

Ines: I'm so thrilled to be here. It's my first time, I have to confess, and I will have a fabulous panel. I learned many, many things today. I think one word I most definitely will take home with me is "fannels". So these are panels which only have women, and I will be the moderator of one of those panels and, Karen, I promise you, as women are so much less about talk but more about action, that we will come up with some brilliant solutions how we can rebuild trust and reboot boots. Okay, thank you. But now we will see a little video as a beginner.

Video: There is a struggle within our nations. The values that have shaped us: democracy, human rights, the rule of law, are under threat. The threat is not just within our nations. It spans the globe. Where and when will terror strike again? What can we expect from nuclear North Korea? How will those in Russia and elsewhere who would undermine our democracies sow the seeds of chaos? There is much to fight against: violence, bigotry, inequality, illiberal ideologies. But what matters is what we fight for: the shared values of the transatlantic community. Now is the time to work together. To defend what we believe in. These values have prevailed before. It is our responsibility to ensure that they prevail again.

Ines: Okay, so, ladies and gentlemen, please welcome Michelle Flournoy. She is a co-founder and managing director of WestExec. Rose Gottemoeller, the Deputy Secretary General of NATO, first woman in this position. Ana Gomes, member of the European Parliament is here, and then, someone who is working within the Trump administration, very warm welcome to Manisha Singh, great to have you here. She is the Assistant Secretary of State for Economic and Business Affairs within the U.S. Department of State.

Ines: I think I shall start with you, Rose. You are working within NATO. Maybe you are the right person, the right woman to start talking a little bit about trust. The floor is yours.

Rose: Thank you very much. Thank you Karen, for our all-girl band here today, I'm really delighted to be here, to be here on International Women's Day, but to greet you all. And, I wanted to start by expressing some skepticism about the premise of this panel, because I've been out in the field a lot. Most recently in Lithuania and Latvia, last year in Estonia, I see my Estonian friends in the audience here. And next week I'm going to Poland. I see on the ground how we are forging deterrence and defense out of very young soldiers from across our alliance. And I'm seeing how we have a transatlantic bond expressed there. Canada is leading the group in Latvia, the battle group in Latvia. The United States, I'll see them next week, they're leading the group in Poland. And so, you know, as we say sometimes in American English, I'm mixing metaphors here but at the coal face, in the field, on the ground, we have the essence of trust in that deterrence and defense for this alliance is being forged out of those young recruits and young soldiers all working together.

Rose: So, I wanted to start by questioning the very premise of this panel. Back over to you, Ines.

Ines: Okay, thank you very much. Good points made. First of all, I will open up the panel for questions from you very early, and we are not going to use the app. I wanted to do that but after the panel before us, I thought, "Eh, maybe I don't really trust these modern

devices." So we will just work with very, very simple microphones so you can address your questions directly to these fabulous women. But I will give all of them a couple of minutes kind of to introduce their thoughts. And I will keep, carry on with Michelle Flournoy.

Ines: I know that you prepared some points you really want to address, which we can do, to really change things to make the world a better and more trustworthy place. The floor is yours.

Michelle: Well thank you, and thank you Karen and the whole GMF team for making this possible. I wanna acknowledge what we heard at the beginning of this conference, that there is a lot of anxiety and concern about both the substance and style of the new U.S. administration. Some of the tensions that we're seeing across the transatlantic community. And that is a reality. But I also want us to acknowledge how important it is for us to continue the cooperation in key areas, particularly national security.

Michelle: Here is where we cannot succeed unless we keep working together. Whether it's deterring more aggressive Russian behavior [inaudible 00:05:28] whether it's deterring Russian meddling in our elections, whether it's dealing with violent extremism and terrorism, or stopping the proliferation of weapons of mass destruction. There are so many challenges that if we try to handle them alone, we will fail.

Michelle: So the stakes are very high. So I wanted to focus my comments on five practical steps that we can take, and this comes in a framework that basically says "We are in a period of tension. We are in a period of uncertainty that is worrisome for all of us." But we need to manage our way through this period, rather than treat the current tension as a irreconcilable rift that will redefine the relationship forever. I think that would be a huge mistake. We want to keep the door open. If there is a future U.S. president who re-embraces the transatlantic agenda and the bipartisan consensus that has governed for 70 years, we wanna keep the door open to that and we wanna be able to support it.

Michelle: So five practical things we can do. Number one: maintain as much momentum as possible in areas of cooperation that continue below the presidential decision making level. Rose just gave us some great examples. There's all kinds of cooperative work that we're doing to build our deterrence capabilities as an alliance. There's all kinds of importance intelligence in counter-terrorism and law enforcement cooperation that needs to continue. Keep focused on making those areas of cooperation work, and there are many others in the non-security area.

Michelle: Second, where we do have real differences, let's try to limit the damage. We've just heard this announcement of tariffs. It's still being defined exactly what those will mean, but rather than simply say, "It's all lost, we're going to a full-out trade war," let's try to make any responses that Europe feels it must take, limited, proportionate, and try to negotiate our way back towards a more sane approach to our economic affairs.

Michelle: Third, I would encourage our European friends to work with other U.S. actors who still share and embrace the agenda. Think about all of the CEOs, the state governors, the big

city mayors, who have committed publicly to the Paris Accord, and to meeting the U.S. commitments on climate change even though the administration has distanced itself from Paris. We, you should be embracing them, working with them, supporting them, continuing that cooperation. Think about Congress, and the Iran deal. The president has raised questions about whether he wants to walk away. Congress, or many in Congress, is busy trying to save the agreement by working with Europeans to create more pressure on Iran vis-a-vis ballistic missiles, to talk about ways that we could extend the terms of the deal. So, embrace working with other actors who share the common agenda.

Michelle: Fourth is let's avoid overreaction. To tweets, to off the cuff remarks, let's wait for the official policy, wait for the official action, and not make things worse by magnifying things that may not take hold as actual policy.

Michelle: And lastly, I would say fifth, let's focus on investing in what makes us resilient as a transatlantic community. Educational exchanges, technology collaboration, track two dialogues, conferences like this. And let's elevate teaching our next generation about the importance of U.S.-European relations, why we have NATO. I mean, this should not be forgotten history, this needs to be reinvigorated to make the case.

