private meetings that I attended.

The campaign issues, in addition to each candidate's character and aptitude, have also fluctuated, ranging from what seemed to be a clear monopoly on the Iraq questions to the domestic economic situation and, by extension, to some connected transnational matters (such as free trade, energy and food prices, the effects of globalization, energy security, and climate change). Transatlantic relations do not figure largely, which should not surprise us, as the same applies to election campaigns in European countries. It should not shock us either as, if this omission reflects their modest position among the concerns worrying the candidates and voters, it also reflects the familiarity, normalcy, and absence of fundamental conflicts with which they are regarded, not to mention well-known divergences or differences in perception kept more or less under wraps (the fact that this same argument was used a while ago to justify the withdrawal and subse-

quent relocation of several hundred diplomats from European capitals to other parts of the world should not leave us too unconcerned about the ambivalent paths to which this idea of the normalcy may lead). On the other hand, the universe of interests in transatlantic relations is going beyond the bilateral dimension and seeking common platforms to influence the global agenda. This means that we must not only follow and stimulate the whole debate on transatlantic relations themselves, but also monitor with greater interest the prospects opening up with regard to major strategic issues and global problems that are increasingly penetrating the transatlantic agenda, in EU/US relations, in NATO or a multilateral context. And we must see this as a positive development and make the most of its potential, as transatlantic relations will tend to lose importance if they just contemplate their navel, but will gain strength as the world agenda coincides with their own.

In spite of the noisy differences that even in the pre-campaign phase confined the battlefield on which the two candidates will move, their position on some of the fundamental issues has not yet been fully clarified. We are no longer in the original syncretism phase, but there are blatant differences of opinion within each campaign. Various advisers express different opinions in private or even in public, sometimes complemented by the intimation that they have not yet been or even will not be embraced by the candidates. Beyond a few signs, it is not yet even clear who is who, and who will be who on occasions closer to the moment of truth. All will tend to become more apparent after the two conventions, when their strategies, which until now have focused on gaining support from their own clienteles, will be aimed at the national stage. Once the traditional grass roots have been pacified, convinced, or reconciled, we can expect both to head for the center, for the conquest of independents and the undecided (the largest category for the first time, greater than the voters supporting one of the two parties). Curiously, in spite of the fact that Obama was the one whose nomination was the later and harder won, his campaign is further ahead in this respect. McCain, on the other hand, is still more intent on conveying messages, many of them far from the trans-party path that was his trademark during his long mandate in the Senate, that are aimed at pacifying the more conservative, religious factions of the Republican Party. And as McCain feels that he is more experi-

enced and in a better position in the area of security guarantees and foreign policy, where he has more defined, definitive convictions, he seems and knows that he seems to be less permeable than Obama to his groups of advisers on these issues.

In these areas, McCain and Obama's campaigns will, like all campaigns, be marked by a need to bring into the arena issues that differentiate the candidates in the voters' eyes. Their selection and treatment of subject matters will be conditioned by developments in the theater of conflict that is the center of Americans' concerns, and the degree of divergence they wish to show in public on how to solve them. But, aware as I am that I may soon be contradicted by events, I dare say that they will also be influenced by the dynamic conjugation of two self-limiting factors within the two campaigns. Obama is interested in issues that identify his opponent with the outgoing Administration, while avoiding traps related to his much-publicized lack of maturity or preparation to meet the country's defense needs and act as Commander-in-Chief of the armed forces. McCain wishes to take advantage of these alleged weaknesses and point his finger at his opponent's excessive liberal propensities demonstrated by his voting record in the Senate, tempered however by the advisability of not appearing to have behavioral traits and political options that are more controversial or of diminished value to the electoral market.

Having said this, in spite of the winds of change and the break with the past that have been livening up this process, anyone in Europe who has been counting unreasonably on the potential for change in the upcoming elections may be in for a surprise or disappointment. Whichever candidate wins, his ability to change basic components of American foreign policy is more limited than they might think. There are a number of reasons.

– Permanent American interest and in the way the US regards the world and her destiny in it. They limit the range of strategic options and leeway for deviations by implementing different policies, means, or methods of execution (in short their intrinsic notion of exceptionality and the limits brought, for example, to the field of multilateralism by Madeleine Albright's motto, "We will act multilaterally when we can and unilaterally when we must.").

– Although we are in a phase of realistic re-composition rather than of vanguard voluntarism stimulated by external enmity and blinkered illusions, the components of idealism and transformationism of American foreign policy and its natural leadership instincts sustained by greater capacity and fewer hesitations in using them remain on the map with their potential for wounding European sensitivities or not always corresponding to that which is identified as a European interest on the other side of the ocean.

– Most of the current Administration's basic options will have repercussions on those of the next one more than the emergence of a Democratic majority in the two houses has led many to believe (thereby showing the vast executive power of the President in the American system and with the relative ineffectiveness of the parliamentary institution being able to explain, to a great extent, why the Congress has reached unusually low popularity ratings, lower even than the President's, in the last year).

– Setting aside controversial issues like the war in Iraq (and the wounds that it has left), the concept of the "Global War on Terror" or respect for international law, including Guantanamo, there has been a considerable refocus of American policy in recent years, which has brought the United States closer to Europe again. This President's first and second Administrations were different in this respect. (Examples are his visit to European institutions right at the beginning of his second term and the clearly better, more fruitful climate of cooperation in the last two years. I would also like to recall how a reliable source told me when I arrived in Washington in January last year that transatlantic relations were still dealing with recent traumas and the loss of an easily identifiable common enemy, and that they were suffering from the natural usury and reduction in grandiose feelings that time was exercising on the most faithful couples, but were adapting with great pragmatism to the new conditions and generating a place where there would finally be no more than a 2% or 3% margin of disagreement, although they still showed a stubborn tendency to figure on the front pages of newspapers). Significant, effective steps have been taken to strengthen relations with the BRICs, essentially Brazil, India, and China. As we know, Russia is a more complex case, which the United States has managed with moderation and pragmatism, without jeopardizing the cooperation that is still going on in areas of mutual interest.

– With all the differences and doubts that persist on both sides as to the way to conjugate each one's strategic ambitions and priorities, the famous question of means, concerns, and doubts raised by the great transnational challenges is being regarded more harmoniously in Europe and the United States (as shown by the latest German Marshall Fund public opinion polls on transatlantic states of mind which are conducted annually in collaboration with FLAD and, from a political point of view, the converging positions and cooperation activities in areas like Iran, the MEPP [Middle East Peace Process], Afghanistan, Lebanon, and the War on Terror).

Naturally, this does not mean that there are no striking differences between the candidates, as we have clearly seen in issues like Iraq (although Obama is coming more resolutely closer to the idea of a responsible withdrawal and moving away from the fixed, almost unconditional time limit advocated by his party); Iran (where McCain rewrote a well-known '60s song and Obama's advisers criticized the EU3 model [Great Britain, France, and Germany] as it has been executed, calling for direct US participation in more global negotiations and the suppression of the requirement to cease enrichment as a *sine qua non* for starting talks, though no-one can say what attitude the candidates will finally take if the political and democratic process does not have the desired effect); Russia (with McCain's radical injunction proposing her expulsion from G8 and Obama more in favor of anchoring Moscow to the system of international relations and Western values); and Cuba (where Obama has shown albeit timid signs of beginning to lift the boycott on the island). This does not mean, either, that American foreign policy is managed on very strict lines. Let us not ignore the value of symbols, perceptions, styles, and personalities or the provocations of a changing international reality and the dispersal of production centers of world history on a planet where, until recently, history and geography in their paradoxically greater diversity could be reduced to two ideologies and two great power centers in conflict. On the other hand, let us not forget that, in the case of a country of the size and influence of the United States, a simple, concrete decision, based or not on wisely defined strategic security concepts, may – if it does not reverse the long-term course of history – still be a source of huge changes in the parameters of the world order. This just goes

to show the responsibility of a superpower and vast range of options with which it is faced, an aspect that often tends to be underestimated in the rest of the world, including Europe.

Awareness of the formidable challenges that await the next occupant of the White House, the risks incurred and misfortunes suffered by the United States on the international stage, the need to adapt concepts and behaviors to the globalized world being built in the wake of the end of the Cold War and September 11, and the opportunity always offered by a presidential election have stimulated reflection and given rise to a huge number of publications. Books, articles, and seminars involving political figures and top specialists appear at breathtaking speed. They are also a source of new conceptual and operational syntheses and a somewhat nostalgic desire to go back to a "grand two-party strategy" like the one that served as a successful manual for several presidencies during the Cold War. On a maybe more academic level, the mechanics of major economic cycles are transposed to American political life, where they occupy timeframes of around 30 years, and questions are asked about the possibility of the next president representing a new era to follow the cycles identified with Truman and Reagan (and before, I would like to add, with Roosevelt).

For author Joseph Nye, whom I had the chance to hear recently, the "grand strategy" should result in the United States improving her performance in an area that has traditionally been found wanting, that of so-called, "contextual intelligence." It should be based on an as yet deficient understanding of the nature and limits of power within the system of international relations (in a more complex model in which today the single polarity of military power, the multi-polarity of economic power, and the chaotically distributed lack of polarity in the so-called major transnational challenges coexist). It should also overcome the cyclothymic alternation between decadentism and triumphalism and the false idealism/realism dichotomy in an operational concept of "liberal realism," as American foreign policy could not escape from a system of values and the desire to mold the world without rejecting its own DNA, although not according to the neo-conservative model, which he considers would be "a car with an accelerator and no brakes that would eventually go off the road." In a similar context, Richard Armitage drew attention to the gap between

military power and the ability to influence the structural lines of the world's future (the United States had the best army in the world, but it was not with the army that it would settle the battle of ideas; nor would it win the war on climate change with cannons). In the opinion of Michèle Flournoy, director of the project, the "grand strategy" would be based on three main principles – military and economic strength (the latter introducing a clear domestic priority and transmitting a signal of concern with regard to the economy and capacity for innovation, which would always be a long-term support for any supremacy project), pragmatism in action, and respect for principles. Another opinion is that the viability and scope of a new "grand strategy" has been conditioned by the irregular history of the two main parties since the fall of the Berlin Wall, with the Republicans oscillating between the temptation of "normalcy" or a certain isolationism and neo-conservative interventionism, interspersed with larger or smaller doses of realism, and the Democrats between Clinton's liberal, interventionist centrism based on the idea of an "indispensable nation" and more recent trends towards economic protectionism and reduction in the transformative agenda. In a more traditional Republican area, we hear more skeptical voices beginning by challenging the current deification of George Kennan's containment policy, the mother of all "grand strategies," which has been attacked from the left and right, and ending with the consideration that it is not possible to devise any credible "grand strategy" due to a lack of understanding not only between Democrats and Republicans, but also allegedly within the two parties, as to the main lines of any grand strategy worth its salt. Let us see,

- a) The idea of American supremacy;
- b) Conditions for the use of force;
- c) Attitude to international institutions;
- d) Promotion of democracy;
- e) Globalization.

According to Ikenberry, there were two types of "grand strategy," one focused on containing a single major enemy and the other, which has chosen to defend the interests of the United States by creating a framework in relation to which allies and rivals would take a position rather than focusing on any enemy in particular. In his opinion, the latter is the one that would be right today for two reasons – the

multiplicity, uncertainty, and dissemination of the types of threats to be met and the deficit that would build up in international relations between the growing demand and insufficient supply of governance capability in the world.

With all the prevention mentioned above and remaining within reasonable variation intervals, I believe that, as of next year, Europe can expect Washington to pay more attention to outside reactions and be more willing to listen; to possibly show greater concern for Nye's "contextual intelligence"; to reassess returning to multilateralism and the institutions that sustain it, accompanied by intentions to go down the rocky road towards reforming the bodies and instruments that have molded the world order since the end of the Second World War; to show a desire to reassert authority and leadership founded more on values and setting an example; to try seduction; to reach out and show more willingness for international cooperation; to revise the concept of the War on Terror and show more respect for international law, though with no public admission of less than exemplary behavior with regard to security issues; to devote more attention to climate change and energy security; to invest more in soft power, an area in which all admit that there are serious shortcomings in the American system; and to show a basic concern for restoring the country's image abroad and ceasing to show the world, recalling Armitage again: a face of anger and fear never seen before. A few days ago, someone in charge told me that one of the factors that would always have an albeit diffuse influence on the electoral process was the fact that traveling Americans were tired of having lost part of the esteem and consideration to which they were accustomed abroad. We can also expect a reassessment, readjustment, and revitalization of the instruments for promoting democracy, of which we have heard echoes in both campaigns. There seems to be agreement on the idea that an expected moderation of the use of hard power will result in greater investment in pursuing this goal. This is of palpable interest to us because, although Portugal does not seem to have noticed, since last November we have held the two-year Presidency of the Community of Democracies, which happened to be set up by a Democratic Administration.

In return for this attitude, which I have endeavored to characterize, we can expect the United States to be more demanding and

to require more accountability on the part of international institutions. We can also certainly expect more intense, insistent requests for cooperation from partners and allies in a variety of areas, with the Democrats more interested and visibly less shy in doing so, starting with Iraq and Afghanistan, as I have found on several occasions. But this relevant consideration brings us to another image in the mirror that we are examining at this seminar and that is the Americans' expectations from Europe.

A crossover view: America's expectations for Europe

Historically, the United States has always had an ambivalent view of the European integration process. On one hand, the US played a role in its origin and not only regarded it as a way of pacifying Europeans who were excessively prone to generating planet-wide conflicts, building a firm barrier in addition to NATO to face the threats of the Cold War, and facilitating America's economic presence in a Europe under reconstruction. On the other hand, the US has also viewed it with a mixture of awe, support, suspicion, and skepticism.

Awe, because the European Union, with all its shortcomings and institutional quirks, was an undeniable success, notching up achievements that had been unimaginable only a few years before and did not pale in comparison to America's own development. For example, Economic and Monetary Union and the creation of a central bank only occurred in the United States one hundred years after her foundation as a federal nation. This often-ignored discrepancy is even more remarkable if we consider that federal status carries ambitions and offers potential that is, by definition, greater than that of the hybrid, *sui generis* model that the EU deliberately adopted.

Support not only for the reasons given above, but also due to the more recent idea that, in a world of ever-increasing unpredictability and insecurity, the existence of a solid ally with whom we can share values and responsibilities is a serious advantage. Support also because of the notable success of the EU's enlargement policy in stabilizing and democratizing Europe.

Suspicion of unsolved and probably unsolvable but reconcilable problems related to the way each body views the other's role and status in the world, the role and status of the transatlantic dimen-

sion in each bloc's relationship with the rest of the world, and the role and status in which they see themselves (in very distinct shades within the EU, though we could argue that the weight of reality and some ambition, the pressure of foreign challenges, and the force of centripetal factors associated with changes of leadership resulting from the integration itself have blurred them and, from this point of view, resulted in a potentially clearer, more convincing, more mature interlocution with the United States). Suspicion of problems related to questions as to the significance and management of the complex leadership/partnership dichotomy, as it is imagined and outlined on either side of the Atlantic. Suspicion with regard to the existence of the two major avenues along which most institutionalized transatlantic traffic travels – the originally bilateral EU-US relationship, albeit rather splintered, and NATO, of which the USA is a member and a decisive one at that.

Skepticism, finally, illustrated by the famous issue of Kissinger's phone numbers, but created above all by the EU's ontological problem in defining its identity or creating its own subject and by the hesitations and difficulties tearing it apart when it comes to transposing its extraordinary economic weight to the political, institutional and operational plane, which has countered or severely limited its declared ambitions of asserting itself as a global player (with respect for copyright, I can't resist quoting from memory Brzezinski's words just after landing in Washington: "A change of regime is recommended for the USA but what Europe needs is a regime."). This skepticism was eventually expressed in a policy that alternated between formal contacts with the Commission, Presidency or High Representative and exploiting the different opportunities offered by a bilateral approach, in which, on a political plane, it favors three countries, indeed the same ones that were or will be visited by candidates McCain and Obama. It is advisable for the European Union, before attributing less noble intentions in making use of these multiple channels to its transatlantic partners, to realize that it is the EU and its system that are responsible for this state of affairs. From this point of view, Washington has been the capital *par excellence* of all European ambiguities, and this situation has been fueled not only by institutional shortcomings and structural dualities but also by the fact that all the EU members without exception have an intense bilateral relationship with the United States, which is normally accom-

panied by a strong intention to enhance it. A more recent development in this context is the fact that the latest presidencies and the European Commission in Washington have endeavored to give the EU a more united, coherent image – not only through initiatives to improve coordination and launch collective exercises aimed at identifying common messages to be transmitted to the presidential candidates but also by means of public diplomacy (including joint action by ambassadors alone or in groups in the many think tanks and universities in Washington and all over the country, taking advantage of bilateral visits, for example, or initiatives like the open-door policy of EU embassies on Europe Day, which have exceeded expectations in terms of success, popularity, and impact).

For all these reasons, recent uncertainties created by the Irish referendum after the failure of the Constitutional Treaty could not have come at a worse time, especially as some of the above dubious aspects were in a phase of greater clarification in anticipation of the new treaty. In the general setting of greater transatlantic cooperation, I am talking about promising developments announced in France's connection with the Atlantic Alliance and in EU/NATO relations and gestures of American openness, getting over old taboos when faced with the prospect of progress in European defense. These developments are taking place on a stage where the albeit vague idea of partnership is gaining ground, in which the question of burden sharing occupies an important place, but certainly more sympathetic and promising than the opposing concepts of hegemony, on one hand, and a Europe designed as a counterweight to the USA in the world order on the other. The Treaty of Lisbon, which attracted a substantial chorus of agreement and encouragement in Washington, will in the eyes of our partners still have to pass the reality test. I am not afraid to mention this aspect, as in the distance between intentions and reality, between an institutional package and what is done with it, some more skeptical or more demanding American interlocutors have pointed out residual ambiguities or new, potential dysfunctions when we were defending the real virtues of the EU's new system of foreign representation enshrined in the Treaty of Lisbon. From this point of view, the answer involves overcoming the present situation as soon as possible, in such a way as to confirm the expectations that we have created and offer a more solid institutional apparatus that strengthens the EU and fosters the development

of a true transatlantic partnership. In spite of the ambivalence that I mentioned before, which will not go away completely, and ignoring the reams that will be written on the structuring of Europe's defense, capacities, role, and status within the community system and the degree of autonomy it will enjoy, the United States will be able to adapt with pragmatism to the EU's institutional dialogue. If there is still a benevolent dose of skepticism and expectant neutrality on the part of the USA with regard to Europe's growing pains, it is not our place to blame it, as it is essentially up to Europe to prove that this view is distorted.

The transatlantic agenda

I said before that the transatlantic agenda had grown recently. But what will it be in the near future? Without analyzing each of its topics in detail, I will just list them in a number of possible categories.

- Specific issues: a) Bilateral trade and investment, deregulation, facilitation of environment for business transaction within the remit of the new Transatlantic Economic Council; b) International trade (Doha); c) Obstacles to the circulation of people and goods related to the security agenda: visa waiver, safe trade (including the famous 100% container scanning project).

- European defense, its progress and its connection with NATO (where it is worth following the movements of the French Presidency in these six months, in spite of the setback of the Irish referendum).

- Global issues, that we can break down into a) Today's pressing international issues like Iran, Iraq, the MEPP, Afghanistan (a campaign whose success has been raised to an existential category, as it is hard to find an American counterpart who won't tell us a few minutes into the conversation how much the future of NATO depends on it), North Korea, Zimbabwe, Darfur, and Myanmar; b) Issues more directly related to geostrategic concerns for the rise of new emerging powers such as China, India, and Brazil and the re-emergence of Russia (one of the matters capable of causing turbulence in the transatlantic scenario as, on the basis of a common generic interest of keeping Russia anchored to the system of values and interests of an enlarged concept and space of a Western world, Europe, which is by definition institutionally weaker than the other two great pow-

ers involved, will find it difficult to define united, coherent positions or find its place inside this huge, slippery, booby-trapped triangle); c) Major transnational questions like nuclear proliferation; terrorism; immigration; demographics; climate change; energy security; the supply of essential raw materials; definition of and respect for international law, including the treatment of “enemy combatent;” the circumscription of the “duty to protect” and, more generally, the implementation of “effective multilateralism;” the War on Poverty; pandemics; energy costs, whose coordinates seem to escape Western decision-makers more and more; the cost of agricultural products; upheaval in the financial markets; the consequences of the transfer of wealth resulting from the rise in oil and natural gas prices and changes in flows of world trade (including the phenomenon of sovereign funds and accumulation of foreign currency and debt securities by emerging economies).

An awareness of the topicality and importance of these issues was one of the reasons why, during the Slovenian Presidency, the Foreign Minister proposed an in-depth debate on transatlantic relations. This debate will take place under the French baton at an upcoming meeting of heads of diplomacy of the Twenty-Seven.

The Portuguese presidency of the EU in Washington

I said a few words at the beginning on our EU Presidency in Washington. The transatlantic dimension played an important part in it, although it did not figure among the most visible, symbolic priorities of our half-year presidency, and we did not benefit from the powerful mobilizing effect of preparing and holding a summit (a privilege reserved for presidencies in the first half of the year). This dimension was reflected – not only in permanent consultations and articulation about global challenges and pressing international issues – but in our responsibilities for coordinating and representing the EU in events like the first meeting of the so-called major powers on the subject of climate change, but also the Annapolis Conference, which laid the foundations for a new MEPP initiative and the first formal meeting of the Transatlantic Economic Council, a new instrument aimed at making a practical, concrete contribution to reaching more ambitious levels in economic integration between Europe and the US.

I would like to add that three of the most structural achievements in the Portuguese Presidency are important in the transatlantic sphere. The approval of the Treaty of Lisbon, which was celebrated in Washington on the day it was signed with the symbolic presence of the Secretary of State at the Portuguese Embassy, was clearly a matter of interest to our American partners. The US was also far from indifferent to the goals of stabilization and development linked to the creation of a strategic partnership with Brazil, the main topic of the first EU – Brazil summit that took place right at the beginning of our Presidency.

The second half of last year witnessed exchanges of high-level visits. It also provided an opportunity for greater projection of Portugal in the United States. It is natural to recognize that our responsibilities during the Presidency lent us a weightier dimension that enabled us to broaden our horizons of action and helped open doors in political, economic, cultural, and academic circles in and beyond Washington. Now that things are back to normal, we would naturally like to maintain and cultivate this achievement.

A word about the bilateral dimension

These efforts at projection were sustained by bilateral initiatives such as the exhibition “Encompassing the Globe,” which was widely covered and received more than 300,000 visitors in less than three months and other cultural events such as the American Film Institute’s tribute to Manoel de Oliveira; the exhibition of contemporary art provided by FLAD; and the visit to Washington of the great Paula Rego retrospective at the beginning of this year. The embassy traveled to countless universities and think tanks, and there were seminars on the MEPP, Mediterranean, and the death penalty organized or sponsored with generous contributions once again, not only from FLAD, but also other foundations like the Gulbenkian. The European aspect that, as I said at the beginning, has permeated this long presentation does not mean that the bilateral dimension of our relationship deserves any less attention. On the contrary, it becomes even more relevant and opens up new roads to affirmation if we are willing and able to invest in it, as indeed the other aspects of our foreign policy, because the Portuguese transatlantic concept has a north

and a south dimension, which requires choices to be made but is still no less desirable. We have solid historical and strategic foundations, as demonstrated by the Lajes Base on neighboring Terceira for many years, with a position that might well benefit from a review of its use, which is well worth considering, and a burgeoning Portuguese and Portuguese-American community, in which people of Azorean origin are particularly important. Their efforts at living, studying, working, and taking part in politics in the United States is an extraordinary asset in stimulating our economic and cultural relationship, strengthening the use of the Portuguese language, and encouraging more consistent efforts to reinforce the ties between the two countries. This stimulation also comes from active, prestigious Portuguese study centers at different universities all over the USA. We have American investment in Portugal, which is still the most important outside the Eurozone, but which we would like to increase. And we also have new areas of development, like the fact that the United States recently entered the internationalization route of the Portuguese economy through substantial investments in the field of energy and roads, like the agreements signed with prestigious American universities, from which we expect benefits in the fundamental sectors of scientific and technological research and use of their results by industry, like structuring of closer cooperation between the Azores and the State of Massachusetts, and the networking of many Portuguese people studying for PhDs in the United States.

Conclusion

I would like to make two other points before I finish.

In a world where changes are rife and increasingly difficult to control, where not only new opportunities but also new threats arise, it seems common sense to recommend a formula in which Portuguese foreign policy has always believed, which is the progressive structuring of a more confident, more united, better equipped European Union and the reinforcement of a fruitful, mature transatlantic partnership. These are goals that, in spite of the difficulties that may arise along the way, are not only compatible but also mutually sustainable. Regarding security, the defense of society's values and organizational models, development cooperation and the War on Poverty,

the economy (few people are aware that, contrary to the forecasts of many, globalization has been another extraordinary reinforcement of the transatlantic economic area, with more than 50% of world trade, 75% of foreign investment in each bloc by the other, more than 1,600,000 direct jobs created by exchanges of investment), the reorganization of an international system undergoing rapid change, transatlantic relations are and will continue to be, an "essential relationship." Forgive me for daring to transpose to this framework an adjective used in another context.

There is a vast field of opportunities for both sides. Nonetheless, we live in a highly competitive setting where many others are holding higher trumps, where there are larger, more intense agendas for relationships with more convincing, though not always enviable forms of attracting attention. There is therefore a need for better, more constant investment by private and public entities and civil society in general to clear the way to exploiting this potential to the hilt. While doing this, it will also be advisable to overcome chronic deficiencies in the management of our collective interests abroad, rationalize and coordinate efforts and seek to take full advantage of what we have. The friendship and alliance between the two countries are not in question and will remain a constant, but the quality and closeness of our future relationship will depend on this effort and the necessary ingenuity.

*US foreign policy from Roosevelt to Obama:
a historical overview**

DANIEL MARCOS**

Barack Obama has often been compared to Franklin D. Roosevelt. The point of comparison stems from circumstances that, from the outset, seem identical: both Presidents were inaugurated at a time when the United States was grappling with one of the most serious economic and financial crises in her history. In addition, their predecessors had left a gravely tarnished image of the highest office in the land. Yet while FDR's predecessor, Herbert Hoover, had lost the presidential race because of his inability to find a solution for America's economic crisis, Barack Obama not only inherited a worldwide economic crisis from George W. Bush, but a thorny strategic situation: the conflicts in Iraq and Afghanistan.

Using this common ground as a starting point, we will examine how US foreign policy has evolved over the last 70 years. Throughout this paper, we will examine those instances that were crucial to this evolution, from Franklin D. Roosevelt's term in office up to Barack Obama's Administration. We have chosen this approach in order to discover whatever thread runs through the foreign policy of the most important international player of the 20th century. Yet when discussing American foreign policy we must bear in mind that the US is a country deeply defined by ideological factors. Concepts such as realism and idealism, isolationism and internationalism, multilateralism and unilateralism have proved decisive in the definition and application of the country's foreign policy. Therefore, an examination of those instances that sparked changes in how the United States has dealt with several other players of the international order

* Talk presented as part of the exhibition and colloquium "Roosevelt in the Azores" at the Pico Museum, Pico island, May, 2009.

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will provide us with a wide-ranging overview of all the factors that went into shaping the development of US foreign policy over the last 70 years.⁵

Pearl Harbor (December, 1941)

When he first came to the White House in 1933, President Franklin Delano Roosevelt could hardly imagine that less than 10 years later his country would fall victim to one of the gravest attacks in world history. At the time, his concerns lay elsewhere. The US economy was in the throes of a crisis that, between 1931 and 1932, had also spread to Europe and Japan. The crisis had begun toward the end of 1929, when Wall Street financial investors realized that they were not going to be able to pay off their loans. First they started selling off their stocks, a trend that became a veritable torrent by the end of the year. Financial markets went into panic mode, with stock prices soon bottoming out. In the US, the gross national product plummeted before everyone's eyes, going from 104 billion dollars in 1929 to a paltry 56 billion in 1933. Unemployment skyrocketed from 3 percent in 1929 to an almost unimaginable rate of 25% in 1933.⁶

Europe fared no better. Historical sources agree that the effects of the economic crisis on the Old Continent to a great extent paved the way for European totalitarianism and subsequently the outbreak of the Second World War in 1939. As countries increasingly turned inwards, they adopted protectionist policies, counting on domestic production to revive their economic development. The reality is that, owing to the Great Depression of the 1930s, countries throughout the world tried to save themselves from a total financial and economic meltdown by resorting to autarchic measures such as internal economic planning and strict regulation of their foreign trade. Even in the US, during the first few years of the Roosevelt Administration, there was a persistent belief that first off, the domestic economy needed reviving and that this goal took precedent over America's traditional great objective of building a world system based on free trade.⁷

The success of the New Deal, the economic program set in motion from 1933 to 1936, eventually led the US to redeploy her traditional policy of seeking out foreign markets. The economic resur-

gence was well underway when in 1939, European powers once again became embroiled in a bloody conflict. In American society, the outbreak of worldwide hostilities served to lay bare the traditional rifts that existed regarding the definition of US foreign policy. On one side were those who asserted that the United States should not take sides in the conflict. This group of isolationists firmly believed that the country should limit herself to a certain financial and commercial involvement in the conflict, yet they staunchly opposed the deployment of troops to European hotspots. Pitted against this group were the internationalists, who believed that America's prosperity was linked to a free world market, open to competition from all countries. Therefore, it behoved the US to shoulder the responsibility it had to cooperate with worldwide partners in maintaining an open international system. As the war gradually took its toll, the isolationists started losing ground. Then, in December of 1941, the Japanese attacked Pearl Harbor and the US entered the conflict.⁸

It wasn't only American security that was at stake. It is safe to say that US participation in the Second World War was aimed primarily at building a new world order based on the principles of political and economic liberalism. And though many sectors of American society – notably the military – were outraged by Japan's attack, others – such as War Secretary Henry Stimson – were also relieved. As the War Secretary wrote in his diary, "My first feeling was of relief that the indecision was over and that a crisis had come in a way which would unite all our people."⁹

Right after the outbreak of the conflict in September of 1939, Roosevelt had realized that the time had come to reform the international system, so he set in motion a number of policies aimed at preserving the US as a nation. These policy guidelines were defined during the celebrated meeting that took place in August, 1941 between FDR and British Prime Minister Winston Churchill aboard Britain's HMS Prince of Wales. The meeting was to result in the signing of a joint declaration known as the Atlantic Charter. In it, both governments vowed to promote and respect the self-determination of people on all continents and create a post-war security system based on free trade and democratic values.¹⁰ The international system proposed by Roosevelt would prove to be extremely efficient. The economic and financial pillars of the system would be the World Bank and the International Monetary Fund, whose mission was to come

to the aid of states destroyed by the war effort or countries with less developed economies starting the process of industrialization and that would thus not be forced, once again, to resort to protectionist policies. The system became known as the Bretton Woods System. On a strictly political front, Roosevelt promoted the set-up of a structure whereby the countries would be represented. The Allies then resolved to establish the United Nations, with a Security Council acting as its main mechanism of collective security. One can say that with these initiatives, the Roosevelt Administration created an international system of an essentially multilateral nature, in an attempt to avoid – at all costs – a repetition of the errors committed at the end of the First World War. To a great extent, this system has prevailed until today.¹¹

Containment

With Fascism and Nazism crushed in Europe, the US faced a new problem: disagreement with the Soviet Union of Joseph Stalin. Between 1942 and 1945, the USSR, facing the Nazi onslaught, had cooperated with the Allies, but Stalin made no attempt to conceal his ideological opposition to liberal principles. The antagonism between the two continent-sized powers marked the following 45 years, forcing the US to establish a foreign policy whose main objective was to forestall Soviet supremacy in Europe. These years were to be dubbed the Cold War period.

