

March 26, 2010

Brussels Forum

Transatlantic Relationship in a Multipolar World: Does it matter?

Moderator: Welcome, let me do ask that the panelists to come on stage. You'll see Mr. George Voinovich, Catherine Ashton, President Toomas Ilves, and Anne-Marie Slaughter who is the director of Policy Planning, widely thought at least by me to be the best job in the U.S. Government. We discussed what arrangements we would make in terms of the formalities of this and I addressed Baroness Ashton as Baroness Ashton and she said that is Cathy. And then I addressed President Toomas Ilves and he said, "That's Tom." So the first think I want to say is that in the forum of the Transatlantic Relationship this year we are on a first-name basis. So if you think we are being awfully casual it is because of prior agreement. One thing to set the scene before I turn to the panelists for some questions. I'd like you all to think back as we set the framework of thinking about this U.S.-E.U. relationship to November of 2008. I happened to be in Paris a day or two after the U.S. Presidential Election. And I will never forget the front page of Le

Monde, which had a cartoon by platue (sp), there wonderful cartoonists stripped above the fold. It showed Barack Obama in a red, white, and blue bathing suit, Riding a surfboard, shirt off, needless to say. This remarkable young president; and the headline written in red, white and blue in English in Le Monde was: Happy New Century, which expressed for that newspaper on that date the sense of something fundamental that would reshape the Transatlantic alliance, that would reshape the world, had happened.

Now, we are almost a year and half year later. That euphoric sense of being a topple wave, I don't think anybody would draw that image today. We are still left with the basic questions that existed at the beginning of President Obama's term: What is the U.S. conception of the Transatlantic partnership. What is Europe's conception of what it would like this relationship to go?

And so I want to start with Cathy as the leading foreign policy spokesman for Europe just to tell us a little bit about how she envisions the EU agenda in this process of dialogue and debate.

Baroness Catherine Ashton: I think wherever you set politically in November it was a great day for American democracy. I also know the euphoria that everybody

felt was probably impossible to continue whoever, however and wonderful President Barack Obama is, was, could have been.

So I think we quickly actually have to realize that there's a ongoing relationship across the Atlantic that matters enormously to European Union; and I would argue matters enormously to the United States of America.

I set it in two particular ways.

The first is the kind of bilateral relationship that we have. The straight commissioner, I spent a lot of my time looking some of the very practical ways that we could deal with some of the regulatory framework, some of the issues between us. That huge trade and investment relationship was a big part of the agenda that I had in that role. For the bilateral relationship is fundamental, for business, for people.

Second, is the collaborative relationship we have in terms of what we do in the world. Last week, I was in the Middle East, I flew directly from there to Moscow to meet with quartet where the relationship between the United States and the European Union is really important as part of that.

All of the conversations I have about issues that we have are trying to grapple with, what to do about nuclear proliferation and Iran, about how we do we

tackle all the tragedy of the earthquake in Haiti, all of those things are about how to collaborate together and are ongoing and significant pieces of work.

Final thing, what really binds it all together are the values we hold in common. And because we hold those values in common, we find ways of collaborating together, bilaterally and in terms how we address the rest of the world and the issues that we face, that will continue I believe forever. I think it is actually when the euphoria dies down, as being the most significant under current that we continue with.

Moderator: Let me ask you to elaborate on your final point. Alliances that are bound by values, by the perceptions of shared values can suffer in very real ways if there is perception that those values have been breached. I'd like you to say as directly as you can whether you think in Europe there was that sense of breach during the previous administration on values, issues because of interrogation policies, because of all the things we know and to what extent that breach, if it existed, has been eased by the administration that if we look carefully on some of these policies actually has had a degree of continuity. In other words, is there a values crisis in our alliance that hasn't yet been fixed?

The Hon. Baroness Catherine Ashton: I don't think there is a values crisis, I think the reality of all administrations, I live in a European Union 27 governments who have a spectrum of views. One of the great joys and challenges for me is bringing those views together to form a common European policy where we can. In the course of that, you are very conscious that some relationships are stronger than others across the world. And that is true transatlantically as well. Some governments in the European Union who feel closer to a Democratic America than they do to Republican America. I think the undependent views remain the same. We may not be happy with each other from time to time. There may be issues that create ripples in the system that cause real difficulties, but none the less the undependent values remain the same.

Moderator: Tom, I want to turn to you. Back in the old days when American annalists used to speak that Americans being from Venus and Europeans being from Mars, and when America was seen as unilateralists and not really paying attention to its allies, obviously there was a desire for a different kind of America. And arguable you got it. Americans seem as (inaudible) as the best Europeans these days a lot of time.

I'm wondering if you would speak to this. How does

Europe like this more multipolar, multilateral America that it is has ended up with?