Michelle: Last thought, and that is, President Trump is not the problem in and of himself. He is a symptom of larger forces at work on both sides of the Atlantic. We see the increasing polarization of our politics within most, if not all of our countries. We see economic disruption because of technology automation, certain sectors being disenfranchised. We see the rise of anti-globalization, anti-immigration sentiment. We see more populist candidates getting traction with our electorates.

Michelle: These are challenges that face all of us. So what should we do as a community? We need to be talking about them, and how do we protect and also adapt our approaches to governance, to get at the fundamental grievances that are creating these conditions. We have a lot to share with each other in terms of best practices, lessons learned, what we're discovering about what can be done. So we have a common interest, we have lots of common interests, we have shared values. Let's not treat this period of uncertainty and anxiety as something that is necessarily going to define our entire future. Let's fight that, let's push back against it, let's manage it where we must.

Ines: Thank you very much. This is worth an applause I think. This is so complete, Karen, that's exactly what we want, right? So we should go and start opening the doors, not overreact to tweets, but I still want to give another question. And I'm going to ask you, since 1980 a career diplomat, I wonder, I mean it's great to talk about trust, it's great to talk about transatlantic history and maybe future. But shouldn't we maybe focus a little bit, or let's put it differently. It's important to talk about common values, but isn't it also important to talk about common fears?

Ana: Absolutely, absolutely. I think we need to understand that fears are at the basis of the populist rise that we see, not just on this side of the Atlantic but as well on the other side of the Atlantic. And that's what elected Trump, and that's what is electing a lot of right-wing bullies in Europe. And the bullies that are, for instance, trying to amalgamate

migration and refugees with terrorism when we need indeed to fight terrorism, but understand the reasons, the sources of terrorism and the implications. And there is, indeed as Michelle has said, as sense of disenfranchising, that governments and institutions have been lying to citizens, have been, of course, this is in some, most countries linked to joblessness, but as well the sense of lack of opportunities for young people. The sense of unfairness, injustice, that derives from the growing inequalities. The one percent versus the 99 percent.

Ana: And that has to be addressed by governments. And the problem is that many citizens are actually thinking that governments have been captured. And they have been captured. Many governments, many people in power have been captured. That's what we see when we are confronted with the revelations of the Panama Papers, the Paradise Papers, the Lux Leaks, you named it. So the citizens have, and that's exactly the kinds of fears that populists explore. Sometimes we may agree with the analysis of the populists, we of course do not agree with the conclusions.

Ana: And how to address it? I very much concur with Michelle and Rose. The U.S.-Euro relationship is much more than just the administrations, American or European. It's the citizens, it's the community of culture, it's the community that is based exactly on democracy and this need to indeed, have a rules-based world in every field. Because it's a world where there is an attempt for fairness. That's the sense of a rules-based world. And so we need to keep working, and to overcome the bullies in the administrations, and quoting actually the High Commissioner for Human Rights, Zeid Ra'ad Al Hussein yesterday was saying it's time to stand up to the bullies. Yes this is very much true. Here, in the U.S., and it's the way to fight the fears, and to show the citizens that we are there to fight those fears.

Ines: Thank you very much, we can do that. Manisha Singh, thank you so much for being here. Sure, I have to ask you about trade wars and trust, but I think, first I want to ask, you've heard like, three women talking. If you go back home to your boss, what would you take back to him right now when it comes to trust and transatlantic relationship from this little session here?

Manisha: Absolutely, well first I wanna say thank you to GMF for the opportunity to be here, and here on International Women's Day. I am also excited to be on a panel with all women. I respect and admire each of these women and I will turn to your question about their comments. I agree with their comments about the transatlantic relationship. This conversation has been framed as rebuilding trust. Like Rose, I think I would offer to perhaps reframe the conversation a bit. I would say that, throughout the history of cooperation between Europe and the United States, even before there was an EU, and we were dealing with the U.S. as independent countries of Europe that often had shared opinions and sometimes had different opinions, there have always been challenges and opportunities.

Manisha: Today, those challenges and opportunities are new, they are novel, some of them we've never dealt with before. And just as the challenges are new, we need to find new solutions. And I can tell you that President Trump is trying to do that. As you all know, President Trump and Secretary Tillerson both came to Davos earlier this year in January.

They had productive meetings, productive conversations. That event, of course, is focused more on the economic state of the world, but the conversations encompassed everything, encompassed the need to continue our economic cooperation, cooperation on security matters, as Michelle outlined. The only way we're gonna defeat global threats like ISIS, counter rogue regimes like the DPRK, is through mutual continued and close cooperation.

Manisha: I can tell you that the Trump administration is looking for ways to deepen our cooperation. And to go back to your question on trade wars, I think everyone knows, this president came in and said he was going to fight for a fair and reciprocal rules-based trading system. We have a forum, in which we are all supposed to play by the rules. If there are global actors who don't play by the rules, who engage in economic aggression, we will hold them accountable.

Manisha: Breaking the rules of trade doesn't only affect American companies, it affects all of our companies. We want there to be a level playing field so everybody can compete fairly. You referenced the tariffs, of course, that is still developing, there was a-

Ines: Can we get any news? Today?

Manisha: It might be coming later today.

Ines: When?

Manisha: There was a preview-

Ines: A preview, oh they already-

Manisha: There was a preview last week, and it's my understanding from talking to folks back home that there is perhaps an announcement coming by the end of this week, perhaps as soon as today. And we will continue the conversation. Even after the announcement, I think I would emphasize just as all my previous speakers have, that the best thing we can do is not to overreact and to have a conversation. You know, and again I wanna emphasize that this trade action, the 232 measures, as we all know, have been taken by this president in the interest of national security.

Manisha: Our internal U.S. government process has carefully evaluated steel and aluminum overcapacity for effects on our defense industry, on our critical infrastructure. And our president has determined that he needs to take this action. This is not a signal to start a trade war, it's an indication that we need to, from a United States domestic perspective, address this issue. You know, again, I emphasize, overcapacity, market distorting practices affect the global trading system. They affect everyone's companies. So with that, Ines, I'm gonna turn it back to you.

Ines: Cool, thank you very much indeed. Very interesting. I think I will give you four a moment to ask questions to each other before we pass the mikes around. Anybody who wants to address a question to one of each other?

Manisha: Actually, may I ask a question to Rose, because Rose is someone who I have respected and admired for years and I think I indicated that I share your sentiment about reframing the panel. And I'd like to ask you, just from a historic perspective, the U.S. and the EU, we've always had challenges in our relationship. Do you really think that the challenges now are somehow different or worse than they have been, and how would you advise those of us in the U.S. government right now to look for solutions?

