



The existential crisis for the euro arose from the realization that the "irreversibility" of the system was simply an authoritative incantation and not a well-underpinned objective reality. Even during 2010-2011 in a benign geopolitical environment, the perceived cost—both economic and geopolitical—to the system of a break-up was simply too great. So institutions were created and means were found via the bailout programs to hold the system together. But Greece stayed in depression, and this brought intra-EU politics to a boil. The recently agreed third Greek Program forced Greece to stay in at least for the time being.

Good-bye to the geopolitical respite

Since the 2011-12 phase of the Greek and euro area crisis, Europe (and the US) has lost control of the south shore of the Mediterranean. Iraq and Syria have disintegrated, the result of a major intensification of the Sunni-Shia conflict. This was followed by the tightening of the Russia-Iran-Syria-Iraq alignment that threatens to surround the Sunni oil producers, underlined by last year's spread of the war to Yemen. The EU's expansive effort to pull Ukraine into its sphere has been resisted by Russian military force, and there is Russian pushback for the retaliatory sanctions along the length of its frontiers with the EU.

All this is occurring at the moment of new US reluctance to put itself in the middle of these distant fights. Afghanistan is also crumbling as the US backs away from its post-9/11 advance into central Asia. Evidently, the US is consciously reducing the dependability of its generalized security umbrella or at least creating that impression. This is consistent with former US Defense Secretary Robert Gates' 2011 valedictory warning: the lack of military funding in most of the EU in accordance with NATO guidelines is leading to a decline of will to continue US support for NATO in the post-Cold War generation and the current administration.

Now huge waves of mass migration from Africa, the Middle East, and even Central Asia have beset the EU, and we believe they will not stop without direct and forceful EU intervention to stabilize these troubled regions. This has generated a bit more German dominance within the EU and added centrifugal tendencies in the eastern EU to those in the UK. Unilateral closing of frontiers is undermining the Schengen Agreement, and the Eastern European members are nullifying the European Council's qualified majority mandate under the Lisbon Treaty to accept refugee quotas.

These accelerating external and internal threats will likely push the "petty" economic disputes of the euro crisis to the back burner and the geopolitical dimension to the forefront. After the collapse of the Soviet Union, the unification of Germany, and the securing of oil in the Gulf War, external geopolitical threats to Europe disappeared for 20 years. In this geopolitical vacuum of a weak Russia, the EU took the opportunity to expand rapidly to the east while centralizing itself internally. The quasi-confederate European Community morphed into not quite a federal European Union, which morphed into a sort of Imperial Union showing interest in Ukraine. But now the geopolitical free ride is over. The US, at least until 2017, will likely not provide much of an umbrella. And the still-incomplete Union now has to develop policy through a security lens.

The Eastern European states emerged from World War II with fairly uniform national populations and cultures due to the horrors and ethnic cleansings during and after the war. This is likewise partly true of the successor states to the former Yugoslavia. They all signed on enthusiastically to the European project in expectation of sharing the bounty of European prosperity, governance institutions, culture, and democracy, with an added bit of