

Richard: It's very difficult for me on that plane.

Federica M.: Changing the order doesn't change the results.

Richard: That's right, revise, reboot, rebuild. What is your idea to answer that objective?

Federica M.: Priority number one is to rebuilt trust and understand we'll get out of this chaos only with cooperation. I was actually here, I'm really at home, not just because I'm in Brussels, which is somehow now my second home.

Richard: Right.

Federica M.: If not first, but also because I was a fellow in the German Marshall Fund Program.

Richard: Oh when?

Federica M.: Back in 2007. I spent one exciting month in the United States.

Richard: So you're home.

Federica M.: I'm home. I'm home.

Richard: Yeah.

Federica M.: Indeed and the lesson there was that after the second World War, America understood that a strong Europe was in the interest of a strong America, and I think we have to go back to basics somehow and rebuild this sense of commonality of being on the same side, of being part of the same identity. It's there. It will always be there, but maybe we need to reboot it a little bit.

Richard: Okay, let's say I give you one wish. One magic bean. What do you do with it?

Federica M.: Another 99. One is not enough.

Richard: You want 100 magic beans. Okay. What do you do with the first one then? How about that?

Federica M.: I would probably say end the war in Syria. It's a war that is going on for far too long. We're getting used to hundreds of people dying every day, children, women. We have been as European Union putting all our efforts on the [inaudible 00:01:38]. We've been by far the largest donor inside Syria, in the neighboring countries, inside Europe, but as long as we don't really together work on a political solution for the crisis under UN auspices the crisis will continue, the war will continue and to me this is probably the number one wish I would like to see sold.

Richard: You've been very consistent then. I remember when you had come to the cameras in December, it's exactly what you were talking about. Clearly a headline that we've been covering. Another headline that we're covering today is the issue of optics versus practical steps and this is that debate of Brexit. If you pull open a paper today across the EU or in the UK, that is the question. There was a meeting, as you know, that happened yesterday over the recent weeks on this very topic. What is your thought in terms of what is next? How is it that you can find the right outcome of Brexit?

Federica M.: I think it will be more difficult for the UK to find how the future will look like rather than for us. I clearly perceived this exactly one night year ago. We were together 27 leaders of the remaining 27 member states, celebrating 60 years of the Treaties of Rome, where the European Union was somehow starting, and I saw there the click. The determination of the remaining 27 to relaunch the European Union, come together and if you look at one single issue that has been always extremely difficult for Europeans to tackle together, European defense, last year, we made what was not possible to be made in the previous 60 years on European defense and we did it in cooperation with NATO as we never did before.

Federica M.: This happened just after the decision on Brexit and I think it was the first reaction to relaunch the unity of the Union, because we simply realized that in the world of today, no country alone is big enough to face the challenges we're facing and so our strength in Europe in our unity.

Richard: Staying in the EU, the Italian elections four days ago, something you might know about.

Federica M.: No, I live in Belgium, but don't ask me about Belgium politics please.

Richard: Yes. You're going to places I will not go in this conversation. What does this trend now say? Because the last couple of Brussels Forums, we've been talking about this nationalist movement. Unfortunately, we are still talking about it from some perspectives, for others they are glad to be talking about it. What did the election tell you about the movement?

Federica M.: What we've seen in Italy is a major shift to anti-system messages and forces. What I see is two main political elements coming up. One is the clear victory of the Five Star Movement, which is a movement that has no political clear connotation. It's not center, right, left. It's a movement, so we'll find out. Am I diplomatic enough?

Federica M.: On the other side, the other elements which is-

Richard: Well how about this, is it strong? Do you see it ebbing? Do you see it ... where do you see it?

Federica M.: If I can the other strong element we see coming up with this elections is the shift in the power balance within the Centre Right. We see the extreme right with the Northern League gaining power and the traditional rights with Berlusconi, if you call it traditional. I don't know. Everything is relative coming down and this is a major change in the Italian political landscape. Change in power forces, relations within the right camp. I would not say more than that.

Richard: Okay. I understand. I'll ask the questions.

Federica M.: I said now more than in the last three, four days.

