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## Atlanticism in the 21<sup>st</sup> Century: Convergence and Cooperation in a Wider Atlantic

Ian O. Lesser and Karim El Aynaoui

### Introduction

For all the debate over the rise of Asia and the decline of transatlantic relations, “Atlanticism” is experiencing an intellectual and strategic revival. This is partly a result of the continued vitality of societies and partnerships in the North Atlantic. Not everywhere, to be sure. But the return to economic dynamism in the United States, the growing debate over Europe’s international posture, and the role of key European actors such as Germany, suggests that there is plenty of life left in the states and relationships that have shaped the international order in recent decades. The crisis in Ukraine and relations with Russia have also, in a more negative sense, reinforced the significance of dynamics in the Atlantic’s northern tier.

Moreover, the sheer scale of the investment and trading relationship between Europe and North America makes this facet of transatlantic relations impossible to ignore. Regardless of the prospects for a Transatlantic Trade and Investment Partnership (TTIP) agreement, the potential for a new, standards-based trade agreement between the United States and the EU has spurred a lively, global debate on the future of trade. Even the opponents — and there are many — take the initiative seriously, not least because of its potential scale. From trade to foreign policy, transatlantic relations in the traditional sense of the term retain considerable weight in international affairs.

### Toward a Wider Atlantic Approach

But the “Washington-Brussels axis,” the northern dimension of Atlanticism, is only part of the Atlantic story. There are many reasons to take a more comprehensive approach to transatlantic relations, embracing a wider geographic space, and with greater weight given to actors and issues in the southern Atlantic.<sup>1</sup> From this perspective, South-South and North-South relations take on greater significance. This is not to dismiss the weight of interactions across the North Atlantic, which remains overwhelmingly important in economic and diplomatic terms. But just as the Pacific Basin (or Pacific Rim) has emerged as an intellectual and strategic framework, an Atlantic Basin perspective is increasingly compelling. This chapter, and this inaugural edition of *Atlantic Currents*, charts key developments affecting the future of Atlantic societies. It also explores new avenues for Wider Atlantic cooperation that could foster transformative change and improve the living standards of millions around the Atlantic Basin.

### The Geopolitical Dimension

In his perceptive analysis of shifting power relationships and their effect on international politics, Charles Kupchan highlights the increasing diversity of issues and stakeholders on the global scene, and the consequent diffusion of power.<sup>2</sup> This is a vision in which no single state or constellation of states can have a preponderance of power — at least not indefinitely. Others suggest that this phenomenon is affecting non-state actors and international institu-

<sup>1</sup> The term “Wider Atlantic” is used here to denote the Atlantic Basin as a whole, north and south. Southern Atlantic is used here as short-hand for the Atlantic south of the traditional U.S.-EU axis, and broadly the Atlantic south of the Tropic of Cancer.

<sup>2</sup> See Charles Kupchan, *No One’s World: The West, the Rising Rest and the Coming Global Turn* (Oxford: Oxford University Press, 2012).

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tions as well as states.<sup>3</sup> From military alliances to corporations, insecurity about the nature of power and influence is the order of the day. In an Atlantic setting, this has given rise to much soul searching about the vitality of Atlantic societies and Euroatlantic institutions. There is a sense in many quarters that transatlantic relations have not been “firing on all cylinders,” and that new partners are needed. For some, this is about building new global partnerships of like-minded countries — a new pattern of cooperation based on shared values and support for democracy and civil society. Others focus on common functional interests, from maritime security to trade to energy as the key drivers.<sup>4</sup>

As several of the contributions in this report make clear, closer North-South collaboration based on shared values and interests is not a straightforward proposition. Key states in the Atlantic south, not least Brazil, Argentina, and South Africa, have well-established foreign policy traditions that emphasize a certain philosophical distance from the United States and Europe. It is easy to dismiss this as political baggage, an ideological legacy of the colonial experience and the Cold War years. But foreign policy discussions around this Wider Atlantic world make clear the continuing vigor and attractiveness of this outlook. Indeed, traditional Western partners such as Turkey (very much part of the Atlantic world in strategic and institutional terms, if not precisely by geography) have actually acquired a more distinctive, non-aligned character over the past decade. The notion that not all strategies and policies need to be made in the “North” remains attractive for many leaders and opinion shapers. In practice, there is a substantial body of shared concerns in north-south terms, not least with respect to human rights. But the “North-South” discourse in this area is rarely easy.