Indeed, the Cold War left an indelible imprint on the post-WWII political system and shaped the foreign policies the US was to set for countries throughout the world. The United States ended her participation in WWII as the country that dominated world trade and possessed the deadliest weapon ever invented, while her potential adversaries had been razed. Everything pointed to the US emerging as the only world power, when deepening crises toward the end of the war proved that the road ahead would indeed be more tortuous. Though laid waste by four years of conflict, the Soviet Union refused to fall into line with American objectives. America's atomic show of strength in Japan had only served to strengthen Moscow's security fears, and feed her desire to wield her power as an occupying force in Eastern and part of Central Europe as a guarantor of nego-

tiating power with the United States. The main issue pitting the two countries against each other was the power vacuum that existed in Europe. What future lay in store for Europe when the solutions posited by the two countries were diametrically opposed?¹²

Initially, the core issue of the Cold War was the future of Germany. The US supported German reconstruction based on a liberal, democratic system. Germany should open herself up to North American markets and initiate rapid-paced industrialization. The Soviet Union, on the other hand, demanded international submission politically and economically speaking and viewed an industrialized Germany as the threat it had always been for Russia. However, from 1946 to 1947, a number of crises spread the world's attention even further afield to the Mediterranean and Middle East. Soviet attempts to penetrate Greece, Turkey, and the entire Middle East region fueled hostilities between the United States and the USSR. With the support of the State Department, which viewed each Soviet move as an open challenge to the United States, President Harry Truman kicked off a policy of patient containment with regard to Soviet expansionism. Since the Soviet Union was the only power seemingly able to stand up to the United States, the world was divided into two huge zones of influence presided over by the US and the USSR and their respective allies. The doctrine of containment lasted until the dismantling of the Soviet Union in 1991, yet the role played by the United States today is still necessarily linked to the 45 years of international relations we have just discussed.¹³

The US drew up a set of policies to contain Soviet expansion, using as her cornerstone America's military and nuclear supremacy. One of the prime examples of this policy was the creation of the Atlantic Alliance in April, 1949, which Portugal joined as a founding member owing to the geostrategic importance of the Azores. The North Atlantic Treaty Organization was nothing short of a collective security system consisting of Western allies, created to respond to the growing perception that, since the close of the Second World War, the Soviet Union's stance constituted a real threat. While investing in the collective security of the Western world, the US also boosted her nuclear arsenal, especially after 1949 when the Soviets announced their own nuclear capabilities. The core idea behind the policy was that in the eventuality of a Soviet attack on the Western Bloc, the US would be able to execute a mass retaliation.

tion, totally destroying Soviet military and economic capabilities. Toward this end, the United States ratcheted up her military budget exponentially.¹⁴

Vietnam

The persistence of the nuclear arms race on both sides made it virtually impossible for war to break out between both powers. The fear of a conflict in the zone that was most important to both countries strategically – Europe – instead brought the dispute between the US and the USSR to the periphery. Without a doubt, the US's involvement in Vietnam signaled the start of a new phase of the Cold War. Southeast Asia had become extremely important to the US after the proclamation of the People's Republic of China in 1949. Since Japan's surrender in the Second World War, the US had sought to establish a stable regional system in Southeast Asia that was economically integrated within the Western system and one in which Japan was slated to play a crucial role as the only great industrialized power supplying her neighbors with manufactured goods. This is where Indochina came in. The region was viewed by the US as an important supplier of food to all of Southeast Asia. The set-up of a communist regime after Vietnam's independence in 1954 sparked Washington's fear that the Soviet Union and China would bolster their influence in the region.¹⁵

US military involvement in the region was long, drawn out, and traumatic for American society on many levels. Unlike America's participation in World War II, where America's citizens had fully understood the advantages of the policies defended by Roosevelt, early on the Vietnam War was perceived as being an attempt to interfere in the destiny of an independent nation. The United States would thereafter be viewed as a power with expansionist tendencies, and the country's image fell prey to a lengthy process of deterioration felt – to a greater or lesser extent – throughout the whole world.¹⁶

The shift of the Cold War to the periphery also highlighted another fact important to our understanding of the bipolar conflict. Even though the US and the USSR held sway over each one of their zones of influence, they were still unable to exert complete control over all the international players. The dawn of Asian and African nationalism and resulting military conflicts obliged the great powers

to follow their allies – not the opposite. In effect, it was no longer possible for one single state to exert complete pressure on its allies, receiving blind obedience in return.¹⁷

This awareness plus the internal and external consequences the US suffered because of her involvement in Vietnam, led American and Soviet leaders to attempt to arrive at an understanding, and laid the foundations for a dialogue that would result in mutual recognition. In the early 1970s, the US and the USSR had military budgets that consumed a large percentage of their gross domestic products, a situation that was not only economically unsustainable but, in the case of the US, the object of widespread social criticism. In addition, the US's involvement in Vietnam had tarnished the country's image in the eyes of her allies. It was détente, during which both blocs reached an understanding, that characterized the early 1970s. In May, 1972, President Nixon visited Moscow where he achieved a number of agreements that had never been reached before: the first agreements aimed at strategic arms limitation and a reduction in anti-ballistic missile systems. The most important thing to be retained in this peaceful coexistence between the United States and the Soviet Union was the recognition that a bipolar international system existed. Between 1972 and 1975, the two major world powers finally recognized the borders that delimited Europe, acknowledging the existence of a division between the two blocs. At that point, the Cold War became a less perilous global game. At the end of the day, détente proved that after fifteen years of worldwide supremacy, the US had started to discover the limitations of her power. The Vietnam War had been ample illustration of this fact.¹⁸

The End of the Cold War and the Gulf War

Although the United States and the Soviet Union had reached an understanding and were experiencing an easing of tensions in their relationship, they continued to nurture completely different visions with regard to international policy. This ongoing rift in viewpoints was felt in a number of smaller crises and conflicts that spread through the entire periphery of the East-West conflict, namely in the Middle East and Africa.¹⁹ As a result of the US support of Israel during the 1973 Yom Kippur War, the oil-exporting countries brought about an oil crisis as a

means of levying sanctions against both the Israelis and the Americans. On the other hand, for the first time, some European countries refused to allow the United States to make use of the American military bases existing within their borders – with the exception of Portugal, which authorized the use of the Lajes Base in the Azores. In short, Europe was starting to demonstrate its opposition to America's Mid-East policy.²⁰

As the Cold War drew to a close, the US initiated a new period in her history that has lasted until today – one of growing involvement in the problems of the Middle East. The definitive resolution of the problems that had existed between the United States and the Soviet Union with the fall of the Berlin Wall in 1989, led to the emergence of the United States as the only superpower within the international system. Willingly or not and with greater or lesser awareness of the country's role, from the end of the Cold War until September 11, 2001, subsequent US Administrations sought to maintain a stable international order at all costs. Stability had become the main goal of the international system of the post-Cold War era, in which the United States of America played the leading role. It is within this context that one must view America's intervention in the Persian Gulf after Iraqi troops invaded Kuwait in the summer of 1990. According to President George H.W. Bush, the end of the Cold War and the incidents leading up to the liberation of Kuwait were events of a comparable nature that should act as a "precedent" for America's role in the post-Cold War era.²¹

After the toppling of Persian Shah Mohamed Reza Pahlavi in 1979, the US position in the region had grown considerably more problematic. During the 1970s, Iran had become the West's principal ally in the region, and was instrumental in assuring that Europe, Japan, and the United States were supplied with an uninterrupted flow of cheap oil. Moreover, owing largely to US support, Iran could boast of one of the most modern, efficient armed forces in the region, a fact that in itself discouraged any possible hegemonic ambitions nurtured by her neighbors. However, when Ayatollah Khomeini took the reins, the situation turned around completely, compelling the US to develop a security doctrine for the zone. According to the Carter Doctrine, the US would now view the Persian Gulf as a region vital to US interests; and the situation would remain the same throughout the Reagan Administration.²²

As one can see, in the last decade of the 20th century, America's main foreign policy concern had ceased to be the communist threat

and had become global political stability, which was principally affected by circumstances in the Persian Gulf region. The US's main goal in her intervention was to establish an order favorable to the US – one that would assure a constant flow of energy resources at reasonable prices. Thus, as one can see, the motives behind America's intervention are complex and related to "issues of the post-Cold War international order, the regional context, and the evolution of America's foreign policy priorities after the end of the bipolar competition."²³

September 11, 2001

The attacks on the Twin Towers on September 11, 2001 forced the US to rethink the strategic doctrine it had tentatively tried in 1991 but had essentially not followed through on, since there had been no further palpable threats to American hegemony. The Soviet threat was gone and the facility with which the US had controlled the situations in the Gulf and in ex-Yugoslavia's embattled republics in 1995 and 1998, led to an indefiniteness in America's foreign policy, which was spurred on by the suspicion that the era of military predominance and security threats had come to an end. It was a time of preoccupation over global economic issues and one in which global prosperity had become the main concern for most international players.²⁴

After September 11, the US once again began to fear for her homeland security, a fear that had not surfaced since the collapse of the Eastern bloc. In her estimation, security could only be achieved by containing the proliferation of weapons of mass destruction and fighting terrorist organizations that had the ability to plan and carry out catastrophic suicide attacks (with or without recourse to chemical and nuclear weapons). American dominance had been attacked as never before, and the Bush Administration – and indeed the whole world – had been caught completely off guard. As at the end of the Cold War, the direction outlined by the United States during this period was somewhat mutable and misguided. The US Administration responded to the attack on the Twin Towers by using a multilateral strategy aimed at garnering the support of other international players to combat the terrorist organization led by Osama Bin Laden. The US believed it could lead an international force that would put

an end to this new threat, reinforcing her unipolar power.²⁵ It is in this light that NATO ally support for the invasion of Al-Qaeda strongholds in Afghanistan, the constant exchange of intelligence, and the attempts to bolster laws combating terrorism internationally must be viewed. At the same time, the US sought the consensus of traditionally competitive powers such as China, India, and Russia, attempting to demonstrate that the fight against Islamist terrorism was an issue affecting all of these countries as well. They therefore developed a policy based on a sober recognition “of the need for all great powers to be in accord,” indicating that “the absence of significant tension since the end of the Cold War, Russia and China’s political transition, and the common fight against terrorism,” signaled a “strategic convergence that had been absent from international politics during the last century.”²⁶

However, US involvement in Iraq as of 2003 and particularly the overt trend toward unilateralism that the Bush Administration started pursuing toward the end of 2002 started chipping away at the dominant position the US had attained after 1989.²⁷ The new National Defense Strategy, launched on September 17, 2002 marked a turnabout in American foreign policy. In it, the Bush Administration defined discouraging enemy powers from possessing the military capacity to challenge US supremacy as a priority objective. These adversarial powers were, above all, states that possessed the ability to carry out terrorist activities and promote the use of nuclear and biological weapons. The road was now paved for the United States – as the new global superpower – to thwart the activities of states she deemed dangerous, in order to safeguard the country’s security and spread the values America defended – democracy and economic liberalism. America’s involvement in the Persian Gulf from the end of the Cold War, and the Clinton Administration’s failed Iraq policy of the 1990s had made the region one of the US’s main security concerns. Then, after September 11, the opportunity arose for a revolution in US foreign policy, one that yielded to the temptation to spread the American values of freedom and democracy throughout the world.²⁸

This new stance reached its peak with the 2003 Iraq invasion, which was carried out without the consent of the United Nations and in the face of opposition from US allies such as France and Germany. However, unable to pacify Iraq, the US was forced to backtrack with regard to the unilateral strategy laid out by the Bush Administration.

Failing in her attempt to provide the international community with a coherent justification for the invasion, and finding it difficult to rally some of her European allies into cooperating, the US had to take a more conciliatory approach toward the Iraq issue. Given its importance to the international community, the Persian Gulf demands a more cautious approach, since any escalation in tension can lead to a worsening of the economic situation worldwide. Thus, “it is logical to conclude that the United States can only withdraw a substantial part of her military apparatus in the region when she is assured of Iraq’s status as a stable ally” and when “she can effectively contain” the emergence of Iran as a “great, regional power that is hostile” to American interests.²⁹

Conclusion: Obama and the future of US foreign policy

We can therefore conclude that in the time between the Roosevelt Administration, which began in the first half of the 20th century, and the Obama Administration, which took the reins with the 21st century in full swing, America’s foreign policy has evolved with the aim of transforming the United States into a dominant world power. This trend began somewhat tentatively, but was diluted by the multilateral climate that took hold right after the Second World War and was reflected in the establishment of the United Nations. However, with the rise of the Soviet Union – America’s political polar opposite – and the disputes that came about as a result and dominated the second half of the 20th century, the US was quickly forced to institute her policy of leadership and supremacy. Notwithstanding the various phases it went through, in the 1990s, the US emerged as the victor and the only world power with the means and the resources to stand up to every possible conventional challenge. The attacks of September 11, however, demonstrated that there was indeed a way to challenge hegemonic power. But the Bush Administration’s response to the attacks ended up tarnishing America’s image internationally, and opening a widening gulf between the US and her traditional transatlantic partners.³⁰ Although the final months of Bush’s presidency signaled a slight improvement in America’s image, it was the openness and charisma of Barack Obama that rallied

international hopes for a brighter future in US foreign policy. As we have seen, the promise for a change in the US presidential position has been fulfilled.

Barack Obama's term in office so far has not only been marked by a profound turnabout in US foreign policy; the new President has also demonstrated that he is willing to change the tone of presidential discourse – the way the United States talks to the rest of the world. America's political, economic, and military responsibilities have grown by leaps and bounds since Roosevelt assumed the presidency. The US is no longer merely a regional power, as it was in 1933. It has become a world power that dominates the international system. With the US image in freefall throughout the world since the invasion of Iraq in 2003, it is understandable that Barack Obama's first steps would center on restoring the US's reputation worldwide.

The difference in presidential position and tone of discourse have assured America's global interlocutors that change is really underway. Three examples are particularly illustrative of this change. First is the video message Obama posted on YouTube in March, 2009, to mark the Persian New Year. In it he acknowledges Iran's right to assume her place in the community of nations. But, as he stated, her right also involves responsibilities and does not include resorting to terrorism or the use of arms. Teheran reacted cautiously to the message, stating that small gestures weren't going to change the state of relations between the two countries. A week later, on his visit to Europe, Obama acknowledged that the US was partially responsible for the cooling in transatlantic relations; even so, he went on to appeal for greater European commitment in Afghanistan. The welcome the European people lavished on him was overwhelming and genuinely heartfelt. Then, at the end of April, Obama greeted Hugo Chavez with a handshake, a gesture that sparked a whirlwind of reaction both in the United States and abroad. His position on Cuba seems to be markedly different from that of his predecessor as well. In an unprecedented move, the new President announced the lifting of travel restrictions for Cuban-Americans wishing to visit family in Cuba and no ceiling on monetary remittances to family on the island; the trade embargo, however, for the meantime would remain in place.³¹

Obviously, the challenges facing Barack Obama are great. But, as most analysts have concluded, he seems to be the right man for the

job. However, the time has come to translate the image change America has undergone into a coherent foreign policy strategy. The steps the Administration has taken to date seem convincing: they have set a date for withdrawal of combat troops from Iraq, decided to close the detention center at Guantánamo Bay, publicly repudiated the methods of torture used by American forces, and taken initiatives to establish direct contact with Iran. There are clear, concrete signs that George W. Bush's "isolate and punish" policy has seen its final days. However, the next few months will be decisive. As some experts in international relations have cautioned, the issue of Iran and North Korea, which is intimately linked to the appeal for global nuclear disarmament, will have to take concrete steps forward. Finally, there is the issue of Afghanistan and Pakistan. In Afghanistan, coalition forces face growing problems in controlling the Taliban, while the Taliban also gain an increasingly stronger foothold in Pakistan. In addition, on the domestic front, it is important that the measures the Obama Administration has taken to combat the economic crisis meet with positive outcomes.³²

The United States has come far on the international scene since 1945. From a regional power, it sprang onto the scene as a world power immediately following WWII, while the need to contain the threat of Communism in Europe and the Third World during the Cold War turned the country into the main actor on the 20th century world stage. After a short period of wavering over her stance on the international scene during the 1990s, when there seemed to be no real challenge to American dominance, the US awoke to the attacks of September 11, 2001, which proved that a terrorist movement had now taken the place of the erstwhile communist peril. The emergence of radical pan-Islamism, centered on Al-Qaeda, became the principal threat to the US and her allies. America's strategy to defeat this new type of threat has divided subsequent US Administrations since the end of the Cold War, because it is obvious that the battle is far from won. Obama's ability to outline a coherent, successful strategy to combat revolutionary pan-Islamism will determine whether or not he figures prominently in the history books, as does Franklin D. Roosevelt – the man who led America to victory during the Second World War.

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Part II

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- 32 *Washington Post*, April 22, 2009. In <http://www.washingtonpost.com/wp-dyn/content/article/2009/04/21/AR2009042102967.html> (last viewed on April 29, 2009).

PART III

Rethinking the New Deal

*Economic information and its contribution
to improving market function*

ÁLVARO DÂMASO*

Introduction

My contribution to this commemoration of Roosevelt's visit to the Azores is simple. It consists of a series of notes that do not mention Roosevelt's visit to the archipelago where, as Assistant Secretary of the Navy, he had the privilege of visiting the ports of Horta and Ponta Delgada, and of observing how relations between the Portuguese population and the staff of the United States naval bases in the Azores had become particularly close and friendly, as was described in a letter to Salazar designed to clear up any doubts that may have existed between the governments and sovereign powers. The good relations observed then continue to hold true today. What I will talk about is the economic battle, that of the recession, that Roosevelt unquestionably won. However, I cannot neglect to mention that he won other battles as well: that of the war, alongside the Allies, and even a political battle, which he fought alone, managing to be elected to four terms in office.

My thoughts can be organized into four parts:

- the first is the observation that we live in an age of uncertainty. This is just as true today as it was during the period leading up to the New Deal program. The market generates speculation and rapid and unsustainable enrichment followed by great instability (unemployment and impoverishment). In the end, it turns out that the so-called invisible hand is not divine, but rather a human hand;

- the second observation is that recession or depression accompanied by mass unemployment is the result of the failure of markets to function well (Stiglitz). We have not yet been able to consistently and successfully define what role the government should play in the economy. Regulation of markets, although necessary, has its own flaws;

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– the third arrives at the conclusion that economists have a very powerful influence on economic life, even on those agents that deny it. Satisfactory remedies have not yet been found for the instability or turbulence that periodically give rise to generalized panic and disaster;

– the fourth is a warning that economic information about companies and how they are governed is essential in today's world, and that this affects how markets function.

Uncertainty and turbulence

We live in an age of uncertainty, as Galbraith proclaimed in his television conferences in the 1970s when the second oil crisis occurred, or in an *age of turbulence*, as Greenspan maintains in his recent book of the same name. Only one certainty remains: that of cyclical instability.

The New Deal, a program to combat recession, was a tacit agreement between a determined politician and the society that resoundingly elected him. It was entered into in the midst of a deep crisis: of hunger and of unemployment, but curiously, at a time when income differences were fading, just as they did during the Second World War.

The New Deal is a concrete experience. It is a political program. It is not a doctrine. Neoliberalism, at the other end of the spectrum, is nearly an economic doctrine – that doctrine being liberalism. It is an ideology supported by models and based on philosophical pillars: such as freedom and competition – where the winners reap rewards and the losers are punished.

Recently, the British Prime Minister, referring to what is already being dubbed the “third oil crisis” and harking back to the New Deal between the President and the people of the United States in the early 1930s, went on to propose a New Deal between oil producers and consumer nations to achieve what is seen these days as the most desirable goal: price stability. Among the World Bank Group's many interventions, President Robert Zoellick, in April of this year, just prior to the British Prime Minister's comments and likewise inspired by Roosevelt's program, also called for a New Deal for Global Food Policy; one that focuses not only on hunger, malnutrition, and access to food, but also on how these are tied to energy, climate, investment, marginalization, and growth.

The New Deal is not conceptually a doctrine or philosophy, nor is it understood as such, but rather it is a remedy for ills, inequalities, and injustice, all of which are a by-product of economic liberalism.

In contrast, Neoliberalism is a philosophy that supports extending the market to encompass everything everywhere, at all times and in all areas, and deriving the maximum possible economic, cultural, and social profit from it.

For some, the New Deal was a remarkable set of program solutions for a particular moment in the life of capitalism in a particular environment. However, even today it can inspire appropriate action. And if we are now hearing talk of a New Deal (or of New Deal policies), it is because we understand that the situation we face today when we enter a service station or a supermarket shows some similarities to what preceded the Great Depression in the 1930s, which the New Deal was designed to combat.

The New Deal is a drug. Neoliberalism is an organized pharmacy where the remedy – government intervention – is not likely to be dispensed... Firstly the disease, secondly the remedy. Then, as now, progress was made only by concocting remedies.

The role of government

The New Deal government program was inspired by an economic philosophy that became disseminated worldwide precisely at that time – Keynesian theory.

Neoliberalism is a derived doctrine which harks back to Locke and is grounded in the teachings of Adam Smith: by serving his own interests, the individual serves the public (general) interest; being in this led by an invisible hand, a hand that cannot be seen, but which is much better (more effective) than the visible and inept hand of the state – curiously, that which is clearly present in the New Deal. Neither classic nor new liberalism would countenance any hand driving the economy, much less that of the government, which is considered public enemy number one. But, paradoxically or not, when the market fails, it is the government that comes to its rescue. Stiglitz says that market failures bring economists and the public sector closer together.

Seven decades later, doubts still remain about how the relationship between government and the economy, or more precisely the

market, should be defined. Can government action correct insufficiencies and promote stability and growth, or not? Most political debates revolve around the following theme: efficiency of the market economy and the most appropriate relationship between the market and the government.

However, we must recognize that not everything that is called a market is one, or functions like one, even with flaws. For example, the labor market does not function clearly; it is not a market in the truest sense of the word. It is full of externalities, outside influences that have nothing to do with the factors that should determine the price of the work it is based on. Prolonged interruption of employment quickly becomes a serious social and human problem.

Not quite as serious is the decline in consumption due to rising interest rates, which families can bear with greater or lesser ease. If the labor market functioned well, families would have insurance that would prevent unemployment and lack of income. But no, insurance is not possible.¹

I believe the central issue is: what is the government's role in the economy? And the question seems to not be so much about whether the government should intervene in the economy, but rather how it should intervene. It is understood and accepted that the government should not do what individuals already do, but rather what individuals cannot do or do poorly. There is no economic science without models. Perhaps it would be worthwhile to try one for the relationship between the government and the economy that would be consistent and enduring.

The New Deal

The New Deal, as I mentioned above, was a government program launched by Franklin Roosevelt that lasted five years (1933-38), and which aimed to improve the lives of Americans who were tremendously affected by the 1929 Depression by restructuring the financial system, improving the health of the economy (especially agriculture) and correcting injustices and inequalities

In 1933, approximately 13 million Americans were looking for work. In a four-year period, unemployment had jumped from four to 25 percent. The financial system began to collapse: all around,

banks were closing their doors, and to keep them from all closing permanently a bank holiday needed to be decreed. I remember seeing on TV an enormous line of depositors at the doors of the largest mortgage bank in the United States and the narrator saying that the government had intervened in this bank through a special agency. In 1933, the government had to intervene where the market failed, and this was in line with Keynesian logic: inject resources and generate the demand that had meanwhile disappeared. The New Deal found its inspiration in Keynesian theory.

We can distinguish two phases in the New Deal: the first concentrated on financial problems – restructuring of a financial system that had been debilitated by the stock market crash and bank failures – and on short term measures to aid economic recovery. The second (1935-36), more social in nature, was concerned with distribution of resources and decentralization – programs to assist immigrants and farmers – as well as with the social security and incomes of workers. Paradoxically, or perhaps not, it was this area of the program that encountered more obstacles to its application. These difficulties originated in the Senate, which resisted approving it.

Structurally, the program created numerous government (federal) agencies known by their acronyms – the *alphabet agencies*. These were operational administrative arms of the New Deal, whose areas of intervention ranged from public administration to labor and agriculture, from social security to insurance and the stock market. Many of these became famous and still exist today, and some even inspired similar organizations in Europe and other parts of the world: the SEC (Securities and Exchange Commission) for the stock market, which inspired our CMVM (Comissão do Mercado de Valores Mobiliários), and the FDIC (Federal Deposit Insurance Corporation).

The New Deal, especially during its first hundred days, represented a profound change in domestic policy in the United States: it increased the powers of the federal government, introduced price controls, and made it possible to intervene and regain balance in the agricultural sector, while simultaneously launching a broad social program.

In the same interventionist line, the Great Depression had other consequences in the areas of economic theory and practice, namely in terms of international relations: it made it possible to assume a protectionist stance. This became an inevitable part of the fledgling

mixed system (market plus interventionism). Barriers were erected around national economies. While between 1890 and 1913 world trade practically doubled, between 1929 and 1938 the ratio between domestic production and international trade fell – ten percent in England, 20 percent in Canada, and 25 to 40 percent in Japan, Germany, and Italy. During that same time, because of anti-immigration laws, the number of immigrants dropped from 5.5 million to below 1 million.²

Thus, the idea that America had discovered the secret of perpetual growth was waning. According to Keynes, Locke's liberal optimism had been defeated. However, this would not be entirely true. Liberalism was wounded, but not mortally so. Little by little it would be reborn.

World War II was already coming to a close when thoughts turned to reintegration of the world economy. And curiously, out of all the economists to choose from, the first one to be consulted for advice on this topic was Keynes, who had the privilege of heading up the English delegation and deciding where the conference would be held. It was held in Bretton Woods, an unknown town, but one that was chosen for its amenable climate on account of Keynes' weak heart. The economist completely dominated the conference. The unspoken objective of the conference was to return somehow to Locke's liberal optimism. Keynes proposed exactly this and successfully sought to bring the participants in the conference around to a new vision for internationalization or globalization: freedom for trade of goods, but restrictions on capital in order to control speculative movement of capital. As Keynes was known to say, speculative capital can "shift with the speed of the magic carpet." As it was then, so it is today!

The ideas of economists and philosophers, whether they are right or wrong, are more powerful than is generally believed. Practical men who believe they are immune to any intellectual influence are, as a rule, slaves to a dead economist. Keynes also believed that economic information has an enormous impact on the ideas individuals form about economic policy and on the decisions they make, whether they are big investors or small investors, big businessmen or small businessmen, heads of a government or simple heads of families.

Liberalism once more

It is known that customs duties began to be lowered after the Second World War as a result of widespread recognition that the protectionism that prevailed prior to the war had led to a sharp decline in international trade. Freeing up international trade helped to open up new sources of supply at lower costs which, along with the creation of new institutions and new financial products, made the formation of a global capitalist market possible.

And it is true that globalization made possible by opening markets and falling barriers helped to lower inflation and interest rates (I remember seeing the Portuguese Minister of Finance and his team celebrating with champagne when inflation rates got down to only one digit).

But other "good" things happened too, for example: leaner government and privatizations; the discovery of economies in ruins behind the Iron Curtain; a significant increase in liquidity around the world; skyrocketing values of stocks, housing, and commercial spaces. And everyone seemed to gain without limits. The world economy grew at an annual rate of 3.2 percent. We were expecting the best decade ever. The best economic journals proclaimed that free market capitalism, the engine that drives the economy, seemed to be working well. Greenspan claimed that the restoration of open markets and free trade undertaken during the last quarter of a century had lifted many billions of people around the world out of poverty. The invisible hand described by Adam Smith seemed to be at work again.

However, unbridled competition does not distribute only benefits, nor does it distribute benefits forever. Why? Because in the end, it is always about humans, the primary functional units of economic activity.

Without trying to suggest there is an easy solution, I nevertheless believe that I must bring up one of the most important questions that needs to be asked in a free market, competitive, and globalized economy. This question has to do with the relationship between financial or industrial companies and the markets in which they operate: the information they provide. It is an observation distilled from my experience as a regulator: the information companies make available is either not appropriate, not complete, or simply not provided

at all. It is not only to the authorities that incorrect information is given or is withheld. It is withheld from the market itself, from the stakeholders, which gives rise to asymmetrical knowledge (incomplete knowledge or lack thereof), which in turn contributes greatly to the poor function of the market and its instability. We only need to look at recent cases in Portugal and in other parts of the world.

The market is never perfect, but it cannot even be a market if the information is faulty. I am referring not only to what needs to be known in matters of price, quality, and diversity of goods, which competition itself is charged with resolving, but also to matters regarding the governance of a company, how it is financed, and how decision-making is organized within the company. Three essential pillars of information.

Improving information may not by itself prevent the occurrence of market failures, but it certainly makes a significant contribution to minimizing them.

*The currency of Roosevelt today:
a state that sets the rules of the game,
paving the way for private initiative*

MANUEL PORTO*

Remembering the inimitable Franklin D. Roosevelt takes us back over almost a century of our history that now seems more up to date than we would have expected just a short time ago.

The last decades of unlimited faith in the market

Roosevelt was in the Azores as Assistant Secretary of the Navy in July, 1918³ at the end of a long period of great faith in the virtues of the market at home and abroad.

At a political level, there had already been a substantial change, particularly in Europe's geography as a result of the First World War. We can say that it was the start of this war in 1914 that marked the end of the 19th century and resulted in changes not only in borders but even in the existence of certain countries. It was only with the end of Communism in Europe in the late 20th century that we witnessed the rebirth of some of them, in what Hélène Carrère d'Encausse so aptly called in her book title *La Vengeance des nations*.

But the 19th century economy lasted for a few more years, and its "non-intervention" philosophy did not change with the First World War. After it was over, people continued to believe in the virtues of the market and Say's law,⁴ with the "invisible hand" that Adam Smith had characterized so well.

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The Great Depression marks a turning point

The turning point in government intervention in economies came with the Great Depression, which broke out in the United States in 1929 and rapidly spread to a considerable part of the industrialized world.⁵

With the string of bankruptcies, unemployment, and suffering that it brought, the Great Depression made economists think differently about the need for intervention by the authorities. Say's law was undoubtedly supplanted by John Maynard Keynes and his 1936 *The General Theory of Employment, Interest and Money*, in which he defended the need for intervention in economies by monetary and budgetary means.⁶

The New Deal

The New Deal, which was introduced by Roosevelt after he became President of the United States, was based on intervention through expenditure, and was of great importance. It was designed to revive the economy and provide anti-cyclical intervention with the clear goal of improving the country's structural conditions. A classic example was the Tennessee Valley Authority or TVA⁷ for the agricultural and industrial development of the Tennessee Valley. It successfully revived a highly depressed area with a public works program that included the construction of 23 dams. The authority still plays a vital role in energy production in the United States.

But in Europe too, in addition to concerns about short-term measures, the 1930s were a time of great belief in state intervention and little faith in private intercession.