Richard: I got you. No, it's okay. It's all right. We're amongst friends, and I won't tell anybody.

Federica M.: Indeed. No it's just between us.

Richard: Just between the two of us. It's what almost 3:30 here, CET, and I believe in about six hours, according to what the president is saying, of the United States.

Federica M.: Can we go back to the Italian politics?

Richard: Yeah. That he is going to have a gathering on the issue of the T word, tariffs. Right? We could get an official announcement. We may not, we don't know. We may get it today, we may get it the day after at this moment.

Federica M.: Or never.

Richard: Or never.

Federica M.: That could be my second wish.

Richard: Yeah. Japan, the United States, EU met yesterday. What was the outcome? What's the readout from that conversation?

Federica M.: First, this decision that might come, or hopefully might not, has nothing to do with national security. We are security partners, we are together in NATO. That's clearly not the basis for that decision and I know that there is a lively debate, if I can say so, within the American politics and institutions.

Richard: A little.

Federica M.: On this decision. We've seen recent decisions and so I respect the dynamics of the political debate in the United States now. For us, it's clear, we have a problem of over capacity. We would like to tackle it together with United States and together with our other partners, Canada, Japan. The others. We would never have protectionist policies. This is not the European way to go, but it's clear we will defend our interests if needs come, and you will not get more than

that from now, but again, I think we have to keep in mind what I said before. The German Marshall Fund reminds us that the smartest investment the United States made over history probably was the investment on a strong Europe and uniting the Trans-Atlantic bond.

Federica M.: We have to continue investing in that strong partnership, which is a natural partnership. The most natural partnership we will ever have across the Atlantic and I can give you two numbers. The European Union, its members states are the first by far, trading partner, investment partner of not only the United States, but also of almost every single state in the United States, so protection is not a good idea for the US economy. That's something to keep in mind.

Richard: Since you brought up numbers, love that. One of the numbers that those who support at least the concept of what the current administration would like to do is 2.5% and 10% related to cars and import taxes. What would you say to those who support that idea? Well you know the EU they tax the import of US vehicles by 10%, the United States only taxes the import of foreign vehicles at 2.5%. How would you counteract that?

Federica M.: My instinct reaction is knowing the American people. It's ... you like buying, you like consuming. You have the money to do so and the world offers many good things. Most of them, some of them are produced out of the United States. Its only natural for United States to buy outside, and it's only natural for partners to have good trading relationships. That's why we had the [TDUP 00:09:16] negotiations by the way, to make our trades even easier and more productive and more beneficial for both. We wish still that that could be a way to follow as some in the audience I've seen suggested.

Federica M.: For us, that is still the way. Again, we believe in trades. We believe in trade with the United States. We believe in reciprocity and this is why I say, in case needed, we will protect our interests, but this is not our attitude. Our attitude is to invest in free and fair trade and we see this as beneficial for the European economy and for the US economy.

Richard: You so well articulated, Madame High Representative, that symbiotic relationship historically and how it has arced to today. If you were to just pick a number out of the sky, out of the air in terms of how much it needs to be adjusted, this relationship, the pacts, the relationships, how we know each other in a multi-lateral environment, would it be ... from one to four, four it needs to be changed a lot. One it's okay. Where would you put it?

Federica M.: Between the Europeans and the Americans?

Richard: Yeah.

Federica M.: Oof. How do you say one is ...

Richard: One is a little, four is a lot.

Federica M.: I would say three.

Richard: Three is a lot.

Federica M.: Goes, goes well.

Richard: No four means you have to change it a lot. One means you do not.

Federica M.: Oh, no, no, no. Two.

Richard: Two. Okay, two. All right.

Federica M.: I'm not good with numbers, I'm sorry.

Richard: Oh that's okay. That's all right.

Federica M.: But I can try with ancient Greek if you want.

Richard: I'm a journalist, I'm not good with numbers either, so I'm just throwing stuff over.

Federica M.: No, let's say relations are good, which means they could be better, but they could also be worse. If you ask me in nine hours, I can give you another answer.