Positive and negative examples abound. Trafficking in arms, drugs, and people, as well as energy commerce, agriculture, commodities trade, and the environment, offer clear examples of shared opportunities and complex challenges, as well as the necessity of a coordinated approach across borders and across regions. Countries from the Caribbean to West Africa have been affected by the displacement of drug trafficking routes southward, and across the Atlantic. The unfortunate emergence of new narco-states such as Guinea-Bissau in West Africa is contributing to more chaotic conditions in societies already under political strain and facing security challenges. Closer coordination between north and south on the surveillance, maritime security, and developmental strategies necessary to combat this phenomenon points to an emerging area for Wider Atlantic cooperation. More positively, there is now a great deal of interest in multinational cooperation to promote the development of new infrastructure for energy trade and telecommunications around the Atlantic Basin. The Obama administration’s Power Africa initiative is one example. Plans for a fiber optic cable network running along Africa’s Atlantic coast is another. Pragmatic opportunities of this kind abound.

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<sup>3</sup> See Moisés Naím, *The End of Power: From Boardrooms to Battlefields and Churches to States, Why Being In Charge Isn’t What It Used to Be* (New York: Basic Books, 2013).

<sup>4</sup> Some authors blend values and interests in their argument for closer cooperation between emerging powers and Atlantic democracies. See Daniel M. Kliman and Richard Fontaine, *Global Swing States: Brazil, India, Indonesia, Turkey, and the Future of International Order* (Washington, DC: German Marshall Fund of the United States and the Center for New American Security, 2012), <http://www.gmfus.org/archives/global-swing-states-brazil-india-indonesia-turkey-and-the-future-of-international-order/>.

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Cooperation on crises and conflicts in the realm of “high politics” is a more difficult matter. Whatever the obstacles to consistent activism, the United States, and to an extent Europe, are engaged in the key global questions, almost by definition. There may be differences over strategy and instruments, but Washington and Brussels cannot ignore developments in Ukraine, the Middle East, or in the South China Sea. For the traditional North Atlantic actors, few global issues can really be held at arm’s length, even if the enthusiasm for an activist approach waxes and wanes. Concerns and engagement are far less automatic across the South Atlantic. Many actors are simply too absorbed in their regional affairs to have energy or resources left for wider international initiatives. Some emerging actors, powerful in their own regions and with highly capable foreign policy institutions, simply prefer an arm’s-length posture.

For countries such as Brazil and South Africa, outside their own neighborhoods most foreign policy issues are *optional*. Their engagement is selective, and may be driven by ideological impulse, or affinity. Brazil’s close and ultimately unsatisfying collaboration with Turkey on the Iran nuclear question offers a striking example. To generalize, sharp debate over national interests in the international arena is more characteristic of the northern Atlantic than of the south. This may be explained, in large part, by the absence of large-scale animating conflicts in the South Atlantic. Existential challenges in the south tend to be the product of internal forces rather than external disputes. By contrast, the North Atlantic has been shaped by sweeping political and security competitions, virtually without interruption, for the past 500 years. It is hardly surprising that many in Africa and Latin America would prefer to hold this aspect of the Atlantic world at arm’s length.

NATO and its relationship with actors in Africa and Latin America is an important part of the equation. Historically, the alliance has faced a difficult climate of perception — and misperception — in its engagement with the Atlantic world below the Tropic of Cancer. This has persisted even as the practical logic of cooperation on maritime security and security-sector reform has grown steadily. Some countries, notably Colombia, have forged ahead with partnership activities. There has also been interest, largely from the NATO side, in building closer ties to Brazil and South Africa. But suspicion of NATO — an amalgam of non-aligned diffidence and traditional wariness of institutions closely associated with Washington’s leadership — has impeded NATO ties around the southern Atlantic. Moreover, as Adriana Abdenur highlights in her chapter in this volume, various regional security initiatives in West Africa, Latin America, across the South Atlantic (notably ZOPACAS), and the India-Brazil-South Africa Dialogue Forum (IBSA) suggest the contours of an emerging security architecture. The enthusiasm for anything like a NATO for the southern Atlantic is very limited, despite the interest of Brazil, Nigeria, and South Africa in leading new security efforts across the region.

The question of NATO’s role in the Wider Atlantic space is likely to remain on the policy agenda, even if it takes a different form in the years ahead. There is growing debate about NATO in Brazil and elsewhere, and increasing dialogue among officials and security experts

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from previously separate arenas around the Atlantic.<sup>5</sup> As NATO contemplates a broader range of emerging security challenges, including those emanating from cyberspace, the oceans, and developments in global health, among other issues, the need to engage a wider range of Atlantic partners is likely to grow. West African and Caribbean countries facing border security and piracy threats will look to NATO members, and perhaps the alliance itself as a source of expertise and training in managing these problems.