Rose: That is an excellent question, thank you very much. Actually, I can't speak for the EU today, I'm the Deputy Secretary of NATO, but I will mention that there has been a lot of discussion, a lot of discussion here in Europe and across the Atlantic as well about European defense, and where the EU is going in terms of developing European defense capabilities and capacity. And this has been a big, big discussion because from a NATO perspective, we are wrestling with the problem of burden sharing.

Rose: And again, I don't wanna sugar coat the situation. There have been a lot of difficulties, a lot of problems. They have been back in history, though I well recall, and I'm sure Michelle recalls Bob Gates's speech. The last Defense minister, he came to, in 2012 at NATO, when he posted a warning loud and clear that America will not continue forever to foot the bill for European defense. And so he asked in 2012 for Europe to pay attention to this issue. And so it's been there, back in history, the whole question of defense burden sharing has been there and has been one that has really affected the debates and discussions between Europe and the United States, and indeed, Canada involved as well, they've upped their defense spending recently, but the whole NATO alliance has been focused on it.

Rose: Now we have the EU becoming involved and really looking and trying to think through in a coherent way how to develop defense capability and defense capacity for the European Union and here in Europe. So, big debate, big discussions, and they've extended. We had big debates on this topic at Munich, many of you were there. I would say from a NATO perspective, there are three very, very important points for NATO.

Rose: First of all, is the question of complementarity, and not duplication. Naturally enough, there has to be some duplication in defense programs, otherwise you don't have that resilience and redundancy that we are also looking for. But thinking about how what Europe is doing in the context of the European Union complements NATO in a way that makes sense. And this we have to talk about, I think, in some very intense and serious ways.

Rose: Second issue has to do about making sure that when the EU is developing defense capacity, defense capabilities, that they can also be made available easily, readily for NATO operations. So that's the second big point for discussion.

Rose: And the third big point is the point that has to do with the non-EU NATO allies. They go from Norway in the north down to Turkey in the south, and soon to be the U.K. following Brexit, and the United States, Canada, and then our allies in the western Balkans, Slovenia, I'm sorry, Croatia, and Albania. So, there's a great variety in that group of non-EU NATO allies, but it's very, very important that we go through in a

serious discussion I'm coming back to the point about the need for serious discussion, about how they will play in the mix as well, so, thanks.

Ines: Rose, quick follow-up question. Would you go so far and say, "Thank you, Mr. Trump," because you really have risen a very important point in a way which really gave you this meta effect of the attention, which is needed?

Rose: Well, I have to tell you quite honestly, and this is a little secret I'm imparting to the crowd. When I was preparing to take this job back in 2016, I often heard in Washington, "The biggest problem you're going to have in that job is getting Washington's attention.

Ines: Well, that's something.

Rose: And, therefore, I have reason to thank President Trump.

Ines: Okay, this is on camera.

Rose: Because there is no question that there is a lot of attention now to NATO in Washington, which I welcome very, very much. And there's a lot of attention across the NATO alliance to issues to do with burden sharing.

Ines: Thank you very much, Rose. Thank you. Any questions to each other remarks? Ana?

Ana: Well, I am one of the persons that, oddly, thanked President Bush for having said that NATO is obsolete. I don't think it is, but it helped focus the minds of the European leaders, and indeed, understanding what some of us in European parliament have been pressing for long, which is the need for European need to build its own capacities in securities and defense. And that includes, of course, building its own industrial basis for security and defense, because that comes with it obviously. And finally, they're getting it. And President Trump unintentionally contributed to that.

Ana: But my question to Manisha, since she spoke about fairness in trade and trying to say this is not a trade war, what is cooking, and I hope it is not. But, do you include in this fairness of trade, also the question of taxation? We need to deal with this. And this is exactly one area where, in my opinion, we need global regulation where the EU and the U.S. could make a hell of a difference, to actually stop tax havens, and the U.S., like Europe, are the fathers and the mothers of a lot of tax havens all over the world. Recently, a Hudson Institute report actually explained how the U.S. had become a

Ana: Explain how the U.S. has become a tax haven itself, lot of tax havens itself, and that is the crucial question. Has a much more than an impact in regulating trade, in fairness in trade, to indeed make sure that as we don't go on like it is the case here in Europe with SMEs paying 30% more taxes than big corporations who don't pay taxes at all or very little, and not to mention the citizens who are over burdened with taxes, because of course governments need money for public services and so on. But it's not only that question, it's also the security angle, because more and more we are seeing that indeed

allowing the tax haven to continue is allowing the money laundering, the organized crime, all the-

Manisha: So what's your question?

Speaker 1: So my question is do you include taxation in that fairness of off trade, because so far we haven't seen any effort on the part of the U.S. to actually take that, despite some initiatives at the level of VATs or ECD, which are not binding of course.

Manisha (Speaker 2): Sure, well and I guess I would answer that to say, actually the administration passed a comprehensive tax reform bill as you know. So from a U.S. domestic perspective, we have addressed exactly that issue and I think President Trump is intent on finding ways to make sure the U.S. tax system is fair, keeping U.S. companies in the United States, making sure that more of the average Americans, the middle class, they keep more of their pay check, it doesn't go in taxes. Without getting too much into our domestic-

Speaker 1: That's not the angle I meant-

Speaker 2: It's fair for all, namely for developing countries as well, who are subject to these illicit flows of capital.

Speaker 3: Okay, thank you very much. We were talking about, revise, reboot, rebuild, strategies for a time of distrust. Ladies and gentlemen the floor is yours, where are the microphones? It's great if you introduce yourself briefly so we know who's asking a question. Sir, you also can join the circle-

Speaker 4: No that's okay. I'm Alfredo Valladao, I'm a professor of science pol and fellow of OCP Policy Center. I was wondering that representative democracy is the core of our common values. I was wondering, is the new digital economy and social networks, compatible with representative democracy. And this for a simple reason, when we had mass production for mass consumption, plus radio and T.V., that favored the emergence of massive groups of opinion, that could be represented by strong political parties. Now with network production for customized consumption and social networks, that favors fragmentation. Nobody can represent anymore big opinions, so shouldn't we be in the position now to start looking, what should be democracy, I'm not talking about representative democracy, democracy in this new era that is coming, which is the 21st century. We are not rebooting, we are not rebuilding, we are having to find something, new that is still democratic, but goes further than representative democracy.