H.E. Toomas Ilves: I think it is case to be careful that you don't get what you ask for. In fact, I think there's widespread perception and enough evidence to prove it. And I think it is completely reasonable that Europe is not on the radar screen the way it has been in the past; and for obvious reasons. For one, the U.S. has a problem-solving mentality, and first with the conclusion of the Cold War, and with the successful integration of both EU, within the EU NATO of the people who were promised by Churchill in '46 and Fulton that they would be incorporated where they could be free. All that is done. The problem is solved. The real problem for the United States are elsewhere; and on the radar screen you have a rising China, Iran, you have terrorism. Europe is not a problem and this has gotten some people upset. Some people in the Eastern part write open letters. I don't personally think that is how you deal with foreign policy. In the West, we see various stories about who was embarrassed by what gifts. We are not on the radar screen but why should we be? If you take the point of view the problems that occupy the Transatlantic Relationship for 60 years have reached a successful conclusion, the countries are

Democratic, they are defended and the new members are Democratic. What else is there? The issues of -- it's been solved. And I think, that them having a more multipolar America with the issues solved in Europe means Europe is not the primary issue. And I think that Baroness is right. We are going to be dealing a lot more with trade issues, open skies, these could be fairly contentious issues but the feeling that this actually kind of a luxury from Vietnam with the SS20s and through the Iraq war, that you could vent your anger at that the United States because they were such such, but, in fact, they don't have to care that much about Europe because it is done. That's the perception I get. Don't mind my accent.

Moderator: I'm going to take you at your word. I want to push back on this question of whether Europeans are content to have this sort of secondary status. It may be true as you say that so many of the problems -- What about that? You do hear certainly in Washington as diplomats pass through reading the European press, some sense of frustration that we are not as important to America as we once were, in part because in a world with big problems, our problems are little. What about that sense of being left out of the dialogue; and what would Europeans like to see so they feel more attention

to paid them to them?

H.E. Toomas Ilves: If I just read the editorials in UK, France, Germany not to mention my own country, we have gotten what we wanted. And we want a multipolar World with the United States, that is playing in a multilateral situation then deal with those issues. About 15 years ago we complained from my country to a big European country about why they weren't paying attention to us and answer make a crisis. If we didn't have a crisis, we were not on the radar screen. We don't want that with the United States. But it really is, time to some sense grow up.

Okay. We are not a big problem. I think the solution we can talk about a later on, we need to be more creative what we can do and particularly with the United States and the very concrete policy.

Moderator: George, yes.

George Voinovich: I think the relationship broke down after our unilateral effort in Iraq with a few friends. I remember being in a meeting with the rest of NATO group where they threw paint bombs at the hotel. I think we have come a long way since then. One of the things I came up with at one of these sessions when I met with Jim Jones, at the time General Jones, he talked about the issue of working with people. One

of the things I think everybody should feel good about is that President Obama before he announced his program of what we wanted to do in Afghanistan, really reached out. In fact, I wrote to Secretary of State Hilary Clinton, they said we are willing to participate but we want this to be consensus. We don't want to be told what to do. And I think we really reached out to our allies and brought them in and talked about what direction, we should take there, how we can work together. And I think that's been well received. And yesterday, we heard testimony from Bob Gates, and Hilary Clinton both together talking military and hard and soft power, the fact, that I asked how we were doing in terms of our allies. They said until two years ago we had 17,000 people, today we have 50,000 people. And in most cases, there aren't any that are there. One other issue is the issue of national financial issue. We were concerned about what happened in Europe. Part of the pressure on us, was that we got to do something, we have to get out early, if we don't get early and let folks we care, and we are not just going to take care of ourselves this whole thing might crumble. And there was, there's a lot of money to be put in some business where the word got out, if you let them go down you are going to have another Lehman Brothers and it's not just

going to be in United States; it's going to be across Europe. So I think, most of us realize we do have a symbiotic relationship with this area and the more we can work together and cooperate the better off we are going to be.

Moderator: Let me do a brief reality check and then I'll turn to Anne-Marie. With Cathy, did Europe will the love from Washington in those long months when the Obama administration was debating its Afghanistan strategy. I remember hearing from some European diplomats they were being left out of the process. Yeah, they were going to be informed when it was over but it was not collaborative.

The Hon. Baroness Catherine Ashton: From Brussels perspective, we did we were being involved. I was at the NATO event when he came to talk about what was going to happen the ideas that they had. Then we the conference in London on Afghanistan. I think for many, diplomats, for many people involved in the process, they felt we were engaged. That was good. And the result of that of that is seen as being a much stronger collaboration in Afghanistan. And in a greater sense, true sense of purpose, and a greater sense of the possibility of what we could do together.

Moderator: Anne-Marie, as you know, from our

conversations with I'm really struggling to understand what the Obama administration's foreign policy line is. Whether there is an Obama doctrine. I talk to Anne-Marie Slaughter who was chief of policy thinking about those big issues. She is one of the few people I have encountered who can articulate what doctrine you can see hidden within all the pools, statements of our President.

Ms. Anne-Marie Slaughter: I think you may be reinforcing the worst stereotype about policy plans when you turn and say I want a reality check and then I turn back to you.

The first thing to say, the Obama administration doesn't like doctrines. It likes action plans, solving problems. So, I want to answer your question but I don't think the White House likes to think about it in terms of a doctrine. On the other hand, there is a very clear concept of the nature of the challenges we face, the fact that they are global problems and they have to be solved together. That is the starting point pretty much for any major speech that the Secretary gives, or the President gives. List the top five, six, or seven global challenges from non-proliferation to terrorism to the global economy to climate change, these are all problems that have to be solved together. We can't

solve them alone. They have to be solved by great powers taking possibility responsibility.