These considerations will be affected by the growing tension with Russia over Ukraine and other issues, and NATO's consequent return to the international spotlight. Against this backdrop, fears of NATO extending its physical presence into the southern Atlantic seem especially far-fetched. An alliance increasingly focused on bolstering its strategic posture vis-à-vis the Russian challenge in Europe's north and east is unlikely to have much time or resources to spare for new initiatives in the South Atlantic. One important exception to this might be the inevitable transatlantic focus on countering the new wave of Islamic extremism contributing to chaos and insecurity around the Mediterranean, the Sahel, and West Africa. NATO will be compelled to address this facet of transatlantic security even as the alliance grapples with the new Russian challenge.<sup>6</sup> In doing so, interaction with political and security actors in the southern Atlantic is likely to grow, especially in Atlantic Africa.

### **New Political and Economic Alignments**

Since its original articulation by Goldman Sachs economist Jim O'Neill in 2001, the popularity of the BRIC (Brazil, Russia, India, China) concept has waxed and waned. (South Africa joined the grouping in 2010, making it the BRICS). Skeptics deride the idea as "balance sheet geopolitics," and to be sure, the idea of international alignments driven by projected growth rates has a number of limitations. For one thing, the growth rates for Brazil and Russia may be much less impressive than anticipated a decade ago, although for different reasons in each case. For another, there is little reason to assume that the diverse national interests of these countries will converge around common positions. Brazil and South Africa, in particular, seem outliers in this group by virtue of their geographic separation and detachment from the strategic demands in Eurasia around which Chinese, Russian, and Indian policies revolve.

But even with these limitations, the attractiveness of an alternative international outlook, with BRICS as shorthand, is hard to deny. Emerging actors as diverse as Turkey and South Africa have found the idea compelling, in part because it seems to offer new geometries for cooperation in various sectors. It suggests to national elites, often steeped in the vocabulary of a non-alignment, that not all strategies or institutions need flow from north to south, or west to east. Despite its limitations, the BRICS idea, or something like it, seems set to influence the perceptions and policies of the southern Atlantic for some time to come. The BRICS idea is often associated with globalization and the diffusion of power, but it may well owe as much to rising nationalism and sovereignty-consciousness within emerging economies.

<sup>5</sup> The well-established Copacabana Security Conference, organized by the Brazilian Center for International Relations (CEBRI), the Konrad Adenauer Foundation (KAS), and others, is a leading example.

<sup>6</sup> See Ian O. Lesser, "Europe's Double Exposure," *Transatlantic Take*, German Marshall Fund of the United States, July 8, 2014, <http://blog.gmfus.org/2014/07/08/europes-double-exposure/>.

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The BRICS phenomenon, in the broadest sense, is also acquiring practical dimensions. The creation of the New Development Bank, announced at the most recent BRICS summit in Fortaleza, Brazil, has generated considerable interest and debate. If the bank reaches the planned scale of \$100 billion, it could be an important new force in international finance, and a real competitor to established institutions such as the IMF and the World Bank, at least in some areas. With headquarters in Shanghai, and with China as the largest contributor, but with many potential recipients of finance in the southern Atlantic, it may also accelerate the participation of China and India in Atlantic affairs.

However controversial, these new initiatives reflect a demand for comprehensive responses to the huge and pressing development needs of many low- and middle-income countries around the Atlantic Basin, notably in Africa. From the perspective of these countries, financing remains a central constraint to their development. In particular, the lack of adequate infrastructure hampers economic growth in many countries, and limits the speed at which they can converge with higher-income countries. The structural transformation of these economies hinges, among other things, on their capacity to unlock this bottleneck. Meanwhile, international and regional financial institutions have not been able to deliver the massive long-term financing (the idea of a “big push”) and the technology and knowledge transfer that is required. At the same time, the advanced economies of the North Atlantic are widely seen as falling short in producing new instruments and actionable solutions.

