

Europe may come to regret getting rid of Paul Wolfowitz

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When Hilary Benn decided to join the German-led pack baying for Paul Wolfowitz's blood, it must have seemed a good idea. Mr Wolfowitz was vulnerable, having naively taken the word of the World Bank's ethics committee that it was proper for him to arrange the secondment of his girlfriend to the State Department. And if he could be forced out, a weakened President Bush might surrender America's right - pursuant to a deal guaranteeing that Europe would select the head of the IMF - to pick his successor.

Never mind that the African contributors to the bank wanted Mr Wolfowitz to stay, or that a leading Asian diplomat had told the press: "Our sense is that the real problem the Europeans have with Wolfowitz is not over the conflict of interest issue, but Iraq. The Asian countries don't want this fight - there are few anti-American countries among us - but the Europeans want to get rid of him." Get rid of Mr Wolfowitz, and talk of stopping corruption within the bank and among its clients would mercifully stop.

Benn & Co. prevailed after, as the *Financial Times* reported: "Washington was unable to rely on London, its closest European ally, for backing. Hilary Benn ... is known to have been opposed to Mr Wolfowitz staying in office." It is impossible to imagine that the International Development Secretary, who lusts after the deputy leadership and preferment from Gordon Brown, acted without his future patron's approval.

As Pyrrhic victories go, this one is top of the list. For one thing, George W. Bush heard in no uncertain terms from his

supporters that they would raise a fuss if he appointed a non-American, even the respected Afghanistan central banker Ashraf Ghani, who holds both Afghan and US citizenship. For another, to sacrifice the wounded Mr Wolfowitz is one thing; to sacrifice the perk that goes along with being the largest single contributor to the World Bank, with no concessions in return, is quite another.

The Europeans' partial victory is going to come at a very high cost. Americans, and not only the neocons so reviled by the elite in Europe's capitals, are beginning to wonder about the usefulness of their commitment to many international institutions: "These institutions need to be rethought and restructured," said Bob Ruben, Bill Clinton's highly regarded treasury secretary. The fight over Mr Wolfowitz made Americans notice that they are squandering billions on armies of bureaucrats who think it a good idea to wreak vengeance on a man who shaped official US foreign policy, and a man who had as his central goal the elimination of corruption at the bank and among its client states.

Then there is the World Trade Organisation. The Democratic Congress has decided that the costs of ever-freer trade are too high to make the game worth the candle, and is preparing legislation that will end in tariffs on Chinese imports, restrictions on purchases from countries that do not meet US-determined labour and environmental standards, and the likely death of the Doha round of trade talks.

It looks to many Americans as if access to the vast US market has been freely granted, while France protects its farmers, China steals



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its intellectual property, Japan and China undervalue their currencies, and the EU subsidises Airbus to the detriment of Boeing and its workforce. My own guess is that if one or two significant WTO decisions go against America, Congress will re-examine the reasons for its membership.

Then there is the UN, an organisation that recently decided that Zimbabwe is just the country to put in the chair of its sustainable economic development committee. With an inflation rate of 2,200 per cent, rampant starvation and a bankrupt government, Zimbabwe's UN representative, who would not be in the job were he not a supporter of Robert Mugabe, can't have very much to teach America - or anyone else.

Besides, even those Americans who are unenthusiastic about Iraq, and want to see Mr Bush back in Texas clearing brush on his ranch, were offended when the UN provided the platform for Venezuela's Hugo Chávez to rant at Mr Bush, as "the devil" trailing a smell of sulphur. There is a mounting feeling that money

spent to support the UN - its reputation already seriously dented by the oil-for-food scandal, its members devoted to embarrassing America and Israel while forgiving Arab nations all their sins - might not be in America's long-term interests.

Perhaps of most significance is a growing realisation in Washington that Nato is past its sell-by date. As America takes mounting casualties in Afghanistan, EU countries, with Britain the notable and honourable exception, refuse to provide significant support for an effort in which they agreed to participate. The handful of German troops are not allowed out of their barracks after dark, and soldiers from other nations patrol the most peaceful regions of that violent country.

Besides, Americans are increasingly aware that Europe is funding its generous welfare states by stinting on military spending, something they can do because they rely on American-funded Nato "assets" such as transport planes. That makes America, stung by its experience in Iraq, more rather than less likely to cut back on its role as world policeman.

Perhaps the best early clue to emerging attitudes towards international organisations was Treasury Secretary Hank Paulson's decision not to attend the recent meeting of G8 foreign ministers. He simply had more important things to do than to sit through sessions that could not possibly have tangible results. Mr Paulson's German counterpart agreed with the Treasury Secretary's priorities, and sent a deputy rather than postpone his own holiday.

At the moment, these developments are rather scattered, and have not come together as an

isolationist cry for disengagement. But important columnists are suggesting that America allow the UN to atrophy from disuse - no need to quit the organisation, just rely on it less and less, so that it becomes of no consequence in world affairs.

Much of this disappointment with international institutions predated Europe's assault on Mr Wolfowitz. But that attack - including the unseemly haste with which the "investigation" was conducted and Mr Wolfowitz forced to respond to a massive indictment - just might bring all these strands together.

The presidential campaign is under way, and Congress is preparing to face the voters. Democratic candidates almost uniformly are seeking to escape from the sole superpower's burden of waging war on terror and retaining world order. Republican candidates - in some cases privately - are seething at the treatment of Mr Wolfowitz and of America in the UN, where tiny, hostile kleptocracies vote against it at all times, and a resurgent Russia can veto important measures, such as the imposition of effective sanctions on Iran.

No matter whom the voters pick as their next President, he or she will find that America cannot retreat from the world, no matter how popular such a move might prove to be. But the new occupant of the White House will also know that he must rely on what President Bush calls coalitions of the willing, rather than on most existing international institutions. Gordon Brown will have to decide whether, Barkis-like, he is among the willin'.

Simon Heffer is away