This was obviously the case of the communist countries, where state control was total or almost total, but it also applied to the right-wing regimes, although with less state interference. Symptomatically, the Nazi regime was aptly named "national socialism." The state's presence was strong in Mussolini's fascist regime and its corporations. And great belief in the state and little faith in private intervention clearly marked Portugal's Estado Novo, which nationalized practically all "services of general economic interest" previously provided by private companies, including British concerns. This was

the case of electricity generation and distribution, Lisbon's gas supply, the Lisbon and Porto telephone systems (CTT had always been state owned), and the railroad.⁸

Significantly, Oliveira Salazar, the Prime Minister at the time, never authorized the establishment of private universities, even Universidade Católica. There were also very few non-state secondary schools of any importance.

Industrial conditioning and other limitations

While private involvement in the industrial and agricultural sector prevailed in Portugal and in most Western countries, the state's involvement took the form of "industrial conditioning,"⁹ meaning that the installation, reopening, and transfer of industrial facilities required official authorization. This fueled a cumbersome bureaucracy that limited initiative (albeit only by delaying processes), granted considerable government power over business activity, and controlled its development. In practice, more or less competition in each sector depended on it.

Basically, there was protectionism for existing industries with regard to foreign and domestic investment that led or might lead to oligopolies or monopolies in certain business sectors.¹⁰

But the government presence was great due to the corporative system. For example, there were state monopolies (e.g. regulatory commissions and other authorities) on the import of products like salt cod, alcohol, and sugar.

Planning

Planning became important at that time, and more recently, in Portugal as of 1953, with the *Primeiro Plano de Fomento* (First Development Plan). This five-year plan was aimed at public investment, while the first attempt at overall planning came with the Interim Plan for 1965-67. This planning was mandatory for the public sector but merely indicative for the private sector.

In addition to the central structure, in a country that was, in fact, always highly centralized, as of 1969 we find decentralized "regional"

structures, such as the regional advisory committees, generally known as planning committees, which were involved in the preparation of the Fourth Development Plan for 1974-79 (in which I was involved). It was never implemented because of the change of regime in 1974.

Post-April 25 changes

The 1974 revolution after the coup on April 25 and the 1976 Constitution were naturally supposed to reflect high interventionism. In most countries, there was still great belief in state intervention, and this was combined with the left-wing nature of the new regime.

Nationalizations and planning

The first, most important step, which had enormous consequences, was the state's intervention in all services of general interest, when it nationalized all the economy's basic sectors, thereby denying access on the part of private enterprise. To add to existing state-owned corporations, the whole electricity sector, most road transportation companies (totaling 92, including the largest ones which were nationalized by different laws in 1975), and TAP were nationalized.¹¹

Although of less importance, the 1976 Constitution also focused on short, medium, and long-term plans as tools for orienting, coordinating, and generally running the economy. Nonetheless, they were plans whose legal force was not identical for the different agents operating in economic and social life.

In this regard, Portugal's situation was not very different from that of other countries in Europe, where there were institutions similar to the Conselho Nacional do Plano (for example, the Netherlands had her Central Planning Department, though after a time it was devoted more to forecasts than planning).

Some "survival" of Keynesian theory

Keynesian theory prevailed for some time with regard to short-term, anti-cyclical intervention.¹² This was the case in Portugal, when we still had our own escudo, with which we could make adjustments to

counter deficits in the balance of payments. In addition to monetary policy, e.g. changes in the Bank of Portugal discount rate, the exchange devaluation mechanism could be and was sometimes used without warning after assurances that it would not be used, otherwise the desired effect would not be achieved (which, on the contrary, then led to undesirable early speculation). For some time, Portugal used the crawling peg system, with known, regular depreciation of the escudo to restore competitiveness (offsetting domestic rises in prices higher than in competing countries).

Although there were certainly concerns about budgetary stability in Portugal, as in other countries, there were no limitations like those imposed later by the Stability and Growth Pact.

New competition and monetary stability paradigms with regulation

Cessation of short-term intervention

It does not take long to recall the latest developments with regard to the reduced possibility of short-term monetary or exchange measures.

This was the case with the recognition that it was a question of a vicious circle, for example when currency devaluations to restore competitiveness led to increases in prices of essential imported goods, which in turn resulted in rises in domestic prices, which required further devaluation to restore competitiveness again.

This raised awareness that real, lasting competitiveness could not be achieved with monetary or exchange tricks, but rather only with improvements in economies that make for greater efficiency (with the creation of external economies, e.g. transportation networks, technological research or training of personnel, and the elimination of market imperfections). A comparison of the greater or lesser successes of the countries that chose these paths was important or even decisive to this recognition.

It is understandable why authors in favor of the old paradigm, who defended monetary and exchange measures, should be opposed to the euro, as its introduction would inevitably prevent any country from using monetary (even exchange) short-term measures at the

national level to revive its economy. Now, the monetary authorities responsible for the euro have the very strict remit of ensuring price stability under the Maastricht Treaty.¹³ And there is no exchange intervention strategy.

However, the rules of the game established before the adoption of the new currency with the nominal convergence criteria and, later, the Stability and Growth Pact¹⁴ also limited the EU countries' capacity for short-term intervention with regard to the only method they had at their disposal – budgetary measures. (This form is also obviously beyond the reach of the Union Budget, for one thing because of its size, about 1% of total GDP)

The inevitable cessation of monetary and budgetary measures as instruments of short-term intervention did not, however, end recognition of the need for structural government intervention with the creation of external economies and the elimination of market imperfections, both of which are essential to competitiveness.

National budgets contribute to a large extent, but the European Union Budget itself, which is not suited to the pursuit of anti-cyclical or redistribution goals,¹⁵ plays an important role, particularly in “convergence” regions, through structural funds.

We are therefore (or at least we were until a few months ago) in a period of considerable consensus about (small) government intervention, more particularly about the intervention of the monetary authorities (e.g. in Euroland) and of countries.

Recognition of the virtues of a duly regulated market

The economic failure of Communism (not to mention other essential values that were “forgotten” along with it) permanently did away with the idea that the solution to economies' and societies' problems lay in collectivism with more or less extreme central control. Some people might think (or dream) otherwise in the current crisis in the capitalist world, but let us not think of going down that road. A different conclusion should clearly be reached, aimed at stricter regulation. Indeed, it is very clear that it was the internal and external opening to the market that led to the huge, sustained growth in countries like China and India (which show no signs of changing strategies, let alone abandoning the market system that has been so beneficial to them).

In the late 20th century, recognition of the realities led to acceptance of the fact that private intervention and competition are often the best way to achieve goals. Received ideas, such as the one that public ownership is more desirable in social terms just because it is public, were set aside and human beings were placed at the center of concerns as the recipients of goods and services and as taxpayers.¹⁶

As we often say, there is no longer the received idea that public ownership must be “virtuous,” just because it is public, while private ownership is sinful, because someone profits from it. Without any complexes, most countries now recognize the greater social advantages of private enterprise, in competition whenever possible, providing goods, materials, and services of better quality at lower prices and at lower cost to taxpayers (poorer people inevitably suffering more, with the unavoidable dependence on indirect taxation, although people deny this). There are no complexes about company profits and indeed no-one can honestly deny that public intervention in a bureaucratic state often provides high revenues to the bureaucrats. In truth, that which is socially efficient is “virtuous,” whether it is public or private, and that which is inefficient is “sinful,” even if it is public (and even has more social losses and is more deplorable when it is public).

Nonetheless, it is clear that there must be a streamlined but highly competent state, by itself or through indirect administration of institutions, providing regulation that, in a correct understanding of things, has to set and enforce the rules of the game in which it also plays a promotional role, arousing interest and creating better conditions for private enterprise.

Anything new about the present crisis?

With the consensus as to official intervention in economies reached at the end of the 20th century, calling Roosevelt's example into question to some extent, we might ask whether the current crisis has not proved him right.

We can naturally ask the question with regard to short-term monetary or budgetary measures. Critics might point out that there has been too little, too late. Especially, when compared to the United States

Federal Reserve System, we find that the European System of Central Banks has abandoned its previous rigid position and made successive reductions in the reference rate until reaching the lowest level ever.

The European Union Budget obviously cannot achieve an anti-cyclical policy (as mentioned above), but there has been a clear mitigation of the demands of the Stability and Growth Pact. This has enabled countries to maintain essential levels of spending, particularly taking into account falls in tax revenue.

Intervention via public works has become more important, as it has created jobs and made economies more competitive. This is what is happening in the United States, most European countries, and the other continents, with a concern not only for short-term revival, but also more long-term promotion of structural conditions for competitiveness and the well-being and valuation of citizens (naturally including access to social and cultural assets).

As there is a shortage of resources, today special care will naturally have to be taken in choices made, and cost-benefit analyses in which all their implications will have to be taken into account.¹⁷

And so, this brings us back to Roosevelt's enlightened times 90 years after he visited the Azores and 70 years after the New Deal followed lines of realism, balance, ambition, and social concern.

The New Deal: "Will nothing bring back the hour of splendor in the grass?"

EDUARDO PAZ FERREIRA*

I would like to begin by saying how honored I am to participate in this panel with people I admire so much and who have written such interesting reflections on the issues that are being addressed here today. Your admirable work allows me to take a different approach, encouraged by the topic being discussed, the place chosen as a venue, and the time that this excellent forum evokes: and that is a sentimental journey down memory lane to take a look at the civic and cultural education of a generation that knew hope and, many times, disappointment as well.

As we get older, the way we look at life changes dramatically: the angers and hurts, the troubles and disappointments that we so often experience tend to fade away and the blessings we receive become brighter and take a new shape. We begin to understand that what we are and do comes from the gifts our parents handed down to us – by transmitting to us what they knew and could do best – plus the luck as well as the obstacles that life has placed in our path.

I have spoken of my Azorean connections a number of times, but today I would like especially to recall the times I spent with Mário Mesquita in the Ponta Delgada JEC (Catholic Students Youth). We have come a long way since then, and the close friendship and camaraderie we shared have only become stronger over time. My admiration for Mário Mesquita, who is a man of culture, a journalist, and exemplary citizen, has never stopped growing, and whenever he invites me to any initiative, to paraphrase the title of a beautiful Vincent Minnelli film, *I always come running*.

When Mário asked me for the title of my presentation, I answered almost immediately with one that he wasn't particularly

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excited about, which was “The New Deal: will nothing bring back the hour of splendor in the grass,?” in honor of the beautiful prose Mário Mesquita himself wrote at the death of Natalie Wood, whose unique portrayal of wounded sensitivity in that Elia Kazan film loved by so many was so exquisitely touching for anyone who was born and grew up in a small town during a time of intense sexual repression.

You will have noticed that this is the second film I have mentioned here, which is surely not a coincidence coming from someone who fell in love with the movies at the evening and matinee sessions (not to mention the intermissions) at the Teatro Micaelense, at Sunday afternoon triple features at the Marítimo, at double features at the Coliseu, at the Cine Vitória and, in the summer, on the unforgettable esplanade of the Cine-Solar. He continued to carry this love with him as he went through life, even when he was less true to other loves. To the movies, I will always return.

Speaking of *Splendor in the Grass* in the same breath as the Great Depression and the methods used to combat it may be rather surprising, but I particularly wanted to use this image to highlight the profound civic commitment of Roosevelt and the generation of his time, his compassion and determination to build a new social contract based on a guarantee of protection against misery, disease, insecurity, and unemployment. These were in fact times of splendor and glory for those who believed in the public good.

The New Deal generation is a generation of courage and chivalry – in Ortega y Gasset’s sense of the words – which was followed by others that were more accommodating, until John Kennedy once again appealed to the people to strive for the public good with his celebrated phrase, “Ask not what your country can do for you, ask what you can do for your country.”

John Kennedy thus launched the New Frontier, “We stand at the edge of a New Frontier [...] Beyond that frontier are uncharted areas of science and space, unsolved problems of peace and war, unconquered problems of ignorance and prejudice, unanswered questions of poverty and surplus.” Hope, which was crushed during the Johnson years by the country’s military involvement in Vietnam, and progressively extinguished during the turbulent Nixon years and the lackluster Carter mandate, has begun to flower anew. How could we not feel involved? How could we not feel splendor in the grass? Many of those who had been with Roosevelt were moved by it and hastened to respond.

The new driving force in American politics took a full U-turn with Ronald Reagan’s manifesto of individualism taken to the extreme, which diverted attention from the public interest. This new wave was founded on a conservative and revisionist economic interpretation that would cast doubt on the New Deal’s success in overcoming the Depression, while proclaiming that there was no such thing as a public good. In its place we were left with the sum of the selfish interests of politicians, who could be regarded in their motivations as any other private economic agent.

Given this about-face, the organizers of this Forum decided to call this panel “Economic and Social Policy – From the New Deal to neoliberal economics” because, despite the continued existence of some of the institutions that came out of the New Deal, such as the Federal Deposit Insurance Corporation (FDIC), the Federal Housing Administration (FHA), and the Tennessee Valley Authority (TVA), we cannot ignore that other institutions and programs have been dismantled or are in crisis. The persistence of those that have survived is, in fact, quite remarkable.

Not even the Clinton years – which were characterized by economic prosperity – were able to redirect citizens toward civic service, or even to manage better health care coverage for the population. Even less so were the Bush years, based as they were on a ruthlessly individualistic view of society.

As we celebrate the 75th year anniversary of the start of the New Deal, it is Barack Obama’s candidacy that will attempt to awaken the American dream once again and appeal to collective effort and civic action. Many who were at Roosevelt’s side are no longer physically present to accompany him, but others, like Edward Kennedy, Caroline Kennedy, and Ted Sorensen, the legendary author of JFK’s speeches, have experienced splendor in the grass once again.

All those who proudly took part in the intellectual heritage of the New Deal and who cried bitter, and increasingly helpless tears at the assassinations of John and Robert Kennedy and Martin Luther King are also experiencing it.

At a time when television shows us images of people waiting in lines to withdraw their deposits from banks that are struggling with a lack of liquidity, it will be to a great extent Barack Obama’s success or failure that will answer the question of whether or not we will return to the times of splendor in the grass.

The images we have of the New Deal era are in essence profiles in courage – to recall John Kennedy’s magnificent collection of stories compiled under that title – and of pain and determination. Roosevelt and his Administration’s skill in dealing with the media, and particularly with radio in those “radio days,” left us an important legacy, a subject that this forum and Mário Mesquita, a researcher *par excellence* of modern day televised ceremonies, will have undoubtedly devoted some attention to. And those of our generation cannot help but see the American President’s “Fireside Chats” as the inspiration for Marcelo Caetano’s “family conversations.” However, the analogy goes no farther than the inspiration.

The photography and design, the style at times reminiscent of Soviet realism, are impressive even today and even as we recognize their propaganda-like nature. We should be grateful for the excellent work the Roosevelt Foundation has done in preserving them, since they make the New Deal all the more real. Also worthy of mention is his preoccupation with mobilizing artists, writers, photographers, and other creative artists to help disseminate his programs and rally the public around them.

The strongest image that comes immediately to mind, however, is Henry Fonda’s unforgettable final monologue as Tom Joad in Republican John Ford’s film, the *Grapes of Wrath*: “I’ll be all around in the dark. I’ll be everywhere. Wherever you can look, wherever there’s a fight, so hungry people can eat, I’ll be there. Wherever there’s a cop beatin’ up a guy, I’ll be there. I’ll be in the way guys yell when they’re mad. I’ll be in the way kids laugh when they’re hungry and they know supper’s ready, and when people are eatin’ the stuff they raise and livin’ in the houses they build, I’ll be there, too.”

If there were many who cried as they watched the *Grapes of Wrath* – one of the most inspirational films of all time according to the American Film Institute – they have cried less and less in recent years. Despite the efforts of the inheritors of Hollywood’s liberal tradition (personified by actors like Paul Newman, Sean Penn, Robert Redford, Susan Sarandon, Tim Robbins, and George Clooney), it was an actor, Ronald Reagan who, as President of the United States, cleared the way for the likes of Stallone, Schwarzenegger, and Van Damme. The trend has been for individual endeavor and conservative values to dominate the big screen in recent years. Even a liberal film-maker like Steven Spielberg, who once pitted Indiana Jones against the Nazis, recreated

the Cold War years for his 2008 film, where the fearless hero is persecuted by a terrible Soviet agent. And just to set the record straight, I must admit that I found the film quite entertaining.

At the same time – in real life – the various pillars of the New Deal have been whittled away, abandoning a relatively egalitarian model of society in favor of another based on increasing social inequality and social exclusion, creating a climate of conflict, which has been exploited by conservative politicians who foster fears of safety and racial tension and profit from destroying the coalition among Jews, African-Americans, small farm owners, and factory workers that had formed around the Democratic Party.

Even though recent years have been marked by a nearly asphyxiating affirmation of liberal economics, which has been further amplified by the collapse of the communist system and by the left’s difficulty in finding a balance between individual liberty and property and affirmation of social and economic rights, the idea of a “New Deal” still holds appeal on both sides of the Atlantic. Take a look in the United States, for example, at Paul Krugman’s recent book – *The Conscience of a Liberal*, or in Europe, the British Labour Party’s New Deal launched by Tony Blair in 1997. Not to mention the attempts of labor’s left to promote “a new deal for Europe.”

The New Deal, whatever its critics on both the left and right might say, has always been a critical point of reference for those who believe in social justice and collective action.

Some, like Father Charles Coughlin, initially touted the New Deal as “Christ’s Deal,” and then – according to spiteful sinners who did not manage to participate in the Roosevelt Administration – quickly began to demonize it, some seeing all the evils of Communism in it, others seeing it as an echo of right-wing dictatorships.

We have already been reminded here that the New Deal was a set of legislative measures and economic programs designed to actively combat and efficiently respond to an economic depression characterized by a loss of confidence in market mechanisms, and that in truth we can speak of two New Deals: the first which began in 1933 and aimed to resolve immediate problems, and a second one that took off in 1936 and aimed to build a long-lasting foundation for structural policies.

What made the New Deal original was precisely the sheer number of initiatives it included, all geared towards fulfilling the overall

objective of fighting unemployment, promoting economic recovery and economic and social reform. In the course of implementing the New Deal, a number of agencies and programs were created, and significant legislative measures were adopted, such as establishing a minimum wage, maximum working hours, and pension guarantees.

The United States, which was essentially created and founded on ideals of economic freedom such as entrepreneurship and free circulation, which were viewed as the way to preserve individual autonomy in the face of stronger powers, called a time out from this liberal economic order as a way to fight the Great Depression. This meant that entrepreneurs were no longer alone in calling the shots in the economic arena – the state and workers entered the scene.

Naturally, this turnabout was not easily accomplished. Symbolic of this was the standoff between Roosevelt and the conservative dominated Supreme Court – including a former Republican presidential candidate known for his extreme free-market economic views – which tenaciously opposed government intervention and declared a number of laws that were crucial to the New Deal to be unconstitutional, believing that they violated fundamental freedoms.

The debate sparked by this situation continues to raise fascinating questions for legal experts.

On one hand, it became clear that justice is neither blind nor impartial – it would always be informed by ideology. One need only recall Chief Justice Hughes' comment that "the Constitution is what the judges say it is," which brings up the problem of whether the judicial branch might assume a position of supremacy over the constituent power, completely inadmissible in a democratic state, making it possible for judges to impose their own programs or ideals in place of the government's political programs.

On the other hand, Roosevelt's threat to change the make-up of the Supreme Court sheds light on the difficulty of ensuring judicial independence.

Ironically, although Roosevelt's proposal was resoundingly defeated in the Senate, it had already resulted in one judge changing his position, which allowed the President's legislative initiatives to pass, thereby making reorganization of the Supreme Court unnecessary.

Let us just say, briefly, because time is pressing, and this is a bit of a digression, that a satisfactory resolution was achieved that did not

affect the judiciary institutions. The New Deal was able to go forward, and the Constitution underwent reevaluation and an updated interpretation.

Remember too, that any future Democratic President with a Democratic majority in Congress could be again confronted with a conservative majority in the Supreme Court and not be able to claim, as Roosevelt did, that the judges are too old. Clarence Thomas, for example, who is the poster child of judicial conservatism, is 60 years old.

Although the New Deal was a response to the Great Depression, we cannot ignore that it was greeted less enthusiastically in Europe, where it was seen as being decisive in Hitler's rise to power by means of a policy of massive state intervention. This led some to accuse the New Deal of Nazism. This is quite ironic seeing that Roosevelt would later be responsible for defeating Hitler, and thus winning a special place in the hearts of so many who love freedom.

Even more than with Nazism, many sought to draw parallels with Italian Fascism. Mussolini himself did not hesitate to declare in an interview with the *The New York Times*, "Your plan for coordination of industry follows precisely our lines for the corporatist state."

In the 1930s, there was nothing truly like the New Deal in Europe. In England, the Labour Party was unable to put forth a program capable of dealing with the Depression and lost the elections to the conservatives. In France, political unrest associated with the Popular Front interfered with the success of social programs that had been instituted there. In Spain, civil war broke out in July, 1936.

It is important to remember, however, that the idea of the Welfare State has its origins in Europe at the turn of the century (from 19th to 20th) with the enactment of legislation on social security and union rights for workers.

But it was only in the years that followed the Second World War that a European economic and social model emerged that recognized the fundamental economic role of the state, especially in matters concerning protection and guarantee of economic and social rights, health, education, social security, and unemployment assistance, with the public sector absorbing a big slice of the gross domestic product through taxes and other forms of contribution, and resulting decrease in social inequality.

Although one could also say that the European model went further in certain aspects, one cannot help but think that this corre-

sponded in large part to the same concerns behind the New Deal, namely social security and employment. Its influence is evident in some of the founding documents such as the Beveridge Report. This European manifestation of the New Deal was a later echo that also has to do with the prestige gained by the United States during the war.

The original New Deal, and the European welfare state later on, would confront the same type of difficulties, particularly beginning in the 1980s when Conservatives in England and Republicans in the United States upset the social and political balance that had lasted for decades, despite rotations of the parties in power.

The consequences of Thatcher's policies in Great Britain and Reagan's in the United States, which enjoyed strong support in the academic trenches, have been viewed in different ways. What stands out the most is the left's inability to offer a real economic policy alternative and its failure to deal with the collapse of the communist experiments, even though it had always kept a certain distance.

What is certain is that, in both cases, we have seen a breakdown in the consensus and alliances that had once served as the basis for social and economic policies along with a period of economic prosperity that brought unprecedented wealth and social exclusion which increased apace.

For many Americans today, a new New Deal centered on social security and health care along the lines of the European social model holds a certain appeal. Paul Krugman, for example, speaks of Europe as the "comeback continent" and credits the national health services, social security, and strong regulation with its better economic performance.

A bit paradoxically, this is occurring at a time when Europe, or at least a broad section of Europeans, have lost faith in the welfare state and see the American economic model as the road to the future. Some, like Alesini and Giavazzi, go so far as to say that this is Europe's only hope for the future.

Europe, whose elites have always tended to look down on the United States as culturally inferior, has come to admire more and more the ability of the United States to lead the technological revolution, attracting the best minds of an orphaned Europe, and ensuring a wealth of production in the areas of political science, philosophy and economics, in contrast with the decline in European output.

The America that emerged triumphant from the Cold War was able to add intellectual prestige to its military and economic prestige, a prestige it has not always enjoyed in Europe. The idea of a promised land where personal success depends solely on ingenuity and the ability to take risks began to undercut the foundations of the welfare state.

The election of Nicolas Sarkozy is perhaps the most spectacular incarnation of this change in thinking, and one that is especially striking coming from of country where state intervention has a certain tradition. Symptomatic of this was Jacques Attali, former advisor to Mitterrand, who was selected by Sarkozy to preside over a commission charged with determining how to liberate economic growth in France, which has come up with an impressive list of recommendations on how to reduce or eliminate state involvement.

A clear example of Europe subscribing to a more liberal model of economics can be seen in the impressive strides made towards economic integration, which is based in large part on limiting the political-economic instruments of member states. This has meant, through the rigors of competition, the dismantling of state monopolies and the use of the public corporate sector for the purposes of economic and social policy.

It was with the Maastricht Treaty, however, and the priority it gave to nominal convergence over real convergence, along with its confiscation of monetary policy and strict limitations on budgetary policy, that a decisive step was taken towards destroying the European social model. The price of all this was the French and Danish "nos" in the referenda on the Constitutional treaty, which in turn resulted in the elimination of a fundamental instrument for the adjustments to be made in European economies.

Europe, then, has been to a large extent working towards dismantling or reformulating the social welfare state model, while certain American political and intellectual segments have looked for European inspiration to meet its current challenges.

As I think I have made very clear, I am with the Americans who for a long time have remembered Roosevelt as the man who saved their jobs, their homes, their land, and their way of life when America was on the edge of the precipice.

And I would like to end as I began, with the movies, recalling that beautiful Wordsworth poem from which the title is taken and

which, despite everything, conveys strength and hope. “What though the radiance which was once so bright / Be now forever taken from my sight, / Though nothing can bring back the hour / Of splendour in the grass, of glory in the flower, / We will grieve not, rather find / Strength in what remains behind.” Natalie Wood, playing the fragile Wilma Dean “Deanie” Loomis, wasn’t able to find that strength. Nor did the actress herself find it. Will we?

NOTES

Part III

- 1 Stiglitz, in Prize Lecture 2001.
- 2 *Future Perfect*, Wooldridge.
- 3 The significance of which was clearly underscored in FLAD’s *Franklin Roosevelt e os Açores nas Duas Guerras Mundiais*, Lisbon, 2008.
- 4 See the recent book by Steven Kates (ed.), *Two Hundred Years of Say’s Law*, Edward Elgar, Cheltenham and Northampton (Mass.), 2003.
- 5 There were considerable differences from one country to another. Its impact was great in Europe, especially in Germany and France, though curiously not so great in the United Kingdom. It had little effect on a country like Portugal, which was still very rural and less dependent on other countries — see Abel Mateus, *Economia Portuguesa: Crescimento no contexto internacional (1910-2006)*, 3rd ed., Lisbon, S. Paulo, Verbo, 2006, p. 55.
- 6 The change in this author’s views on intervention in foreign trade is perhaps not so well known. From being a staunch advocate of free trade, he became a defender of intervention in trade as a complement to anti-cyclical measures (See Manuel Porto, *Teoria da Integração e Políticas Comunitárias: Face aos desafios da globalização*, 4th ed., Almedina, Coimbra, 2009, pp. 42-43 and the references made here). It was, however, a short-term perspective of short-term intervention, and we cannot forget his famous quote, “in the long run we’ll all be dead...”
- 7 Along with the formation of several other organizations, which were known as the “alphabet agencies” due to their large number and their acronyms (see Abel Mateus, *op. cit.*, pp. 60-61).
- 8 Capital Nationalization Law 1994 of 13 April on foreign investment, which was published in 1943, determined that only companies that were 60% Portuguese-owned could operate in important sectors.
- 9 Set up in 1931 by Decree-Law 19 354, amended in 1937 and 1952 and consolidated by the Industrial Commissioning Law (Decree-Law 46,666 of 24 November, 1965).
- 10 See, for example, António Carlos dos Santos, Maria Eduarda Gonçalves, and Maria Manuel Leitão Marques, *Direito Económico*, 5th ed., Almedina, Coimbra, 2006, pp. 246-47.
- 11 See, for example, Manuel Porto, “Serviços Públicos e Regulação em Portugal”, in *Revista de Direito Público da Economia (RPDE)*, no. 3, July-September 2003, pp. 161-86.

- 12 Involved in the introduction of Keynes' theories in Portugal were J.J. Teixeira Ribeiro in Coimbra and the Lisbon school beginning with A.M. Pinto Barbosa (See Manuel Porto, *Homenagem ao Doutor José Joaquim Teixeira Ribeiro pela Sua Jubilação Universitária*, leaflet of *Boletim da Faculdade de Direito*, Coimbra, and *A Universidade de Coimbra e o Ensino da Economia em Portugal*, leaflet of vol. 1 of the Proceedings of the Congress "História da Universidade", on the 7th centenary of its foundation, Coimbra, 1991).
- 13 The pursuit of other goals, such as job creation, was subject to not compromising this priority objective.
- 14 Among many other references, see Manuel Porto, *Teoria da Integração...*, *op. cit.*, pp. 456-59 and 485-86.
- 15 In Richard Musgrave's famous distinction in *The Theory of Public Finance*, New York, McGraw-Hill.
- 16 In a previous work, we tried to see to what extent Portuguese services of general interest in the areas of energy, communications, and transportation benefitted from privatizations, greater competition, or more independence from their regulators (*O Sentido da Intervenção do Estado: Experiências recentes em Portugal*, Lisbon University Faculty of Law, *Estudos Jurídicos e Económicos em Homenagem ao Prof. Doutor António de Sousa Franco*, vol. 11, 2006, pp. 1031-53).
- 17 This is an extremely topical issue in Portugal, particularly in transportation. Wrong but irreversible choices have been made. It is the shortest and therefore the cheapest routes that should have been chosen, in order to serve a much larger population and therefore be of greater social and economic utility and possible profitability, articulating modes of transport and promoting less polluting electric railroads that would significantly reduce economic and geostrategic dependence on oil (inevitable with road and air transport). Unfortunately, Portugal will serve as a negative example in school books, as the only country in Europe, and one of the few in the world, with no planning for all these purposes, with errors that will weigh heavily on future generations, and the most important infrastructures falling through our fingers and unconnected to other modes of transport (See Manuel Porto, *O Ordenamento do Território num Mundo de Exigência Crescente: Das ambições do PNPOT à contradição de investimentos em vias de concretização*, Almedina, Coimbra, 2008).

PART IV

The place of the UN and NATO in the current geostrategic context

*The reform of NATO
and the transatlantic relationship*

ADRIANO MOREIRA*

When we think about the reform of NATO and the transatlantic relationship, we have to examine its history from a consequential point of view. We need to try and relate the current status of the relationship with the project that began it. This is an exercise that easily and repeatedly demonstrates a discrepancy between the observant model on which it was molded and the observed model that it represents today.

As we enter the third millennium, we find that the unilateralism of the Republican Administration in Washington has resulted in differences of opinions and attitudes among the members of the Security Council that also belong to NATO and the European Union. Not all intervention by US forces shows a joint commitment, and it is perhaps not hard to recognize a change in the assessment of the paradigmatic ideas of West, Atlantic, cultural identity, and global alliance of democracies, all structural supports of the military alliance against a common threat that guided the commonality from the 1939-45 war to the foundation of NATO and the final victory over the Warsaw Pact in 1989.

We cannot forget that the enemies in the 1914-18 and 1939-45 world wars were not outside aggressors. They were always and only the inner demons that over centuries wrought civil war between brothers who were divided and transformed into close enemies.

This is perhaps the reason for the different views of Toynbee, who pointed out that other nations of the earth identified Western countries as the great aggressors of modern times,¹ A. CH. Guttenberg, who observed the West in formation,² and Alfred Grosser, who had no doubts when considering the European countries and

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the United States the definitive westerners after the war.³ Nonetheless, it seems clear that it was the internal German threat during the 1939-45 war and the external Soviet threat pointing toward global destruction that brought the multiple differences, mitigated by circumstances, to a unity of responsibilities and purposes. Even though the Geneva talks at the end of the war brought together some of the best minds in Europe to reflect on the value and spirit of Europe⁴ about Eurocentrism and exoticism of ideas (Hidé Ishiguro), Europe and faith (Roger Greenacre), the invention of religious tolerance (Elie Barnavi), the edge of Europe in the antipodes (Brian Nelson), and the metropolises of which the settlers dreamed (Mercel Bénabou), no-one forgot that Europe looked at itself in the mirror of the Americas (Jacques Leenhardt). All with the best, most vigorous expression in the thinking of Count Coudenhove-Kalergi, preaching his Pan-Europe movement from the United States and organizing congresses attended by all the future leaders of European reconstruction with his doctrine on the urgency of structuring the order of peace.