I was interested listening to Prime Minister Leterme talk about the G20,s and say this isn't a status symbol. The job of the G20 is to initiate global action. It is to take responsibility to initiate global action. If you think President Obama's UN speech he said to the world as he said to the United States in his inaugural address "with power come responsibilities." You have to take responsibility to solve collective problems. That is part of the nature of being a great power. Not just about the size of your economy, the size of your territory, the number of people you have, the size of your army. And that actually is exactly the foundation for the EU-US partnership. It is a deep partnership; it doesn't make headlines because it is not a problem. That is a good thing. In preparing for this panel, I asked for a calendar of the US-EU events. In the second half of March there was more than one high-level exchange, delegation visit, consultation a day. In Moscow the quartet that's the Middle East. It is one of the key problems in the world today who is there? EU, US, Russia, we talk about Iran, EU 3 plus 3, we are absolutely, partners working closely together, because

we are two entities that believe we have to take responsibility that that is what leadership is about.

Moderator: I'm going to ask Tom if he would comment on one specify strategic initiative by this new administration. That was planned carefully, executed with some finance, and that what was termed the strategic reset with Russia. That obviously, matters enormously to you as a neighbor of Russia. It upset some of your neighbors just to the west, Poland and Czech Republic. It evolved as part of a strategetic re-collaboration in changes in our plans in missile defense, how would you rate that piece of US policy making. I'd ask you specifically going forward what are the concerns you would have as an EU president, a president of a Russian neighbor about how that may play out in the future?

H.E. Toomas Ilves: First, let me say, I think, if it is ratified then I think we have made some moves. I haven't heard that was tied to the -- that it was said, that was not tied to the Polish-Czech decision. Though I could say if you raise that already, informing those countries on the 17th of September, the 78th anniversary of the invasion of Poland probably shows the radar screen issue.

Moderator: Certainly progress would have been more

difficult if the previous missile defense regime had been in place. I think we can say that.

H.E. Toomas Ilves: So reset, if it reduces tensions with Russia, then I think it is a good move. And I think it is too early to tell sense we are getting to a point where we can evaluate that in terms of Russian policy toward its Western neighbors, immediate western neighbors. That hasn't changed but then again why should that be effected in anyway by U.S. policies. So, we'll see. We just ask when you reset your computer, you don't lose your memory files.

Moderator: That's a good -- I can remember an event at the capital which was commentating a speech made by (inaudible) in 1990, one of the great speeches made in our capital, which really marked the end of this period of Soviet domination of his country and eastern Europe. One of the things with I noted to the audience that he and many, many of the other leaders of the eastern European movement for change at that time had written a joint letter last year that I'm sure you are familiar with complaining that they felt they were now left out of U.S. strategic calculus. I'd ask --

H.E. Toomas Ilves: I said that before I don't believe in collective letters written in a free Democratic environment. They are written when you are

living totalion regime and you need people to stand up and say we are against this. I think those points could be made much more effective. But that is my personal opinion.

Moderator: That would be negative about collective letter writing.

George Voinovich: We put together legislation, I was the main sponsor recognizing that a lot of countries felt left out, because of the fact they were not able to have this visa waiver program. I think it was two years ago, we expanded that by seven, Greece just came in. The fact is we do pay attention. I know from talking to President (inaudible) have, when I was in -- spent a day in lava (sp), and I think there's feeling the of probably among your people that we never see them anymore. So in a as a result of that, they are not on our radar screen. But the fact, is you are. And we are concerned about, one -- I have to say this, I'm leaving the Senate this year, but I'm going to write a book and one of the chapters is going to be on NATO expansion and what happened with European Union. If you think about the progress that has been made, it is not done yet.

If we don't finish that job there, we are going to end up with a situation, it is not going to be free and

peace. But there is a good relationship.

H.E. Toomas Ilves: I'm not complaining. All I said there are bigger issues that's why we are in Afghanistan. And in a second place. And that's first. I'm not complaining. I'm saying there are other issues. One of the issues when I think of Europe and Transatlantic relationship that I think needs to be solved and which if someone asked me what should we do, I would say, solve the Northern Cyprus problem. Because that is what is preventing EU and NATO from working together. Something which was proposed by the UE during the Bush administration, somewhere around the middle of the Bush administration, there later on the changing its mind and says it is good idea to have NATO and EU on defense, let's face, our big problem is the split-brain problem, which is faced by most foreign ministers in those two organizations because they are both--, the problem is you can't talk to yourself. You are a foreign minister. You go to Brussels, NATO and you talk about one thing. Because of the Cyprus problem, Turkey does not want or is not very happy about NATO doing something that the UN and vice versa Cyprus is not happy about the UN doing something for NATO. Ultimately the only way, especially, the overlap is so huge, military resources don't have a split-brain

problem. My country, UK, everyone has their takes. The question is we don't divide them up. We got to solve this problem. If there is one issue we should work on today to get the Transatlantic relationship moving is to concentrate on the Northern Cyprus problem.

Moderator: Cathy, how does that sound as a work problem for the EU?