Speaker 3: Thank you very much, great question. Do you want to jump in or?

Speaker 5: I will jump in and welcome others to do so as well. I think it's a great question and I think every country that's represented here is grappling with it. I am loathe to sort of rush to the answer of regulation. I think there's a very important conversation we have on creating a sense of norms, around the tech industry, around the social media instruments that we have Both in terms of how they can feed fragmentation and the



polarization and really undermine the representative democracy in the way that you described, but also in their openness to abuse by foreign powers, as we've seen with Russia's meddling in the U.S. election cycle, but also in many other countries across Europe.

Speaker 5: So I would love to see a national, but also transatlantic conversations about what are the norms of behavior that we like to see, what are expectations of a set of moves that the technology companies could take, some of which may require some pretty basic alterations in their business models, where trend, hashtag trending that's generated by bots, is not the be all, end all for your business model. But I think there was an earlier speaker who said that if we rush to regulation, we're almost certain to get it wrong and certain to lock ourselves into a regime that we regret. So I would start with the more fundamental discussion about what we need to do to manage this, so that it doesn't undermine our democracies, and then maybe there's regulatory components to that, maybe not, but I would start with trying to motivate and incentivize the communities who are responsible to take appropriate actions on their own first.

Speaker 3: So norms and trust, and we need norms to trust.

Speaker 4: [inaudible 00:30:44]

Speaker 5: No, no, I know you weren't, but that's where the conversation almost always leaps to, too soon.

Speaker 1: But sometimes regulation is needed and is useful, and is actually welcomed by the players. I just recalled for instance, the GDPR, the General Regulation on Data Protection, that the EU crafted and we [inaudible 00:31:05] the universal only, set of norms to actually regulate data privacy, privacy protection, and data protection in privacy. And that was welcomed by most, all the operators in Silicon Valley. Today we were in the European Parliament at the breakfast with the Cisco director, who actually said that they're ready for the implementation of GDPR, which suppose to happen this year. So let's not be so negative of big regulation.

Speaker 5: But that's regulation that has, comes at the end of a process-

Speaker 1: I agree.

Speaker 5: And shines a set of norms [crosstalk 00:31:46]

Speaker 1: I agree and I believe that actually to address the questions posed by Alfredo Valladao, you need to, I mean we have to adapt, I agree with you, and that's why our societies should make use of the new platforms, namely those that are enabling us through the technological platforms, to indeed promote people to people exchange at all levels, legislators, corporations, civil societies, and counter these abuses like the fake news campaigns and so on. And it's not by countering them from preventing them, we cannot prevent them, but we can counter them with the facts, with the reality, with the fact

checking and so on. And for that we need, indeed the civil societies, who are empowered in and feel a sense of responsibility to act and we can do it.

Speaker 3: Thank you. Here's someone who wants to ask a question, who does not need to introduce himself.

Speaker 6: I think I should.

Speaker 3: You should, okay.

Speaker 6: Jack [inaudible 00:32:48] Washington, Johns Hopkins, assistant secretary. We hear in Washington a lot in commentators that are trying to explain what's going on in the White House or else where in the administration, the phrase, "Don't listen to what they say, look at what they do." Do you believe that that is something that is easy for people to understand here, when the power of the White House, when anything is said, is global, and to say, "Don't pay attention to what they say, or the tweets, but look at what they do." Is that a good bit of advice for our European colleagues here in Washington to go home with on Saturday?

Manisha: Well I think the important point to remember about this President, is he speaks his mind, he was elected by the American people for being transparent, being open about everything he feels, about the fact that he was elected to look out for the interests of the American people. So I think that's something that the American people appreciate, whether it's tweets or his communications directly to the-

Speaker 3: But the question was, do we have to look at what he says, or what he does?

Speaker 2: I think you can look at a combination of both, right? You look at a combination of both.

Speaker 6: [inaudible 00:34:03]

Speaker 2: Well that's something we have to figure out.

Speaker 3: No, but I mean if I might jump in, but he was just quoting President Trump who says it's not about words, it's about action, but you are now talking about tweets, and things like that. Or words are action maybe, but-

Speaker 2: Well I mean we should look at the actions, look at everything that this White House does-

Speaker 3: What was that again?

Speaker 2: Look at everything that this White House has done, as I mentioned on tax reform, on regulatory reform, making sure there's effective regulations that don't strangle small and medium size enterprises, but keep the regulations that we need. So I think there's a track record of looking at everything that the administration has done. I want to be careful and not speak, the White House of course has a spokesperson and they've

addressed these issues, and so I would refer you to that in terms of the White House directly answering those questions, but from my perspective again, I would go back to President Trump is very direct, and communicates directly to the public. There's also a record of things that this administration, actions that they've taken, and things that they have done.

Speaker 3: Okay, thank you. And it's a tricky job isn't it, to be the spokesperson of the White House these days. But there was another question.[crosstalk 00:35:15]

Speaker 2: No I'm saying, I want to be careful.

Speaker 3: No, sure, I think you got your point, fair enough, absolutely. [crosstalk 00:35:20]

Speaker 2: In the place of the spokesperson of the White House, because that's a person who's in a better position to answer those questions, but I am giving you my own personal views on the President.

Speaker 3: Okay, thank you very much. Sir.

Speaker 7: It's Steve Erlanger from the New York Times, and thank you for this panel. I wanted to go back a little bit to the way Bob Kagan started today. There has been a pulling back of United States leadership, long before Donald Trump. Partly with the Iraq War, partly with Obama's decision not to make red lines mean anything, his decision to allow Russia back into the Middle East, and there has been a drift away in Europe, that has been preceding Donald Trump.

Speaker 7: If you look at the German polls, I mean the most extraordinary polls came out of Pew, when asked whether Germans would go to war against Russia if a NATO ally under Article 5 were attacked, only 60 something percent of Germans said they would. Asked if they thought the United States would come to their aid if attacked, more than 85% said it would. There's been a feeling that Europe should take control of its own destiny, but we had PESCO today and I mean that's like, it's pathetic, I mean it's nice, let's be nice about it, but do any of you actually believe that the EU is capable, or willing, or desiring even to take care of its own defense, and if not, why isn't the United States even let's say on Russia's cyber, calling a NATO summit and saying let's work together on this? Where is transatlantic leadership going to come from, if it isn't coming from Washington and it can't come from a divided European continent. Which is never, never going to defend itself. Thanks.