Wilson's inspiration, frustrated because he could not get the United States into the League of Nations and, more than anything, Roosevelt's decision when, on August 12, 1941, somewhere in the Atlantic off the coast of Newfoundland, he and Churchill signed the Atlantic Charter and announced that the Atlantic was a new Mediterranean, were central to the message that they sent to the world: "After the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want." The cemeteries of Normandy hold the bodies of young Americans who went far from their homeland to enshrine these values, a testimony that leads us to assess later divergences with moderation and crises with humility.

The alliance was founded by 16 countries in 1949 to face up to the Soviet threat, in an environment that was supposed to be of guaranteed mass destruction. Today, after the defeat of the USSR, its nature has changed considerably, and it no longer seems to correspond to the classic concept of an alliance. This is maybe because, until September 11, 2001, it lacked a common enemy. Global terrorism found the United States enveloped in the euphoria of being the

indispensable nation, enjoying the conviction of the end of history, going from the market theology that so excited Bill Clinton to the conviction that God is perfectible that seems to shore up the waywardness of the Republican George W. Bush.

In fact, after the fall of the Berlin Wall in 1989, the circumstances surrounding sovereignties changed suddenly and radically. At the time, the age-old concept that characterized the European-centered empire and still existed when the UN was founded was that the other cultural areas in the world were like soft wax that hegemonic political rulers could mold in the likeness of their own scales of values and paradigms of behavior.

The composition of the UN General Assembly was final proof of the error committed by the organization's Western founders when faced with the unprecedented reality of all cultural areas of the world talking of freedom in their own voices.

While this new feature sowed the international community with a vast number of future projects, capitals of complaint, and marginal wars, economic and financial globalization was plurally redefining the content of sovereignties, remodeling solidarities and alliances, expanding what was called the creative destruction of traditional economic structures, which was not always accompanied by the supposed reinvention, multiplying new agents and global economic and financial decision centers, obliging countries to negotiate, weakening geographical frontiers in the face of deregulation of migration, and facilitating the explosion of transnational crime. At the same time, a kind of law of reflexivity supported the aggression of the weak against the strong using the capacities that technological globalization placed at their disposal. The terrorism that outdated classic polemology on September 11, 2001 showed once and for all that this law was in effect. It is a domain in which the arms race – in an environment where the enemy that inspired the alliance does not exist – spreads risks for which the law of reflexivity advocates moderation in the use of the powerful military and industrial complex that so concerned President Eisenhower in his farewell address.

The disappearance of the enemy in the East, which meant the disappearance of the frontier of the confrontation, has resulted in the evolution of the concept of NATO, whose most evident risk is now uncertainty, and which is trying to rationalize Castells' new network phenomenon and deal with the multiplication of major politi-

cal, economic, and military spaces that are preventing the erosion of the Renaissance concept of sovereignty.

NATO's military capacity first had to face the redefinition of its mission when it was called upon to intervene in the peace processes following the dissolution of Yugoslavia, with its high point in the Kosovo protectorate, which led to the rejection of the principle accepted in Helsinki of not changing geographical borders, resuscitating an institute that decolonization policy had extinguished and mutilating a people's historical identity.

In 1997, the Madrid Declaration announced an intention to absorb the whole of Europe, while a specific type of security and defense was asserting itself in this Europe. In 1999, a policy of Euro-Atlantic partnerships was announced, including the Caucasus and the assumption of the job of managing *hors zone* crises, resulting in the command of Western intervention in Afghanistan.

Since then, European security and defense policy (Maastricht) with its rapid projection force (Bosnia and Kosovo); the partnership for peace (1994), which extended to Russia, Ukraine, Belarus, Albania, Macedonia, and the Central Asian Republics, and that included the former neutral countries (Austria, Finland, Sweden, Switzerland, Ireland, and later Serbia, Bosnia-Herzegovina, and Montenegro); the ease of undertaking peacekeeping missions by the UN or OSCE; and the NATO founding act – Russia (1997) making her a strategic partner of the Alliance in fighting terrorism have all diluted the consistency of the founding principles.

Two different perspectives of strategic globalization appeared, one American and the other European, and were soon labeled in the media as Mars (USA) and Venus (European Union). The former, back turned to the Republican Administration, tended towards unilateralism, identifying the axis of evil and warmongering. The latter was in favor of multilateralism, preservation of seats of world government, diplomacy, dialogue, and concertation, a version aimed at attracting China. In a way, the legacy of the soft wax means considering the rest of the world as a circumstance to be controlled (unilateralism) by military superiority (USA), while the European countries' experience of decolonization points to considering the rest of the world as a neighborhood defined by desirably friendly borders. It was a tragedy that the first great manifestation of the former trend, the invasion of Iraq, was based on the manipulation of facts with disastrous

effects on solidarity within the UN and NATO and collateral effects on internal European solidarity. All this turned attention away from the turbulence on Euro-Atlantic borders, with wars in Afghanistan, Somalia, Iraq, Lebanon, and Palestine, internal unrest in Turkey because of the Kurds, in Lebanon because of Syria, in Jordan because of refugees, and so on. Alain Joxe's overview of the state of the world in 2008 on the basis of these facts points to the reasonable conclusion that NATO runs the risk of ceasing to function as an alliance and becoming a place for confrontation between major American strategy and major European diplomacy.

This worrying conclusion may be a premise that inspires some corrections or additions with regard to less desirable corollaries.

In the first place, the world has no enemy like the one that inspired NATO, but Toynbee's vision is dispersed in the tension between the planetary city in the north that is rich and spendthrift but weakened by shortages of raw materials, non-renewable energies, and strategic food reserves and the geography of hunger in the 3As (Asia, Africa and Americas), where the North has been getting richer and the South has been producing more and more children. This tension has found in global terrorism the armed expression most threatening to all Westerners, alienated as they are in a technological and scientific superiority that easily succumbs to selective attacks.

The circumstances surrounding Western countries could not change substantially without their having to reorganize the attitude, definition, and response of their system of governance, security and defense, if they treat their identity as the axle that goes with the wheel but does not turn.

The dominant European version points to the definition and consolidation of friendly borders, which is a concept that guided the policies of the Portuguese presidency of the European Council in 2008 at the different summits, particularly those between the EU and Africa and the EU and Russia.

Recently, General Loureiro dos Santos submitted an interesting proposal for the emerging powers, distinguishing between islands of global power and islets of global power, the former limited in number and the latter constituting an unstable group. He naturally considers the USA an island of global power and the only global superpower. West of Eurasia he analyses the European area that he with some doubt classifies as a semi-island or quasi-island, with several islets

of global power (United Kingdom, France, and Germany) and two quasi-islets (Italy and Spain) that may become an island.⁵

Implicit in this academic exercise, which inspired considerable thought, was the recognition that the Western countries are reinstalling in the Atlantic an age-old European tradition which is that countries have no neighbors, just close enemies – the differences of outlook between Republican Americanism and EU Europeanism tending towards the restless border. Political decisions are certainly the factor that will widen the gap or return to the thinking of Wilson and Roosevelt, a return to the major principles proclaimed when the world celebrated the joy covered in tears that was the 1945 peace and the creation of the UN, accepting that globalism requires the reinvention of governance, friendly borders, and awareness that our common home (Earth) is subject to real threats surrounding us all and calling for an alliance of civilizations. Military forces are not dispensable, but they should be tranquil forces, and not instruments of unilateralism.

All regulatory, evaluative, and institutional references pointing to an urgent need to reorganize world governance in peace are Western – international law, human rights declarations, the principles of sustainable development, the democratic creed, fundamental freedoms, human dignity for all, developments that do not and should not allow us to forget the liabilities left by past history. But the world around us is not the soft wax of the original European-centered ideology, and so today the Western heritage is a source of reference established, with its errors and insufficiencies, in its own space and bequeathed to the world. But the conflict that surrounds it, the roots of which were described by Toynbee, advises against letting down our guard, since empires also suffer from metal fatigue, as shown by the severe financial crisis in the United States, the ineffectiveness of unilateralist incursions, and the weakness of the European area after decolonization with its shortages of raw materials, non-renewable energies, and strategic food reserves.

I think it is urgent to focus on the old alliance, not the sovereign Cold War enemy but the diffuse risks that the law of reflexivity multiplies, that global terrorism takes to extremes, and the internal weaknesses of social cohesion exacerbate. The future of the alliance seems above all to be that of an external security organization supported by a tranquil force, and an internal security organization

with a commitment to sustainable development, which is one of the names of peace, which seems healthier than progressive transformation into insecure, weak support of futureless unilateralism. We must recognize that the security of the North Atlantic, which developed in a situation that no longer exists, now requires the concept to be extended to the South Atlantic, along the line of archipelagos, embracing the many new independences. In short, we must assume that the Alliance of Civilizations is an unavoidable requirement of globalism that means reorganizing world governance rather than multiplying centers of power in armed challenges. And we must assume that this Alliance of Civilizations must prevent the appeal to transcendence, which introduces religious values to the strategic concept of armed, aggressive powers – as was the case with the invasion of Europe during Muslim expansion, the Christian reconquest, the Crusades, and Western colonization, and is now the case with global terrorism – from continuing to prevent the values of peace from presiding over the reorganization of world governance. It is vital to remove God from the battlefield.

*Franklin D. Roosevelt, the creation of the
United Nations, and the challenges
of a post-globalized world*

STEPHEN SCHLESINGER*

I am going to talk about Roosevelt and his passion for a global organization, and how he eventually set up a successor to the League, the United Nations, and where we are today with the UN. And I think it is fitting that I speak on this celebratory occasion of FDR's expedition to the Azores, for it was one more example of his concern about world amity.

The story of FDR and the UN really begins at the Versailles peace conference that brought to an end the First World War. At that meeting, President Woodrow Wilson sought to focus the attention of his compatriots on his proposal for an international organization called the League of Nations. Wilson's dream was that such a League, bringing together all the nations of the planet within a single security institution, could guarantee the cessation of all future conflicts. Roosevelt was enthralled by Wilson's vision. He was among the most important Democratic Party leaders at the time, following Versailles, who pushed hard for Wilson's League. As the vice-presidential candidate of his party in 1920, he traveled all over the country speaking in favor of its ratification. But then, as you know, the American Senate refused to ratify the League – and America never joined the organization.

But Roosevelt never gave up on Wilson's dream. When he became President himself in 1932 – he served four terms more than any other leader in my country's history, dying in 1945 – Roosevelt constantly looked for opportunities to re-establish a similar kind of world body, even while the rest of his countrymen and women continued to oppose such organizations because, during these years, in the 1920s and 1930s, most were resolutely isolationist, indeed, anti-internationalist.

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But the arrival of the Second World War, of course, changed all of that. The attack on Pearl Harbor thrust the US back into the international scene, willingly or not. But even before that so-called “day of infamy,” Roosevelt had begun to prepare his nation to deal with a global conflict. For, well before this war commenced, ever the visionary, Roosevelt had already secretly instructed the US State Department to start working on the draft of a United Nations charter. FDR was already thinking about what should happen after the end of a new global conflict when he knew it would be more essential than ever to maintain a permanent peace through collective security – and how should you do that? For him, a UN was the only solution.

And it was Roosevelt who held unswervingly to this concept of a world assembly throughout the terrible war of the 1940s – the most destructive and costly in human history. It was he who convinced Winston Churchill and Joseph Stalin to agree to hold the founding conference in San Francisco in the spring of 1945. It was he who helped to finance the meeting – who helped to bring foreign leaders to the conclave primarily using American transportation – and it was he who introduced the draft charter for the organization, written by the US State Department, to the delegates. Sadly, 13 days before the meeting began, FDR died – but his successor, Harry Truman, stuck loyally to FDR’s vision and made certain that the encounter in California was successful. Still, without FDR, it is clear there would not be a UN today. This was his finest hour.

But after FDR’s triumph, the people of America – and especially its elected officials – have proven to have a bumpy relationship with the UN – sometimes enthusiastic, sometimes lukewarm, often hostile. Indeed, the US and the UN have fallen in and out of love many times over the decades. This, I might add, has certainly been less true for the rest of the world’s nations which, by and large, have proven to be staunch supporters of the organization. But in the US, we have seen dramatic examples of her inconsistent allegiance to the UN. The phenomenon really began in the Reagan era when Washington refused to pay its dues out of the belief that the UN was becoming anti-American and anti-Israel; and this coolness and wariness continued even into the Clinton years, when Washington displayed ambivalence about UN involvement in the crises in Somalia, Rwanda, and Serbia. Yet, in all the dark periods in the US-UN relationship, none equal the past seven years under President George W. Bush.

Now, as you know, Bush came to the White House as a unilateralist. He repudiated a host of global treaties, including the ABM pact (Anti-Ballistic Missile Treaty), the comprehensive test ban treaty (Comprehensive Nuclear-Test-Ban Treaty, CTBT), the Kyoto protocol on global warming, the International Criminal Court, among others. He expressed open skepticism about the value of any international body like the UN. Indeed, as regards the UN, he even refused to name an envoy to the organization for the first nine months of his Administration. And he allowed US financial arrears to remain unpaid.

But the attacks of September 11, 2001, abruptly changed all of that. Suddenly the UN rallied the international community behind American actions to counter terrorism, and Bush discovered a new and unexpected ally. Subsequently, Bush won the backing of the Security Council for an offensive against Afghanistan, where the assailants of September 11th were hiding out. Given the quick UN assent, Bush now hastily appointed an ambassador to the organization and paid up all past American obligations. And, from then on, Bush began, to everyone’s astonishment, to consult with and work with the Council on a regular basis.

Of course there was one glaring exception – his decision to invade Iraq in 2003 without the support of the Security Council. For many observers, this seemed to signal a possible demise of the United Nations. For, after all, if the most powerful nation on Earth could circumvent the UN Charter, why couldn’t any nation do so, and what, in the final analysis, would the organization then be worth to the world? But a funny thing happened after the Iraqi war: Bush found himself virtually isolated in Iraq with only one important ally, the British. In other words, he swiftly discovered that the global community was simply not going to ratify any of his actions if he did not have the legitimacy of a UN resolution authorizing the Iraqi strike. It was a troubling wake-up call to the Administration. So what did Bush do? He returned to the Council to obtain its endorsement of the US occupation of the country.

And from then on, Bush has treated the UN with quite extraordinary attention. Indeed, he has regularly turned to the Council for help on many, if not most, of his major foreign policy concerns. He has displayed a willingness to compromise, a necessary tactic to gain the allegiance of the other four permanent members who wield the

veto. But he has not been doing this because of a special new affection for the UN, or out of some sort of change of heart, but for his own political survival. Let's look at the record, an accounting that will come as a surprise to most people:

- in Iraq: from 2003-05, he convinced the UN to help conduct the elections for that nation and help write her Constitution;
- similarly in Afghanistan: in those same years, he persuaded the UN to help supervise the Afghan elections and draft her Constitution;
- in Haiti in 2004, it was the UN who replaced US troops with peacekeeping forces after President Aristide was overthrown by right-wing insurgents;
- in Lebanon: in 2005, the US and other nations convinced the Security Council to enact a resolution that led to the ouster of Syrian troops;
- in the Israel-Hezbollah war: in 2006, after some hesitation, the US and other countries arranged a UN-sponsored ceasefire through the Security Council and the placement of UN peacekeepers in the southern part of that country to maintain the cease-fire;
- in North Korea: in October, 2006, the Council, at US urging, imposed sanctions on that nation over her nuclear activities;
- in Iran: from 2006-08, the US convinced members of the Council three times (and maybe a fourth to come) to impose sanctions for her role in enriching uranium.

So busy have Bush envoys been at the UN, that a fourth of all of the Security Council resolutions passed in the 63 year history of the organization have occurred during Bush's seven years in office. And during that period, Washington has cast only ten vetoes and has only been vetoed three times, showing how consensus-driven the Bush Administration and his emissaries have been at the Security Council. In addition, Bush has worked in other ways with UN, for example, on aiding victims of the Asian tsunami, sending help to AIDS sufferers, and providing medicine for those inflicted with the avian flu. Even his family has enlisted with the UN. His daughter joined UNICEF as an intern and wrote a book about her experiences there. And his wife Laura today serves as an honorary ambassador for the UN Literacy Decade.

I don't mean to underplay Bush's "lone cowboy" antics overall as regards international bodies. Not everything has gone well,

especially at the UN. Bush has made a number of egregious mistakes at the organization, besides the Iraqi invasion. At one point, he appointed a hard-line anti-UN crusader named John Bolton as his envoy. Bolton managed to partly derail the UN reform movement of 2005 and kill some of the crucial changes, like disarmament initiatives and measures to head off global warming. Bush, on another occasion, sought to fire the head of the International Atomic Energy Agency [IAEA]. He withheld funding to the UN Population Fund over the issue of abortion. He refused to allow the US to join the newly created Human Rights Council. And, finally he opposed a UN-sponsored small arms accord that might have reduced violence around the globe.

Still, overall, he understood the utility of the organization – at least from his own well-defined self-interest – and ultimately he realized that, if he wanted something from it, he had to, albeit grudgingly, treat it with respect. And the UN, indeed, did save him from worse calamities, though it is worth noting that in his seven years in office, I have never heard Bush or his representatives ever thank the UN for its assistance. Nonetheless, what this has proven in the end is that UN diplomacy can work. Still Bush is likely to take his dealings with the UN to his grave. For, as is obvious, public knowledge of his participation with the UN has remained practically a state secret.

Now, let's look at the future state of the UN. I see the following issues, ones which, I believe, America and the rest of the world are going to have to struggle with:

- First, the continuation of the UN reform movement. In 2005, spurred on by then Secretary-General Kofi Annan, the UN enacted a number of important changes in the body to modernize the place and get rid of archaic rules that no longer made any sense and, most importantly, to face up to the new perils of terrorism.

Among some of the key reforms that have since begun to play significant roles are, first, the Democracy Fund, and second, the Peacebuilding Commission. These two entities were established to help fragile states coming out of conflict, or nations on the verge of falling apart, to get direct help from the international community to rebuild their societies and establish democratic governance. So far the Democracy Fund is beginning to have some useful impact while the Peacebuilding Commission is still attempting to find its way. Member nations will have to make sure these crucial reforms work.

– Another reform is the famous responsibility to protect provision. The UN is expressly forbidden by its Charter from intervening in the domestic affairs of its member-states. But this new provision would allow the Security Council to intervene when a country is committing genocide against its own people. This has been regarded as a real breakthrough for the UN. But, in practice, it has so far not been used in hotspots like Darfur, or Somalia or other conflicts. Why? Because usually one of the five permanent members of the Council vetoes any action. So, for the time being, the political will is lacking to employ this new instrumentality.

– The Human Rights Council. The Council was designed to replace the discredited Human Rights Commission, which had fallen into the hands of states which themselves were human rights abusers. Unfortunately though, the new Council has its own share of retrograde members, and has further aimed most of its condemnations at a single country – Israel, thereby sidestepping censures of a host of other flagrant violators of human rights. Still one of the glaring weaknesses, too, is that the US refuses to join the Council. If Washington were to enlist in this new body, I believe, it might be able to help get the Council back on track.

– Management reforms. Here some considerable progress has been made. Now the Secretary-General has more power to hire and fire staffers and to get rid of deadwood. Ban Ki Moon himself has released details of his financial assets, setting a good example for future secretary-generals. And now, after the Iraqi oil-for-food scandal, the UN has an Ethics Office to look into misbehavior of individuals in the organization.

– Finally, Security Council reform. This was truly the biggest failure of the reform movement. As of today, only five nations are permanent members possessing the veto: China, Russia, the United States, Great Britain, and France. Why have these states gotten these privileges and no others received them? The blunt answer is that they were the victors of the Second World War. And they collectively put forth the UN Charter.

But there has been no movement on this deeply emotional issue. Non-permanent states continue to argue that the Council should be opened up to new permanent members, contending that the Council should better reflect the power realities on the planet today. Otherwi-

se, they say, there can be no real legitimacy to the decisions of the UN. It does seem hardly fair that states like France and Great Britain are more deserving of a spot on the Council than powerful and populous lands like India, Japan, Germany, Brazil, South Africa, among others. Still, as Kofi Annan once confided to me, this is practically an insoluble problem. For if one nation is chosen, say, from the Latin America, like Brazil, then Argentina and Mexico will object. And in Asia, Japan thinks it has more right to be on the Council than India. And the same conundrums face the states in Africa, the Middle East, and Europe.

But, beyond the reform endeavors, the UN has much else to do. It must further democratize itself. One idea already in motion is the formation of a “democracy caucus” in the body. In 2004, some 80 democratic nations organized a so-called “community of democracies” to fight for human rights, free elections, free speech, and free assembly within the UN. This so-called “democracy caucus” has so far had little success, although recently it did block authoritarian states like Belarus and rights violators like Sri Lanka off the Human Rights Council. But it will have to become more active.

Indeed, the UN, in some ways, is a paradoxical organization as regards democratic rights. It upholds human rights as its highest ideals, but it has never required that new entrants, as a condition of membership, be democratic. In fact, at the San Francisco Conference of 1945, the founding fathers made clear that they were more interested in establishing the UN to maintain security, not to proselytize for individual rights. Their argument was that all nations, regardless of the nature of their governments, should be included, since any state, whatever its ideology, might eventually become immersed in war. Still, the aspirations of the UN Charter are real ones and do have an impact over the long-run – maybe not now, but eventually. And here is where a “democracy caucus” can play its greatest role.

One final note on democratization: there is now a growing movement to create an elected parliament for the UN. At the end of last month, over 500 members from some 80 or so countries called for such an assembly. This is not the first time such a call has been made. This time the sponsors are world-wide: the Latin American Regional Parliament; the European Parliament; the Parliamentary Assembly of the Council of Europe; the Pan-African Parliament; and the Canadian House of Commons. However, there is still no representation on this roster from the United States, Russia, China, or other Asian

states. This hurts the effort. Still the notion is that such an assembly, at the beginning, would be primarily a consultative body to the UN, and thus not require any immediate UN Charter reform. At a later stage, it might switch to direct elections.

Yet another place the UN must act – on terrorism. The UN has set up numerous committees to address terrorism but still can't agree on a proper definition of the term. And it has done little on the matter of controlling weapons of mass destruction. It has tried to monitor the development and spread of nuclear weaponry around the globe, through the International Atomic Energy Agency. But even the IAEA has not always been able to keep track of all the activities of countries like Iraq, North Korea, Iran, and at one time Libya. Frankly it has usually been the US which alone has forced action to deal with rogue nations. This is not good enough. The UN must take a more proactive role. An equally unsettled question is whether the UN should have its own rapid-response military force to deal with crises. This has been a long debated idea, but so far without any serious resolution.

Settling conflicts. Here has been an area where the UN has found its greatest success. The organization has helped end wars in fiery locales ranging from Cambodia to Guatemala and Cyprus. And today, the UN supports some seventeen peacekeeping missions around the globe. It has over 100,000 troops in the field. It expends some \$6.7 billion annually. But there are problems. The UN cannot always serve as a peacemaker in disputes, when it is refused any entry, as is true, for example, in Zimbabwe and Darfur. Some member-states also remain behind on their UN peacekeeping dues. The US is one of the biggest laggards, some \$1.2 billion in arrears. Some UN forces in the field also have committed sexual crimes. There is still plenty of small arms trafficking that keep wars raging. And the mandate of the International Criminal Court must always be renewed and broadened. There is much to do.

Economic issues. We all know of the divide between the North and the South. We know that the gap is growing. We are also aware of the fact that in the year 2000 the UN adopted the Millennium Development goals that have the objective of reducing poverty by 50% by the year 2015. But the commitment, as we know, is purely a voluntary one. So this is yet another summons for the world body to take up. Can we make the fulfillment of the MDGs obligatory rather than voluntary for all states?

Environmental and health issues. Global warming is still an enormous peril to our planet. Lately the UN has decided to more directly address this matter. And then, of course, there are the twin health scourges of AIDS and malaria. The World Health Organization and many countries, as well as many non-governmental bodies, are trying to stamp out these terrible afflictions. Member states must remain supportive of these collective endeavors.

In all, these are but a sampling of the challenges that the UN will face in the coming years. But we know that the UN is capable of dealing with these problems. After all, the organization has not survived for 63 years because it has been a do-nothing body. Franklin Roosevelt's vision, in the end, in fact, was the correct one. It is his greatest contribution to humankind. We thank him today for his vision and for his foresight.

A security system for the entire geographic West
JOSÉ ALBERTO LOUREIRO DOS SANTOS*

I

The concept of the “West” took on meaning during the Cold War, being defined as the space that needed to be defended from the Soviet peril.

The moment Europe was rent by a dividing line – the Iron Curtain, a term aptly coined by Winston Churchill – that separated the Soviet Union and her satellite countries in the East from the countries of Western Europe, it became indispensable to set up a system of defense that would safeguard the common security of the countries on both shores of the North Atlantic, i.e. the United States and the westernmost point of Europe.

Owing to their geographic position, the Azores were the link that brought together this entire space into an unbroken chain and this, in turn, demanded that Portugal, which did not have a democratic regime at the time, took her place among the founding members of the defense system that was formally set up – the North Atlantic Treaty Organization, or NATO, in its English acronym.

Over time, the division of Europe turned into a worldwide division between two adversarial power poles (the USA, which headed NATO vs. the USSR, which led the Warsaw Pact). In this new bipolar world order, the term “West” came to lose its merely geographical meaning and acquired a political meaning (democratic and free, as opposed to autocratic and communistic) and an economic meaning (free market or capitalistic economy, in opposition to a state-run or centrally managed economy), and subsequently became a catchword for military and political defense and the safeguarding of culture and civilization. This new cultural and civilizational West in its wider expression encompassed not only the United States and Western

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Europe but also the democratic countries of Asia such as Japan and Australia, to name two, and countries whose cultures bore the stamp of European origin and could be classed as predominantly Christian such as most of Africa (Anglophone, Francophone, and Lusophone Africa), and the countries that make up Central and South America.

The original meaning of the term “West,” a designation of a geographic nature and the place where everything had started, had purely and simply lost its meaning and been replaced by interests of a much wider scope; it had, in other words, lost its usefulness.

In its aim to block the Soviet threat, NATO’s armies were not only serving to defend the westernmost point of Europe and, along with it, North America’s national territory with the Atlantic Ocean acting as the central area of movement between the shores and an area whose control was indispensable to safeguard. NATO was, in effect, defending the entire free world, democratic nations, and Western culture and civilization.

II

The end of the Cold War is now putting in question the wider meaning attributed to the term “West.” Although NATO is attempting to survive (by changing its aims, enlarging its membership to include newly-democratized European states formerly within the Soviet sphere, and allowing for actions outside its usual geographic sphere, i.e. outside its original European, Atlantic, and North American geographical space), although it has committed to these efforts, the Atlantic Alliance has still not found a new role for itself in this new world. It is a world with only one superpower, which is precisely the superpower that heads NATO, albeit one that has been increasingly challenged by large and small emerging powers and transnational players that are not states. It is a globalized world, economically, financially, and culturally speaking, and with regard to information and communications, but also in terms of violence and terror, deep-seated social fractures, yawning rifts between the rich and the poor, and feelings of humiliation and revenge sparked by fundamentalist ideologies that lead to violent extremism.

It is a complex world, with a network-like organization, that is extremely vulnerable, and one in which the systems that sustain the

functioning of society can be neutralized by attacks coming from cyberspace with devastating outcomes that can be even more powerful if they are carried out in combination with large-scale terrorist attacks.

It is a world that, on one hand, makes it hard for states with greater military might to make use of highly destructive military operations to achieve their political goals. Beyond a certain level of destruction and disorganization, war can no longer act as an extension of policy using other means, as was the case with the offensive use of nuclear weapons. On the other hand, the complexity of this new world enables militarily weaker players to make use of their politically useful special potentials since, in fact, many of the sophisticated technological devices that are cheaply and easily within the reach of any normal citizen can be transformed into powerful, highly destructive weapons with ultimately powerful political effects. Two cases in point are mass transport conveyances (overland, sea, and air) and large public gatherings such as public shows and events where an explosive device (also easily obtained) can be set off in full view of the cameras, which then broadcast the tragedy live around the world via TV and the Internet. It is therefore a world in which ostensibly weaker players can wreak havoc and instability within the spheres of influence of the powerful, and one in which “empires” find it hard to pacify zones that are unstable, agitated, and in turmoil.

III

What this means is that our globalized, complex, post-modern world will be one of persistent conflict (in the words of General Casey, current US Army Chief of Staff), where the most common perpetrators of violent upheaval to gain power will resort to insurrectional activities, which the “empires” need to respond to by using counter-insurrectional campaigns, formerly called pacification campaigns.

These types of conflict cannot be resolved with classical military force, using operations of territorial conquest and destruction of the enemy’s military forces, a field that a Cold War NATO peerlessly specialized in. Basically, they are resolved with maneuvers of a political, psychological, economic, social, ideological, and reconstructive nature aimed at garnering the support of the populations that

are the object of the political plan one wishes to impose. With this type of coordinated action, run by a variety of state sectors, military maneuvers, though decisive, will be restricted to creating the conditions of security that enable other sectors to carry out their initiatives successfully. This involves conquering – not territory – but the hearts and minds of the citizenry. It implies – not destroying the forces at the enemy's disposal – but persuading citizens that the aims of the plan are benevolent, then attempting to lay the groundwork for the plan's successful execution.

No military coalition, however powerful, possesses the conditions to successfully conceive and manage conflicts of the nature mentioned above. Not only do coalitions lack the proper tools, but they also lack the conditions of flexibility and authority to coordinate these tools – tools that belong to the states that comprise the coalition and which, in turn, will never part with the tools willingly. Only a state has the power to do so. A state possesses the proper tools and the authority to make use of them in due time and in a coordinated fashion. Only a powerful state, belonging to a coalition, and assuming its leadership, can bring this to bear with allied states backing the leader state, cooperating in activities, and in the various areas – including military – that the conflict involves.

This is the ambiguous situation of NATO as a coalition of nations currently and in the foreseeable future.

A military coalition only generates strong ties and common interests if the states belonging to it have an identical perception of the possible dangers that imperil them. This is what happened during the Cold War; but it is not the case today.

For example, the perception of Afghanistan as a threat is not expressed by the overwhelming majority of public opinion of the European nations in NATO, which explains the reticence of their respective governments to commit forces to that theater of operations, and the limits these nations have set on the utilization of the forces committed in an attempt to find situations that will minimize the likelihood of casualties.

Direct threats to one's national territory make it easier to achieve a unity of wills and support, since populations find it easier to see the rationale. Lacking this, it is extremely difficult to mobilize citizen support for a possible campaign.

IV

NATO must therefore recognize the specific surrounding circumstances of today's strategic context and that of the foreseeable future, heeding the underlying implications, and then acting accordingly with regard to how it conceives its actions and how it is organized.

Its main efforts should remain focused on defending the territories of its member states for whom Article 5 would function to its full extent. Actions to be carried out outside NATO's customary sphere should be subject to decision by each state in accordance with each state's assessment of the degree of threat to its interests – particularly its vital interests – that each situation poses.

The states' perception of what constitutes a threat will change once the threat increases and/or becomes real. This altered perception will, in turn, be reflected in the manner in which states feel they must collaborate with their allies, bolstering their support for the defense of interests outside NATO's usual sphere.