The Hon. Baroness Catherine Ashton: I spent part of Tuesday in NATO because one of my responsibilities is to develop the strength of that relationship between EU and NATO. It is an issue. I think it is a challenge, in terms of what is feasible. Most people, we don't fail to protect our people on the ground. If we could solve the political problems, life would be a lot easier, and I'd be a lot happier. If we were doing that protection as effectively as we should be. So it is a challenge. But I think, I just question if I might, the underlying proposition we are only interesting when we are a problem. I don't accept that. We are not, in a sense trying to get the attention of the U.S. because we need help. We want to work together with the US in order to see how we can help. I think that is really the sign of the maturity of our relationship. There are still issues along the borders of the European Union. Plenty

of issues, that we need to revolve between us on a economic basis. But my goodness there is a lot more we can do together in terms trying to deal with the sorts of issues that are confronting us in terms of the military use of politically, of resolving problems and indeed as I have indicated solving of some the issues like Haiti where next week, we got the conference in New York to look at what we can do together on that.

Moderator: Let me take advantage of you mentioned, the fact that you are retiring from the Senate after many distinguishing years there. To ask you about opinions, the health of the U.S., political and legislature system finally came to the end of this long sometimes painful debate about healthcare reform. You lived through that. You have seen the institutions, House of Senate just kind of creaking at the edges, as you get ready to leave, I would be interested in your frank account of what is the health of these institutions? And other issues that Europeans should be concerned that we are not making those institutions of government work the way they should?

George Voinovich: I think the biggest challenges that European union has is the issue of enlargement fatigue. Because, there's a feeling particularly in the area that I asked me before the panel started, what are

we doing to pass the it on to someone else. I spent a week in six countries. So, she's very interested, my job is I want, feel part of my legacy, I want to make sure picks up that legacy and does something with it. When you get, I met with Croatians, they think we may be the last ones. Then you get to Macedonia, they got the problem how do you work the Greeks how they can work the name out. I think the real issue for the European Union is, I know, there is fatigue, but I can tell you this, if Ali Red (sp) had not done the job he did in India and Serbia, (inaudible) may not have been elected. He was there and planted the seed that they could go forward. They had people who wanted to go backwards. It is something that is very, very important.

I would hate like heck to see the job end. You have this chance to bring in that part of world in to Europe. We have all invested a great deal. People's lives have been lost. Lots of money. I don't think we can say we are tired and we are going to let it go. I think we have to make it happen. Then you are going to have the Euro connection. And it will improve the Transatlantic alliance and we'll have a better life of quality and peace.

Moderator: Let me turn to Anne-Marie for a final

comment. We have talked about a range of issues that are facing the Europeans and us. What are the ones you are most focusing on and where you think there are new policies that this audience should know and understand, the U.S. policies.

Ms. Anne-Marie Slaughter: I'm not sure in terms of new US policies, I think the point I made about partnership, our first year has been spent in building up partnerships with new powers, emerging powers especially looking around and figuring out we needed collectively to work through bigger institutions, moving from the G8 and to the G20, trying to work with the United Nations and focusing on absolutely on Russia, China, and India, and Brazil, the sorts of things that got the headlines wait a minute you are paying a attention to those countries and not to us. Yet the presumption behind all that we have a strong partnership with Europe, we are working in all these areas, I think Senator Voinovich is exactly right-- Russia, the U.S., the EU and Russia working together.

Also, that we are working together on development issues and Africa, and Afghanistan. So, our focus -- I think often we are assuming we want to work together when we are trying to work with other countries it is mistaken, we are not paying attention to Europe.

I want to shift slightly think about this partnership going for the forward. I want to emphasize with for all the talk post Lisbon and how EU, Cathy has a great deal on our plate in that regard, it is huge advantage to us. Secretary Clinton, finds it enormously important to pick up the phone and immediately talk to her EU counter part and also to the prime minister and foreign ministers she would talk to. That strengthens our ability to work together in very important ways. In the past 6 months, I've seen this day to day. If we think how we work together in the world we have to move pass the Cold War and concept of common values. When we say common values, we still think the free world versus the Communist world. Democracy versus non-democracy, those values are critical. No one would ever think I would not talk about how important common commitment to democracy to human rights is. In the 17 percent of the world that is under 30, who haven't thought about, no knowledge of the Cold War, who look at the United States and look at Europe and don't ever think what we stood for against the Communists world, we need to think hard together about what we stand for. I would say we stand for open societies, we stand for opportunity, I love the expression the modest miracle of a normal life for every. We stand for the freedom

to connect. If we are talking young people, we ought to talking about the freedom to connect on the to each other, to women's empowerment something we stand for, look at this panel, very important globally.

I think we are so focused on how we used to relate. We don't spend enough attention how we can present ourselves to the rest of the world.

George Voinovich: It is prioritization what are the issues that start from here and go down. One that bothers is the whole issue of energy. It bothers me that, people represented here are cutting deals with Russia in terms of energy. It seems to me, if I were doing this I'd get 4 or 5 countries together and I'd negotiate for more a position of strength. Energy is growing to be a real issue. If it keeps going the way it is, it is going to color people's judgment. There are going to be afraid to do, they shut off our energy source. How do you start to look at that, are we going to work together to have some alternatives that are together. Many other countries have assets we discovered Marcellus gas in the United States, it is unbelievable what we have. That is a big issue that needs to be looked at. Climate change. I've been involved in climate change. We have a lot of work together. If we can get together, and work on this,

figure out how you can compromise, for example, we talked about the G20, getting them together to deal with carbon leakage problem, make sure when we set up a protocol that it's not used by one country against another country. But those are the kind of things that I think, that we ought to say these are big issues let's start working on them.