Ideas such as a large infrastructure fund to attract global private capital have been discussed. Several initiatives, including some promoted by international and regional financial institutions, such as the World Bank and the African Development Bank, are being considered. But the pace of implementation remains an issue, at least for the short and medium term. It is unlikely that these new, alternative groupings — both the BRICS and others — will supplant the traditional international financial institutions, or existing political and development dialogues. But they are also likely to remain on the scene, and perhaps acquire greater weight in shaping the trade, investment, development, and diplomatic strategies of large and small actors around the southern Atlantic over the next decade. At a minimum, there is real potential to improve on the current state of dialogue between the advanced Atlantic economies and emerging partners, with “balance” and concrete responses as key elements. Northern partners will have their own stake in this dialogue because the emerging economies of the Atlantic Basin offer a robust source of growth even as the economic outlook in the North Atlantic remains uncertain.

### **Domestic and Personal Security Challenges**

The southern Atlantic may lack the sharp state-to-state frictions present in other international settings.<sup>7</sup> Yet the Atlantic south of the Tropic of Cancer is hardly a secure space from the perspective of societies and individuals. West Africa has emerged as a deeply troubled region in security terms, and this trend threatens to impede an otherwise promising outlook

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<sup>7</sup> The relative absence of conventional security competitions is reflected in the fact that, with few exceptions, defense expenditures as a percentage of GDP continue to drop across the Atlantic space (see page 193).

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for economic development. The region faces multiple challenges, all with significant Atlantic dimensions. First, the shifting pattern of smuggling from Latin America has brought an increasing flow of drugs, arms, and money across the Atlantic to places like Guinea-Bissau and neighboring states. This flow is also affecting the security of islands in the Caribbean, as well as Cape Verde, and the spillovers are being felt as far north as the Maghreb and, ultimately, Europe. Together with the modest but growing incidence of piracy affecting areas such as the Gulf of Guinea, and even Brazil, trans-regional criminality of this kind constitutes a Wider Atlantic security challenge *par excellence*.

Second, West Africa and the Sahel, with its connections to North Africa, has become a focal point of religious conflict, sectarian violence, and terrorism. The roots and consequences are largely domestic, but there are also important financial and political links to extremism elsewhere, including Libya and the Gulf. As the United States and Europe focus on the struggle against a new wave of violent Islamism in Iraq and the Levant, violence and extremism of this kind in Africa will also be on the Atlantic security agenda.

Third, while the Atlantic north is focused on the problems of terrorism, spillovers of civil strife, and renewed inter-state competition, the Atlantic south worries overwhelmingly about domestic and personal security. The challenges in this area are formidable, and go well beyond the problems of political and religious violence noted above. The southern Atlantic has some of the world's fastest growing cities, and rapid urbanization has brought growing problems of governance and violent crime. Lagos, Mexico City, Johannesburg, and São Paulo are leading examples. Regional initiatives such as ECOWAS in West Africa, designed to promote economic cooperation and with a role in addressing more conventional conflicts and crises, will be of limited utility in tackling this facet of human security on both sides of the Atlantic south. Ultimately, solutions to these ground-level security challenges concern, above all, local governance and the capacity of civil society.

Fourth, the Ebola epidemic in West Africa offers a dramatic reminder of the role of health in the Atlantic security picture. The further spread of the outbreak beyond its existing centers could have dire implications for the security and prosperity of the entire region, and quite possibly beyond. As much as political violence and terrorism, it also threatens to have an isolating effect on a region in need of stronger international connections for its future development.<sup>8</sup> Even if contained, the Ebola epidemic will cast a spotlight on the broader problem of health insecurity on the African continent and elsewhere.

### **Atlantic Geo-Economics and the Potential for North-South Convergence**

The outlook for a TTIP agreement remains highly uncertain. Despite commitments from Washington and Brussels to work toward a near-term agreement, TTIP faces formidable political and public acceptance hurdles. A full discussion of the factors at work is beyond the scope of this chapter, but a successful agreement is likely to be seen as a strategic development for