Here we must underline that the growing pressure that exists to obtain essential goods needed for developed societies to function and to guarantee the well-being of their citizens is generating a new situation that may put in check certain aspects of our globalized economy. One can already detect a tendency to seek self-sufficiency in the countries of the larger geopolitical zones with regard to both economic issues and security. Economic blocks have been established, as have security and defense pacts, though these have not superseded the need to keep the globalized world functioning in areas where globalization is needed, and especially in areas where interests dictate that globalization be maintained. We need only look at the recent statements made by Nicolas Sarkozy who, while acting as President of the European Council, declared himself to be a "promoter" of a Europe that was relevant to its citizens' lives and "protector" against the winds of globalization.⁶

In other words, the well-defined, large geographic zones once again appear to be gaining greater importance, relatively speaking, for the states that comprise them in terms of security and defense and with a view to guaranteeing the greatest possible well-being and safety for their citizens. Though national borders will not regain the role they played in the past, it is possible that such a role may eventually be attributed to the borders that circumscribe the larger geopo-

litical areas that bring together those areas which are closer to one another and have complementary economic interests, similar cultural and civilizational values, and feel united by a common threat.

The geopolitical space made up of North America and Western Europe, linked by the North Atlantic, continues to constitute a specific, individualized grouping. In other words, the West in its geographic sense needs to be highlighted once again, in relation to the West in its broader sense – and especially from the point of view of security and defense – as that more limited concept that arose at the beginning of the Cold War and that led to the creation of NATO.

This does not preclude security and defense cooperation with other geographical areas. This cooperation should be brought to bear whenever the states that are part of these geographic areas share common interests. This, after all, is what we have with the many strategic partnerships NATO has been establishing and that have transformed NATO into an organization with a shifting geometry. But this shifting nature should also apply to the use of resources of NATO's member states, whose intervention should depend on a case-by-case assessment of the degree of danger each nation's interests are exposed to.

V

Currently, NATO's geopolitical space for priority action (the NATO area) is out of date. The reason lies in the following strategic developments:

- 1) Greater globalization in the economic and financial areas, in information and communications, culture, and the resulting globalization of fear and violence;
- 2) The emergence on the international scene of forces that have considerable potential to wield power, which is increasingly being brought to bear;
- 3) The existence of transnational organized crime and international terrorism of widespread or global impact;
- 4) The rapid increase in the pressure put on great emerging powers to acquire strategic resources, energy resources being of particular mention;

- 5) The proliferation of failed states with power vacuums subject to being usurped by criminal or terrorist organizations.

This combination of factors has conferred huge importance – to the regions themselves and to the Northern transatlantic community – upon the southern regions of the American continent and Eurafrica, thereby spreading the importance of the North's defense concerns to the Atlantic communities of the South. This implies the need to institute a system of security for the entire geographic West, bathed by the North, Mid and South Atlantic, which is increasingly connected through relationships of interdependence. The same combination of factors has also shown that the transatlantic regions of North and South possess clearly complementary economic and security interests, both latitudinally and longitudinally. In addition, their populations share many of the same cultural values.

The South possesses natural resources that are growing scarce in the North, namely fossil fuels; the North possesses the know-how in terms of governance and security, which can be of use to the South. Each region, North and South, stands to act as an attractive market for the other. Moreover, a large part of the commercial shipping that supplies the North, and the products the North exports, go through the South Atlantic, since the Atlantic Ocean as a whole acts as a platform of mobility without an outlet to the North (which will become precarious after 2040, owing to climate change), with two narrow, vulnerable passages to the East and West (the Mediterranean and the Panama Canal). We may therefore say that the only routes that guarantee access are those that enter by the South, though with greater difficulty, through the Strait of Magellan and more easily through the Cape of Good Hope.

This new strategic context suggests we form a wider view of the geographic West, one that includes both shores of the entire Atlantic Ocean (the entire continent of America and Eurafrica), not just a West that is restricted to North America and Western Europe – the geopolitical space that generated the Atlantic Alliance in 1949, and a concept of "West" that is clearly outdated. The security threats (organized crime and international terrorism) engendered by the failed states of the South, which affect North and South alike, must be combated with the common will of the political powers of the vast region that encompasses the geopolitical space that is the entire geographic West.

In the first phase, this can probably be carried out by means of strategic partnerships between NATO and security organizations being formed in South America and Africa. Later, we can consider the possibility of a treaty that encompasses the most influential states in the whole transatlantic area, if not all the states.

In a security and defense grouping of this sort, the Azores will continue to play a crucial cooperative role, not only between both shores of the North Atlantic, but as the vertex of a key strategic triangle that widens the defense concerns of the North Atlantic to the South Atlantic – the triangle of mainland Portugal, the Azores, and Cape Verde.

In controlling the Mid/South Atlantic, the central role will be played by the polygon consisting of Cape Verde, São Tomé and Príncipe, Angola, and Brazil. The Cape Verde-Brazil axis would control passage of the North/Mid Atlantic to the South Atlantic. The São Tomé and Príncipe Archipelago would be the strategic focal point for controlling the Gulf of Guinea, which abounds in strategic resources. Brazil and Angola have the capability of commanding the shipping routes which, from the South and the other oceans, put in at the ports located along the entire length of the Atlantic's shores.

Throughout the 20th century, the North Atlantic was heavily marked by what we may call the "English-Speaking Club," arising out of the Washington-London axis. In the 21st century greater importance will be given to the "Portuguese-Speaking Club" since, in effect, the whole South Atlantic can be considered one large, Luso-phone lake.

This – not transfer – but widening of security concerns, which one sees as taking shape with a spread to the South, will include Brazil to the West, as a great emerging global power and pole of unification for the nations of South America, and to the East, Angola, a regional power that is rapidly increasing in strength; and in mid-ocean, significant points of strategic support, namely the Azores, Cape Verde, and São Tomé and Príncipe. This widening of the area of responsibility of a future system for security and defense for the geographic West has become a strategic imperative, since the geopolitical zone it comprises, as a whole, must be able to respond to the challenges of the future.

The "area" itself and the one requiring defense priority in this new security and defense system, and the one that would comply

with the same obligations as those laid down in Article 5 of the Washington Treaty, would be confined to the limits of this space. This does not preclude the existence of a security and defense system for any place on our planet where the interests of the strategic American-Euroafrican bloc are put at risk. But this would depend on a case-by-case assessment, the outcome of which may be total commitment, or the commitment of just some of the member states, as each saw fit, and in light of each member's interests in the strategic area of possible intervention.

*The role of the transatlantic community
in the international system*

CARLOS GASPAR*

As of 1941, transatlantic relations stood for the alliance of Western democracies, which successively ensured the military defeat of German totalitarianism in 1945 and the peaceful dissolution of Soviet totalitarianism in 1991.

The past of transatlantic relations, from the restoration of Western unity, which was interrupted after the French Revolution,⁷ according to Hannah Arendt, is a success story. Before and after the formation of the Atlantic Alliance and the European Communities, before and after the end of the Cold War, it has also been a story of recurring crises, from the 1950s and the failure of the European Defence Community and the Suez Crisis to the present day and the invasion of Iraq.

Western divergences

The latest crisis in the Western alliance, which was caused by differences of opinion on the American and British invasion of Iraq in 2003, was not just a crisis in the Atlantic Alliance. It divided the whole transatlantic community and lasted into the crisis caused by the rejection of the Constitutional Treaty of the European Union in 2005.

The connection between the Western crisis in 2003 and the European crisis in 2005⁸ was not obvious from the outset, though it became clearer from the European than from the American side. The link was established in the first months of 2003 by the clash between the neo-conservative militarist version of “democratic internationalism” and

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the neo-pacifist line of the German version of European Gaullism, between the American attempt to oppose a “new Europe” to the “old Europe” and the federalist attempt to build a “European nation” against the United States, which became inseparable from the ratification process of the Constitutional Treaty, at least where France was concerned.⁹ The defeat of the Constitutional Treaty was also a defeat for the defenders of the “Axis of Peace,” which envisioned an alignment between the European continental powers, including Russia, as an alternative to the old transatlantic community.

The importance of the link was confirmed by the defeat of the main political representatives of the anti-American and anti-Western line, including President Jacques Chirac and Chancellor Gerhard Schroeder, in the general elections in Germany and France. The French case was particularly interesting, as the continuity of the Gaullist right was guaranteed by the election of Nicolas Sarkozy, the most “American” of all the Presidents of the Fifth Republic, and the electorate’s rejection of the socialist candidates belonging to the anti-American campaign.

The crisis in the transatlantic community helped show up the division between the allies and the risk of a separation of the two pillars of the Kantian western archipelago – the Atlantic Alliance and the European Union.

The divergences between the allies were the result of three factors. These factors were the loss of centrality of the Atlantic Alliance for the United States and for the European allies, new American and European strategies in the transatlantic community, and difficulty in defining a common vision of the future of the Western alliance.

The end of the Cold War and the international weight of the United States had the effect of reducing the priority given to relations with European allies in American foreign policy after 1945. This change was clearly expressed by the United States’ delay in responding to the wars of secession in Yugoslavia, where her intervention, contrary to the European allies’ claims, was vital in mobilizing the military resources of the North Atlantic Treaty Organization (NATO) and ending the hostilities¹⁰. At the same time, the end of the division of Germany and Europe, the formation of the European Union, and the economic and monetary unification program placed community integration at the center of European politics. The need to counterbalance a reunified Germany mobilized all France’s forces

into European politics, including a convergence with Britain that focused on regional security and defense. European centrality was also reinforced by international regionalization and American disaffection, and managed to resist the dramatic demonstration of the European Union’s political and military impotence in the Balkan wars, in contrast to its arrogance when in 1991 it decided to consider the Yugoslavian secession a “European matter” and not a problem for the whole Atlantic Alliance.

The loss of centrality of the Western alliance was accompanied by a revision of American and European strategies in the transatlantic community. The United States ceased her unreserved support for European integration, as she had done during the Cold War. This change began to make itself felt in 1991 with US opposition, directly or through her allies, to the creation of the European Union defense policy proposed by France in the framework of the Maastricht Treaty.¹¹ President Bill Clinton confirmed the United States’ reluctance in this area with his firm rejection of all forms of independence of European defense that might prejudice the status of NATO and the United States’ position as guarantor of European balances. The creation of the European Security and Defence Identity and the Berlin agreements, which regulated relations between the Atlantic Alliance and the Western European Union (WEU), confirmed the subsidiary or even marginal nature of European security actions, which were reduced to the “Petersberg missions,” which included humanitarian intervention, peacekeeping missions, and crisis management.¹² Later, during the 2003 transatlantic crisis, President George W. Bush crossed this line of opposition to the European Union’s independence in the field of defense and set about dividing the European allies and opposing the “new Europe” to the “old Europe”¹³ a position unprecedented in US policy since the Second World War.¹⁴

It will take time to get over the marks left by this exercise in division, the letter of the eight, and the Vilnius letter.¹⁵ The opposition on the part of France and Germany to American intervention in Iraq created a lasting perception that there were two lines in the fight against the pan-Islamic terrorist threat. In the United States, even the critics of the global War on Terror continue to regard “catastrophic terrorism” as the main threat to American national security, while most of the European allies, even after the Al-Qaeda attacks in Madrid and London, still consider it a police or even social justice matter.

On the European side, the strategy review was begun by President Jacques Chirac and Prime Minister Tony Blair in December, 1998 at the bilateral summit in Saint Malo in the Franco-British initiative on European defense. The summit revealed Britain's determination to consolidate her position in the European Union, and the strategy of the two European nuclear states to counterbalance Germany. The initiative ran its course, in spite of successive internal crises, until the introduction of the European Security and Defence Policy (ESDP) in the Treaty of Nice in 2000 and the Common Security and Defence Policy (CSDP) in the Constitutional Treaty in 2003,¹⁶ the terms of which were taken up again in full in the Treaty of Lisbon in 2007.

In the framework of the Western alliance, the institution of the ESDP was a hedging strategy shared by Britain, France, and Germany.¹⁷ The late intervention by the United States in Bosnia-Herzegovina in 1995 and the imposition of the American operating strategy in the war in Kosovo in 1999 forced the European democracies to recognize the need for their own military response capacity to crisis situations in which their main protector could or would not intervene, which entailed their being able to mobilize NATO resources or European Union forces or a combination of their national resources independently in a multilateral European framework.¹⁸

The ESDP was supposed to significantly increase the military capacities and resources available to the European allies for defense, which were essential for sustaining credible autonomy. This autonomy was necessary for preventing crisis situations in which they could not count on the United States, or in which independent European Union action was more advantageous. This hedging strategy, along with a growing commitment by the European allies to NATO international military missions, was also supposed to facilitate gradual correction of the asymmetry between allies that had increased at the end of the Cold War. More than anything, however, the ESDP represented an unprecedented change in the relations between the two pillars of the transatlantic community after the failure of the European Defence Community had established a stable, lasting "division of work" between the Atlantic Alliance and the European Community in 1954, in which NATO was the sole multilateral head of European defense (the WEU always had a fragile existence), while the community institutions focused on the economic and monetary side of regional integration, as they had done since the Treaty of Rome.

NATO and the European Union

The articulation between NATO, which was still largely responsible for European defense, and the ESDP, which marked the European Union's will to take charge of its own military response to peripheral crises, became a decisive issue in the development of the two multilateral pillars of the Western community.

The United States, Britain, France, and Germany are responsible for defining the rules of the game, which are essential in ensuring permanent, flexible articulation of military capacities and the specific responsibilities of NATO and the European Union in the field of defense and security. This articulation obviously presupposes a common view of the transatlantic community's strategy to guarantee the status quo in the international system.

Today, it is possible to move forward in the right direction. The occupation of Iraq and Afghanistan showed the American leaders not only the limits of the United States' power, but also the merits of alliances. Secretary of State Condoleezza Rice praised "permanent alliances" when talking about the Western community,¹⁹ while Senator Barack Obama said that "strong allies" were the United States' strength.²⁰ In the same way, local illusions as to the virtues of European "soft power" as opposed to American "hard power" seem to have diminished with the growing contribution by the European allies, especially Britain and France, of fighting forces in international military missions. The Gaullist neo-pacifism implicit to the line that wants to oppose an exemplary European Union to the imperial temptation of the United States seems obsolete in light of the participation of tens of thousands of European soldiers in high-risk military missions in a range of Islamic crises, in Chad, Afghanistan and Lebanon, and in the Mediterranean, Red Sea, and Indian Ocean. On the other hand, for the first time since 1956, the political leaders in Germany, France, and Britain – Angela Merkel, Nicolas Sarkozy, and Gordon Brown – are Euro-Atlantists, which is a substantial turnaround from the Gerhard Schroeder-Jacques Chirac tandem and the anti-American "Axis of Peace." Last but definitely not least, there now seems to be a clearer perception of the limits of the strategic weight of the Western democracies as a whole, their vulnerabilities, and the need to consolidate a "Western pole" that will ensure the essential stability needed to take in

China, India, or Brazil as responsible partners in the post-Cold War international system.

Nonetheless, the question of relations between the two pillars of the transatlantic community is still dominated by the search for institutional formulas, which have a paralyzing effect, and hide the need for a real effort to define a Western strategic vision of the future of the international system.

President Sarkozy recently proposed France's full return to the integrated military command of NATO if the United States recognized the "complementarity" between NATO and the European Union in defense. In his opinion, this would require autonomous operational planning capacity on the part of the ESDP.²¹ President Bush said some nice words about the European Union, and his Permanent Representative at NATO recognized the importance of the European Union's contribution to collective security.²² But neither the United States nor Britain changed their position against the duplication of the SHAPE military planning structures, although the American Administration seems more interested in testing the European allies' effective capacity on the battle front in Afghanistan than in prolonging organizational and institutional debates.

The French position had the merit of recognizing that the presence of the three European powers in NATO and the ESDP was vital in ensuring real, strategic articulation between the Atlantic Alliance and the European Union, between the Western alliance and the European alliance within the transatlantic community.

This view is radically different from the federalist vision, which wants a dual alliance based on the United States and the European Union, which would not be accepted at this stage by any of the three European powers.²³ On the contrary, in the new French view, which, although with an important change, has gone back to General De Gaulle's 1958 proposal of a NATO troika, it is now vital to accept that the coherence between the two institutional pillars of the transatlantic community, NATO and the European Union, can only be guaranteed by a quadrilateral alliance between the founders of the Atlantic Alliance, the United States, and the European Union – France, Germany, and Britain.²⁴

The articulation between the Atlantic Alliance and the European Union should also demand the rejection of proposals for a division

of work in which the alliance is in charge of the military side and the EU of the civil side of crises.²⁵

This separation does not make much sense, as most of the members of the Atlantic Alliance also belong to the European Union, and the European countries with a capacity to send fighting forces are the same as those in NATO or the ESDP.²⁶ The European Union must have full military capacity to ensure its ability to intervene in peripheral crises, including independent ESDP missions in theaters of war, otherwise its defense dimension will never achieve even minimum credibility.

We can naturally recognize the existence of a division of work between countries that belong either to the Atlantic Alliance or the European Union, or both. The vast majority belong to the two institutions. There are members of one or both of these organizations that have been given civil missions or whose internal political circumstances have affected the participation of their military forces in fighting during NATO, European Union, or United Nations missions. But we can also recognize that there are countries that belong to one or both of these institutions that have military capacity and political conditions for participating in all kinds of NATO, European Union, and United Nations missions, or ad-hoc coalitions outside multilateral frameworks as "coalitions of the willing." Failure to recognize the existence of this distinction would be denying reality, though this reality does not entail either military specialization of the Atlantic Alliance or civil specialization of the European Union, much less a division between the United States and Western Europe in which American soldiers fight wars while European soldiers build schools.

At least for the moment, there seems to be a certain recognition by the main political leaders of the four important Western powers that a strong NATO needs a strong European Union, and that a strong European Union needs a strong NATO.

Indeed, the remarkable success of the parallel enlargement of NATO and the European Union, joined by the post-communist democracies of Central and Eastern Europe between 1977 and 2007, has strengthened the bond between the two institutions and confirmed their unique place in the architecture of European and international security.²⁷

In this context, it should be possible to consolidate a pragmatic formula by which NATO would intervene in a crisis whenever the

allies and partners felt that this was the most appropriate framework and instrument, while the European Union would intervene in a crisis whenever the allies and partners felt that this was best.²⁸ There has also been growing recognition of the need to be able to count more on the European Union to respond to the increasing number of regional and international crises, without prejudice to the irreplaceable position of the Atlantic Alliance as ultimately responsible for the collective security of European and Western democracies.

The alliance of democracies

The debate on institutional arrangements should be ended rapidly and give way to a strategic discussion of the transatlantic community's place in the international system, as it is essential in defining a common vision for the Western allies.

This question is inseparable from the political debates on "Global NATO – Democracies of the world unite,!" which marked the transatlantic summit in Riga²⁹ and includes the proposal of extending the Atlantic Alliance to Japan, India, or Australia and the question of the league or society of democracies, to distinguish between the formulas of G. John Ikenberry and Francis Fukuyama in the Princeton Project, which defends the league of democracies without calling the United Nations into question,³⁰ and the formula of Robert Kagan, who wants to create a society of democracies to restore the strategic bipolarization between the United States and her democratic allies, on one hand, and the autocratic powers, Russia and China, on the other,³¹ thereby rendering the United Nations politically superfluous. Indeed, the question of the league or society of democracies was an issue in the last US presidential campaign, as it was defended by the Republican candidate, John McCain.³²

In a way, a global NATO already exists, if we consider the composition of the allied forces that have participated in the military mission in Afghanistan (ISAF), which includes not only the NATO members, but also Ukraine, Sweden, Japan, and Australia. But it is not obvious that it is possible to transform NATO to include India, Brazil, Australia, and Japan in a military alliance of democracies, or that these countries actually want to join a military alliance. Neither are there obvious advantages to a re-militarization of international

policy, opposing the United States' democratic allies to the authoritarian regimes excluded from this new holy alliance.

In itself, concertation between pluralistic democracies is not only an excellent idea, but should also be a rule of international solidarity. But its institutionalization as a league of democracies could prove to be a bad strategy, even when we recognize the need to overcome the veto of Russia and China in the United Nations Security Council, as was the case, for example, in the war in Kosovo in 1999.³³ (A previous version, the Community of Democracies, set up in 1998, is not a reference of success for new initiatives).³⁴ Proposals to form a society of democracies have good arguments for insisting on fundamental solidarity between pluralistic democracies that does not include only the members of the transatlantic community. But this may be a very bad strategy for anticipating or precipitating a new general confrontation between democracies and dictatorships, at least while democracies continue to carry substantial strategic weight in the international system.³⁵

The priority at the moment is to consolidate the transatlantic community as the international system's center of stability, while developing alternative forms of concertation between democracies, from a political, economic, and security point of view. The transatlantic quadrilateral (United States, Germany, Britain, and France) may become more political, while the Asian QUAD (United States, Japan, Australia, and India) may focus more on security. The old triangle (United States, Japan, and Western Europe) may find ways to deal with a new one (India, South Africa, and Brazil). The European Union and Mercosul have a long road of multilateral cooperation ahead of them. G7 may return to its original vocation as a forum of the "industrialized democracies" and extend to India and Brazil, if the group can suspend the participation of Russia until she decides to return to her post-imperial transition to democracy.

At the same time, the response to international crises, especially when the use of force is unavoidable, can be given within existing frameworks, beginning with NATO and the European Union, in others, including the United Nations, or in special homogeneous or heterogeneous coalitions. The post-Cold War rule is intervention by democracies, but there is no good reason for limiting ad hoc coalitions to democracies, especially when it comes to containing and neutralizing pan-Islamic terrorist organizations.

To date, the transatlantic community has managed to survive successive crises that marked its origins and profound changes in the international system. It has survived because the United States recognized the importance and centrality of the Atlantic Alliance's international policy. It has survived because the European allies recognized the transatlantic community as the best way of defending their international status and regional security. It has survived also because the transatlantic community is one of values, and these values can sustain a convergent vision of the future. This is how the alliance of Western democracies can be a permanent alliance.

*The US as a member of NATO:
a guarantor of European defense*

JOSÉ CUTILEIRO*

In a highly uncertain world, with huge problems coming from different places, there are still some certainties. One of them, in my view, is the importance of the transatlantic bond in defense and security that is as vital today as it was during the Cold War. After it ended, in the early 1990s, many doubts were raised and countless articles were written on what NATO's possible role would be. An expression was even coined: "It will go either out of area or out of business." The fact is that it went out of area and is still in business. NATO is still the only defense organization that Europe has at the moment. And the presence of the United States in NATO is essential, not only because she is the largest partner and has more developed, more powerful armed forces than the others, but also because it is there that NATO keeps the military forces of its member countries ready to intervene.

Today, NATO is operating in Afghanistan and is one of the world's organizations that most countries want to join, because it offers its members a guarantee of security that no other organization is able to provide. And so there is this bond of defense, of security with Europe. I say Europe because, if we look at the European Union, the vast majority of EU countries are members of NATO, and if we got into a situation (hard to imagine at the moment) in which it was necessary for NATO to intervene, even the neutral countries belonging to the European Union but not to NATO would benefit from this intervention. So NATO is there to continue to protect Europeans and Americans and is the military version of what is happening from an economic point of view between the United States and Europe. In fact, we also know that economic, trade, and invest-

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ment relations between the United States and Europe are stronger than those of any other two groups in the world.

It is true that the European Union has made efforts towards defense and particularly security in recent years. Since 2003, it has had a strategic concept that is well written but rather general. It has some capacity for operations called Petersberg, which are operations to help third countries in a crisis. Today, the European Union has several missions in a number of countries. There is one in Chad, where most of the military are French. But, as I have said, all these missions have to do with security issues, that is, with an attempt to prevent a situation from deteriorating, or to help out after an unstable peace has been reached somewhere. It has nothing to do with defense itself. Europeans' central problem when it comes to defense is a very simple one. Europeans don't seem to believe that they are normally at risk and don't want to spend money on defense. That's the main problem. If we look at countries' defense budgets, there is one with a decent budget, and that is the United Kingdom. Then there is France, and not much else after that. For as long as this situation persists, the presence of the United States is vital in boosting Europe's defense capacity.

Of course, there has been a lot of talk about the possibility of developing a Europe focusing more on defense, following the ratification of the Treaty of Lisbon. President Sarkozy's recent initiatives with regard to French and also European defense, with the publication of a new white paper, have led many people to think that we might be approaching a more political Europe. Some want to believe that this is the prelude to the separation of Europe's defense from NATO's Western defense system. I don't think that is the case. I think that President Sarkozy's main achievement was to end France's 40-year huff against the United States in NATO and defense relations, which greatly strengthened transatlantic ties.

Sometimes, in their ignorance, people talk of the creation of a European army, though this is an uncertain, distant vision. Indeed, I think that the fact that Europe is not heading towards a state, a great federal or co-federal state, is good for its own defense, because its defense is strongly based on its ties with the United States. If there was greater political integration in Europe leading to the creation of its own defense organization, this organization would inevitably come into conflict with NATO.

I am obviously talking about traditional threats. I'm talking about military defense, though there are a lot of other areas that affect our security. They have been mentioned several times at this conference. They are issues like terrorism and global warming, while energy-related problems form a third package. In all these areas, as people have said, good coordination between the European Union member states and a good understanding between the United States and Europe are crucial. But this is not the case where NATO is concerned. It happens in relations between the European Union and the United States, which take place at other levels and in different settings.

I would like to repeat my main point, which is that the cornerstone of European security, of our military defense, is still NATO, which, contrary to what we sometimes hear, is alive and well.

NOTES

Part IV

- 1 *Mankind and Mother Earth*, Oxford University Press, 1970.
- 2 *L'Occident en formation*, Payot, Paris, 1963.
- 3 *Les Occidentaux*, Fayard, 1978.
- 4 *L'Esprit de l'Europe*, Flammarion, 1993.
- 5 “O coração da Eurásia contra o resto do Mundo”, Academia das Ciências de Lisboa, July 10, 2008.
- 6 In the daily newspaper *Público*, July 2, 2008.
- 7 “If there was a single event that shattered the bonds between the New World and the countries of the old Continent, it was the French Revolution [...]. It was not the fact of revolution but its disastrous course and the collapse of the French republic which eventually led to the severance of the strong spiritual and political ties between America and Europe that had previously prevailed all through the seventeenth and eighteenth centuries. [...] One is tempted to hope that the rift which occurred at the end of the eighteenth century is about to heal in the middle of the twentieth century, when it has become rather obvious that Western civilization has its last chance of survival in an Atlantic community.” Hannah Arendt, *On Revolution*, Harmondsworth, Penguin, 1963, 1990, p. 215.
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- 11 Frédéric Bozo, *Mitterrand, la fin de la Guerre Froide et l'unification allemande*, Paris, Odile Jacob, 2005.
 - 12 James Goldgeier and Derek Chollett, *America Between the Wars. From 11/9 to 9/11*, New York, Council on Foreign Relations, Public Affairs, 2008.
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 - 14 This point is stressed by Pierre Hassner. Pierre Hassner, *The United States: The empire of force or the force of empire?*, Paris, Chaillot Papers # 54, 2002.
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- 31 Robert Kagan, *The Return of History and the End of Dreams*, London, Atlantic Books, 2008.
- 32 John McCain, "An Enduring Peace Built on Freedom", *Foreign Affairs* 86, 2007, pp. 19-34.
- 33 Proposals for a league of democracies were not well received in Europe and also found resistance in America. See Thomas Carothers, *Is a League of Democracies a Good Idea?*, Carnegie Endowment for International Peace, Policy Brief, May 2008; Richard Emerson and Richard Youngs, *Is the League of Democracies a Bad Idea?*, How Europe should respond, Centre for European Policy Studies, CEPS Policy Brief 162, May, 2008. See also comments on an article by Ivo Daalder and James Lindsay made by François Heisbourg and Christoph Bertram in *American Interest* 2 (3), pp. 16-18.
- 34 The Community of Democracies, founded in Warsaw in June, 2000, on the initiative of Secretary of State Madeleine Albright and the Polish Foreign Minister Bronislaw Geremek, brought together more than 100 countries "committed to democracy" in a light, multilateral structure, with its rotating presidency belonging to Portugal in 2008 and 2009. On the creation of the Community of Democracies, see Madeleine Albright, *Madam Secretary*, New York, Miramax, 2003, pp. 443-47.
- 35 In the American presidential campaign, the Democrats were divided on the League of Democracies, when two well-known personalities, Anthony Lake, former National Security Adviser to President Bill Clinton, and Richard Holbrooke, Representative to the United Nations in the last Democratic Administration, took opposing positions for and against. Anthony Lake, "Democracies of the World Unite: A response", *American Interest* 2 (3), 2007, pp. 18-19. Richard Holbrooke, "The Next President", *Foreign Affairs* 87 (5), 2008. The main proposals for the League of Democracies came from academics close to the Democrats, such as G. John Ikenberry and Ivo Daalder.

PART V

Climate change: a transatlantic priority

The scope of energy policy

THOMAS F. STEPHENSON*

Ninety years ago, in 1918, then Assistant Secretary of the Navy, Franklin Roosevelt, came to Ponta Delgada to inspect the mid-Atlantic Naval Base recently set up to help deal with the German U-boat menace in the First World War.

This was not the first or obviously the last important role that the Azores have played in US Military Operations, and Lajes Air Base on Terceira would figure prominently logistically in the Second World War when FDR was Commander-in-Chief.

It is also my third trip to the Azores and I very much feel my own personal connection with these beautiful islands as my son-in-law, John Pimentel's family emigrated from here to the central valley of California just two generations ago [...].

Energy policy is rapidly becoming the single most important matter of policy affecting the future well-being of the US, Portugal – including Azores – and all of the EU. For that matter, energy has really become the single most important policy issue for the globalized world in which we live.

What makes energy policy so interesting and critical in today's world is the multiple ways in which it intersects with three important tenets of foreign policy; namely national security, economic, and environmental/climate change policy.

I'm going to divide my remarks into three sections and deal separately with energy policy as it intersects with our individual and collective national security policies, our economic policies, and our environmental policies. I'm going to try to persuade you that the same factors of energy policy come into play in each of these three areas of foreign policy, and that the solutions are very similar.

* US Ambassador to Portugal at the time of the Forum.

The United States and Europe need to do three things:

- reduce dependence on fossil fuels;
- increase energy efficiency and conservation;
- develop renewable and alternative sources of energy.

Economic policy

Clearly, more than \$140/barrel oil is beginning to have a detrimental impact on the US and EU economies. Economic growth in the 2nd quarter appears to have been minimal at best.

There has been lots of consternation and controversy surrounding the dramatic increase in the price of oil in the last 18 months. Clearly the price of gasoline is creating hardship for many of our citizens, and that gets the attention of our politicians who need to find someone or something to blame. One convenient scapegoat is “speculation.” Some speculation may be in current prices, more on that in a minute, but the more fundamental problem is a growing imbalance between supply and demand.

The supply of oil has basically been flat for the last three years at 85 m barrels per day. Worldwide demand continues to grow primarily in rapidly expanding economies like China and India, but also in the Middle East countries, from the huge incremental wealth resulting from oil profits. It is encouraging, however, that demand in the US is showing signs of receding – demonstrating that there is some price elasticity in demand. I haven’t seen any figures on the EU, but recent protests and demonstrations by truckers and fishermen suggest that consumption will decline.