H.E. Toomas Ilves: I'd have three concrete problems. One, not just enlargement fatigue, there is a constitutional amendment in both France and Austria mandating any new members of the EU after Croatia is the only one left. That is a concrete. That is not fatigue, changing the legal system. Yugoslavia, which I think we must do, we need to take some, those are the concrete challenges.

Secondly, I think we do need to deal with what I think, everyone seems to be passing over in silence, the collapse, the 1975 agreement that you don't change borders through military action, which is result of the August 2008 war.

I don't buy the argument that comes from the Russian side, that, the August war shows it doesn't work anymore. If a child breaks his own toy and says give me a new one. It doesn't work. The fundamental understanding for '75 on, you don't change boarders I

think we have to be very seriously address.

Moderator: Just to ask a journalist type question on that specify point, do you think the Obama administration is being tough enough on this question of the inviolability of borders and on the specific instant that you cited which involved Georgia and the statelets surrounding it. Would you like a more vigorous policy?

H.E. Toomas Ilves: Compared to the European response, the Obama administration is Arnold Swartzenger.

All the EUs said nothing under the leave, and a month later they said let's not pay attention, the troops are still there. The decision made by counsel, no dealings until the troops was forgotten, basically, the sense of consensus we small countries just said find.

Moderator: Cathy, are the Europeans, what's the opposite of Arnold Swartzenger--

The Hon. Baroness Catherine Ashton: We have Austria roots. I don't accept the proposition, I think where we are, and we have the Russian ambassador we here. We have a vigorous dialogue with Russia, when I met Mr. Saakashvilli, I met Georgia president, we have 300 people in the region trying to ensure that the agreement that was reached in August 28 was stuck to.

We use every demographic means to try to recognize what we believe in which is territorial integrity of Georgia. That's what we do, that's what we'll continue to do. The only way is to continue to make that stance, to put people there, to try to build the confidence. That's what we are doing.

Moderator: I want to go to the audience because we got a lot of audience members. I'd like you to ask your questions brief, to identify yourself, if you have a question for specific panel member obviously direct that to them.

I'm going to call on Marie, who I said before this session I would recognize?

AUDIENCE: Thank you very much. It is precisely on this subject of the states that neither Russia nor the European union or NATO that I'd like to ask a question. It seems to me, that the line between the light-minded states, and the other states is really the states that have done like the European countries after the war, believe that the security of people, individuals is as important at the security of the state. And I think it is still very much of a defining line between families of state. It seems to me the issue of value that you have stressed at the very beginning was absolutely fundamental in the decade that followed the second

world war, because it meant peace and prosperity. After the collapse of the Soviet Union then enlargement were the natural. Because the European and the NATO could bring, peace and prosperity and constraints on states when it comes to the way, when they deal with their own populations. And today, it seemed it is not quite enough because enlargement is not moving very fast. And also, because we are facing more and more. In the United States, the question of interests. If we want to go for action, how do we define common interest and I think energy is a very obvious case.

So, my question to Toomas is do you really believe it has been solved? How you define the nature of the problem in those states? What can the European union do and to get the other partners? And my question to Cathy is partnership. Do you think it can be even more? What are you expecting on EU policies in between states in the years to come?

H.E. Toomas Ilves: Not there are no problems. I think for the Transatlantic relationship, compared to other issues in the world today, it is not a big problem area. I personally think the NATO relationship is one clear tasks to face. And I would say in terms of the other states it precisely the Eastern partnership which is the only real idea what do with

those countries, what we do with Bucharest, where we left Ukraine and Georgia out to try, which was initially a response, bringing them into map, which was not NATO, map. Was because they were left, they weren't getting much attention from the EU. Then they got the no on the map. Basically there is enough attention from either country, from either organization. If you look at the amount of money that is spent. It really doesn't amount to much compared to what has been done in previous, with the enlargements. I think the fundamental problems is conflicts in psychology, you want to get close, but you don't want them to get too close. You don't know how much to give them and how much not to not give them.

I've even been lectured from a EU commission official, previous, don't you dare say Ukraine has a European calling.

The point is--

Moderator: Your secret is revealed.

H.E. Toomas Ilves: People are free to bring in Ukraine, people want to hold off on Georgia because it is too messy.

The Hon. Baroness Catherine Ashton: First thing, this partnership is important and is quite new. I think secondly if you take one example, let me take

Ukraine. I attended the inauguration of President Yanukovych and he came to Brussels four days later, for talks about how best we can support the Ukraine. That is a combination of the kinds of effective ways in which you can build trade which is good for everyone. And also the kind of support that we can give him. So, for example, I don't think he would mind. One of the things he told me was that he was most concerned about is how to support the poorest 20 percent of the population and what he would doing to that move that own.

I also met the opposition, I think, what we got to do, is be realistic and practical in the relationship we have. I'm not asking Ukraine to make choices about what he wants to do. I want it to be a country that makes his own choices, it's where it wishes to be. The rule of law is upheld, no corruption, that people are able to get on with their daily lives and then decide the relationship together that we wish to have. That's what I think exploiting the value system we have is all about.

Eastern partnership is important to me.

Very important in terms of kind of support we can give.