Speaker 3: Mr. Colleague, great question, thank you for that much. I think this is something for Rose first.

Speaker 8: I'm so glad Steve, you're not worried about PESCO. That is so refreshing to hear, thank you very much. No and in fact, I will just replay the one point at the end my last remarks, that is we really see European efforts at building up defense capability and capacity here, as really helping with the burden sharing problem. It really does, I think, contribute, but it's not the full answer, and it won't be the full answer. As Jens

Stoltenberg likes to say, "Once the U.K. actually leaves the EU, 80% of defense spending for the NATO alliance, will be outside of Europe." So that's a very important and telling statistic, but as long as we're on statistics and surveys, I would say yes, we've seen some very interesting numbers from Pew, Pew I have the highest, highest respect for, but it is not an international treaty, it is not a legal instrument, it does not drive policy.

Speaker 8: Of course in a certain degree, one must pay attention to what public's are thinking, the concerns they have. They are important, but they are not an expression of national policy, or alliance policy, and those are very, very important points to make. But in terms of how the U.S. at this moment drives transatlantic policy in the alliance, I didn't talk about what the United States has done this year for the European Defense Initiative. 1.7 billion dollars added to what the Obama administration had put in, Mr. Trump has put in, and his administration has put in, under the very, very serious oversight of Sec Def Mattis. So there's extraordinary leadership for NATO, coming out of Washington right now.

Speaker 3: Thank you, just jump in.

Speaker 5: Can I just add, 'cause I'm not speaking for anyone, but myself so I can't. I think you are absolutely right, we're not going to see leadership from this President, in pushing back on Russia's aggressive behavior, either whether it's on the ground, on his periphery, or in terms of what's happening in cyber space. So I think waiting for U.S. leadership on that, at the presidential level, there's not gonna be a U.S. called summit, but I think Rose's point is very important. In the absence of that, we can't just throw up our hands, we have to find ways to keep moving forward, and this is what I was trying to get out of my original comments, is build on the European defense initiative, keep that work going, have sub cabinet level meetings on what are you seeing Russia doing inside your electoral systems, and what are we seeing, and what are we finding out in terms of best practices that work to keep them out, how do we think about deterring that behavior in future election cycles. But we have to have this conversation.

Speaker 5: It's a shame, that that's not a topic of conversation at the highest levels, and it's not being driven by the U.S., because I think that everybody's missing that leadership, but the kinds of initiatives that Laura here at GMF is leading on this question, of what do we practically do, we need to invigorate those efforts below, waiting for the White House to lead on this too. Because the problem is real and if we don't cooperate, and we don't keep the momentum going forward, we're all gonna suffer.

Speaker 3: Thank you. Keep the doors open and talk to other people, what you said earlier on, not only to the White House I think, that's coming back to your points you made, in your opening circle. I have two questions here. And then one gentleman there and then I move to that side of the circle. So don't you worry, but here, there, there, there, and then there. Thank you.

Speaker 9: Marta Dassu from the Aspen Institute Italy. Now I have a small addition on European defense, we didn't discuss at all the industrial dimension of European defense and this for me could become a problem in terms of the transatlantic relationship, especially because of the European preference, that the Europeans would like to adopt. The

second point I would like to ask you Rose, is about Turkey. Don't you think that Turkey is becoming a weakling, within the transatlantic alliance, and that could become again a divisive factor between the U.S. and Europe.

Speaker 8: You know my answer to that last question is no. Turkey has been continuing to play an extraordinary role in the alliance. We have just been beefing up our [SN 00:42:44] mission in Afghanistan for example, Turkey's been front and center there. They are a highly valued ally and they have been since 1952, so they play an extraordinarily important role. There are serious issues with Turkey, I was flying into Turkey for an official visit, I got off the plane and my control officer from the Turkish Ministry of Foreign Affairs picked me up and said, "We've just launched Olive Branch, the Afghan operation has begun." We knew it was going to begin, but it started as I was flying into Turkey.

Speaker 8: So we had many serious discussions when I was there, and the serious discussion revolved around the points that yes Turkey has legitimate security concerns, they have been wrestling with a terrorism problem, we've all been wrestling with a terrorism problems, but for Turkey it's been unlike the levels in any of the other allies. They've really had to wrestle with a tremendous problem on top of handling big refugee crises out of Syria. Refugee flows to Turkey have been considerable, but I really also underscore the point that for Turkey, it is very necessary to recollect the values coming back to the point we started the panel with the values of this alliance, and that has to do in the case of this operation with proportionality, it has to do with caring about the targeting of civilians, ensuring that targeting of civilians is not taking place, and limiting in scope, and limiting in temporal scope as well, the operation to the degree possible. So it's those messages that we continue, and I think it's very important that Turkey be inside the alliance, so it is hearing those messages loud and clear. I have to say that they are a valued, valued player at our [NAT 00:44:50] table at the North Atlantic Council table, because they are problem solvers in places like Afghanistan.

Speaker 3: Thanks Rose, I'm glad that you bring it back to our main topic, we are talking about strategies for a time of distrust. I mean it's telling, isn't it, that we talk so much about military and defense strategies, but I just want to bring it back for the last 15 minutes also regarding your questions to the topic of this panel. Because there will be other panels tomorrow and the day after tomorrow. So this question is for you.

Speaker 11: Sure, Xenia Wickett from Chatham House and that was a perfect segway 'cause I actually want to talk about values or ask about values. We tend to think transatlantically, the common phrase, "Oh we have common values." And I'd like to ask the panelists, is that true today. Now I don't want to, we clearly do have some level of common values today, but is it changing? It's clear that we have divisions within our societies and I wouldn't necessarily say that we have different value systems within our societies, but maybe we prioritize those values differently within our societies. We've very much seen that play out in the last few years, but I would ask the panel, do they have a sense that there is a divergence in values between the United States and Europe, is that temporary if there is a divergence, or is that permanent, or are the divisions much more present within countries, rather than between them?

Speaker 3: Thank you, very important questions. Maybe Anna.

Speaker 1: I would just like that it was because of values, that I don't agree with what Rosa said. I think this very narrow notion of security and it's the kind of notion that actually undermines-

Speaker 3: We're going to talk about values, not security.