Richard: I know what you're saying, you're just saying it's an opportunity right? There's an opportunity always for improvement. What I really drilling in on your answer, because you brought up the idea of localities. As we think about the multi-lateral to multi-later, which is this Trans-Atlantic dynamic to a local, national, local multi-lateral. An example of that California depending on how you look it, they're the seventh largest economy in the world. You've heard that before. They've decided to move against what the White House would like to do when it comes to the Paris Agreement. That just names one of the items. If you read the headlines just today, the federal government is suing the state of California on the issue of immigration and California's saying, "That's fine. We're going to do our own thing."

Richard: When you look at the way the Trans-Atlantic relationship is evolving, it becomes much more complex, but also is in the spirit of the way you described it should be.

Federica M.: Let's say that in the relation with the United States, we don't only talk to Washington. We don't only talk to the White House or to the administration, we talk to Congress, but also we talk to ... I mean the United States is the biggest democracy on earth, we talk to the United States. We have a institutional relations, but we also talk to cities, states, businesses, communities of different

kinds. Also, because our people are tied together. It's not just government to government. Our universities work together. Our mayors are working together. Companies are working together, so we are interlinked and for us, it's clear the United States is the United States, all of the country and yeah, well that's a dynamic that we see with interest in the United States.

Richard: But for you as EU Foreign Minister, now you've got a lot of different folks to talk to and how are you ... I mean in this new dynamic, how has that changed the way you've approach your job.

Federica M.: I'm afraid I said it already once, so I cannot repeat it without too much danger, once upon a time Kissinger was asking what's the telephone number of Europe and now we could ask the same question.

Richard: Right.

Federica M.: What's the telephone number of the United States, but we have several telephone numbers and we use them all. That's the serious answer. Obviously my first interlocative is Secretary Tillerson and Secretary Mattis on security issues and defense issues, but obviously also the White House. The President that visited Brussels, the Vice President that I met several times. Congress a lot and different stakeholders.

Federica M.: It is true, there is a multiplication of contacts, but this might even been an opportunity for us to go beyond Washington and work more and more, people to people as we say. I think it's, and again, having lived the experience of the fellowship with German Marshall Fund, I know very well that Washington is different from Utah.

Richard: Yes, slightly if any of their-

Federica M.: Where I spent three wonderful days by the way.

Richard: In Utah?

Federica M.: Spanish Fork. Yes.

Richard: Fantastic.

Federica M.: It was exciting.

Richard: That's great. Did you ski when you were in Utah as well?

Federica M.: No, but I went shooting.

Richard: Oh shooting. Oh, good, good, good.

Federica M.: It was interesting.

Richard: When's the last time you spoke with Secretary Tillerson?

Federica M.: Some 10 days ago?

Richard: 10 days ago.

Federica M.: We met actually in Kuwait. We were together in Kuwait for the Conference to Support Iraq and to the Anti-Daesh Coalition Meeting. I think it was about 10 days. 10-15 days.

Richard: How's he doing?

Federica M.: Fine. Fine. We talked about what Ukraine, Iran, the Middle East peace process. Syria a lot. Iraq. Good and I saw secretary Mattis on St. Valentine's nice. That's nice huh?

Richard: Where?

Federica M.: Here in Brussels. We were together at the Defense Ministers meeting in NATO. A perfect date for a NATO Ministry.

Richard: Why not. What conversation stood out to you with Secretary Mattis?

Federica M.: Hm?

Richard: What conversation stood out to you?

Federica M.: I think I would say the work we're doing to strengthen the European defense. We have played this very carefully, but very powerfully I think.

Richard: PESCO?

Federica M.: PESCO, but not only. Permanent Structure Corporation, but also more investments for industrial projects in the field of defense in Europe. I know that for the Americans, it's key to achieve the 2% spending from the European partners. This is a national decision. This is not up to me to take decisions on how much nations spend in defense, but I think we've discussed with Secretary Mattis and we agreed. He understands this perfectly well that we as European Union can work on the output gap. I give you two numbers. Europeans invest in defense 50% of what the United States invest in defense, but our output is 15%. If you want to fill in that gap, which is the gap on the output of operational capabilities, that is what the European Union can do, because we can exercise the leverage of the economy of scale. The same amount of money spent, more outcome and this is what is interesting for the military's in the end.