It is about enabling countries to decide what they

want to do and if they want part of this with us, look at the future that is something we can decide together.

Moderator: Collect two questions to get as many as we can. Young lady here in the red, and after her Admiral William Fallenn who had his hand raised toward the back.

AUDIENCE: I want to thank Marie for pointing 70 percent of the world population is under 30. I think many of young men and women would want to live in a society where opportunities are available to them to them. Where they could be free to connect. Women's empowerment is in place, and they are actually knocking at our doors. I think as a development in my country, where there is a closing of Dutch mind, and a closing of the European mind toward these people who would want to enjoy similar opportunities at the same time, there is a group of people who have come to Europe and I think it is same in the U.S. who don't adhere to those values. I think there is real challenge within their own societies to share those values in a way, which is not so easy any more. What I missed in the discussion, it is a bit abstract to me, indeed the moral, the minor miracle of having a normal life seems not possible for many people in our own societies anymore. My question to you is what is your answer to the people who are

knocking at our doors, in embassies? Who would want to enjoy similar opportunities. Seems the human right's is not at the table anymore.

Moderator: Great question.

Audience: I would like to pose to each of you given the many things that are on the agendas, in each of countries what would you say ought to be the priority tasks may be 2 or 3 and why? That we could undertake collectively across the Atlantic to move for the forward?

Moderator: Should we start with George and move to our left?

George Voinovich: I think I pretty well laid out what I think about that. I don't know if this the responsive to your question or not but we are talking about newcomers that come in, how they are treated, what we do. There's an office called Office of Democratic Institution and Human Rights in the OSCE located in Poland. They have an office of nondiscrimination and tolerance. We finally got a couple people under core budget. It needs to be expanded in terms of education. One of the issues I'm very concerned with antisemitism which is growing in this part of the world. And it seems to me that that's an area where a lot more attention should be given.

Because it is a sickness and it grows, there are some wonderful things going on. I think some of the countries are doing a great job. I'd like to get them together, and honor the countries that are making a difference. I think this is a real issue. I think it is one that should be on the list along with climate change and some of the other issues that I have talked about?

Moderator: Cathy, I'd be curious what is in our admiral file on headache file.

The Hon. Baroness Catherine Ashton: I was going to give a brief answer to both. I think one of the questions that I ask myself when someone says that, why are people knocking at the door, biggest challenge for many has been people is effective war, climate change, unable to live in the country they want to live in, which is home. So one of the big challenges for us, in a sense, to answer his question too, is part of collaboration transatlantic is how we support development, and how we support people who would prefer to stay at home but hungry, don't have economic opportunity, or not free. That's I think a really fundamental part of addressing the issue why they are knocking on the door. First answer, we have to build the big economic relationship between the United States

and Europe. It still needs work. And the more we do that, the more we enhance the life of our citizens which is something very important. Secondly, finding the things that we can see coming that we need to address. It's no surprise that I would say the middle east peace process is really important, particularly right now. It is what happening as we are here. I'd also say the proliferation treaty conference.

Again, as we look at that. And the collaboration on peace and security which addresses the big issues, those are the issues I would focus on.

H.E. Toomas Ilves: Those are the big issues, just Transatlantically, I would do, I mention Northern Cyprus I think that is what keeps us from doing much more together.

Solve that and we can start talking about real, military presence where we need to be, EU capabilities all of that. And other issue is finish the enlargements. Bring in Macedonia, bring Serbia, get that done. Then we've finish that piece which is what is left over from 89, '91, 2004, 2007, we get Europe, all of Europe in. We are a unit, if we have that, and we have an effective EU, NATO cooperation, then I think we can, start opening, talk about some of the soft power of Europe versus Marshan power of the United

States, then we can do things.

SPEAKER: It is amazing we have been talking almost an hour and China hasn't been mentioned. We are talking about the Transatlantic relationship in the context of the world, our working together to engage China on a whole host of issues, one which is directly tied to Cathy's point about deepening our Transatlantic relationship and I would tie that to energy and climate change. I think we have an opportunity looking forward as we develop green technology, to develop common standards for both so we can source and we stand for green energy, new sources of energy. But also because if we do that together, we are an amazing force, globally and in Asia as well. There are a number of other areas on development that we need to be working to get together deeply that's also important with respect to China elsewhere in the world. Engaging china, its investment and development is beneficial.

I would say it gives me a chance to say one other thing. New policy, if I had to say what else is really new about Obama administration and about the President and Secretary Clinton's focus on the world, it is that they both see every problem we face, has to be tackled from a development perspective as much as from a diplomatic perspective. (Inaudible) -- Explain that

the biggest problem facing his country in terms of development and then in terms of countering terrorism, was agriculture development. This was from the foreign minister of one of the most strategic countries in the world. The U.S. and EU have an extraordinary opportunity to put together, what between us is 80 percent of the world's overseas development assistance and put that to work in ways that complement one another and truly benefit each other. I will point in the last plug also for Cyprus in terms of what it unlocks then, and what then we could do in the Middle East. Let me end by saying with your question. I think you raise a very important point. I say we stand for open societies, as we look around the world, post Cold War, standing for an open society, together is vital. We need to do a lot of work in Europe, Netherlands, in our own society, if you look at -- death threats against people who voted for health care, those are the values of a open society. We need to work on our open society values and then figure out how to stand for that in the rest of the world.