Speaker 1: But security has to do with values. We cannot actually over look what is happening to Turkey citizens in Turkey, inside Turkey. It absolutely undermines the purpose of the alliance, if we neglect that indeed one of our members is brutally repressing its own citizens, and that's actually the country in the world with more journalists imprisoned.

Speaker 1: But going back to that question, I believe that the kind of problems with values that we're watching in the U.S., we are watching them as well, in the EU. And that's why I believe that we have to indeed fight for our ideas, our ideals, our values, and articulate strategies across the Atlantic, because I see, I have a lot in common with the young and less young people that now in the U.S. are fighting and are standing up against the gun lobby. I have a lot in common with all the people who are indeed outraged with the tax ... the tax decrees that Trump administration put out, because I believe it's gonna actually make the inequalities grow.

Speaker 1: And actually on the our side, that's why I said that we have to turn up to our own [ballots 00:47:59], we cannot continue to go along the rhetoric of these European leaders, that completely follow the populists trends to for instance, amalgamate refugees and migrants with terrorists, and do not effectively fight terrorism and do not stand up for our values. So I believe there's a lot of common with ... from this side of the Atlantic and the other side of the Atlantic. Those that need to fight for the values, and I'm pretty sure that we'll do it. We have done it back in 2003, when there was a major rift because of the Invasion of Iraq, when there was this attempt to actually divide the Europeans, in the old and new Europe, that's when we started immediately talking to the Democrats, at least for my political family, and we need to work on all sorts of networks across the Atlantic, because I believe this is not going to-

Speaker 3: But based on our core values-

Speaker 1: Exactly.

Speaker 3: Cool. Sir.

Speaker 12: My name is Godfrey Chimbanga, I'm from Ireland, I'm part of the Young Professional Summit. Now, my concern is that we just said tariffs, that the tariffs can come in and the discussion can continue and we're looking at strategies against the mistrust of the public. So here's the thing, how will tariffs coming in and then the transatlantic partnership still continuing, those kinds of things are just gonna come in and then we expect to just shrug off and continue, and it's gonna affect the ordinary citizen, especially of Europe.

Speaker 3: Do you address this question to a particular woman? Or shall we just keep it in line?

Speaker 5: I will simply build on your question and you may actually want to actually address this, but one of my biggest concerns about some of the-

Michele: One of my biggest concerns about some of the announcements that have been made, they're very isolated and transactional. So an announcement on tariffs is made without thinking about the broader context of the importance of the Transatlantic Alliance, the important work we're engaged in right now together visa vie trying to save the Iran deal, trying to deal with Russia, trying to enhance our joint investment in technologies and so forth. It's in a vacuum, it's not taking into context, same thing with ... A lot of people wanna give President Trump for saying, 'You gotta make two percent or you can't count on the U.S.' Others did that before, but to do it in a way that suggests that it's a fundamentally open question whether the U.S. is still committed to NATO, that's damaging, and that's unnecessary.

Michele: So the ways in which this ... I'm sorry, I'm just being very blunt. The ways in which these policy actions are being taken are devoid of context, and the larger context is our closest allies in the world, our closest trading partners in the world, now and for the foreseeable future are right here. So when we take ... Make these transactional steps, you gotta think about them in those ... In that context, and that's to me is what is missing. It's to your point, it's like we're not thinking through the second and third order effects of the actions that the White House is announcing right now.

Host: Thank you very much. Minisha, we're not asking you as a spokesperson, but seriously-

Minisha: Sure, enough.

Host: But maybe if you want to share your-

Minisha: Yeah, absolutely.

Host: Personal thoughts.

Minisha: No, I'm happy to ... I'm happy to share as someone who is in the administration and a part of the decision making process. I can assure you that there is a big picture going on here.

Minisha: In fact, Secretary Tillerson is one of the voices in the administration who is very much advocating that we look at the big picture, but I go back to these decisions on tariffs, on trade are critical, they're important.

Minisha: When this president came in, he made a promise to the American people that he would look at the global trading system and see where American companies, and American workers who are disadvantaged and we would work to solve those problems. That doesn't mean that it means any less that we're trying to cooperate on terrorism, any

less important to have consolidation of opinions on issues like DPRK on Iran, on all the global threats that we're facing.

Manisha: I give you that example, that personal example of someone I work with very closely, Secretary Tillerson very much thinks about these things. I talked to him about the trade issues, and he considers them within the larger context. I'm part of a team, of course, I'm the economic advisor at the State Department, he has someone who advises him on the Middle East, East Asia, we all know the structure of the State Department and how it's set up, and those people weigh in-

Host: We used to know it. These days, at least me, I'm a little bit confused.

Manisha: It's still-

Host: I don't know it, but you know it. You're from the inside this.

Manisha: It's still ... I'm on the inside.

Host: So there's people in there and working on this?

Manisha: It's still functioning. There are many great people in the State Department-

Host: Good, that's good to know.

Manisha: We have great career diplomats, we have political appointees, we have people that the common theme for us all is that we're working in the American interest.

Manisha: This is challenging time, as we all know, as I've said. We have so many global security challenges, every time we think we've addressed something, something else pops up where you have a truck being driven in a street, mowing people down, so these are challenges that we haven't faced before, they're new. So we're trying to find effective solutions.

Minisha: I can assure you, Michele, that we do look at the big picture, and again, I go back to the conversation with Secretary Tillerson, who sits down with his counterparts, he sits down with Secretary Maddox, he is very close with Secretary Maddox, with General McMaster, with Secretary Ross.

Manisha: There are different pieces to the puzzle. Economics and trade is one part of it, it's an important part of it. What we're doing on the trade front is very important, cooperation with our European allies is no less important. It's critical.

Host: Thank you very much, Minisha. Thank you very much. I'll collect three more questions. Unfortunately, then we have to finish this most interesting panel. Christopher Marshal, then this lady over there, and then one more question, and I will ask Karen, whom should get the last question. But first Christoph-



Speaker 4: Outside of the room.

Host: Yeah, that's for sure, okay. So far first with Christoph.

Speaker 5: I want to get back to the question of rebuilding trust and also the example of the tariffs because I think it's a good example to see that a lot of things are going wrong at the moment. Wrong narratives, wrong and unnecessary confrontations.