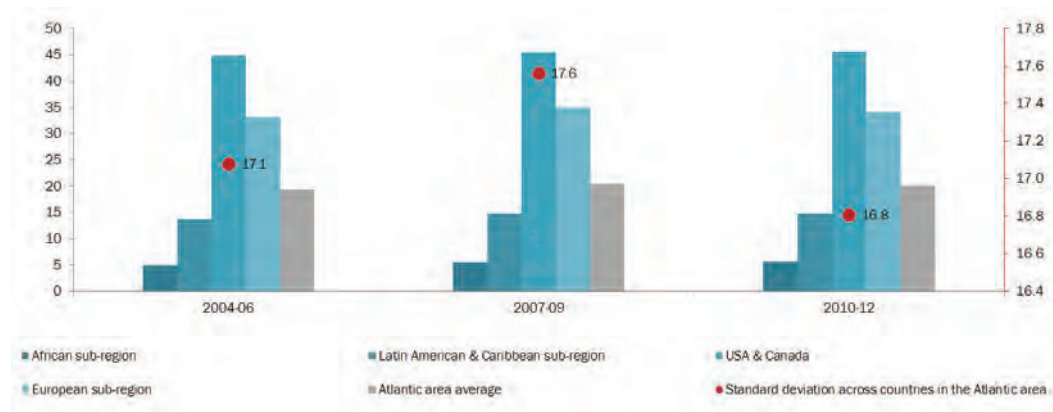
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<sup>8</sup> It is notable that some of the most vigorous calls for international action on the Ebola epidemic are coming from international investors and manufacturers present in the region. See James Wilson and Javier Blas, "Business Leaders Urge Global Action Against Ebola," *Financial Times*, September 8, 2014.

the future of “conventional” transatlantic relations (those between the United States and the EU).<sup>9</sup> But in this event, the place of other Atlantic actors beyond the scope of a potential deal remains an open question. The question of the merits and consequences of TTIP may be just as significant for Canada, Mexico, Brazil, and Morocco as for the United States and Europe. For countries such as Brazil, where trade policy has traditionally been a leading vehicle for regional and global engagement, the prospect of a sweeping new transatlantic deal is spurring a vigorous reassessment of trade policy. Similar, if lower-key, debates are underway elsewhere around the Atlantic Basin. The outlook for TTIP, and the extent to which economies outside the scope of the agreement can be brought into any new framework is likely to be a leading factor shaping Wider Atlantic cohesion in the years ahead.

While the Atlantic Basin is a heterogeneous region, comprised of countries with significantly different levels of development, opportunities for faster convergence exist. There is a long way to go, but the catch-up process could produce widespread and shared benefits for all. The Wider Atlantic space includes many of the most developed economies in the world, namely the United States and Canada plus the EU, which represent more than 88 percent of the area’s GDP, against 12 percent for the remaining Atlantic sub-regions (Africa and Latin America and the Caribbean). The Africa sub-region remains the most disadvantaged, but is also the region with the highest potential for growth. In terms of income per capita, Africa remains far behind the rest of the Atlantic region, a phenomenon that is highly persistent, as shown by the small decrease in the cross-country standard deviation of this indicator between 2004-06 and 2010-12 (see Figure 1).

**Figure 1: GDP per capita ppp by sub-region in the Atlantic area (constant thousands US\$)**

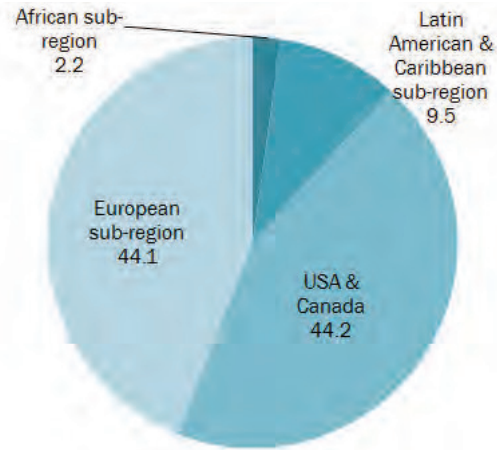


Source: Calculation based on World development Indicators database, World Bank (see also page 131 in this volume)

<sup>9</sup> The strategic interest in enhanced transatlantic trade is not surprising given the persistence of relatively high unemployment rates on both sides of the Atlantic, and durable perceptions of economic insecurity. This is illustrated in GMF’s latest *Transatlantic Trends 2014* survey findings ([www.transatlantictrends.org](http://www.transatlantictrends.org)). It can also be seen in the data presented in this edition of *Atlantic Currents*. Notably, unemployment rates have been converging around the Atlantic north and south, with the United States and Europe actually experiencing slightly higher rates than the South Atlantic, on average.

Another factor indicating that the Atlantic Basin would gain from further integration is the growing synchronization of the business cycles in various countries, as shown by data compiled for this report (starting on page 129). This dynamic is observed both between sub-regions (inter-regional) and within sub-regions (intra-regional). However, the results indicate that the lowest intra-regional correlation was observed among African countries in the Atlantic area included in the data set. It should be also stressed that the increasing synchronization during the 2010-12 period could be partially attributed to the generalized effect of the international crisis on economic performance.