Moderator: I'm going to expand my list three people, who I hands I saw earlier. First, you, and then you; then, then John. Again, please keep your questions brief.

AUDIENCE: I want to mention, China, as Anne-Marie did. It strikes me that everybody not just Americans and Europeans, Indians and others are finding China more difficult to deal with. We are not collaborating together in how we deal with that. There's a debate in the U.S. about Chinese currency and how to respond to it. We would be far more effective in persuading China to persuade its policy if we worked together. Also, in Iran and climate change and human rights issue. My question for panelist don't they think we can do more to work together on Chinese issues. Not everybody in Europe wants to do that. They see an advantage in having an attitude towards China as different than that of the US.

AUDIENCE: My remark is on what you said, talking the language of Cold War, but I gave you one instance in '91, I was at conference in publishers and editors of whole of Africa. They agreed that freedom and press freedom is not an obstacle but a condition for progress. We live in an atmosphere where promoting those values which are essential are consider imperialism or get the answer first look at your yourselves, our societies are not perfect but there's a huge difference. My question is do we go about helping the people look to us for help, not the

government giving a voice to voices.

AUDIENCE: Do we have a microphone?

AUDIENCE: I wanted to pick up on this issue, I think, things are not solved between United States and Europe, I think this discussion has raised very important points. Is the building of a Transatlantic community, a deeper one a more institutionalized one in which the United States is also very active institutional participate in Europe? Is that a Cold War goal as Ms. Slaughter seemed to suggest or is that building democracy around the world? You can imagine what I think. I'm afraid that the panelists especially the policy planning chief have actually confirmed doubts that many people in Europe and the United States have, that the Obama administration is essentially a transactional one, looking at goals not at values and not structures.

If you look at kind of issues that Toomas raise, we have deeply structural things. The united States-Europe relationship was built on understanding that we would be able to overcome some of these horrible things.

We had a confrontation with Europe on ever (inaudible) in the early '90s, for example. I was overcame then, because we believed we were moving

towards a sense of community.

And now to have a sense of transactions as the basis of American policy, I think is a dead end, I have to say.

Ms. Anne-Marie Slaughter: You fundamentally misunderstood me. You cannot possibly think I of all people do not believe in a deeply institutionalized Transatlantic relationship based absolutely on our fundamental values. There is no stronger champion of that relationship that I am by blood and by heritage and by commitment. Absolutely. I think what we have been talking about precisely we are in a better position to be partners fundamental partners solving global problems precisely because we share our values and institutions and we need to deepen those institutions in every way I can think of. That is exactly why I think it is so important that I can think of. That's why I think it is so important that Cathy Ashton and Hilary Clinton can work together. All I meant to say, make no mistake about it, we have common values based on liberty, justice, equality, tolerance, these are the enlightenment universal values and they are best stressed here. All I meant to say, in the world as a whole, describing them that way, which is how we grew up, how we understand them is not always

frame, we are not always speaking the language of the people we need to talk to. The open society is just another way of describing a liberal democracy. My point is too many, the idea of open society the idea of being able to connect the freedom of Internet, women's empowerment is a language that is better understood. I was simply suggesting we up date our vocabulary not our values. I want to be very clear about this. As for a transactions these aren't, we face global problems that if we don't solve, proliferation, climate change. Global issues, the stability of the global economy, if we don't solve, we all go under. I'm suggesting US and Europe be partners and helping everyone else solve those problems.

Moderator: Nick Burns who for many years was prominent figure, often spoken for George Bush administration told me has what we call conference landing two finger intervention, so opposite, so precisely on this point that he needs to speak now.

We'll see whether Nick is deserving of two-point intervention.

AUDIENCE: I want to strongly agree with Anne-Marie. What admire about President Obama and Secretary Clinton, they are transitioning this relationship between Europe and United States from being about

Europe that was the Cold War, the problems of Europe in the past to be about the rest of the world. The challenge I think is, can Europe and United States work on Middle East together? On south Asia and on East Asia, where vital interest, for both of our communities, I'm rather optimistic that we can not only define that agenda but pursue it. I want to speak to the challenge of Anne-Marie, how do we deal with China?

Moderator: I'd like to ask Cathy, who would have the portfolio, after a difficult, week to put it mildly between prime minister and the Obama administration, in which sources close to journalists like me, we don't understand where this relationship is. There's an obvious question of whether there is an opening for the EU, at the United States and Israel. Is there a new role, how do you think about that? May be if you could briefly address that and then we'd go back to the audience.

Moderator: Let me return to the final round.

Moderator: If you'd like George, first of all, how many people who are here, how much of your debt is held by foreign countries?

George Voinovich: Our debt today in the United States is about 53 percent held by foreign entities. China, Japan, and OPEC nations.

The fact of the matter this has some impact of what our relationship is with China. That is the way it is. Since 2004, we have borrowed 70 percent of our money not from the people in the U.S. but from other people.

So, we have a real problem here, one is that the United States is debt, we just raised it to \$14 trillion. Last year we borrowed a trillion four hundred million, 40 percent of our country's last year's budget was borrowed. Now if the United States keeps going in that direction, we are in deep trouble and you want, everyone is in trouble. I think that one of the things overriding this is if the United States does not get its financial housing in order, it is not only going to have an impact on our quality of life, but impact on peace in the world.

