

Europe and the U.S., Leaderless and Adrift

The pattern of disintegration in international affairs continues as the United States and Europe persevere in the most profound strategic policy torpor those countries have endured since the pre-Roosevelt '30s: the piping days of Herbert Hoover, Ramsay MacDonald, Pierre Laval and the bottom of the Great Depression, when Benito Mussolini was the world's most dynamic statesman.

There is no reason to resign ourselves to a repetition of the cascade in human affairs that followed that low point in the world's political fortunes, in which all the infamies of Hitler, Stalin, Mao Tse-tung, Ho Chi Minh, Kim Il Sung and Pol Pot succeeded each other. But there is plenty of room for disappointment and concern at the progressive and congestive failure of international organizations and the major national governments to act responsibly.

In particular, Greece's imminent departure from the eurozone, parallel to the continued Iranian development of its missile program to deliver its intended nuclear warheads, both supposedly coming to a head in resumed conferences next week, are depressing indices of the ineffectuality of the powerful countries and the irrationalism of some of the more vulnerable ones.

The governing Greek Syriza Party, which won an election it provoked by blocking the election of a new president of Greece, on a platform of reversing the country's program of austerity and deficit reduction to comply with the European guidelines for members of the Euro bloc, has rolled back those compliance measures, hired back laid off public service workers and increased public sector benefits, and simply demanded that Europe liberalize repayment terms on bailout

money that has been advanced and facilitate Greece's continued failure to meet the deadlines. Europe has refused.

Iran has not relaxed its missile development program at all, even while awaiting the next wave of six-power concessions to enable it to achieve the release of scores of billions of dollars of frozen assets and to be given the green light to nuclear military capability after 10 years, if it voluntarily agrees to comply with the unverifiable pledges it is asked to make until that time.

The Greek contempt for the moral feebleness of the European Union is more astounding than Iran's disdain for the will and credibility of the "P5+1" – the permanent members of the United Nations Security Council (U.S., U.K., France, China, Russia) plus Germany – if only because the correlation of forces is so lop-sidedly against the Greeks, and the relative strength and political coherence of Greece and Iran is so much in Iran's favour.

The Greeks and Persians are legendarily determined peoples, but Greece is a small and poor country, with little except tourism, cement and vegetables for an economy. Europe is no more politically formidable than its representatives in the protracted abasement before Iran indicate, but in this case, it is led by Germany, which does take economics seriously, and there are institutionally imposed deadlines attached to repayment and interest schedules that automatically produce national default with a chain reaction through the national treasuries and banking systems of Europe that impose serious consequences.

The Greeks are making an astonishingly bold gamble, and are effectively challenging the Germans to expel them from the euro. Germany has found it advantageous to have Greece in the euro, as its presence dragged down the currency somewhat, which facilitated German exports of its world-respected engineered products. But German chancellor Angela Merkel also

has to be careful not to seem in the eyes of her varied and rather wild-eyed opposition (the former East German Communists, the anarchistic Bandit Party and the far-left Greens), as well as the severely divided Social Democratic coalition partners, to be mollycoddling millions of Greek beach bums with the largess of German taxpayers.

There seems to be no doubt that Europe, its banks and the European Central Bank have all built in a strong firewall against a Greek default since the initial scare in 2009. Logically, it makes more sense to back up the European banks than to pour money into an ungrateful and unregenerate Greece. If Europe caves to these demands, there will be no credibility at all to any future attempts to require fiscal discipline from a member state, and the whole notion of a hard currency to which most of Europe could adhere would become a shambles.

In all likelihood, there will be a three-speed Europe: the hard currency German bloc, the traditional Grosse Deutschland, including Austria, the Czechs, the Dutch, most of Scandinavia, the Baltic states and Poland, now gathered together not by German military overlordship but by the strength and integrity of German commerce and fiscal prudence; a hard currency group not in the euro but in the common market, led by Britain, and probably including Norway and some others; and a soft currency Europe, in the common market but continuing to inflate their currencies to pay for their political irresolution, as they have in most cases for many centuries. This latter group would include Greece and most probably Italy, Spain and Portugal, as well as some of the new Eastern members of the EU, such as Hungary, Romania and Slovakia.

France will likely settle in the same category as Britain, resurrecting, once again, in the most benign possible context, the 110-year-old, never completely discarded Entente Cordiale between the United Kingdom and France as a counterweight to Germany. France could sustain a hard currency, but is unlikely to accept long-term subordination to Germany. France is an

ancient and distinguished nationality and culture, one of the founding powers of the era of the nation state, and will never accept durable subordination to anyone.

The Iranian nuclear issue is a peculiar upshoot of the apparent decision of U.S. President Barack Obama that a nuclear capability in the hands of that country would be a positive development. Obama seems to think that the humiliation of his country is not altogether unwelcome, as long as he can convince himself that such humiliation does not extend to its president.

These events occur against the backdrop of the observation this week of the 200th anniversary of the Battle of Waterloo, which ushered in the century-long Pax Britannica. I do not think Waterloo was such a blessing. Had Napoleon been successful on that day, France would have been a constitutional monarchy with advanced freedoms, 56 years ahead of events as they actually unfolded (a series of wars, including Crimea and the Franco-Prussian debacle). France would have been spared the dismal Indian summer of the restoration of the Bourbons, who returned in the baggage train of the Duke of Wellington's armies and, as the egregious Talleyrand pointed out, "had forgotten nothing and learned nothing." (That did not inhibit Talleyrand from serving them again, as he did every regime for 50 years.) There is an excellent chance that, had Napoleon prevailed at Waterloo, the Prussification of Germany would have been avoided, the Polish nationality would not have been erased (temporarily) for the next century, the Spanish reactionaries would not have been propped up by the so-called Holy Alliance (a complete fraud that would have been avoided), and the cause of human rights in Europe and the world would have advanced much more swiftly and bloodlessly than it did.

If instead of the Pax Britannica, which was always fragile and eventually required Britain to throw in with France and Russia against Germany (and still required the adherence of the

Americans to win the hecatomb of the First World War, even after bribing Italy to join them), there would have been earlier Anglo-French cooperation that might have diluted the rise of an aggressive Germany and expansionist Russia. We would also have been spared the demonization of Napoleon as a compulsive warmonger rather than, as he was, the person who responded, albeit as a great general rather than an imaginative statesman, to the British bankrolling of successive wars of coalition against him. Of course, this is all conjecture. The Duke of Wellington was a worthy adversary on the day (though not a shadow of Napoleon's genius or the invincible power of his personality on posterity), and the British kept their delicate peace going for almost a century, under very skilled leaders: Peel, Russell, Palmerston, Disraeli, Gladstone and Salisbury (prime ministers or foreign secretaries for 67 years between 1830 and 1902).

Now there is neither a charismatic genius (Napoleon) nor a solid and stylish person of strength and conservative wisdom (Wellington) among the Great Powers, nor a strong consensus in favour of the world status quo, nor any prospect of achieving one. But neither is there any likelihood of a general war, and there is economic growth and increasing prosperity over 75 per cent of the world. Somebody is doing something right, even if it is largely in the developing world and the private sector, and in the states that Napoleon was the first serious Western leader to envision as Great World Powers, China and India.

Slow, humble, syncopated and usually bereft of galvanizing personalities though it has been, there has been progress these two centuries, and we can celebrate that at least.

First published in the