**Figure 2: Share of Atlantic sub-regions GDP in percent of total Atlantic GDP (2011-13 average)**



Source: Aggregation based on World Development Indicators database (see also page 132 in this volume)

With respect to the financial sector, the Atlantic area is, again, highly diverse. More open policies could stimulate growth via enhanced access to capital, more efficient financial services, etc. For instance, the credit-to-GDP ratio, a simple indicator of financial development, shows significant gaps between Atlantic countries. This also applies to the development of stock markets. Yet, the data indicate increased levels of convergence and synchronization; with appropriate policies and cooperation, this could be accelerated.

Trade integration shows once again that the full potential for more rapid convergence remains unrealized. Intra-Atlantic exports represented about 75 percent of total exports of Atlantic countries over the 2011-13 period. However, South-South trade integration in the Atlantic Basin remains weak. The North-South gap is also evident in FDI inflows. Despite the rising share of FDI inflows into several dynamic emerging economies in Latin America, the greatest share is received by Europe and North America (74 percent of total inflows coming into the Wider Atlantic). Atlantic Africa receives a mere 4 percent of total FDI inflows. This is a real impediment to the development of this critical sub-region because it limits the benefits associated with FDI flows, such as technology and knowledge transfers as well as local employment.

Labor mobility in the Atlantic area is mostly intra-regional. Actually, in 2013, more than 54 percent of the migrant population in countries of the Wider Atlantic originated from the Atlantic Basin. Income differential is commonly considered as one of the most significant factors explaining migration flows. The northern sub-regions in the Atlantic area are mostly net migrant-receiving countries, while the southern sub-regions are mainly migrant-sending.



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Broadly, in spite of the increasing convergence and integration among Atlantic countries, several indicators suggest that there are many other areas where the North-South gap continues to be important. These include infrastructure and logistics network infrastructure, institutional and business climates, and dependence on natural resources. Here again, investments in these areas could pay dividends in terms of attracting substantial flows of private capital.

In sum, the integration process in the Atlantic area could be reinforced by looking for economic and trade complementarity among countries, furthering South-South integration, and encouraging stronger involvement of the southern economies in global value chains. For Africa's "catch up" to accelerate, and to capture the benefits of deeper financial and trade integration, countries of the region will need to focus on strengthening human capital and the business climate, as well as the quality of institutions. For some countries in the Atlantic, accelerated convergence will require them to reduce their dependence on natural resources, while transforming a higher share of their commodity production locally, all with the aim of inclusive and sustainable development.

Another example of the significant potential of infrastructure investment to shape the geoeconomics of the Atlantic Basin can be seen in prospective shifts in the pattern of global shipping. The long-anticipated expansion of the Panama Canal is set for completion in 2015. Widening the canal will allow the transit of far larger container vessels, principally bringing Asian goods to North American and European markets. Ports along the U.S. East Coast are making bets on increased volumes of shipping, but the net effect of the canal expansion remains open to debate. The relative scale and efficiency of ports, as well as ground versus sea transport, are key variables in this equation. So, too, are prospective shifts in the nature of manufacturing, with potentially fundamental implications for the nature of shipping within and to the Atlantic Basin. The outlook for the global economy is significant, and the demand for raw materials and manufactured goods may be an even more significant driver. On the other side of the Atlantic, Egypt is contemplating a similar expansion of the Suez Canal. It is unclear if this project can be financed and completed against a backdrop of substantial political and strategic risk. But if so, there could be further changes in shipping patterns, with implications for the role of ports in the Mediterranean, northern Europe, and Atlantic Africa. Ports with a strong interest in trans-shipment, including Algeciras and Tanger-Med, could be affected if Suez Canal expansion leads to real shifts in the volume of shipping from Asia to European and African markets along this route.

Energy is another notable element in Atlantic geoeconomics. Here, while energy security risks exist, more integration — notably via integrated markets and infrastructure as well as co-investments — could bring significant gains for all. The Atlantic Basin as a whole already accounts for over 30 percent of global energy production, and some analysts predict that this share is likely to increase over the next decade.<sup>10</sup> Shale oil and gas production in North