Speaker 5: I understand the wish to reframe the debate, and this whole thing started that there is an over production of steel in the world, as you've said. Okay, where is this over production? Who is the main culprit? It's China, so the rational thing would be that Europe and the United States should find an agreement how to deal with over production in China. Instead, we find ourself in a confrontation between the United States and Canada, and between the United States and Europe because unfortunately, according to statistics, only two percent of steel imports of the United States come from China.

Speaker 5: Next part, tariffs. Okay, now the reaction, Europe wants to retaliate, and you and Michele said we should think twice about it, and I very much agree that we should think twice about it. Then comes a threat to retaliate against retaliation on cars, and again, a wrong narrative. Just please tell me what is a U.S. car? What is a European car?

Host: Okay, you've said your question-

Speaker 5: No, I've just get to ... Yeah, I understand, but is a GM made in Canada a U.S. car? Is a Ford produced in Mexico a U.S. car? Is a BMW produced in Spartan burg, South Carolina, a non-European car? Is a Volkswagen from Tennessee, a non-European car?

Speaker 5: So you see, reality is much more complicated and we are telling the wrong narratives and ending up in wrong and in unnecessary confrontation. Here I would like your comments on how we get out of this spiraling of wrong narratives and wrong confrontation.

Host: Thank you very much. You keep this in mind, you keep thinking about the answer. It's a complicated one. Please. We collect some questions and then we give the round.

Speaker 6: Kerry Buck Canada's ambassador to NATO. In many ways the post-war liberal order relied on multilateralism to build trust and to build norms. So because I'm in NATO, all go back to Rose's example, the building blocks of trust between North America and Europe are there. EDI for the United States, Canada's president in Lafayette, we're back in Europe after pulling out of Germany in the '90s, so it's building blocks of trust are there. But we rely on NATO as the tool or the avenue to maintain that trust and to build that trust. In the DAVOS survey, the global risks survey show fully 67% of respondents said that they were losing trust in collective security alliances. So how do we rebuild that trust or do we rely on the state as a primary locus and bilateral transactions?

Host: Thank you very much. One more question. Yes. It starts the moment you talk. Yeah, should. Oh, no, it doesn't? Okay.

Speaker 7: Now, better? Yes. Thank you, I'm Anna Weislander with the Atlantic Council. My question is we have correctly heard here that Europe is nowhere near being able to handle its own security yet, still things are moving in Europe in a way that it hasn't done before on defense. We don't know where this will lead, but there is an energy, there is a movement that we have heard of as well.

Speaker 7: Now the United States has since the 1990s talked about Europe has to become more of a partner in security and defense, but my question is, do you perceive that the U.S. is really ready for a Europe that is more of a partner in security and defense? Thank you.

Host: Very good question. That was so precise. Now we are running out of time. So everyone gets to pick one question and then I want ... That's your finishing rounds so to speak, and then I want one call to action. What are you taking home from this panel, but first-

Michele: I'll pick the last question.

Host: Sure.

Michele: So I personally believe that the more Europe strengthens its own defense capabilities and what it can bring to the table, the better off NATO. There are gonna be times when the EU wants to act alone, but any ... In any serious contingency that really threatens our vital interests, I feel very sure that there will be ... The U.S. will be joining in either in a coalition or through the good offices of NATO.

Michele: What I don't ... When people talk about European defense, what I don't want to see is what was mentioned earlier, which is more of a protectionist interpretation that says, well now we're gonna have a preference for European only systems. I don't know how you do that, it's to your point about cars. I don't know how you do that in defense and aerospace given the global supply chain. Find me a U.S. system that doesn't have critical European components, find me the opposite example, it is ... It would be a terrible mistake to start introducing a greater protectionism into our defense and aerospace supply chains.

Michele: We want more cooperation, we want more collaboration, we want more joint ventures, more technology sharing, and frankly it's not just good industrial and economic practice, it's strategic. We have to wake up. We are in a period where the great powers are returning to the stage and competing. We cannot take our military technological edge for granted, and if we don't ... Not only the U.S., but U.S. and allies make some serious targeted investments, and make sure we're spending our money on the right things, we will have a hard time. It will be much more costly for us to deter and ultimately prevail if we have to in the future. I thank you for the question, but I think it's very important to do this in the right way.

Host: Thank you for your answer. What are you taking home? What is your one point?

Michele: Let me think, come back to me.

Host: Michele, thank you. This is Europe laws. Thank you very much that you joined this panel today. Thank you. Anna, we have to wrap it up a little bit.

Anna: I agree with what Michele has said, and I just would like to say I understand that at this moment, people here are very much concerned with this latest threat of a trade war, which I hope doesn't happen. But at this moment, indeed, we probably ought to be focusing on much more serious questions such as the real threat that comes from the recent speech of President Trum ... Putin, actually threatening a nuclear attack, whether this is indeed serious or whatever it means, that is the kind of things where I would like indeed us, U.S. and Europeans, to be discussing at this moment.

Host: Okay, and this is kind of your-

Anna: But that's where we have a problem because, sorry, we can't trust the Trump administration, at least until you can put that gentlemen, Trump, under control. Especially when it comes to Russia, we can't trust him, so okay. I know it's a temporary ... I trust there are lots of people in the West we do, might can work to actually also face that real threat, but it's not Mr. Trump, sorry.

Host: Okay, thank you very much, Anna Gomez for joining this panel. Europe Laws. Thank you. Now to matters.

Speaker 9: Yeah.

Host: A lot of talk about it.

Speaker 9: I'd like to talk about nuclear, you guys know how I like nuclear, but I won't go down that path anyway. I will say that deterrence and defense in the alliance is also ... It's full spectrum, so it goes from we're tackling now the so called hybrid, or asymmetric end of the spectrum all the way to nuclear, and that's consistent with our ... Not only with our policy, but also with our history.

Speaker 9: Just quickly back to Carrie's point. Carrie was talking about how do we continue to have the kind of public support we need to drive forward collective arrangements for defense, like the NATO Alliance. That means outreach, outreach, outreach.

Speaker 9: We've got to build up a lot of what I think we're hearing in these surveys like the PEW survey comes from the fact that young people don't really know about NATO. They don't know about what it provides for them, so we're spending a lot of time thinking through how do we get the word out? How do we really connect with people, and I think that's going to be really important going forward into our summit meeting this July. We're actually stealing this notion to try and have a town hall so I hope you'll all be there when we have our summit meeting in July. But the idea is to try to pull the young people in and get them more interested.