Federica M.: That you have allies that have good capabilities and that spend in a smart manner. This is what we're doing on the European level, strengthening NATO because at the end of the day, you invest in capabilities that are at the disposal of member states, that are also NATO allies, that can be used in European Union, NATO, or UN operations. This is what I think we discussed most. What he understood the most and I think this is why we have seen clear support from NATO to the European defense.

Richard: You saw the headlines after the two of you came to the microphones and issued your statements in December. You have spoken with Secretary Tillerson since, when you ...

Federica M.: I was dressed in black. I'm always dressed in black. Let me tell you.

Richard: The idea that you have articulated to us, Transatlanticism. Do you believe you have a friend in Secretary Tillerson from your perspective of what that is?

Federica M.: Sure. Not only in him, in many in Washington. I've been visiting Washington now many times since the beginning of the new administration, which is not new anymore and we've always had good meetings. We don't agree on everything and our points of disagreements are quite clear and I think it's a sign of maturity, and the partnership, and the friendship to be very frank and sincere and open and candid about the things in which we disagree, but I would say 90% of the issues we're tackling them together. You take Syria, you take DPRK, you take counter-terrorism, you take many ... Ukraine I mentioned, so many things we're doing together. To work on Africa. Our agenda is still a common agenda.

Richard: What has surprised you in the last year?

Federica M.: I'm getting used to it.

Richard: Take your pick right? You can only pick one.

Federica M.: I can't say.

Richard: What has surprised you in the last year?

Federica M.: It's not really to politics. Can I?

Richard: Yeah.

Federica M.: That Italy was excluded from the World Football Championship.

Richard: Okay, all right. That could be seen as political by some, but now let's get into the realm of politics, what has surprised you in the Transatlantic Alliance?



Federica M.: I wouldn't say in. Well maybe the move to Jerusalem. The move of the embassy to Jerusalem, because I think this exposes the US to some risks and to the potential ... let's say risk of losing credibility in brokering an agreement and I, yeah, I would say that this surprised me probably the most, but maybe it's just because it's the most recent.

Richard: It's the most recent. In again, staying within the theme of this conference. Is your thought that the EU needs the US more, or the US needs the EU more?

Federica M.: Both. I have no doubt about that. It old you about the numbers.

Richard: Is it equal?

Federica M.: We are together US, EU more than 50% of GDP globally. We are together 30% of trade flows globally and this is interlinked. You take out one side, the other side loses and vice versa so whatever we do to diminish, or weaken this link, we're both going to suffer, so it's a lose-lose or win-win. The more we invest in our relationship, the more win-win, we get. The more we put it in danger or we weaken it, the more we both lose.

Federica M.: I think we both need each other in different fields probably, but that's to me absolutely clear. We equally need each other.

Richard: Are we going to have a trade war?

Federica M.: I hope not. I think it would be a real disaster for both and for the rest of the world, it could be a disaster, because as I said, we are together 30% of global trade and the world doesn't need that. The world economy doesn't need it. The US economy doesn't need it. The European economy doesn't need it. We don't want it and we will not have it.

Federica M.: As I said, we are ready to defend our interests, but the war, the trade war is not definitely our mindset. We're not there.

Richard: Should the EU react should the President this evening come out with the 25, the 10, plus, plus, plus, plus.

Federica M.: We will.

Richard: Yeah.

Federica M.: If needed we will. Sure. We need to defend our interests, but our attitude is not, will never be and has never been a protectionist attitude. We believe in free trade and we prove it with good agreements with Canada, with Japan, with others in the world. We not only believe in free trade, but we benefit from free trade, as well as I believe America has benefited from free trade. I still think we

are on the same side. If you take America, I think we're on the same side here. We believe it's good.

Richard: One of the questions I asked during YPS, again the Young Professionals Summit, was, what leader stands out to you as that representative that could achieve what we're talking about, strategies in an age of distrust and this idea that we must again review, reboot and rebuild. Who stands out to you in North America?

Federica M.: Next.

Richard: I tried.

Federica M.: No comment.

Richard: I tried. I tried.

Federica M.: No comment.