While I don’t want to minimize the amount of pain being felt, the good news is that now there is more incentive to develop RE tech. Alternative energy sources are becoming more competitive with fossil fuel. Unfortunately, there’s no short term quick fix.

Perhaps some regulatory mitigation is needed for the speculative component but it is not a big piece of the problem and the cure might do more harm than good. A liquid and free forward market is important for risk mitigation or hedging, and over-regulation could destroy that important role.

Don’t confuse speculation with manipulation. Speculation, the willingness to make bets on the future direction of the price of com-

modities, is what enables a market. Manipulation implies inappropriate or unlawful conduct in markets. Speculation is an essential ingredient, while manipulation must be discouraged and eliminated.

There should be some ability, at least in the mid-term, to increase supply: better production capability in Russia, Iraq, Nigeria, etc. There has been gross underinvestment in Russia until relatively recently. Terrorist activity in Iraq and Nigeria has made infrastructure development difficult and risky. The US could help improve world supply by opening up ANWR (Arctic National Wildlife Refuge) and the continental shelf.

Short term, the primary solution is greater energy efficiency including much more conservation. Longer term, the real solution is renewable and alternative energy sources.

One other element of the intersection of energy and economic policy currently receiving attention is the potential impact of increased use of biofuels on the price of corn and other food products. I’m not fully convinced that the use of corn in biofuels is having a big impact on the price of tortillas in Mexico as suggested, but this has become a political issue both in the US and the EU.

National Security Policy

Increasingly our individual and collective national security is being impacted by energy issues. The US and EU are too dependent on unreliable sources of supply of fossil fuels. The issue here is both price and availability.

The pressure only increases as world demand grows faster than supply. Some suppliers such as Nigeria, Iraq, Algeria, and Angola are not the most stable, as mentioned.

Some have suggested that one of the consequences of US and EU dependence on supplies of fossil fuels, from less than totally reliable regimes, is that we are effectively funding both sides of the War on Terror. Clearly, it is the wrong time to be viewing Iran as an alternative source of supply. Their continued efforts to build nuclear weapons and to fund terrorist activities throughout the ME make them a particularly unattractive source of added supply. But there are less obvious situations as well, where oil profits are finding their way as funding sources for terrorist organizations.

Russia is a different situation, as they have demonstrated they will use oil and gas for political purposes. Ukraine is a recent example, and now some are suggesting that the current slowing of fuel in the pipeline to the Czech Republic may be retaliation for the recent MD (Missile Defense) radar agreement signed with the US. With Russia the issue is not just the oil and gas but the transmission lines. Gazprom is rapidly gaining control of both supplies and transmission, and will soon encircle Europe.

Too many deals are being done for short term expediency. The Nabucco (pipeline project) needs to happen.

The long term solution is the same as for economic policy:

- more energy conservation and efficiency immediately;
- more supply of oil and gas near term from reliable sources;
- more alternative and renewable sources as the long term solution.

Climate change/environmental policy

Climate change was a major topic of last week's G-8 meetings. There is a growing consensus of the link between GHG (Greenhouse Gas) emissions and global warming. But even the non-believers will reach the same conclusions as to needed action, due to economic and national security issues.

Fossil fuels are bad for the environment and bad for the national security of the US and the EU. Now fossil fuels look increasingly bad for the economy.

Once again, the near-term solution is conservation and efficiency. The longer term requires a diversified package of alternatives and renewables. There is no silver bullet.

Six weeks ago, US Secretary Samuel Bodman of the United States Department of Energy came to Portugal. He had two primary objectives:

- to demonstrate to Portugal and the EU that the US is now playing the leading role in developing and promoting renewable energy technologies;
- to see the great progress Portugal has made with renewables.

While we didn't have time to come to the Azores on this visit, we did have discussions in Lisbon about some of the impressive work going on with renewable energy here.

The Secretary was impressed to learn that almost 20% of the energy consumed in the Azores today is from a combination of renewable sources including geothermic, wind, hydro, and solar, and that active work is going on here in tidal and wave technologies. We also discussed at length the atmospheric radiation measurement climate research facility to be located on Graciosa by the DOE. While the Secretary was in Portugal, he and Minister for Economy and Innovation Manuel Pinho also signed a memorandum of understanding on wave energy technology development. The Secretary also invited the Government of Portugal to send people to the Natural Resource Ecology Laboratory in Colorado.

Portugal and the US have been super cooperative allies for centuries. Hopefully they can work effectively together again in helping the world break its destructive addiction to fossil fuels. It will take significant commitment and investment.

Energy conservation is something we can all participate in as individuals as well as institutionally through those organizations in which we are involved. The Green Embassy program is an example. Harvard is another.

Energy efficiency will involve investment and a return on investment concept over time. We are addressing some of these issues now with regard to improving our energy efficiency at the Lisbon Embassy. I would hope that similar efforts are being undertaken in various parts of the Government of Portugal.

Alternative and renewable energies will take time. Nuclear energy is the most prominent alternative source – clean, and most believe, safe. It is still expensive, but as regulation barriers decline and modularity increases, we will see them more competitive, particularly if oil prices stay high. Renewables – wind, solar, hydro – are making meaningful contributions now, as well.

Wave technology is coming. Battery/hybrid cars are coming. Bio fuels are a bit controversial right now because of the perceived impact of the use of agricultural products as feedstock on food prices. The magnitude of this link isn't, but the use of the cellulosic alternatives as the feed source will address this problem.

Coal sequestration technology is coming, but is not here yet – it's very important, especially in China.

We need more oil from reliable sources in the transition period. This means drilling in ANWR and the continental shelf, which is opposed by many conservationists. It is not ideal, but it is realistic.

None of this is easy, and it will require commitment from developed and developing countries. The heavy focus of last week's G-8 leaders on climate change is indicative of the heightened worldwide awareness of energy-related issues. The message is clear. We must all work creatively together to secure a safe and functional world for our children.

Environmental diplomacy in the relations between the European Union and the United States

VIRIATO SOROMENHO-MARQUES^{*1}

In the spring of 2007, the European Union upgraded its environmental international diplomacy through the blending of energy and climate strategic features in a new bold vision combining both domestic and international proposals. I believe that the new Administration to enter the White House on January 20th, 2009 will find in that vision strong reasons for a new dialogue and a new era of cooperation between the two Atlantic shores.

The new EU energy/climate policy

The new turn in EU international environmental policy was triggered by the compelling strength of facts and scientific data. The severity of climate change in the long run was reinforced by the Intergovernmental Panel on Climate Change (IPCC) 4th Assessment Report (2007). Before that crucial research outcome from the most complex scientific network ever established in world history, the alarm of climate change rang already through the works of Sir Nicholas Stern² and Al Gore.³ Sir Stern focused on climate change under the perspective of economics, and his major conclusion was received by many as terrible and unexpected bad news: "Climate change is the greatest market failure the world has ever seen, and interacts with other market imperfections." On the other hand, the former Vice-President of the United States, Al Gore, launched a personal crusade around the world, using a book and a movie as weapons, underlining the global danger for the global human society and the Earth as a whole deriving from climate change, which he named, loud and clear,

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as “the planetary emergency of global warming.” Besides Stern and Gore, we may identify a prolific set of works combining energy, environment, and societal decline and collapse, elaborating from different angles the darker sides of our human prospect under the shade of the global environmental crisis (Brown, 2003; Diamond, 2004; Heinberg, 2003 and 2004; Kunstler, 2005; Lovelock, 2007).

Climate change puts at risk the inner structures of the international system, and seriously endangers the fair balance among nations and social cohesion within countries. Being a global environmental threat, climate change acts at the same time as a triggering factor for overall strategic instability. According to a study by the British Ministry of Defence, climate change ranks as the first of “three pervasive Ring Road Issues, followed immediately by ‘globalization’ and by ‘global inequality’” (UK Ministry of Defence, 2007). In the same line of thought, the German Advisory Council on Global Change alerted to the conflict potential contained in a feeble or faulty climate protection policy: “If climate protection policy fails and these efforts are not made, it is likely that from the mid 21st century local and regional conflicts will proliferate and the international system will be destabilized, threatening global economic development and completely overstressing global governance structures.” (WBGU, 2007).

Shifting from diagnosis to therapy, we may witness that the European Union role lies in the current international landscape as the unchallenged champion of the need to fight seriously against climate change. Since the March, 2007 European Council, the Union has had a long run strategy, both inwards and outwards. The EU decided to combine energy policies (the major cause in the human induced climate change process) and climate policies, in order to reach a long set of strategic goals. They comprise both internal and external aims and targets. They envision fostering a kind of “ecological modernization,” shifting ways of production, selling and consumption of energy, helped by the strength of leadership through example, to bring together the world community, including the United States, and rapid emerging economies like China, India, and Brazil to a new international climate protection regime, avoiding a chaotic gap, or an inefficient puzzle of unilateral national or regional targets after the end of the Kyoto Protocol timeframe (2008-12).

The rationale for the EU to combine energy and climate change policies is based on:

- environmental reasons;
- strategic reasons: autonomy, self-reliance, influence in the world system, capacity of initiative;
- security reasons: avoiding insecurity of supply, preventing scarcity and conflict.⁴

The changing internal landscape in the US on climate policy

The US position on climate change is often painted in black and white in the European press. However, events in the recent past have highlighted how fluid this position can be. The success of *An Inconvenient Truth*, the realization, rightly or wrongly, that the US is also vulnerable to climate extremes such as the Katrina and Rita hurricanes, and the rise in the political profile of the climate issue (witness the number of congressional hearings on climate – over 60 only in 2007), all point to a changing internal landscape on climate change. Some points warrant emphasizing:

- Loss of credibility of the Bush Administration. The current Administration has lost almost all credibility (external and internal) on the issue. The recent inquiry into the Vice-Presidential working group on Energy and the Energy Policy Act of 2005,⁵ have all added to the loss of credibility of this Administration on energy and climate policy.

- Growth in awareness and public policy initiatives in the Congress and at the state level. Polling results show that climate has moved enormously up the political agenda, and now ranks among some of the major policy themes for the presidential campaign.⁶ The same goes for energy dependence. Most presidential candidates (including all of the Democrats) are either co-drafters or sponsors of climate and energy bills in this Congress.

- The coming Administration will move on climate change. As has happened before with environmental policy (e.g. the Clean Air Act of 1990), the likelihood of rapid policy development mirroring the shift in public opinion prior to the 2008 elections seems minute: incumbent Administrations do not have the political stamina to move legislation, which would nevertheless be blocked in Congress (as with the immigration bill stopped in 2007). Freshly elected

administrations tend to be much more aggressive in the immediate aftermath, as they try to burnish their reputations. It is therefore unlikely that the many bills currently under way in Congress will make it to policy (President Bush has also stated he would veto any cap-and-trade scheme, which the most popular bills endorse). Nevertheless, they give an indication of the scale of ambition that can be endorsed post-election.⁷

– Interest groups are moving in the US – key players in the debate are now moving: companies are deserting anti-climate change groups, and pro-climate groups such as the Climate Action Partnership are gaining membership at an increasing pace. The corporate side of America fears that it may be losing sight of a market for new technologies, both domestically and, more importantly, abroad. There is a sense that Europe is gaining strength in technologies such as renewables and energy efficiency. Nevertheless, corporate America is keen to emphasize its ability, given the right political signals, to innovate at a faster pace than European industry, and the claim is made that the US could easily catch up with Europe, if given the right political signals by the Administration.

– Key technologies are advancing. The US is probably more advanced, at least in some areas, in the quest to find a feasible business model for wider application of carbon capture and storage, and major pilot projects are under way, some of which may have a commercial basis soon. Leadership has been provided by the Carbon Sequestration Leadership Forum – a grouping of companies interested in the technology. Concerning renewable sources of energy, there is a set of state level initiatives, like the Western Governor's Association Clean and Diversified Energy Initiative (WGA), or the New England Governor's Climate Change Action Plan (NEG-ECP); nevertheless the federal role can't be matched even by the boldest regional programs. Therefore, "a national standard that motivates the country to truly promote renewable energy" is still missing.⁸

What to read from the current administration

In hindsight, it is now clear that the current administration has tried deliberately to undermine any significant development at the G-8 summit of Heiligendamm (June 2007), by preemptively announcing

a Major Emitters Dialogue.⁹ It is now clear that the Dialogue is not meant to produce any significant progress in international climate policy, but rather to lure countries such as Japan and Canada from a vision that is supported essentially through the UNFCCC (United Nations Framework Convention on Climate Change) and the Kyoto Protocol process, of increasingly hard policy on climate, towards softer approaches such as bilateral or multilateral technology partnerships. To date, the damage seems to be contained, and reactions from potential fence-sitters seem averse to the proposal. For the EU, the proposal is a diplomatic challenge. On the brighter side, this is the first time in some years that the US is committed to a long-term process under the UNFCCC, and it should be welcomed. However, given the interest grouping behind this Administration's agenda, it is doubtful that the Dialogue will contribute significantly to the UNFCCC process itself.

The process has nevertheless focused the attention on the need to address the question of how to re-engage the US in the international process.

How to re-engage the US in the international process

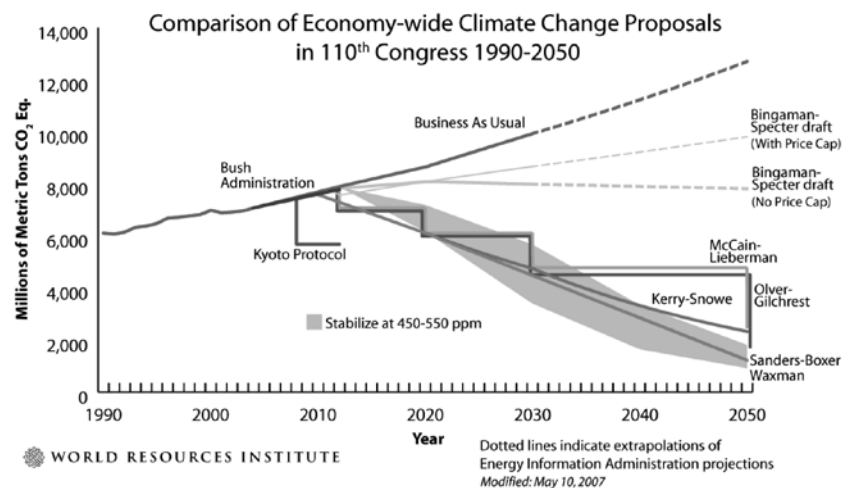
It is now clear, after the outcomes of the Bali Conference (COP 13, in December, 2007), that two separate negotiation tracks will be established in the diplomatic road towards a global agreement to be achieved in Copenhagen (COP 15, December 2009): the Kyoto Protocol track, for Kyoto implementing countries, aimed at getting at new reduction targets for post-2012 (this process was in fact launched in Montreal two years ago), and the broader UNFCCC process, aimed at discussing further engagement of developing countries in the process. In this context, Europe has outlined its vision of the future in the Spring Council conclusions (2007), that will hopefully be supported by the coming Winter Council (December 2008). However, some issues arise in the EU relationship with the US, from its current approach:

a) It is clear that the US cannot sign the Kyoto Protocol, and will not be engaged in the Kyoto track;

b) It is also clear that the US cannot be treated, under the Convention, on an equal status of obligations as China, India or Brazil;

c) There is currently no specific track for the US to negotiate her re-engagement in the joint effort after 2012;

d) The European Council conclusions (March, 2007) speak of an expectation from the EU that the US should provide “comparable” efforts. These conclusions have set the bar extremely high, if they are meant to signify that the US should follow the EU lead and commit to a 30% reduction target in the next 12 years or so. Unfortunately, The Climate Action Partnership proposals and the most aggressive proposals on Capitol Hill today speak of a return to 1990 levels by 2020 (see figure below, from the World Resources Institute). Setting the bar too high may in fact discourage involvement of the US internationally.



Principles of an EU strategy for US re-engagement

In the light of these factors, the EU should:

a) Promote its vision of climate policy, including its own emission trading scheme, in an honest and prudent way, making the case that joining an international carbon market should be the way forward for US climate policy. The EU Emission Trading System (EU ETS) currently has an unduly bad reputation in the US, where it is shown as an example of ineffective climate policy by the European Union.

b) At the same time, the EU should learn from others' assessments of its failures: current plans for cap-and-trade schemes in the US are far more aggressive in their architecture (e.g. full auctioning, no revenue recycling) for operators than what the EU has managed so far; in fact, most of the proposals tend, in the future, to assume full auctioning of emission rights. Auctioning or selling emission rights (rather than distributing them freely) should be more in line with the polluter-pays principle, would provide higher recognition of early pioneering action in reducing emissions, and would be less disruptive of competition than the current EU ETS allocation scheme, based on historical emission data and national allocation plans. Likewise, auctioning provides the opportunity to leverage finance that can be used to fund alternative technologies. The EU ETS has come under severe criticism on its allocation rules, and the Commission is currently reviewing the allocation methodology, as part of the wider EU ETS review process.

c) Get its message across to the progressive leaders in both parties, and prospective candidates, over the administration.

d) Tune its message on the comparability of effort, to make clear that it should not imply a translation into equal reduction commitments.

e) Seek to re-engage the US in the international process, by signifying to all parties on the road to Copenhagen (December 2009) the need to provide a formal opening for that re-engagement (a third track?).

f) Signal to the US the need to acknowledge the contribution of developing countries to climate policy, without unrealistically attempting to force these into developed country-type commitments on emission reductions.

This idea of creating a third track to accommodate the US under the common roof of the UNFCCC could obviously become an easy target for severe criticism. In fact, climate diplomacy, as the crucial part of strategic global environmental policy, is to be measured against empirical data and growing evidence that allow us a short window of opportunity between 2015 and 2020 to attain the peak of greenhouse gas emissions, if we want to avoid a catastrophic slide in the rise of global mean temperature well beyond 2 °C. A minor role of the US in the burden sharing agreement could seriously damage the possibility of using that window of opportunity in a timely manner.

Hard decisions are frequently the price of leadership. No one in the world but the EU is now in shape to lead the vital task of fighting climate change at the global level. The Presidency Conclusions of the March 2007 Council of the European Union called upon the crucial goal of obtaining a post-2012 climate agreement within “a fair and flexible framework for the widest participation.” The EU should voice its solid reasons for strong emissions reductions for developed countries within an ample policy that includes a wide range of other measures, like investment in new renewable energy systems, energy efficiency, diffusion of new key technologies, capacity building, the fight against deforestation, effective adaptation, etc.

The EU should put the principle of fairness on an equal footing with the principle of flexibility. However, the worst scenario before us is the possibility of endless continuation of a diplomatic trench war regarding burden sharing after 2012. In that ugly scenario, even the dismantling of the UNFCCC, and the return to a climatic Hobbesian situation of “war of all against all,” is not out of sight. In that case, it’s up to the European Union, exercising its leadership responsibility, to decide if the principle of flexibility shouldn’t prevail, in the short run, over the principle of fairness, to avoid a complete disaster in global climate diplomacy.

Learning from Franklin Delano Roosevelt

F.D. Roosevelt is very much alive in American culture. That entails also the need to find a new road for American involvement (and hopefully, leadership) in the crucible issue of climate change. F.D. Roosevelt is one of the most common and hated targets of the declining conservatives who are now being expelled from the American political scene. Against the fierce and unrealistic market-alone ideology, in which everything goes, President Roosevelt was able to overcome the two biggest crises in American history (not forgetting the Civil War) by blending public policies and marketplace dynamics: the result was both the Social Security Act (1935) and the “miracle” of a “War Economy,” built upon the vitality of private initiative with the guidance and leadership of the federal government.

Asked about what was needed to overcome the current energy and climate crisis, in an Iowa town hall in late December, 2007,

presidential candidate Barack Obama recalled the Manhattan Project and the Apollo Project, two major initiatives that combined market initiative and active federal public policies. The legacy of F.D. Roosevelt will come to the forefront of Washington policies after the November 2008 elections. I am sure that the next American President will subscribe to the spirit of F. D. Roosevelt’s Inaugural Address, on January 1945: “We have learned that we cannot live alone, at peace; that our own well-being is dependent on the well-being of other nations far away [...] We have learned to be citizens of the world, members of the human community.”

That’s precisely the issue at stake in the current environment, climate, and energy crisis: to find the narrow and difficult path to a peaceful and fair future for the human community as a whole.

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*The importance of environmental issues
and the North-South axis, and the role of the Azores
and Portugal in transatlantic relations¹⁰*

IAN O. LESSER*

About ten years ago, I participated in a seminar on transatlantic strategy in which the theme of globalization and the end of traditional geopolitics – the “end of geography” as one of the participants put it – figured prominently. Seen from the Azores, this raised the specter of marginalization and a less central role in strategic planning for the archipelago, and perhaps for Portugal as well. I would not make this argument today. I prefer the perspective offered by António José Telo, that “context” is all important in discussing geopolitics and the role of states and regions. Geopolitics and strategy are as much about identity and affinity as they are about logistics and power projection. In this context, the strategic role of the Azores and Portugal in transatlantic relations has not declined, but it has changed and acquired new contours. Let me offer three observations about this.

First, over the next decade, geopolitics in a transatlantic setting will be shaped to a large extent by North-South rather than East-West relations. This is not to say that East-West issues, and especially relations between Russia and the West, have disappeared from the scene – far from it, as developments around the Black Sea make clear. But I agree with Pierre Hassner’s comment about the rise of the North-South dimension and the likelihood that these relations will be uneasy, challenging, and often crisis-prone. The point is particularly striking given the historical theme of this conference. From 1914 through two world wars, the Cold War, and the subsequent period of NATO and EU enlargement, power projection needs and defense relationships have been arrayed along an East-West axis, from the eastern seaboard of North America to the western approaches, the Mediterranean and beyond. Indeed, from an American perspective,

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the phenomenon starts much earlier, with a diplomatic presence in the Azores and the Western Mediterranean to facilitate overseas trade in the 18th century.

The primacy of this East-West axis is arguably ending, largely as a result of the rise of the global South in economic, cultural, political, and security terms. The growing prominence of North-South issues will necessarily be reflected in transatlantic strategies and institutions. This is already visible in the new attention to Africa, north and south, in development and security policies on both sides of the Atlantic. NATO is considering closer ties with Brazil, and the US continues to focus new attention on security in West Africa and the Sahel, including plans for an Africa command (AFRICOM). Whether this is hosted in the region or continues to be based in Europe, the point holds: Africa and the Atlantic are getting more strategic attention. The Atlantic and Lusophone dimensions will matter, of course, and here one can easily imagine a natural role for Portugal and the Azores in particular, as stakeholders, interlocutors, and as venues for dialogue and cooperation. Indeed, the Portuguese contribution can be critical to the extent that partners in the south are often reluctant to develop security ties on a purely bilateral basis.

Second, I would argue that a number of “functional” challenges, already present on the international scene, will become even more central to strategy and policy in the future. These, too, will have special relevance for Europe’s maritime periphery and the Atlantic approaches. A list of these issues actually mirrors the topics addressed at this Forum. The elements of the agenda are obvious, and include environmental security and oceans policy, both areas where FLAD has played a transatlantic leadership role in recent years.

Energy security is an obvious part of the equation. Portugal will have a special stake in the evolving European approach on energy, an approach that may continue to differ from the American perspective in significant ways. Whereas the American energy security debate focuses overwhelmingly on oil (increasingly from Western hemisphere as well as Middle Eastern sources), European concerns focus on natural gas, and the security of supply from Eurasia and North Africa. Despite growing policy attention to energy issues on both sides of the Atlantic, this basic difference of emphasis remains. Portugal, with her heavy dependence on North Africa gas, will be a leading stakeholder in this evolving debate.

In general, the maritime “content” of transatlantic policy is growing and is multifaceted, embracing energy, environment, food policy, migration, and security, both state and “human” security. The challenges of transparency and surveillance with regard to developments in the maritime environment are increasing even as the technology for enhancing this transparency becomes more sophisticated and widely available. Some of the leading areas of concern are in or near the Azorean “space,” including the problem of illicit migration from West and North Africa, and its human costs. Others are distant, including the effects of global climate change and the increasing pressure on sea routes and the environment in high latitudes. As a traditional maritime power, Portugal should have a special sensitivity to these issues.

Other challenges are global, and underscored by the financial uncertainty affecting economies on both sides of the Atlantic, as well as developing societies in the south. After years of high growth and prosperity, economic pressures are increasing in Europe and North America, with implications for social cohesion and the “open” system of trade and investment. At a minimum, these stresses are likely to make new transatlantic agreements on free trade and other questions far more difficult to achieve. In the worst case, they could encourage a drift toward protectionism and the re-nationalization of policy across the board. Economic estrangement could encourage political estrangement and ultimately strategic estrangement – a disturbing “interwar scenario” of the kind that spurred conflict in Roosevelt’s era. To be sure, this scenario is far from likely today, but policymakers on both sides of the Atlantic should be aware of the precedent.

Third, I would underscore that some of the most important developments in transatlantic relations over the next decade are likely to unfold in the Portuguese neighborhood. This is the result of new issues, as noted earlier, but also the product of new policies and new actors. North Africa and the Mediterranean will be at the center. Portugal may not be a Mediterranean state in strict geographic terms, but in terms of interests and engagement, Portugal is a significant Mediterranean actor and part of the Mediterranean system through her economic, diplomatic, and defense ties with North Africa, and as a player in EU and NATO programs. As the south looms larger for Europe, it is also worth noting that the Western Mediterranean is a

place where European and American roles and capabilities are relatively balanced in this key part of Europe's "near abroad." The EU is in the process of reassessing and reshaping its own policies toward the Southern Mediterranean, driven by concerns over the viability of the Barcelona Process and a sharp increase in the prominence of stability and development challenges emanating from the region.

The new French-led Union for the Mediterranean may not be a transforming project, but some aspects of the initiative are striking, including the prominence of renewable energy, environmental, and maritime security projects. Notably, the initiative has also generated considerable interest in Washington after years of relative disinterest in Mediterranean projects. The "Sarkozy effect" may explain part of this sudden attention. But there is also a notable convergence with evolving American thinking about European security broadly defined, and the general rise in attention to the South. Despite over 200 years of involvement in the region, the US has no real tradition of thinking in Mediterranean terms, and has never articulated a Mediterranean policy *per se*. This could change over the next decade as the pressures for a more concerted transatlantic approach to Europe's southern periphery increase.

The Western Mediterranean and its approaches are already "multipolar" regions, with Europe and the US actively engaged, and with the growing involvement of new – and some old – actors. China is rapidly becoming an important player on the economic and political scene in West and North Africa, and a participant in the development of ports and infrastructure. Russia, too, has returned to the region as a source of investment, tourism, and military equipment. This year, for the first time in almost 20 years, Russian naval forces exercised in the Mediterranean. This sort of multipolarity is likely to be the norm in Portugal's neighborhood over the next decade.

Let me conclude by stressing a point I made at the start. The emerging strategic environment will change the geopolitical context for the Azorean and Portuguese roles in transatlantic relations. The traditional, logistical dimension may well be overtaken by new aspects and new roles. But the growing prominence of environmental and maritime issues, and the growing significance of North-South relations should strongly reinforce the tangible and symbolic importance of the Azores and Portugal in international affairs over the next decade. Geography still matters in an era of globalization.

Indeed, managing the new challenges discussed here will be less and less conceivable in strictly national, bilateral – or even continental – terms. The transatlantic frame, transatlantic cooperation, and transatlantic forums will be essential.

Climate change and the transatlantic agenda

MARC PACHECO*

As an American of Portuguese descent, I am honored to give my perspective on “The Future of Transatlantic Relations,” and to be able to do so here in Portugal, a country that maintains diplomatic relations with more than 180 countries across the world and here in the Azores, the home of my great-great-grandparents. And even though my home is on the other side of the Atlantic in America, every time I come to the Azores, I feel as if I’ve come home.

Just this past February, it was a great honor to visit the Azores with a delegation led by Congressman Barney Frank, to secure educational and economic partnership agreements with Azorean officials. Some of the protocols signed include agreements that would lead to increased development of student and teacher exchange programs and other agreements that would promote the research of climate change and fisheries, and enhance communication between our two countries. The leadership of Congressman Barney Frank and President (of the Regional Government of the Azores) Carlos César in that effort is to be commended.

Historically, Portugal has played a powerful role in the global community, influencing cross-continental relations and global issues in our complex world economy. Today, with Portuguese ex-Prime Minister Durão Barroso as the President of the European Commission, Portugal is in a unique position to continue a powerful leadership role in international affairs. Although the challenges facing the United States and Portugal and the world community are great, the opportunities are endless.

Over the years, I have been extremely fortunate to have had the opportunity to be a part of many international meetings and to work

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with many leaders from the international community here in Portugal, in Asia, Eastern Europe, the Middle East, and with our allies all across Europe. My views, therefore, are informed by my experiences working on international issues that have impacted Massachusetts and the United States as a whole.

Southeastern Massachusetts, particularly the district I represent, has shared close ties with Portugal for centuries. In fact, during the 19th century, large populations of Portuguese settled in Massachusetts, primarily from the Azores. The culture of these Portuguese pioneers is still very much alive today in Massachusetts, and our communities are vibrant with Portugal's cultural heritage and history, as well as new communities of Portuguese-Americans with the potential for increased political influence.

This political influence has come about because of the changes which have been made in key leadership positions in the United States Congress over the past several years. There are numerous state and congressional leaders with strong connections to the large populations of Portuguese-American citizens in the communities that they represent. In Congress, we have a number of American leaders of Portuguese descent and a Portuguese-American Legislative Caucus made up of Luso-American leaders and others who represent communities with large Portuguese populations.

These leaders include United States Senators from Massachusetts, such as Ted Kennedy and John Kerry, as well as Congressman Barney Frank, and also representatives from California, New Jersey, and Rhode Island, where we have Congressman Patrick Kennedy and Senator Jack Reed. The list goes on and on of American political leaders who are in positions of power, influence, and seniority, who represent districts with a large Portuguese constituency.

These leaders have come to understand the significant issues affecting the Portuguese communities they represent and the growing political influence that could be unleashed. These very leaders are now in positions to bring about change. I also believe that this dynamic provides what I perceive to be an amazing opportunity for increased United States interest in engaging in this transatlantic partnership.

For example, we've already created a model that has worked with East Timor and her quest for independence. Portugal was one of the main international leaders in pushing for East Timor's right

for independence. However, there were also a number of American legislative leaders in the United States that filed legislation to divest from companies that were located in Indonesia until East Timor had a right to an independent election. That legislation was filed in Massachusetts, California, and other states. Through this legislation, the Portuguese-American community had a voice. The citizens in America who were concerned with human rights abuses had a voice. Their voice was eventually heard by our fellow leaders, and justice prevailed. This movement in the states played a small role in comparison to everything that was going on internationally, but it was significant enough for the leaders in East Timor, such as José Manuel Ramos-Horta, the current President of East Timor, to reference it as one of the actions that helped in their fight for independence.

Recently, the Massachusetts Senate Post Audit and Oversight Committee, which I chair, published a report titled, "Getting in the Game: Increasing Massachusetts' Presence in a Globalized World." The Committee found that developing the relationship between Massachusetts and Portugal presents the potential for numerous economic advantages both for Massachusetts and our European partners.

As Portugal continues to strengthen her existing ties with countries around the world, and Portugal's business leaders continue to work with European business leaders and leaders across the United States... from my perspective – a New England perspective – in the United States, Portugal and the Azores can become the economic gateway to Europe and beyond in particular when dealing with states in the United States, where they have existing relationships that have been built. And Portuguese business leaders' strong connections to Africa have the potential to help Massachusetts businesses and other states with large percentages of Luso-Americans expand into the African economies.