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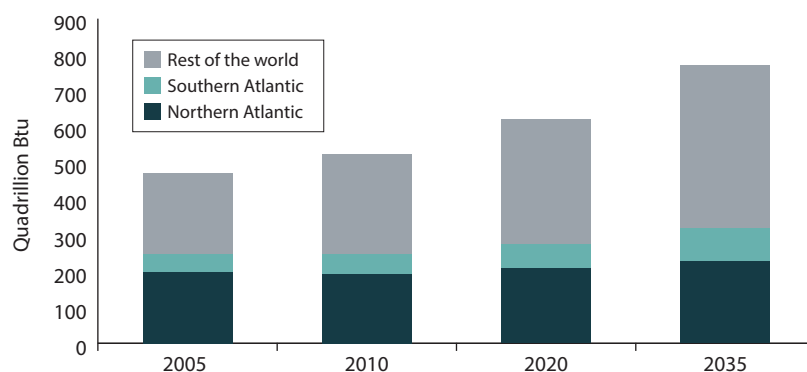
<sup>10</sup> See Paul Isbell, *The Shifting Energy Landscape of the Atlantic Basin* (Washington, DC: German Marshall Fund of the United States and OCP Policy Center, 2012). Atlantic economies have also become less reliant on energy imports, generally, in recent years (see pages 183-5).

America, and significant shale reserves elsewhere (e.g., in South Africa) are part of this equation. Also significant are the many offshore exploration and production projects underway on both sides of the Atlantic. Brazil's substantial pre-salt resources are well known, as are the difficulties the country has experienced in attracting the enormous international investment that will be required to exploit these resources. Productivity increases in Mexico and Venezuela, both large producers, will turn on reforms in the energy sector. But the long-term outlook could be impressive. Atlantic countries such as Morocco, traditionally dependent on expensive energy imports, are actively pursuing the prospect of offshore energy finds. West Africa continues to be a significant exporter of oil to the United States and Europe, despite the challenges of conflict and piracy.

From the high north to the far south, the Atlantic Basin is a hive of activity in the energy sector. Notably, this activity coincides with mounting concerns about energy security — long-standing concerns about the Middle East and North Africa, as well as newer concerns about dependence on Russian oil and gas. The high costs associated with the shipment of LNG from the United States, even if larger amounts are available for export, suggests that these resources are unlikely to have a transforming effect on global energy security. But the steady growth of production from multiple Atlantic sources could well have significant consequences for energy security, and for Atlantic geo-economics.

Agricultural production and food security are important common challenges in the Atlantic Basin, and many of the key responses and policies will be set within the region. Given global demographic trends, the Atlantic area, and particularly its southern countries, will play central roles in responding to the increasing global demand for food. Africa will be a key contributor. It will, of course, need to increase supply to respond to its own fast-growing demand, but the continent also has significant untapped potential to participate more significantly in

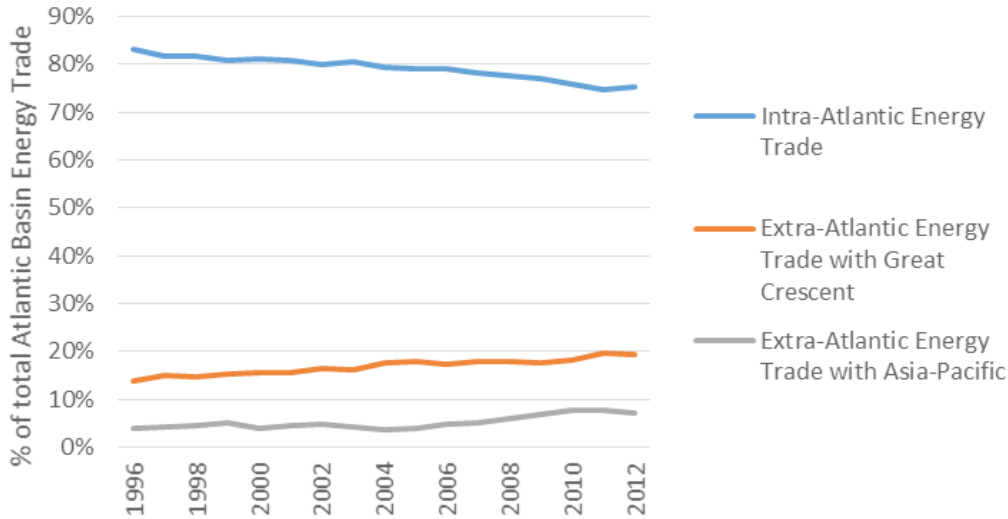
**Figure 3: Energy demand: Atlantic Basin and the rest of the world, 2005-35**



global food trade, including trade in more sophisticated transformed products. Common projects in this area, and the kind of investments discussed above, as well as more open trade policies, could bring about transformative change — a

Source: Energy and the Atlantic: The Shifting Energy Landscape of the Atlantic Basin, Paul Isbell (Washington, DC: German Marshall Fund of the United States, 2012), <http://www.gmfus.org/archives/energy-and-the-atlantic-the-shifting-energy-landscape-of-the-atlantic-basin/>.