Speaker 9: My call to action for all of you here, whether you work downtown, or whether you work out by the airport at NATO headquarters, we have got to have a really good conversation about what does complementarity mean in European defense, and the second thing, how do we work with the non-EU NATO allies, and how do we bring them fully into this conversation? So that's my call to action.

Host: Rose [Scott 01:04:35] Miller, thank you very much.

Speaker 9: Thank you.

Host: Manisha, the last word is yours.

Manisha: I will-

Host: My question, what are you taking home?

Minisha: I'll be very brief. I think my takeaway here is the continued cooperation, it echoes everything everyone else has said, that the best way that we can bridge our differences and address new challenges together is we have to continue the cooperation.

Minisha: Honestly, that's one of the reasons I'm here. I came to have meetings with ... Bilateral meetings with our U.S.-EU [inaudible 01:05:09] to engage in forums like this to share our thoughts, to share our views, to make it known ... From my perspective that the Trump administration is considering the bigger picture, we're committed to working with our allies, so that ... The message I'm gonna take back home to Washington generally, is to say that we need to continue these open and frank conversations.

Minisha: I hope that people on this side of the Atlantic will agree as well, I hope that the open mindedness is over here, that people in the EU are willing to listen to Washington right now, willing to listen to President Trump about what he thinks we need to do with the world. Just my takeaway is for everyone to have an open mind because that's the only way we're going to move forward together.

Host: Minisha Sing, thank you very much indeed. Thank you and, Karen?

Karen: I'm going to invite Richard back to the stage very briefly before we all head off to dinner, but before I do that, I'm totally energized. Thank you for this incredible conversation, that was very much what we wanted to do, so Richard, over to you quickly and then ...

Richard: Sounds great. Thank you so much, Karen. Elan as well as our last panel, and by the way I did do some research as this was happening. In the four minutes I have before y'all get to close up the day here, is the last time the #femmel was used was about eight months ago. So what I did is I tweeted it out, so it's used again.

Richard: So it was a great panel, and it's just as I said, only one of four. I wanna end the way we started, and that is by staying absolutely focused on revise, reboot, rebuild, and the ideas that you may have gleaned from today's discussion 'cause you're the experts, you

understand these topics better than I do. So I'd like you ... 'Cause it looks like it's working, to go to your app very quickly, and go to Inner Activity, just your last action of the evening before you get to leave the room. Go to Inner Activity and I do wanna know from you, staying focused on what's on these two walls, what is the action plan that ... Or action step that you learned today? That you liked? That you might try on Monday, just as our YPSer's did today. What they're gonna try on Monday, what will you try on Monday? Then just put hashtag, as many letters as you want, no spaces, verbs, verbs, verbs.

Richard: 40 seconds, can't wait to see some ... Anybody awake? Anybody here? 37 seconds. Open dialogue, no trade war, love, I think that works in a lot of conditions I think. Reboot, alright. Straight to the tagline here today. Trust building, no like hug a tech person? We had a great session on tech, no? Alright, great.

Richard: So we have some great ideas here, and now with the two minutes I have left, I want in 10 seconds, I'm gonna come around to you, I want you to tell me what surprised you today 'cause we had two great one-on-ones and then we had two great panels after that, and a lot of ideas out there. What surprised you today, in 10 seconds? What surprised you?

Speaker 12: The need for dialogue.

Richard: Need for dialogue.

Speaker 13: I think the difference in style that we've seen in communicating. We talked a lot about communicating but nothing about how do we do it.

Richard: Very good point, very good point. How about you?

Speaker 14: Communicating and trust building.

Richard: Okay, fantastic.

Speaker 15: The connection with some realities.

Richard: Very good.

Speaker 16: I think the conversation has to go beyond this room to all the societies as well.

Richard: Fantastic.

Speaker 17: A lot more conversation needs to be done.

Richard: Talk, that's what we're here for. It's great. Just say something. It's okay, it's fine.

Speaker 18: Sorry I was having a chat with my-

Richard: Oh very good.

Speaker 19: We need to keep talking.

Richard: We need to keep talking, okay. Let me come over here really fast.

Speaker 20: The same, we need to keep talking.

Richard: Alright, I'm getting a lot of dittos here.

Speaker 21: Well packaging differences in a very fancy way.

Richard: Fantastic.

Speaker 22: Trying to find a common solution.

Richard: Common solution.

Speaker 23: Keep our eye on the big picture.

Richard: Keep our eye on the big picture, people are running away from me. Look at this.

Speaker 24: You don't really wanna know what I-

Richard: I do, go please.

Speaker 24: In all honesty, what I came away with especially from the last panel is that the secretary saying did not do nearly as good of a job as she needed to do to represent the administration's position.

Richard: Okay, tell me how you feel.

Speaker 25: Just to do a quick followup on that, and the economist cover has about possible trade war, and I didn't get that at all from her.

Richard: Hey, what's goin' on?

Speaker 26: Did you ask what surprised us?

Richard: Yeah. You started us off, it's a great way to ask you, what surprised you?

Speaker 26: That Trump officials think they're looking at the total picture.

Richard: Total picture. Hi.

Speaker 27: The need to actually listen-

Richard: Listen.

Speaker 27: To each other.

Richard: Part of the communication part I think so far today.

Speaker 28: I think rebuild of trust.

Richard: Trust yes. Hi.

Speaker 29: How humble knowledgeable people are.

Richard: Fantastic.

Speaker 30: Need to go back to shared values.

Richard: Shared values, okay. Great stuff. Okay, no.

Speaker 31: We should be more honest in speech.

Richard: More honest.

Speaker 31: We don't see ... We didn't reflect what we all believe in, in this room. We were too polite tonight.

Richard: Too polite. Okay, well guess what? The next two days, less politeness please. The ugly food, remember? The ugly food. So really fantastic, thank you all for sharing your thoughts. As we close up this first day, we're gonna kick it off again tomorrow morning, bright eyes and bushy tailed, right Karen?

Karen: Now it's time, it's great people wanna continue the conversation over beautiful food.

Richard: Beautiful food.

Karen: We're now gonna go to the gala dinner at the Center for the Fine Arts, also known as the Bazaar and as you enter the room, wonderful colleagues of mine will be showing you the way to the buses, so look forward to more conversation tonight. Thank you.

Speaker 32: Young professionals, please remain in the ballroom for your session.