That's something we neglected for too long and I'm hoping the President when he is appointed this commission to look at tax reform, is going to really do something about this problem.

Moderator: Let me turn to the audience four quick questions.

We'll conclude with those four.

AUDIENCE: Of course, nobody in this room is going to contest fundamental open society values. The issue is, the hierarchy of needs. Is the ranking and the priority

that are recorded to values as opposed to other concerns. I wouldn't given how many you have stressed corporation on practical solutions for joint action plans. How would you deal with questions of values and other issues when it comes to Iran? How can, what it common action plan for example, between the U.S. and EU at this point in time, let's leave aside the history of this issue for a little while, what would it look like for us to have proliferation and open Iranian society? What could be? Given all the interest and actors involved a joint EU action.

Moderator: Good question.

AUDIENCE: What is the US-EU summate? Is it good to get rid of this summate because they're are set pieces which are opportunities for too many inner governments competing with one another?

Moderator: Another good question.

AUDIENCE: I wanted to add, the other factor that has not been mentioned in this conversation is the worse economic downturn since the 1930 and the impact of the Transatlantic relationship. We had a summate here the last two days more and more, European politics become more national in nature. If anything Europe is turning inward. About the United States given the magnitude of our economic problem. So are we returning the risk,

what people are calling decline of west and rise of Asian century? Possibility that Europe and the United States are turning inward and us away from each other. I haven't seen any evidence of great U.S-European initiatives in solving the global financial crisis.

Moderator: Let's turn to panel.

Ms. Anne-Marie Slaughter: I'm going to choose the question on the summate, I read the question how can Europe make the summate interesting enough for the United States to come. I thought that absolutely terrible way to frame the question. That implies Europe is supplicant. Europe is a partner. It shouldn't be about making something interesting so that somebody comes. When they are, where we work together to solve problems, I don't think they are essential because of the tremendous amount of interaction we have, I also think though, exactly as the EU moves into post Lisbon area, there is a great deal that could be done. The idea we need a summate to get things done, as we do with many other nations, that is not true. It is different quality of relationship.

H.E. Toomas Ilves: On values, I think we have to deal with our own values a little bit here. We, pipelines, warships other things, if there's an opportunity to make a profit, then values sort of go

down. And so, I think, in terms of Iran or any other place, we need to have, we need to have a common position. I think that applies as much to China. And in fact, if you look at where we are today, on the arms and embargo, but here in the United States, against to selling arms to China, moral position in the all for selling arms for china. I remember when I was in European parliament, we had a lot of fights on that.

On economics, I just gave two speeches on the issue we cannot use the economy as an excuse to allow our relationships to fall apart. The economy is, yes, bad. On the other hand, if you look at what Europe looked like under the until the middle 60s, there wasn't much here. Basically, I don't think we can -- the economy yes, is tough, but the economy and decrease is worst, where we well from, is still so much higher than we were in the '40s and '50s and then it worked, the relationship.

The Hon. Baroness Catherine Ashton: What I've been doing with ministers, and that is true of Secretary of Clinton and minister in Russia not trying to too set meetings, because we meet each other all over the world all the time.

We will have bilateral, where while we are on the road. That is a much better way of dealing with the

things we have to deal with. Summates are important either because ways of strengthening relationships that need strengthening or because there particular things you want to achieve. And the relationship with the U.S. is such that we will have a summate when we both feel we need to have one in order to do something that a summate would be useful for. In mean time, the relationship goes on.

In terms of Iran, we are collaborating a great deal, security council. I spoke with Hilary Clinton on a number of occasions and in Europe we are working on that too. We are trying to support, society in the right way for the things we do. A lot of what we do, what we collaborate. I want to say a word of China, I've been talking about China at European council in a post-Copenhagen world. I describe it we have to move attitude strategy. I think there is lot within the European union, bring together, our thinking. This role was created specifically to be able to draw those things more effectively. And China is an area we need to do that. And Part of what we have been saying, partnership of how we approach, not just China but I think India, I think, Africa, I think, Brazil, and obviously everything we are doing with our relationship. There are lots of things we can talk

about with each other that we need to do more of.

Moderator: George, last word.

Seems to me we have a proliferation of challenges. If I were President, I would get the teams together from the United States, and put Cathy in the room, spend a week, make a list of things that need to be done, priority 1,2 3, understanding that you can't get there them all done. Let's go through the list and say lets do the doable and then have agenda and start to drive it. The trouble today, you have these things coming in all the time, and what happens is your attention gets drawn from the basic things that need to be done. I think if we can do that, we would far better off than where we are today.

Moderator: Let me bring this to a close. My onset is that this is a period in which both the U.S. and the EU are looking inward, trying to deal with problems in their own union, problems of economic recovery. That is our appropriate, but it all makes the more important the outward looking parts of this relationship. And I would just like to ask you to thank all the panels but specifically, I want to note, George Voinovich is retiring from the Senate at this end of this year. He is one of people that makes our Congress work, there are a lot of dysfunctional that you read about all the

time. Having known George, he is one of people think,
and listen and figure out a way to be in that space
where you governor and make things done. I want to
especially note and ask you to join me in thanking
George.