Figure 4: Total Atlantic Basin energy trade by major region



Source: UNCOMTRADE, 2014.

Note: Figures include both exports and imports of all types of energy trade in all energy sources, including refined energy products.

new green revolution in Africa that could lift millions out of poverty and fuel growth in the Atlantic Basin.

### Atlantic Interests and Identity

Who is an Atlantic actor? Geography aside, the answer is not straightforward. In a sense, the sheer weight of Atlantic societies in the global economy, and as political and security actors, gives state and non-state actors everywhere a stake in the future of the Atlantic and transatlantic relations. A more useful question concerns the changing Atlantic interests and behavior of major actors from outside the Atlantic space. The growing role of China is at the top of policy agendas around the Atlantic Basin — from the Arctic, where China has become an active player in extractive industries, to West Africa where Chinese investments in agriculture and manufacturing are a topic of hot debate. Across the ocean, China has become Brazil's leading trade partner, a relationship driven by commodity exports, but with further and more problematic implications for Brazilian manufacturing. Japan and Korea both have substantial Atlantic stakes, including in the South Atlantic (and in the case of the former, a substantial diaspora community in Atlantic Latin America, concentrated in urban areas such as São Paulo).

India, too, has acquired important stakes in the Atlantic economy, and is also engaged in a modest way as a political and security actor, notably through the IBSA framework with Brazil and South Africa. Russia, once a key player from the Caribbean and Venezuela to Africa, has also acquired new stakes in its political ties across the region. To the extent that U.S. and

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European relations with Moscow continue to deteriorate, the issue of Russia's ties to traditional non-aligned actors in the southern Atlantic may be an increasingly meaningful factor in UN debates and other multilateral forums.

Against a background of unconstrained globalization, it might be argued that Atlantic interests and identity, *per se*, would be steadily eroded. This argument is much less compelling in the wake of the 2008 financial crisis, and the apparent retreat from globalization noted by many observers.<sup>11</sup> The renationalization of capital flows, and the retreat from G20 diplomacy back to traditional regional groupings, points to a world in which identity and contiguity matter. The return of hard security challenges and the corresponding importance of Euroatlantic institutions designed to meet these challenges, is also playing a role in this process.

At the other end of the spectrum from high politics, local interests and affinities are reinforcing Atlantic ties. There are now some dozen flights each day from Brazilian cities to Miami alone. Washington and Brasília may never be on the same page when it comes to a number of foreign policy issues, but the people-to-people dimension of Brazil-U.S. relations is extraordinarily active. Casablanca is now playing a similar role as a logistical and financial hub for Atlantic connections to West Africa. Links of this kind are replicated at various scales around the Wider Atlantic, with cities and regions as the key nodes. This “micro-Atlanticism” may be just as important a driver of transatlantic relations, north and south, as developments at the level of high politics.

### Charting Atlantic Currents

This brief analysis suggests that Atlanticism in the 21<sup>st</sup> century is likely to be a more diverse and varied phenomenon in terms of geography, issues, and its reach into societies around and beyond the Atlantic Basin. The essays and data presented in this first edition of *Atlantic Currents* illustrate some of the key opportunities that are driving North-South convergence and could be transformative within and beyond the Atlantic space. For all the debate over strategic “pivots” to the Asia-Pacific, there are also many reasons to discern a global pivot to the Atlantic. It is clear that the Atlantic has lost none of its vibrancy as a source of geopolitical and geo-economic change. Nor has it lost its salience as a place where the future of societies and individuals is shaped and debated. But capturing the full potential for development and security in the Wider Atlantic will turn critically on the extent and quality of cooperation between Atlantic states, institutions, businesses, and individuals. Changing mental maps about the Atlantic, and encouraging analysis and debate about the Atlantic Basin as a whole, can play an important role in the years ahead.

*Ian O. Lesser is executive director of the German Marshall Fund of the United States' Transatlantic Center in Brussels, and senior director for foreign and security policy at GMF. Karim El Aynaoui is managing director of the OCP Policy Center.*

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<sup>11</sup> This case is made very persuasively by Philip Stevens. See “The World Is Marching Back from Globalization,” *Financial Times*, September 4, 2014.