The global issues we face are immense. We are faced with a new, unprecedented set of geopolitical and economic challenges. That is why I believe this Forum was such a good idea, and the timing couldn't have been better to engage countries like the United States, Portugal, and our European friends in developing a transatlantic agenda.

Earlier in this Forum, the Portuguese Ambassador to the United States referenced that historically the United States and Europe had common enemies, and that this is why we have worked so closely

together over the years. I would respectfully submit that in addition to terrorism, one of the common enemies that we have as we move forward is the issue of global climate change.

It is an issue that gives us tremendous potential for cooperation and an opportunity to grow a new sector of the economy on both sides of the Atlantic. I believe climate change is one of the most pressing issues facing us today, for it is a public health issue, an economic issue, a national security issue, as well as an environmental issue.

The European Union and Portugal have been taking a lead on solving global climate change. The United States Government, at least at the national level, has not embraced this issue as much as our European allies. The European Union and others in Europe have played a key role in leading the way. In the United States, Nobel Prize winner, and former Vice-President Al Gore has played a tremendous leadership role, along with the Intergovernmental Panel on Climate Change to bring global awareness to this issue.

As a result, several states have begun to take a leadership role on this issue. Now, in the United States, we need the political will to act on the goals that have already been established by many members of the world community. I believe that the next President of the United States will declare a new call to action to Americans. And I believe that the political will will be there for the United States to act. That is why it's important for a new transatlantic agenda to have climate change at the top of the list. We have to be ready when the political will is there on the other side of the Atlantic (in America).

In order to ensure the stability of these transatlantic relations for the future, we should continue to develop and maintain international educational programs for students to visit and learn about different countries. Unlike previous centuries, we have witnessed a decrease in immigration between the United States and countries in the European Union. Americans of Portuguese descent today grow up without the same connections to Portugal. In order to compensate for this fundamental change, I believe it is important that we re-commit ourselves to supporting international educational exchange programs to a much greater degree than we have in the past, to ensure that the leaders of tomorrow not only have the educational experiences necessary for success in this new and changing world, but that they also have the real world experience of living for

a time in another country, experiencing other cultures, and understanding a different economy.

We have already seen the potential for a new partnership between Massachusetts and the Azores to fight global warming. As I mentioned earlier, I joined a 60-member trade delegation in February, led by Congressman Barney Frank, to the Azores to secure partnership agreements.

Thanks to the leadership of Congressman Barney Frank, President Carlos César and leaders in higher education in the Azores and in Massachusetts, and leaders in the business community in both countries as well, we secured several international agreements. The agreements would lead to the development of student and teacher exchange programs, as well as initiatives to face socio-economic and environmental issues. One of the agreements signed would promote the research of climate change and fisheries. A formal proposal for the initial work to create such a center was submitted to the European Commission for a Joint North Atlantic Climate and Socio-Economic Modeling Center located in the Azores.

Since the Azores are located in the middle of the Atlantic, they are an ideal location for studying the effects of global warming and climate change. The center will be a joint effort between the University of Massachusetts Dartmouth School for Marine Science and Technology, the University of the Azores, Monmouth University in New Jersey, and the National Oceanic and Atmospheric Administration. This joint venture would provide a great opportunity for scientists and students from both countries to work together to find solutions to global warming and climate change. This will provide a tremendous opportunity for collaboration between our education systems. There are also opportunities to bring in institutions such as MIT, Harvard, and renowned educational institutions throughout the world to do this research in Portugal at such a center.

Let me conclude by saying that as I see the challenges that lay ahead, the global warming crisis, and the costs of oil will lead us to a point in time when we need to renew our efforts to strengthen transatlantic relationships. In this complex world, it is important now – more than ever – to develop the trust and understanding needed for these partnerships to succeed.

We need each other. Together, we can help develop effective political strategies. Together, we can help solve the global climate

change crisis. Together, we can help bring about sustainability in the transatlantic partnerships through the development of these student exchange programs that I referenced earlier.

As we address issues such as climate change, I believe it is important to look at the benefits of the new emerging, green economy, including joint opportunities to create new economic growth, increase research and development and innovative technology sectors, all of which are on the cutting edge of what is happening in the sciences today.

International forums such as this one provide essential communication between leaders from throughout the world.¹¹

NOTES

Part V

- 1 I would like to thank Pedro Martins Barata for his contributions to the framing of this text.
- 2 *The Economics of Climate Change*, 2006.
- 3 *An Inconvenient Truth*, 2006.
- 4 In a summary view, the aims of the EU concerning the energy and climate change strategy are the following:
 Post-Kyoto targets for 2020:
 - reduction of 30% GHG emissions by developed countries in comparison to 1990 levels;
 - endorse since this date an EU commitment to achieve, in any event, at least a 20% reduction of GHG by 2020 compared to 1990;
 Internal electricity and gas markets:
 - ownership unbundling: to separate supply/generation interests from network companies;
 - a European network of independent regulators [EREGG];
 Energy efficiency and renewable goals:
 - endorse the objective of saving 20% of the EU's final energy consumption in a cost-efficient manner by 2020, as presented in the Commission Energy Efficiency Action Plan;
 - endorse the binding targets of 20% for the share of renewable energy in overall EU energy consumption by 2020 and 10% minimum biofuels;
 Scientific framework and objective data:
 - to avoid an increase of global temperature beyond 2 °C, above the pre-industrial age.
- 5 The Energy Policy Act of 2005 (EPAAct) (Pub. L. 109-058) was passed by the United States Congress on July 29, 2005 and signed into law by President George W. Bush on August 8, 2005. The Act, described by proponents as an attempt to combat growing energy problems, provides tax incentives and loan guarantees for energy production of various types. Among its many provisions, and most controversially, the EPAAct provides for increased funding of "clean coal" technologies, allows for loan guarantees for "innovative GHG reducing technologies," including advanced nuclear power reactors and clean coal, allows for an increase in coal production, and extends to 2025 the limit on liability for nuclear accidents (Price-Anderson Act).

- 6 About the shift in public opinion concerning climate change and its economic and political impact, see: "Special Report Climate Poll. Global warming: The buck stops here", *New Scientist*, 23 June, 2007, pp. 16-19.
- 7 The political ambition to fight climate change is already making headway at state level on both ocean shores. Two examples: in California, with Governor Schwarzenegger's initiatives, and in the East with the Regional Greenhouse Gas Initiative (RGGI) joining a group of North-Eastern and Mid-Atlantic states around a regional cap-and-trade system. According to the word given by Governor Schwarzenegger to Governor Pataki of New York, in October, 2006, the two initiatives will merge in a stronger RGGI.
- 8 About renewable energy policies in the USA, see Benjamin K. Sovacool and Jack N. Barkenbus, "Necessary but Insufficient", *Environment*, vol. 49, no. 6, July/August, 2007, pp. 20-30.
- 9 To have a larger picture of the Bush Administration profile towards energy and climate change issues, see Viriato Soromenho-Marques, *O Regresso da América, Que Futuro depois do Império?*, Lisbon, Esfera do Caos, 2008, pp. 129-51.
- 10 The opinions expressed by the author do not necessarily reflect the viewpoints of the GMF, its employees, or directors.
- 11 Following the "Franklin D. Roosevelt Azorean Forum," the aforementioned proposal that was submitted to the European Commission has been re-worked and expanded to garner potential funding for such a center.

PART VI

Transatlantic relations and the Luso-American community

*The role of Portugal and the Azores
in transatlantic relations*

MANUELA BAIROS*

To speak of the importance of Portugal and the Azores in transatlantic relations might seem redundant for many Azoreans of my generation. For those who were born near Santa Maria Airport or grew up on Faial island just outside the Western Union neighborhood on Rua Cônsul Dabney, the America of Disneyland quite naturally intermingled with Portuguese heroes in their childhood imaginations.

The initiative taking place here, marking a renewal of a long relationship that geography made inevitable, should be applauded for the opportunity it offers and the ambition of the project. [...]

In June of 1918, Franklin Roosevelt, then Undersecretary of the Navy, journeyed to the Azores, where he posted a letter to his wife in which he urged his children to look for “this place on the map.” The Azores would become, as Professor Alan Henrikson stated, an eminent aspect of President Roosevelt’s geopolitical thought: he even went so far as to propose that the archipelago serve as the headquarters of the United Nations.

Although there is no question that the Azores rose to unprecedented importance in transatlantic relations in the first half of the 20th century, their role today needs to be reevaluated in light of the globalization of United States strategic interests that ensued after the Second World War. In this new framework, relations between the United States and Europe have gradually settled into a natural partnership to defend common interests, one which tends to be more visible when there is a need to help out in foreign crises or those of a global nature.

In this context, we need to take a new look at our strategic map from the perspective of the interests of the Portuguese, which changed considerably in the last few decades of the 20th century.

* Consul General of Portugal in Boston at the time of the Forum.

The topic of the panel discussion proposed here comes out of a discussion that centers around three challenges that are facing Portugal and the Azores. The first of these, falling within the more immediate political-diplomatic realm, is to determine how to strengthen the historically important relationship we have with the United States. Secondly, we must find a way to adjust this relationship in order to meet the new needs and interests on our bilateral agenda, particularly with regard to economic, technical, and scientific cooperation. Lastly, we need to discover how to maximize the potential influence of Americans of Portuguese descent in contributing to the progress of Luso-American communities and, in a broader sense, to relations between the United States and Portugal.

In political-diplomatic terms, Portugal can claim a long-standing good relationship with the United States: she was among the first countries to recognize the independence of the United States, despite the privileged relationship she had with Great Britain; and by the end of the 18th century, the lively trade between Portugal and the newly independent nation warranted setting up a sizable consular network: in Philadelphia (1788), New York (1795), and Baltimore, Charleston, New Orleans, and Norfolk (all in 1822).

However, it was primarily due to defense concerns during the Second World War, and later within the framework of the Atlantic Alliance, that bilateral relations were strengthened. During the war, in the battle to control the North Atlantic, the Azores played an extremely important role in the security of the United States and, although nowadays the more imminent threats come from regions scattered throughout the world and even in remote areas, it is unlikely that the United States will want to give up the favorable conditions afforded by the Lajes Air Base, whose usefulness will likely continue due to the unpredictability of threats and the need to have a logistical support network in place to combat them.

With her decolonization and entry into the European Community, Portugal began to shift her priorities towards the European project, attenuating somewhat the importance of the transatlantic relationship. Having gone through a phase of maturing and consolidating her European credentials, Portugal will now find that her Atlantic dimension, which also includes her relationship with the African world and Brazil, can serve as a platform to proudly display her assets when it comes to Europe and transatlantic relations.

In this context, the Azores will once again find their specific place between the United States, Portugal, and Europe. Professor Carlos Amaral had it right when he said that the issue was one of the centrality versus peripherality of the archipelago. The way the world has evolved over the past few decades, with a strengthening of Europe and simultaneous dispersion of responsibilities and geo-political interests on the part of the Americans, has made the Azores peripheral in a European space that is more centralized and less Atlantic, while at the same time they have gained centrality as a function of globalization of United States interests. In the strategic and military arena, as Professor Luís Andrade has pointed out, the importance of Portugal – and of the Azores – still has currency as a projection of the power of the United States. The priority given to European neighborhood policy and relations with the Mediterranean and African countries will bring a new emphasis to the South Atlantic, giving Portugal a further role in this context. Bolstering her Atlantic element is in keeping with Portugal's maritime tradition and her connections to the Portuguese-speaking world, and will strengthen our transatlantic relations.

Secondly, in today's world dominated by global interests and challenges, it is important to look beyond the traditional political-diplomatic agenda in the Luso-American relationship. The 1995 Cooperation and Defense Agreement between Portugal and the United States already pointed in this direction by including an economic, technical, and scientific component. Today we are witnessing a very important and dynamic moment on this front of bilateral cooperation. United States Ambassador Thomas Stephensen's participation in this forum clearly illustrates the priority being given to scientific and technological cooperation, particularly in the area of renewable energy and energy autonomy.

The MIT-Portugal Program launched in 2006, in areas of technology considered important for the country's sustained economic development, is probably the most visible manifestation of the bilateral efforts towards scientific and technological cooperation. These efforts include many other universities in the United States. Here as well, the Azores have been targeted for special attention.

Because of their geographic location and special historical and cultural ties to the United States, the Azores are a convenient meeting point for promoting discussion, debate, and exchange of

experiences that may prove useful in transatlantic cooperation. This is the opportunity envisioned by this Roosevelt Forum, just as it was the underlying motivation for holding the first transatlantic conference on renewable energies sponsored by European Parliament member Paulo Casaca here in the Azores. With the new national aim of modernizing Portugal by investing in technological development, which implies responding to needs and challenges on a global scale, the Azores have taken on their share of responsibility.

Participation of the Azores in the project known as “Green Islands,” an MIT-Portugal initiative, will place the archipelago at the heart of development of new methods designed to identify efficient and sustainable energy solutions by taking advantage of the natural resources available in the region, namely ocean, wind, geothermal, and solar energy. In addition, through the efforts of Senator Marc Pacheco and State Representative Tony Cabral of Massachusetts, the Ministry of Science and Technology is studying a joint project involving UMass Dartmouth and the University of the Azores, with MIT’s support, to install a climate change observatory in the Atlantic.

Luso-American cooperation in matters relating to energy security and development of renewable energy sources, which was recently formalized in a protocol signed by the US Secretary of State for Energy, Samuel Bodman and his Portuguese counterpart, illustrates what may be one of the best ways to strengthen our bilateral relationship: by creating partnerships in specific areas of technological development that can respond, not only to the priorities of the bilateral transatlantic agenda, but also to challenges at the global level. In addition to renewable energy sources, the fields of nanotechnology, biotechnology, life sciences, and information technology are expected to occupy a prominent place on the Luso-American agenda.

Lastly, the fact that there is a community of Portuguese descent of roughly one million people according to the last United States census taken in 2000 is probably the greatest assurance that friendly relations between Portugal and the United States will continue and be fruitful to the extent that both countries invest in those relations.

It is my duty and only fair that I mention the invaluable support we have received from Luso-American politicians in promoting Portuguese interests. Even the cultural activities that are offered, such as

those made available each year through the Boston Portuguese Festival, often rely on the support of politicians of Portuguese descent to ensure access to local public service institutions for whom Portugal does not represent much.

It is also these politicians – and other Americans who represent the Luso-American electorate in Washington – who are at the forefront, in their own country, in supporting issues that are important to the Portuguese communities and Portugal: extension of the visa waiver program (VWP) to include Portugal; milder enforcement of automatic deportations; the still unresolved issue of including the Portuguese language in the subject exams for college entrance examinations (SAT II); and in the most celebrated case of supporting the Portuguese position to hold the referendum on self-determination in East Timor.

The power of the “ethnic vote,” made possible by the American electoral system, makes the Luso-American community particularly relevant as an element in bringing the two countries closer together. Once again, the Azores figure prominently in this relationship, since the majority of the Luso-American community originally came from this region of Portugal. This explains the recent trip to the Azores of Barney Frank, one of America’s most influential congressmen, whose electoral district includes the cities of New Bedford and Fall River.

Therefore, bringing the Luso-American community to the forefront, through promotion of its cultural heritage and participation in local politics, is one of the priorities of Portuguese foreign policy. In essence, as regard for this group’s heritage and culture increases, Portugal herself becomes more highly regarded. These are inseparable tasks that cannot be postponed. As Consul General of the United States in the Azores Jean E. Manes stated, there is no new emigration from the archipelago to the United States, and as the generations pass, the memories of the culture of origin become more and more diluted. This natural distancing should not discourage us from ongoing investment in cultural dissemination in forms that are appropriate to the needs of the younger generations and to the process of acculturation that they are going through.

Curiously, the United States is based on an “idea of America,” which other major ethnic groups have rallied around, in a multiculturalism that in turn conforms to this same powerful “idea of America.” In the same way, Portugal – including the Azores – has endeav-

ored to promote Portuguese culture in order to emphasize the value of the Luso-American community's contribution to this multicultural mosaic. Convincing third and subsequent generations to embrace their cultural heritage is a complex task, but it is one that we must pursue as an indispensable vehicle for sensitizing American decision-makers to issues that are important to Portugal.

These are the challenges and opportunities that make up an important part of our bilateral agenda. The United States will continue to hold an influential position in the world. Although our relationship is inevitably asymmetric, in the history of our relationship there have been few occasions and few issues on which we have been diametrically opposed. We share common values, and we have maintained ties of friendship that date back to the founding of the United States as a nation. At the present time, cooperation initiatives in the areas of science, technology, and higher education are proliferating as part of the modernization effort which Portugal has embarked upon, taking advantages of American sources of know-how and excellence.

These circumstances can only be strengthened by a Luso-American community that has demonstrated its ability to act in defense of Portuguese interests. Because of the basic ties that bind us, we also have a duty to offer our Portuguese culture in return, so that we can take pride in this shared identity. To this end, the Portuguese consulates in the United States have been active in promoting the strengthening of ties between Portugal and the American people and government. We still have a long way to go, in new directions that serve the needs of a demanding and multifaceted bilateral transatlantic agenda. But the course has been set towards a serene and stable relationship.

*The emergence of a new generation
of Luso-American leaders of Azorean descent
in the US: a new chance to act*

JEAN E. MANES*

The United States Consulate in the Azores is the oldest continuously operating United States Consulate in the world, and there's a reason for that. The Azores have been a key player in so many critical moments of history. From the beginning of the United States and our revolution where the US Consul John Dabney monitored the movements of British vessels; to the First World War and a physical military presence in Ponta Delgada; to the whaling industry and the joining of the coast of the United States with the Azores; to the Second World War and the presence in Terceira – without which most historians agree that the allies would have been unable to stop the German U-boats and the war could very well have ended differently; to the War on Terror and the key meeting that took place in 2003 in Terceira prior to the invasion of Iraq, in all of these critical moments in history, the Azores have played a significant role.

But what about the future? President Roosevelt was a visionary; the US Consul John Dabney (whose family served here for 85 years) was also a visionary in terms of how he saw the specific potential of the Azores. Both men honored the past, but were clearly looking toward the future.

President Roosevelt at one point suggested the Azores as a possible location for the United Nations. But, in the end it wasn't selected. I say that not to diminish history, but as motivation for the opportunities and possibilities that we have today.

The relationship between the United States and the Azores is at a critical point that will determine whether we will talk about our relationship in the past, or if, in fact, we will have a new chapter that will be part of our joint future.

* Consul General of the United States in the Azores at the time of the Forum.

The future areas for cooperation between the United States and Portugal, and specifically the Azores, are in renewable energy, climate change, and marine science. While in the past, the military component has played a major role, it will most likely not be the dominant area of cooperation for the future. It will continue to be important, but as with any business or industry, needs change. The importance of the military component in the future will depend on whether we are able to work together and find new missions for Lajes. At the last bilateral commission meeting in Lisbon in February between the United States and Portugal, the United States officially proposed to develop, in partnership with Portugal, a central air training space at Lajes for the United States and NATO. This proposal is currently being reviewed by the Portuguese, but it is clear that we all must take an innovative and proactive look at new missions for Lajes in order for the US presence to remain relevant.

In renewable energy, the US Ambassador to Lisbon, Thomas Stephenson, spoke on energy security. As he mentioned, in May we had the visit of the US Secretary of Energy Samuel Bodman, who signed key agreements with Portugal in this area.

In climate change – an issue of global importance – the Azores can play an instrumental role. Later this year, the US Department of Energy will begin a new project on the island of Graciosa – with the installation of the Atmospheric Radiation Measurement Climate Research Facility (ACRF). The Department of Energy has indicated the Azores are ideally suited to study low stratiform cloud systems over the subtropical oceans, which are poorly represented in climate models and cause major uncertainties in predictions of climate change. The US Department of Energy has identified the island of Graciosa as a “sweet spot” for the study of clouds and their impact on climate change. The role of clouds is a key component in climate model projection that has been missing, and this mobile monitoring center will become one of five in the world. As the Department of Energy has indicated, when a new site is selected, the rest of the scientific community around the world takes note and also gains interest in the location.

The question is – will the US and the Azores take advantage of this opportunity to become a center for climate change research?

In the area of marine science, this past April, the largest state delegation from the United States came to the Azores. The delega-

tion – led by United States Congressman Barney Frank – included 60 individuals from the academic, political, and business sectors from the states of Massachusetts and Rhode Island. During the visit, the longtime partner of the Azores – the University of Massachusetts Dartmouth – proposed developing a Marine Science/Climate Change Think Tank here in the Azores. The Think Tank model would be a center for both US and European study, recognizing the strategic location of the Azores and the unique conditions for climate change and marine studies. The center would bring scientists and academics from all over the world to contribute to this critical area of study and research. This is a vision that would once again place the Azores at the center of history.

After a history of regular immigration, which contained peak moments with the whaling industry and the Capelinhos Volcano, the United States is no longer receiving significant numbers of immigrants from the Azores. Over the last five years, we have had just about 50 people a year – mostly elderly women recently widowed who are going to the US to live with family. In many ways, this reduced immigration is a positive sign, because it demonstrates the growth in the Azores and the local opportunities. It also signifies the increased dynamic of the European Union as a work destination.

This means, right now, we have a window of opportunity in the US/Azores relationship. At no single moment in our relationship have there been more key players in the United States in the academic, political, and scientific fields who have direct heritage in the Azores and/or a special interest. Our challenge right now is to take advantage of this tremendous asset and strategically use this opportunity to advance the US/Azores relationship. Some of the individuals are here speaking at this conference. I know of no other region with this advantage. I’m speaking of the three members of the United States House of Representatives from California – Congressmen Costa, Cardoza and Nunes; Senator Edward Kennedy; Representative Patrick Kennedy; the numerous state and local legislators from Massachusetts and Rhode Island; Craig Melo – the recent Nobel Prize winner in medicine; the University of Massachusetts Dartmouth, Brown University, Bristol Community College, the long list of sister city partnerships, individual businessmen, and community leaders.

This advantage is really unprecedented, but it won’t last forever. The individuals and groups above want to build new partnerships

between the United States and the Azores, but we have to act collectively to move forward, particularly on the enormous opportunities in the climate change and marine science area.

Already, some second and third generation Americans do not share the same passion and commitment to the Azores/US relationship as their immigrant parents and grandparents. This is a normal part of the immigration process, but it means the moment for action is now. For example, recently we had the visit of an American television personality whose family roots are in the Azores. Her grandparents on both her father and mother's side immigrated to the US in the early 1900s. She is around 50, with college and high school age children. She had never been to the Azores and really didn't know a great deal about the area before the visit. She doesn't speak any Portuguese (although her parents did). While she now is developing an interest in the Azores, it is unlikely that she or her children will carry a passion for the region. This is a classic example of the future.

We also anticipate that regular immigrant travel will diminish in the next ten to 20 years. Immigrants and first generation Americans tend to travel back every year. Second and third generation Americans usually travel once every few years at the most. These are all changes that will impact the US/Azores relationship that has been so close and strong over the last 200 years.

Our challenge is to take advantage of this moment in history and use this advantage to build the future so that we can keep talking about the US/Azores relationship as one in the present and future, and not something simply in a historical context.

*Promoting civic and political maturity
within the Portuguese-American community*

JOÃO-LUÍS DE MEDEIROS*

The Luso-American community and relations
among Portugal, the Azores, and the United States:
challenges and dilemmas

Based on my gratifying experience as a citizen of the United States of America, I have decided to limit my comments to the Portuguese-American community in the US, thus complying with the conditions proposed by the eager organizers of the First Franklin D. Roosevelt Forum (in particular Dr. Mário Mesquita, Azorean and matchless friend).

Without dwelling on considerations of an emotional nature, I would like to take this opportunity to recall the valuable contributions of the young Foreign Minister at the time, Dr. Jaime Gama, who about 20 years ago, in conjunction with American Secretary of State George Shultz, laid the foundations on which FLAD would be built. I would also like to say that this particular Forum is a fortunate outcome of Portugal's democracy (and in this very audience we have a number of democrats who were elected as representatives to the Constitutional Assembly).

Let me now go on to the subject that was assigned to me. Throughout my apprenticeship as an immigrant, I have observed and publicly commented on the fact that the civic integration of the Azorean emigrant in American society has not gone on at a *gallop*. If we wish to continue the equine metaphor, we could say that the process of assimilation is more in keeping with an *obstacle course*, but with one peculiarity: the set of obstacles is, in reality, part and parcel of the psychological baggage of the emigrants themselves.

* Human resources consultant, former Deputy to the Regional Assembly of the Azores and the Assembly of the Republic.

Civic and political alienation: a silent but devastating “scourge”

To those who have accepted the burden of leading our community, I would recall that the ritual known as “*public relations*” is not an end in itself, but just one of the tools for establishing collective dialogue. The apostles of ethnic militancy always seem to be sandwiched between a love-hate duality or squeezed inside a “*cooperation-conflict*” dichotomy. No wonder community volunteerism is almost always regarded with ill-concealed suspicion as job-hunting.

Communities need people who will democratically serve ideas. It is true that routine kills creativity, so we must not fear change. It is both uncalled for and unwise to forget the positive contributions made by those down-home characters of the community’s yester-years. I am referring to the jolly alpaca-sleeved servants of Lusitanian diplomacy; the clerk-politicians pining for the past; the smug princes of Tridentine academia; the entrepreneur-treasurers among the nouveau riche and, of course, the judges of other people’s morality.

In short, we should state here that the characteristic representatives of “revered corporatist elitism” that still swarm inside the community’s privileged set are not included in the inventory of this conversation.

We have come here to heed the call, and staunchly state that we are zealous servants of the present. We have never accepted the feudalistic mandate to act as if we were accredited dictators of the future. The ideal would be to imitate life’s apprentices, folks who are unswayed by applause because they persist in learning to live and survive in the trenches of ethnic solidarity.

Old suggestions and rejuvenated hopes

But then who are we? And what do we want?

a) To separate people from problems: do not confuse opinions with arguments; to invest in basic education; count on professional training; outline concrete plans for closer business ties;

b) To seek and define objectives, always striving to sidestep the rituals of protocol that are so fraught with outmoded, labyrinthine procedure. (And once an option has been agreed upon, it must be

examined in as much detail as possible, so we do not wallow in the mud of yesterday’s false hopes).

So as not to slow down my train of thought, I am prepared to accept the excuse that ethnocentricity – of the Azorean ilk – is not a Lusitanian mortal sin. But it can be a prolonged obstacle to collective progress. Moreover, among our diaspora, Portuguese culture should not be obsessively limited to ethnic festivals, feudalistic corporatist parades; and to “cardinals’ suppers” composed of crusaders selected for their political and party allegiance to the powers that be. It would not be fair to relegate the Azores to being an ocean-bathed “waiting room” for a miraculous “European clinic,” nor to transform the Azores (which would be even sadder) into an “Atlantic oasis,” a rest stop for pilgrims on their way to some strange war-torn sanctuary.

Allow me to finish my thoughts imaginarily, using a metaphor. I would like to share with you a quatrain left to us by Antero de Quental as part of his literary legacy:

With a bestial smile, nations open unread,
A tome that is the future’s book,
While the people slumber in their peaceful nook,
As in a royal purple festooned bed.

A while back I was mentioning the unpostponable investment that must be made in civic and political education. The results achieved by the community’s “old guard” are there for all to see, and eloquently illustrate how much is still to be done. Of course we cannot ignore all the possible positive aspects of their albeit homespun initiatives: the whole memorial fabric of our communities is peppered with the allegorical tributes to the good ole’ days. But civic and political education is not just a folkloric facet of some ethno-political handicraft; nor should it be confused with malicious “training to revive the good ole’ days” aimed at perpetuating the emotional childishness of our emigrants.

Indeed, community education can be a stirring, though gradual process of self-discovery in the struggle against willingly accepted ignorance. I am sure there are shelves full of professional qualifications and medals for “good behavior” belonging to people in the community that can be forged into tools for getting the job done.

But these tools must not be used to craft “comfort cushions” for the intelligent but lazy.

In conclusion: Our communities (immigrant and Luso-American) are still in need of selective support of a political-democratic nature and financial, academic, and entrepreneurial support to help us in selecting our ethnic wheat from the chaff. We must seek out and promote credible alternatives to the emotional management that the traditional gerontocracy – which considers itself to be irreplaceable – always proposes by default. In sum, what we need to do is to nurture the art of asking questions. The challenges posed by political “askability” must not be put off, *ad infinitum*.

The representatives of community institutions are shouldering a task they cannot put off: to establish parameters for institutional autonomy. And I would like to think that the volunteers of modern “Portugality” will not sit idly by as the challenges required in improving the Portuguese-American community’s political, scientific, and cultural competencies arise.

I would also like to insist that we shoulder the task of rejecting the future as an unalterable destiny. And, while we’re at it, let us not allow our community’s progress to be at the beck and call of the touristic calendar of the traditional “traveling salesmen” who sell the Suppository of the Good Ole’ Days.

North Atlantic security does not only depend on the logistical analysis of militarism in uniform; it also needs to heed the priorities of transcontinental globalism; and it also requires (I believe more and more with each passing day) the civic and cultural maturity of émigré and resident Azorean islanders. Political autonomy (like sainthood) is not at the finish line – it is an experience in transit that must run its course on the Road of Intelligence.

I shall end here. It’s still not too late for us to become Atlantic pilgrims of competence, sound management of our priorities and the zealous oversight of our rights; because, at the end of the day, what we desire is to be citizens of the world accustomed to the freely chosen right not to relinquish our human dignity.

A philanthropic lens on Portugal and the United States

DONZELINA A. BARROSO*

Portugal and United States have distinct traditions of charitable giving, which are related to the history and cultural and social norms of each country. In the United States, modern private philanthropy, born from the unprecedented industrial fortunes of the late 19th and early 20th centuries, led to the founding of major charitable foundations. These institutions engaged in a wide array of social causes through nonprofit organizations and associations. In Portugal, and throughout Europe, social issues continued, in large part, to be served by traditional laic and religious charitable organizations during the 20th century, and there continue to be fewer large-scale grant-making foundations than in the United States. Further, in the US, private philanthropy financed much of the academic, scientific, and medical research that continues to be funded at a national government level in Europe. These distinct traditions also help to illustrate some of the differences between the roles of civil society in these two countries. Further, they can help to highlight some of the differences between *charity* and *philanthropy* as they are currently applied in the nonprofit world. While both streams are rooted in the notion of a moral or spiritual imperative to help one’s neighbor,¹ they have vastly different implications.

Historical context

The industrial era in the United States led to the creation of vast fortunes. Some of these newly wealthy – among them Andrew Carnegie, John D. Rockefeller, and later Henry Ford – created philanthropic

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entities to combat social ills. These foundations fund projects not only in the US, but also internationally.