Richard: No comment. Gotcha. Were you at DAVOS this year?

Federica M.: Hm?

Richard: At DAVOS? At DAVOS this year?

Federica M.: I was not there. Not this year.

Richard: You and I think most folks in this room would like this. For the first time they had three days of programming specifically devoted to the idea of gender equity. On top of that they released some information about a report that shows it will take over 200 years for economic parity for women.

Federica M.: Wonderful.

Richard: Only 200 years.

Federica M.: In average in the world or some specific-

Richard: All women. Yeah, all women. As you look at this very day that we get to sit here on red chairs no less, what is your thought about what the future is to achieve that and what are some of the levers that can be employed, not only in culture and government, but also in business?

Federica M.: I'll surprise you probably. I think one of the leverages would be parental leave for fathers.

Richard: Paternity leave right?

Federica M.: Paternal leave.

Richard: Why?

Federica M.: How much time do we have?

Richard: Well go for it.

Federica M.: Not much? Because we still live in the mentality, both in business and in the administration that children are mother's business, which obviously is true as much as they are fathers business, but as long as this mentality is there, it will always be somehow risky, or perceived as risky for someone that has to employ or promote a woman in private or public sector to consider that angle. If you have equal parental leave for mothers and fathers, this problem disappears.

Richard: How do you explain this dynamic personally to children?

Federica M.: I have two daughters, so I'm fine, but seriously I think the other indispensable investment would be this. To not so much to work with women on women parity, but to work with men. I dream of a moment when eight of March is mainly men advocating and celebrating women parity and women can just do their own work in business as all the other days, but men take care of paritage.

Richard: We got one at least here, yeah, absolutely. I want to finish by asking in a hopeful way, in a way of solution and steps moving forward, an action plan, practicality. How you would explain why the Transatlantic relationship and alliance and dynamic is important and how would you describe that to a 20-something in Europe.

Federica M.: To a 20-something in Europe, first you have to switch off the phone. Stop the music and wave a little bit.

Richard: That's like me. What do you mean? Or everybody in this room for that matter.

Federica M.: I think it's still commonality of values and interest. That's it. I think 20 years old, people in Europe, as well as in the United States, feel that we are the same. Our culture is the same, the music we listen to is the same. The movies we watch are the same. We believe in the same values. We want more or less to build the same kind of life. That's why I say, it's a natural partnership, because really it's difficult to find the differences. We have differences, but we also have differences inside Europe.

Federica M.: We belong to the same world somehow. Politics might shift but the people are on the same side.

Richard: Guess what, we've got two minutes, three minutes for some questions from our conferees here and I think we have microphones around here. If you could keep your questions to 15 seconds I'd really love that. I don't have a mike here.

Federica M.: Then I answer yes or no.

Richard: And then answer yes or no. Let me grab a mike from somebody. Oh here we go. Thank you so much. Mr. Clemans.

Mr. Clemans: Thank you Madame High Commissioner. Bob Kagan issued a kind of challenge, I think to European leaders that if they want to save the globally liberal order they need to face down their liberalism inside Europe. What do you think is possible on that front responding back to Bob Kagan.

Federica M.: Indeed. I think we both need to face challenges to our values, both in the United States and in Europe. We're doing our part and I guess the United States are doing their part as well.

Roland F.: Yeah, I'm Roland Freudenstein from the Martens Centre here in Brussels. There is a team in the External Action Service called EStratCom and I think they're doing great work countering Russian information warfare. Now they've come under a pretty unfair attack in the Netherlands. Why can't anyone from your staff defend them on Dutch television? I mean I did it late January and I think I was the only one in Brussels.

Federica M.: My staff is sitting there, so I turn to them the question. That's clear, but we are. We are, not only publicly, but also legally as far as I know.

Moderator: Very unfortunately we are at the end of the session and I just want to thank Richard, but I especially want to thank the High Representative, Federica Mogherini.

Federica M.: Thanks.

Moderator: I'm going to say, everyone please stay in your seats because this will continue. I want to thank her not only because of her current role, but as she mentioned she is an alumna of the Marshall Memorial Fellowship and I didn't ...