The philanthropic giving that emerged from these family fortunes was new in the sense that it emerged from a decidedly capitalist environment and resided outside existing government or church structures. Nonetheless, especially in the case of Rockefeller, who had amassed almost \$1 billion by 1910 from founding Standard Oil, this giving was marked by his personal religious and spiritual convictions. A pious Baptist, he felt a moral imperative to help those less fortunate. From a very young age, Rockefeller taught his own children to participate in tithing, a tradition that was passed down to his grandchildren as well, and which grandson David Rockefeller has documented in his autobiography.²

Rockefeller found himself inundated by requests for assistance from not only within the United States, but from around the world. Biographers note that he returned from one trip to Europe with several trunkloads of letters, all requesting his financial support. He responded to each letter personally.³

The Rockefeller Foundation was officially formed in 1913, at a time when Rockefeller felt that he needed to apply a structured approach to his giving; he was overwhelmed by the volume of requests he received and wanted to use his wealth wisely. He hired Frederick Gates, a Baptist reverend, to help organize his Foundation. He felt that it would be wise to have an advisor, as it was possible to “do harm” in giving money away.⁴ By 1923, John D. Rockefeller had given away approximately \$500 million.⁵

David Rockefeller notes that perhaps the greatest contribution of his grandfather and Carnegie, considered the “founders” of modern American philanthropy, was to “emphasize the need to move charitable activities away from treating the symptoms of social problems toward understanding and eliminating the underlying causes.”⁶ Their philanthropic institutions were vehicles, not only for philanthropic giving, but also for the shaping of public policy priorities. At a time of great income disparity in the US, foundations such as these helped to jumpstart important research and the institution-building. Influenced by European government-sponsored scientific research institutions, Rockefeller, for example, in 1901, founded the Rockefeller Institute on Medical Research (later renamed the Rockefeller University) to address pressing medical issues such as tuberculosis.

This institution became the country’s first biomedical institution. A decade before, in 1890, his first major project had been the founding of the University of Chicago, which continues to be one of the country’s premiere institutions. Today, there are over 75,000 grant-making foundations in the US, of a variety of sizes.⁷

In Portugal, by contrast, there was no tradition of large-scale individual philanthropists, for a wide variety of reasons. First, charity was largely provided by the Church and by religious institutions until quite recently, following the European tradition. The network of *Santas Casas da Misericórdia*, founded in the late 15th century by Queen Leonor of Portugal, provided for both spiritual and worldly needs and continues to be the pillar of social services in Portugal to this day. In some areas of the country, they are the sole providers of such services as nursery schools, kindergartens, meals-on-wheels, and senior day and residential care. Bequests were and are made by private individuals to certain charities, but bequests have tended to go to existing laic and religious organizations rather than for the creation of new, private foundations. Also, Portugal’s economy remained agricultural and did not generate the same level of wealth as in industrialized countries.

In addition, civic involvement, a central aspect for the development of the nonprofit sector, does not have a strong tradition in Portugal. Although the nonprofit sector is on the rise, it is still emerging and building force as an agent of social change. For much of the 20th century, political leadership hampered the development of the civil sector. The *Estado Novo* (1933-74), as the authoritarian regime was called, limited freedom of association to specific, state-authorized groups, such as youth and women’s groups.⁸ One author confirms: “Portuguese civil society [...] was a marginal player during the First Republic (1910-26); it was tightly controlled and manipulated by the *Estado Novo* authoritarian regime between 1933 and 1974; and it was abruptly set free with the 25 April 1974 coup.”⁹ The relative newness of Portuguese democracy and the lack of a history of strong, independent civic organizations help to explain the fact that only recently have associations and nonprofit organizations in the social arena begun to realize any level of political and social power. Some, however, still feel hampered in this regard, largely due to the relative lack of independent sources of funding outside the federal and local government frameworks. Nonprofits are often reluctant to push government for fear of reprisals.

Ironically, these very same associations have, as one study showed, provided government with a valuable service, as social services are currently mainly contracted out to nonprofit organizations. Thus, one study concludes, the challenges for the future of Portugal's nonprofit sector are to "increase public awareness, strengthen [its] legal framework, improve civil society capacity, and improve government-nonprofit relations."¹⁰ Hopefully, with the quantification of its contributions, the nonprofit sector will be able to have more of a voice in setting policies and procedures. As democracy solidifies, citizens will also require more of an active voice in the shaping of their lives. Portuguese democracy will become more participatory as citizens become accustomed to having rights and responsibilities. It has been noted that the nonprofit sector also has lacked visibility, until now, because of a lack of statistical information regarding its performance. This is turn was caused by a lack of interest in the subject on the part of academics, who now acknowledge the sector's growing role, especially in times of economic hardship.¹¹

The first private philanthropist in Portugal on the scale of those mentioned in the United States was Calouste Sarkis Gulbenkian, an Armenian who settled in Portugal and whose foundation just celebrated its 50th anniversary in 2006. According to the Foundation's 2007 Annual Report, it has assets of about 3 billion euros and an annual budget for grants, scholarships, and prizes of over 100 million euros. For many years, the Gulbenkian Foundation was the only example of individual philanthropy of this scale, and its activities in health and human development as well as the academic and scientific arenas had a deep impact on the development of the country. But this is changing. In 2004, Portugal witnessed the creation of the Anna de Sommer and Dr. Carlos Montez Champalimaud Foundation, which focus over 400 million euros on biomedical research, among other fields. And in the 1980s, public and private foundations such as the Luso-American and the Oriente Foundations were also created to address specific issue areas.

Civic involvement

What continues to be different in the US and Portugal is that there are a large number of individual donors in the US who give vast sums

of money on an individual basis annually. For example, New York City Mayor, Michael Bloomberg, who has an estimated net worth of \$16 billion, donated \$205 million to various charities in 2007.¹² First place went to William Hilton, who donated \$1.2 billion in the same year.¹³ This level of giving is simply nonexistent in Portugal.

But it is not only the wealthy who make donations. The American public is extremely generous, across economic classes. Figures show that in 2006, the American public gave \$295 billion – the equivalent of 2.2% of the United States' GDP, to charitable and philanthropic causes, including religious and church groups.¹⁴ The majority of these donations are quite small. Even among the poorest levels of society, which receive little or no tax benefit for their donations, there is a high level of participation, and about 60 percent of households in general contribute. By way of comparison, the federal government contribution in the form of subsidy of charitable organizations is approximately \$50 billion per year, or one-sixth the value of the public's contribution.¹⁵

Gallup and World Value Survey indicators show that Portugal still scores low in such areas as volunteering, community involvement, and charitable giving.¹⁶ Of course, there are several reasons for the differences between the nature of private philanthropy in the US and Portugal – among them: societal structure; historical traditions; inheritance laws and tax benefits; wealth of country and number of millionaires; a young and developing civil society; and indeed, the very nature of governing structures – i.e. a capitalist versus socialist (with a lower case) form of government.

"The State," as it exists in Europe, does not exist in the US. In 1835, Alexis de Tocqueville had already summed up the American character in his book, *Democracy in America*:

Americans of all ages, all stations in life, and all types of disposition are forever forming associations [...] religious, moral, serious, futile, very general and very limited, immensely large and very minute. [...] Hospitals, prisons, and schools take shape in that way. [...] Where in France you would find the government or in England some territorial magnate, in the United States you are sure to find an association.¹⁷

In Europe, by contrast, citizens *expect* and *want* government to provide a host of services. Despite the fact that the United States's Gover-

nment has a vast array of social transfer programs that are entirely government subsidized, the recent debate about healthcare reform in the US demonstrates the deep skepticism on the part of a large segment of the population about government involvement in areas where the private sector can play the same role. Many have commented that Americans' pragmatism has its roots in the country's early history: when the first settlers arrived, there was no government to protect them, and they had to create and do everything for themselves. Speaking of the more recent past, an article on "Philanthropy in Portugal" notes that philanthropic development, both at the private sector and individual level, has also been slowed by a weak economy.¹⁸ A study of the nonprofit sector in Portugal notes that Portuguese nonprofits derive almost half of their revenue from fees, about 40% from public (government) support, and only 12% from philanthropy.¹⁹

Relationship of the overseas communities to Portugal

One very important component of Portuguese civic and philanthropic life over the years has been the contribution of the diaspora communities throughout the world. These communities maintain a connection to Portugal through the remittances or "remessas" sent by emigrants to their families in Portugal. There are some interesting things to note in this regard: a World Bank Study – "Remittance Trends 2007" – notes that as Portugal becomes a country of immigrants, it is beginning to have increasing amounts of remittance outflows – in 2007 totaling \$1.386 billion, or 0.7% of the national GDP. On the other hand, remittance inflows are slowing down, falling by \$77 million from 2000 to 2005. This decrease is due to several factors, namely the fact that people are generally better off in Portugal than in the past; that emigration to the US and other countries has sharply declined; and that as the generations of Portuguese immigrants assimilate and lose contact with Portugal, they are less likely to send funds home to second or third generation relatives. An article from *Luso-Americano* (Newspaper), published on 4 May, 2001, pointed to the fact that in America, the numbers of immigrants were on the decline, and numbers of Luso-Americans are increasing. As older generations die off, their children will not continue to support relatives left in Portugal.²⁰

Another challenge is that emigrants often raise money for local, hometown causes. This brings us to the reality of communities versus community. It is doubtful that islanders would raise money for a cause benefiting another area of the country, or even another island, for example. But younger, less "passionate" donors, might be interested in an issue such as education countrywide, rather than just education in a family's place of origin. The challenge in the future will be to attract those Luso-American donors in the first place, as they will find other, more local issues to which to contribute.

Philanthropy versus charity

In the United States, and indeed throughout the world, there has been growing awareness of and interest in *philanthropy*, especially during the past two decades. The term has become so commonplace, in fact, that in 2009, a major US television network launched a television series called "The Philanthropist," which follows the sagas of a wealthy businessman-turned-philanthropist.

The creation of the William H. Gates Foundation in 1994, with an original investment of \$94 million in capital, helped to catapult philanthropy into the public eye.²¹ When in 2006 Warren Buffett, one of America's wealthiest men, pledged to give a portion of his then \$44 billion in assets to the Gates Foundation to enhance the work of that foundation,²² news coverage was extensive. A foundation with this level of assets had not been seen in the United States since the days of Carnegie and Rockefeller. Like its predecessors, the Gates Foundation has the ability to set agendas, not only domestically, but internationally as well.²³

Philanthropy is defined by *Webster's Dictionary* as "loving mankind" and an "active effort to promote human welfare." Charity is defined in the same source as "Christian love," or "helpfulness esp. [sic] toward the needy or suffering" or even "aid given to those in need."²⁴ In a broad sense, then, charity can be seen as an act of giving and philanthropy a philosophy under which that aid is given.

Philanthropy, as it is commonly referred to, is interested in seeking to root out the causes of poverty, isolation, and to work toward *change*. This is reflected in the type of giving carried out by John D. Rockefeller. Philanthropy is, therefore, concerned with outcomes of

giving: Was the program effective? How do we measure the change we are trying to achieve? These results cannot be determined by simply counting numbers of people fed, or homes built. This measurement is about nuanced effects: how did livelihoods of families involved in the program improve through the services provided? Were all the opportunities seized, and was the money used most effectively? Philanthropy is a detail-oriented, active approach that can be transformative, as this author has experienced.

Charity, in its most strict interpretation, on the other hand, focuses on addressing immediate needs such as providing food or shelter. While these acts should not be diminished, as they can potentially be life-saving, they do not seek to change a society's structure; they seek to alleviate suffering.

These two approaches offer distinct views of life and society and hierarchy. Philanthropy sees donor and grantee as partners working toward a common goal. In this approach, giving is a collaboration among funders, agencies of change, and recipients of support who become equal partners in the success of the effort. Indeed, their active participation and agreement is a requisite for the success of any effort. Recent international development theory in fact mirrors this approach of collaboration. Development theory has evolved from a model of the North (rich world) giving to the South (poor world) and imposing frameworks that are often not applicable in recipient countries, to a model of a context-specific partnership of aid.

As Portugal's philanthropic and civil society sectors develop, and work in partnership, with each other and government, they will create more opportunities for helping to shape the country's future. This increased participation will necessarily lead to a more "philanthropic" view of society and solutions to its needs. There is a strong movement afoot, led by dynamic nonprofits and through leaders around the country. Foundations such as the Aga Khan Foundation, and others, are also participating in this movement by funding innovative, community-based pilot programs that produce results and help to influence decisions at a national level. And that is philanthropy, not charity.

NOTES

Part VI

- 1 Kevin C. Robbins, "The Nonprofit Sector in Historical Perspective: Traditions of philanthropy in the West", in *The Nonprofit Sector: A research handbook*, New Haven, Yale University Press, 2nd ed., 2006.
- 2 David Rockefeller, *Memoirs*, New York, Random House, 2002, p. 10.
- 3 John E. Herr and Peter J. Johnson, *The Rockefeller Century, Three Generations of America's Greatest Family*, New York, MacMillan Publishing Company, 1988.
- 4 David Rockefeller, *op. cit.*, p. 10.
- 5 Herr and Johnson, *op. cit.*, p. 3.
- 6 David Rockefeller, *op. cit.*, p. 11.
- 7 www.foundationcenter.org.
- 8 The youth groups were modeled along Italian fascist lines, and the women's groups focused on reinforcing traditional roles for women. Tellingly, the acronym for one of the official women's groups, Obra das Mães pela Educação Nacional, OMEN, is a homophone for the Portuguese word for "man" ("Homem").
- 9 Paul Christopher Manuel, "Portuguese Civil Society under Dictatorship and Democracy, 1910-1996", *Perspectives on Political Science* 27, 1988. Manuel goes on to discuss the involvement of civil society in reshaping Portuguese democracy, through the creation of organized labor and business associations. However, Church and laic groups tended to dominate social service provision.
- 10 Raquel Campos Franco, S.W. Sokolowski, Eileen M.H. Hairel, and Lester M. Salamon, *The Portuguese Nonprofit Sector in Comparative Perspective*, Universidade Católica and Johns Hopkins University, 2005, p. 2.
- 11 Raquel Campos Franco, Abstract, "Defining the Nonprofit Sector: Portugal", *Senior CATS*, 2005, p. 12.
- 12 As an aside, Mayor Bloomberg receives, at his choice, an honorary salary of \$1 from New York City. It is obligatory to receive some financial compensation for that office of public service in New York.
- 13 *Chronicle of Philanthropy* data quoted in Jon Gerther, "For Good Measure," *The New York Times Sunday Magazine*, 9 March, 2009, pp. 62-63.
- 14 Indiana University Center on Philanthropy data as quoted in David Leonhardt, "What Makes People Give?", *The New York Times Sunday Magazine*, 9 March, 2008, p. 46.
- 15 Idem, p. 50.

- 16 Quoted in the 2008 *Legatum Prosperity Index*, Portugal Country Profile, http://www.prosperity.com/PDF/PO_profile.pdf.
- 17 Alexis de Tocqueville quoted in Joel Fleishman, *The Foundation: A great American secret, how private wealth is changing the world*, New York, Public Affairs, 2007, p. 13.
- 18 Sofia Rodrigues, Maria Mota, Leonor Saúde, Sheila Vidal, and Margarida Trindade, "Philanthropy in Portugal", *EMBO Report* 8 (7), pp. 613-15.
- 19 Campos *et. al.*, p. 1.
- 20 Luís Costa Ribas, "Luso-Americanos São cada vez mais, Portugueses São cada vez menos", *Jornal Luso-Americano*, 4 May, 2001. The focal point of the article was the fact that assimilation and attaining the American dream has led to the dispersion of the New Jersey Portuguese communities, a trend that could negatively impact companies and businesses selling Portuguese products.
- 21 The foundation currently has an asset trust endowment of \$30.2 billion; has made \$20.5 billion in total grant commitments since inception; and paid out \$2.8 billion in grants in 2008. See: <http://www.gatesfoundation.org/about/Pages/foundation-fact-sheet.aspx>.
- 22 <http://money.cnn.com/2006/06/25/magazines/fortune/charity1.fortune/>, "Warren Buffett Gives away His Fortune", June 25, 2006.
- 23 The Gates Foundation's massive yearly grantmaking budget could have a profound effect on the shape of giving and public policy worldwide, a fact that has prompted some concern. It is estimated that within a few years, one in every \$10 donated in the world will come from the Gates Foundation. A recent *New York Times* article, "Gates Foundation Influence Criticized," notes, for example: "The chief of malaria for the World Health Organization has complained that the growing dominance of malaria research by the Bill and Melinda Gates Foundation risks stifling a diversity of views among scientists and wiping out the world health agency's policy-making function." *The New York Times*, 16 February, 2008.
- 24 *Webster's Ninth New Collegiate Dictionary*, Springfield, MA, Merriam-Webster Inc., 1989, pp. 882 and 228.

Closing remarks

VASCO CORDEIRO*

To begin, I would like to underline a few of the concrete results of this Forum. First, the satisfaction of the Government of the Azores for having had the opportunity to collaborate with the Luso-American Development Foundation (FLAD) in organizing this ambitious event which, after three days involving debate and discussion, we can safely classify as a success.

I would also like to mention that this Forum has confirmed all of the Foundation's expectations of bolstering its activities on Azorean topics per se, topics related to the Azores, or topics that include the Azores. In bolstering its Azores-related activities, the members of the Foundation have shown a clear understanding of how the Foundation is connected to the Azores, while Foundation administrator Mário Mesquita, one of the driving forces at FLAD, has been one of the main architects behind the Foundation's plan to give greater attention to the Autonomous Region of the Azores.

The first edition of the Franklin D. Roosevelt Azorean Forum is now drawing to a close, yet I hope it will not be the last. And now that we are in the final lap, I would like to take this opportunity to urge the Luso-American Development Foundation to continue its efforts to focus on the Azores using the same discernment it has shown so far in choosing the Azorean topics to be dealt with.

The topic we have discussed over the last three days has shown that the Azores, owing to their geographic location, have played an instrumental role in transatlantic relations. Yet I would also like to point out that there are other areas – namely regarding the issue of autonomy, a subject I mentioned before – in which their substantive role can also be highlighted.

* Secretary to the office of the President of the Regional Government of the Azores at the time of the Forum.

During this Franklin D. Roosevelt Forum, we have sought to celebrate and honor the spirit of dialogue and openness that has marked our transatlantic relationship. Yet I would dare say that, thanks to their 30 years of autonomy, the Azores now have an appreciable background of policies and initiatives that merit discussion as well, such as their experience with renewable energies and their endeavors in the fields of sustainable development, sustainable tourism, ocean research, and the sustainable exploitation of ocean resources. I would like to think that these subjects also warrant being examined in upcoming editions of the Franklin D. Roosevelt Azorean Forum.

When this happens, the Azores will likely be able to bring a number of substantive issues to the table, in addition to those that were discussed by the representatives of the University of the Azores – issues that go beyond the objective examination of the archipelago's geographic location and geostrategic position.

ADDENDA

Introduction of Cynthia Koch

by FERNANDO MENEZES*

The fact that this event is being held in the Autonomous Region of the Azores – halfway between Europe and America – makes this gathering especially symbolic, given the geography, history, and political and social relationships that involve this Region and both sides of the Atlantic.

The discussion of European/United States relations also takes on special meaning owing to the pressing global challenges facing us today, and the urgent need to alleviate future political tensions and restore trust in our transatlantic relationship.

That is why I congratulate the organizers for having chosen such an apt name for the Forum, which this year celebrates the 90th anniversary of Roosevelt's stopover in the Azores in the now-distant year of 1918. To hold an event with Franklin D. Roosevelt – one of the 20th century's foremost figures – as its inspiration, serves to provide motivation, while assuring the participation of qualified academics.

President Roosevelt was, in fact, one of America's most notable presidents. He carried out his mandates during an era that was one of great hardship, not only for the United States, but for humanity as a whole. We need only recall that these were the times of the Great Depression, which began in 1929, and the Second World War.

Yet, Franklin D. Roosevelt proved to be an extraordinary politician, strategist, and diplomat, at home and abroad, as several of our speakers will doubtlessly mention.

An indelible feature of his personality was the tenacity and courage he displayed in the face of serious illness, which struck him at 39

* President of the Legislative Assembly of the Autonomous Region of the Azores at the time of the Forum. Cynthia Koch's presentation, delivered by Fernando Menezes, has been published in the book organized by Luís Nuno Rodrigues, *Franklin D. Roosevelt and the Azores during the Two World Wars*, Luso-American Foundation, Lisbon, 2008.

years of age and which led him to found a treatment and research center that would figure prominently in the discovery of the polio vaccine.

His position on the Azores, especially during the war, is well known and has been widely researched. The diplomatic and strategic context was one of great risk and complexity, with Nazi Germany poised on one side and the Allied forces on the other, as Roosevelt contended with the ambivalent positions of Oliveira Salazar, Portugal's head of government at the time.

As António José Telo has noted, at the time, the Azores were at the center of Portugal's foreign policy, since the relationship between the powers that held sway over the Atlantic – the United States and Great Britain – revolved around the archipelago. The Azores were to become the center of concern, especially during the last stage of the war, and in one sense, continue to be one of the most relevant factors in Portugal's relationships with the rest of the world today.

Roosevelt did not live to see the end of the war. He passed away six months before the end of the conflict, yet he left an indelible mark on the world. The day he died, a *New York Times* editorial stated, "A hundred years from now, men will still thank God, on bended knee, for Franklin Delano Roosevelt's having been in the White House."

Now, it is my honor to introduce Prof. Cynthia Koch, the director of the Franklin D. Roosevelt Presidential Museum and Library in New York. Born in Pennsylvania, she holds a PhD and an MA in American Civilization from the University of Pennsylvania and a BA in History from Pennsylvania State University.

Previously, Dr. Koch was the associate director of the Pen National Commission on Society, Culture, and Community. She was also the executive director of the New Jersey Council of Humanities and director of the National Historic Landmark Old Barracks Museum in Trenton, New Jersey. She is the author and editor of numerous articles and research works that have been published in books, magazines, and journals.

Introduction of Mário Soares

by CHARLES BUCHANAN*

Mário Soares has been a central figure in the political life of 20th and 21st century Portugal. He was President of the Republic between 1986 and 1996, three times the country's Prime Minister, and Minister of Foreign Affairs from 1974 to 1975, a time that was a turning point in the country's history.

As a statesman, Mário Soares is not only committed to building a stronger Europe (he was a deputy to the European Parliament from 1999 to 2004); he is also the main craftsman of the country's relations with the United States in the post-1974 period. His efforts were crucial in enabling both countries to find common ground on such key issues as the defense of democratic institutions and principles, domestic and foreign security, and Portugal's social and economic development, particularly in the period preceding Portugal's accession to the European Union.

Over the years, Mário Soares has always been outspoken on the subject of transatlantic relations; yet in his insightful, constructive remarks he has often not spared criticism of the relationship's main players: Europe and the United States. But he has always spoken out boldly, carefully reflecting on the changes in the relationship – and both its subtle and more conspicuous transformations – and how they affect the broader interests and ambitions of both countries.

Allow me to pose a question: Is it possible that both Mário Soares and Franklin D. Roosevelt have several characteristics in common? The political actions of both men made a lasting mark on the 20th century. Roosevelt's efforts during the Second World War were decisive in the liberation of Europe; likewise, Mário Soares' wise and steadfast opposition to the former regime contributed to the com-

* Member of the Executive Council of the Luso-American Foundation.

mencement of a new era for Portugal, based on the values of democracy, progress, and human rights.

The two statesmen played an active role both economically and socially. Roosevelt pulled the United States out of the Great Depression with a number of social measures and programs aimed at modernizing the country, while Soares was the architect of Portugal's accession to the European Union, which in turn launched an era of prosperity and economic development that left an indelible mark on this country in the last quarter of the 20th century.

As an international player, Mário Soares has always bet on ideas and ideals. His vision has always been one of peace in which the human factor takes precedence. Above all, he has endeavored to safeguard human rights, seeking peaceful alternatives to the use of force, and participating as a citizen of the world in the struggle to create jobs, better education, and universal health care. Respected not only by his own countrymen but by the citizens of Europe as a whole, he has constantly acted as a voice for the independent conscience of Europe.

The Mário Soares Foundation, inaugurated in 1991, clearly demonstrates the important role Soares attributes to civil society as a vehicle for leadership, dialogue, and political representation. The Foundation has made a crucial contribution to historical research on the events that have marked contemporary Portugal, including 20th century transatlantic relations.

As a seasoned statesman – both in the political arena and in civil society – there is no-one more qualified than Soares to offer insightful views on the future of transatlantic relations and clues as to how the US and Europe can achieve a convergence of positions in the coming years.

Introduction of João de Vallera

by ANTÓNIO JOSÉ TEIXEIRA*

The event that perhaps marked the founding of the United States, well before the signing of the Declaration of Independence in Philadelphia, was the arrival of a few hundred British immigrants, the Puritans, who were members of a radical religious sect hostile to the official Anglican Church, and who espoused a literal interpretation of the Christian Scriptures. The Puritans arrived on America's shores in 1630 led by lawyer John Winthrop. They were set on creating a society free from Old Europe's vices, and one that would serve as an example to the rest of the world. For them, unsullied America – which was obviously not entirely virgin – was a kind of Promised Land where all their dreams could come true. Virtue was predestined; they believed that fate would lead to the fulfillment of God's laws. John Winthrop wrote about the "city upon a hill," a beacon to humanity. This idea of predestination was to influence American politics forever.

The Declaration of Independence states that:

[...] all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed. That whenever any form of government becomes destructive to these ends, it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness.

* Director of the Portuguese news outlet SIC Notícias.

The Declaration, penned in 1776, was a revolutionary landmark in world history, and 13 years later was to influence another uprising – the French Revolution. The concepts of liberty, equality, democracy, and the pursuit of happiness formed the building blocks of America and were viewed as indispensable for all people. The democratic, liberal mindset of the Enlightenment took hold here and went on to inspire European political movements. However, there was one substantial difference: in America it marked the onset of a historical process, while in Europe it unleashed yet another phase fraught with contradictions.

In his pilgrimage through 19th century America, Alexis de Tocqueville commented that owing to the direction given to the foreign policy of the United States by Washington and Jefferson, “almost all the defects inherent in democratic institutions are brought to light in the conduct of foreign affairs.” Washington said: “The great rule of conduct for us in regard to foreign nations is in extending our commercial relations, to have with them as little political connection as possible.” Jefferson went even further: “The Americans ought never to solicit any privileges from foreign nations, in order not to be obliged to grant similar privileges themselves.”

On relations with Europe, Washington was abundantly clear:

Europe has a set of primary interests which to us have none or a very remote relation. Hence it must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves by artificial ties in the ordinary vicissitudes of its politics, or the ordinary combinations and collisions of its friendships and enmities.

Much water has flowed between the two shores of the Atlantic, and over time the United States often countered the wishes of the Founding Fathers. The example of Franklin D. Roosevelt, who we are remembering here today, is illustrative. He is a telling example of all those who, throughout history, have gone against American isolationism. Nonetheless, the temptation exerted during the founding of America is a genetic trait that has continued its course, either willfully, by force of circumstance, or owing to the complexity of a network of international interests.

For several decades, the US was set on proving that she was not interested in dominating but in expanding her interests through

trade. Unlike the colonizing, imperial powers of England, France, and Spain, the US instituted an “open door” policy, though not always peacefully. The Americans wanted, still want, and will continue to want free access to products and capital everywhere in the world. They overcame resistance, wherever it was necessary.

At every step, the US has underlined her rejection of imperial designs. In recent years, after the bankrupting of the Soviet empire, the US even announced that she would withdraw from the international scene and concentrate more on her own affairs. It was in this context that George W. Bush underestimated the threat of terrorism, which had already been felt but not adequately dealt with during the Clinton Administration.

September 11 precipitated an about-face in strategy, and ever since, the US has assumed a position as a global force that culminated in the second Iraq invasion. The outpouring of solidarity after the attack on one of America’s most important symbols of power, aptly expressed by the headlines in *Le Monde* – “We are all Americans” – was replaced by a worldwide rift in which the United Nations became a symbol of powerlessness in managing conflicts. Thus, according to Robert Kagan’s dichotomous description, the US could be viewed as being from Mars and Europe from Venus. In other words, the US had allied herself with Mars, the god of war, while Europe, that museum of erstwhile colonial empires, had aligned herself with Venus, goddess of love and temperance.

Kagan asserted that the Europeans had passed from the Hobbesian world of anarchy to the Kantian world of perpetual peace. “The United States, in short, solved the Kantian paradox for the Europeans,” he stated. In other words, the Europeans’ passage into post-history “has depended on the United States not making the same passage.” But contrary to the Europeans, Americans do not believe that we are that close to realizing Kant’s dream, and therefore do not resent not being able to enter Europe’s post-modern world.

A few months ago, I read a European Union study on our defense needs for the next 20 years. It said, categorically, that as far as Europe was concerned, “the objective is not victory in the classical sense of the word, but moderation, balance of interests, and the peaceful resolution of conflicts, in a word, stability.” The study could not be more in line with Robert Kagan’s ideas. Europe forsakes fighting, the language of military might, and stands by the promotion of human

rights, supremacy of the law, good governance, and the fight against organized crime. But is that enough? Will Europe have to go back into history? Will the US be forced to give up her alleged “exceptionalism” and better adjust her attitudes to the “decent respect to the opinions of Mankind,” as the Founding Fathers put it?

At the beginning of the year, Norman Birnbaum, a law professor at Georgetown, wrote that the pro-American sector and the different anti-American groups in Europe were wasting too much energy worrying about transatlantic relations, and commented that everyone exaggerated America’s might and downplayed her fragility and her status as a nation still under construction. He then questioned whether Europe would be able to define a policy of her own to overcome the unjust, criminal chaos of the new century. The American question stands, and I add to it the sentence proffered by Eduardo Lourenço: “Alone, America will arrive at the end of herself.”

Portugal’s Ambassador to the United States, João de Vallera, was born in Angola, received a degree in economics from the University of Lisbon, and joined the diplomatic service in 1974. Before going to the States last year, he worked in the diplomatic field in Europe, having played an important role in Portugal’s process of integration in the European Union. He was Portugal’s Deputy Permanent Representative to the European Communities, Delegate to the Convention on the Future of Europe, and Director General of European Affairs. He was Portugal’s Ambassador in Dublin and Berlin and is one of our country’s finest diplomats. That is why it is important he shares his ideas on transatlantic relations, as seen from his window in Washington.

THIS EDITION OF
**LANDMARKS IN
TRANSATLANTIC
STRATEGY**

WAS SET IN HOFER TEXT TYPEFACE,
BY GUIDE, ARTES GRÁFICAS, ON 80-GRAM
MUNKEN POKET PAPER IN FEBRUARY, 2011,
WITH A PRINT RUN OF 500 COPIES.

COORDINATED BY:
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This book is a compilation of the presentations given at the First Franklin D. Roosevelt Azorean Forum, an initiative of the Regional Government of the Azores and the Luso-American Foundation. The event was planned to mark the 90th anniversary of FDR's stopover in the islands of Faial and São Miguel in 1918, at the time when there was a Naval Base in Ponta Delgada.

The Azores are sometimes brought into the limelight when war is being discussed; but this Forum strove to act as a modest contribution to striking a new balance that will lead to the building of world peace. The Azorean islands do not wish to be recalled only in discussions of military intervention – during which they have sometimes played a significant role – they also desire to be viewed as a place where strategies for peace are explored and discussed.

We also chose FDR's name not only to commemorate the anniversary of his stopover in the islands, but to pay homage to the statesman who crafted a new world order that took up where Wilson's failed project – the League of Nations – left off. Indeed, up to the day of his death, Roosevelt was still mentally laying the cornerstones for what would soon be the United Nations Organization. We need only to look back at the chaotic state of international relations after the Cold War and September 11 to realize that, despite its limitations and imperfections, the UN remains one of the few great bulwarks we have for the construction of a new world equilibrium.

M. M.

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ISBN 978-989-671-075-0



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