

March 16, 2013

Brussels Forum

The Future of Euroatlantic Integration

Mr. Ivan Vejvoda: Again, good afternoon and welcome now to the panel on the Future of Euroatlantic Integration, but before we begin, I'd like to make a technical announcement that we will have simultaneous translation this afternoon so I would like you to slowly prepare your headsets so we don't do it when Prime Minister Djukanovic takes the floor and we can solve any technical problems that there are in the meantime. So while you're doing that let me introduce this panel.

Why are we talking at all about Euroatlantic Integration. This seems to be an old topic, not a very sexy topic anymore dare I say, and yet we're talking about it because for those of you who were carefully following the video you saw that last clip with the map of Europe and that little green spot in the

southeastern corner and that means that to put it as simply as it has been put by a number of Americans, a Europe whole, free and at peace is not yet finished. It is unfinished and thus, those of us who either live in the region, who are from the region, or those of us who are working in Europe, in the United States, or in NATO still have their sleeves rolled up to try and finish this. Now we're not in the news as far as the Euroatlantic Integration to this region is concerned. We're not because this is relatively to all the other challenges that we heard about panel one on Syria and Mali for example. There's no comparison between the challenges of a Syria and Mali today with what goes on in this patch of unintegrated Europe called the Western Balkans and I think it is dangerous if we forget that this is not yet finished. On the other hand, as you know there's a lot of talk about fatigue, about people being tired, about the travails of Europe, and the problems that domestic politicians have. We talked about that with Ivan Krastev this morning at the

breakfast. How do people in societies where there is 50 percent of youth unemployment, how can they think about solidarity integration and bringing more people to the table in Brussels or to the NAC in Brussels also. And so, this is about keeping hope alive and keeping the process going to further Euroatlantic Integrations. All of these countries are firmly committed to their European Union integration path and to their NATO integration except of course the nation where I come, Serbia.

I will mention that this week, we commemorate 10 years of the assignation of the Prime Minister of the Republic of Serbia, Zoran Djindjic, who was a true Euroatlanticist. I had the honor of working for him as his Senior Foreign Policy Advisor. We were moving full steam ahead towards the European Union and to NATO. Our defense ministry had already prepared documents in that regard. The whole region in fact was moving in that direction, and Prime Minister Djukanovic who was here was a close friend, in fact, shielded Prime Minister

Djindjic during the '99 bombings because he was in danger of his life in our hometown Belgrade. And I think that to remember someone like Prime Minister Djindjic on this occasion is most appropriate because it signifies how far the whole region has come. Ron Asmus was mentioned here several times by Craig Kennedy and others last night. Ron, who was one of the people who inspired, especially the NATO enlargement and who was one of the people inspired this meeting that began in 2006, and I would just like to remind you what in these eight years of the Brussels Forum has happened in terms of Euroatlantic enlargement. We had the Romanian and Bulgarian enlargement in 2007. We had the NATO enlargement to Croatia and Albania and of course very unfortunately Macedonia did not become a member because of a certain name issue, which remains unresolved. We will all applaud the entry of Croatia into the European Union on July 1st, to become the 28th member state of the European Union. As you know, Iceland is also a candidate. Montenegro has begun negotiations, closed

its first chapter, is in a map process. Macedonia is a candidate country, Serbia is a candidate country and hopefully Serbia gets a date to begin in June and I don't know whether Kathryn Ashton is here with us, but she's doing an extremely important job in facilitating a dialogue that literally next Wednesday might bring a historical agreement between Serbia and Kosovo if we are to believe what the journalists are saying. I will only remind you how long it took in Northern Ireland to go from Good Friday agreement to the actual joint government there. All this to say that the process is moving and that the countries are actually advancing. Slowly, yes, all too slowly for those of us that would like to see it advance. So, that is why we are talking about this, to keep that hope alive. To alert those who are not fully aware of this that we need to keep it moving and robustly moving with the challenges and the framework of challenges that I mentioned. And so, without further ado, I will pass with questions to the panel. I will ask one round of questions and then open

it up straight away to the audience and my first question goes to Prime Minister Djukanovic.

Prime Minister, could you tell us why you see this process of Euroatlantic Integration important for your country, but even more importantly for the region from which some of us come from?

Prime Minister Djukanovic (translated): Thank you very much for mentioning Mr. Djindjic, one of the leaders of your Atlantic policy in the region of the Western Balkans. Today, we all handicapped for the tragic death of Mr. Djindjic, but one must say that we must be satisfied and content because the course, the path that Mr. Djindjic among others set for us, is the course that won. In creating the vision in the Western Balkans and that today we can say that all the countries of the Western Balkans including Serbia are heading decisively towards the goal, the objective of membership and successful outcome of Euroatlantic Integration. In my response to your question I'd like to point to two circumstances. First the specific

feature on Europe of the Western Balkans is that Euroatlantic Integration for members of the Western Balkans has one added dimension compared to those countries that are not part of the Western Balkans. European and Euroatlantic Integration is a condition for stability of the region. It is the region which in more distant and more recent past showed strength in generating a capacity for generating instability. But however these cycles of instability began they always ended in ethnic intolerance and religious intolerance. What does this tell us? It tells us that the region unfortunately has been for too long on the margins of economic and democratic development of European civilization, and it is for that reason that there, there is a sufficient tolerance for all culturalogical [sic] ethical civilization differences that are present there. And that is why I believe that we have to draw some lessons from the last conflict. That region has no reliable self-regulatory mechanisms by which it can guarantee stability, its own stability and stability of

the European Continent and that is why I believe that the integration is imperative and I believe everyone who believes that alternatives to this are at fault, and an alternative to Euroatlantic integrations. The alternative is a dead end for the Balkans which sooner or later would again end up in ethnic intolerance and that why I believe we have to take the issue of stability as a key factor in further generations of support to societies in the Western Balkans for them to continue that European integration process is the second dimension that I want to draw attention to. Although today, Western Balkans looks better than it looked in early 90s, I must note here that there's some problems still remain unresolved. What I refer to is the sanctionality of Bosnia. The dialogue between Belgrade and Pristina which started too late and I also refer to the paralysis of Macedonia on its Euroatlantic path, and these are the factors that slow down the integration process of the regions as a whole and these processes again diminish and weaken the enthusiasm for



Euroatlantic Integration that was much stronger at the end of the 20<sup>th</sup> century. Now 20 years later, I must say that there is less enthusiasm, less trust in this region on whether this path is right or wrong for the region. I believe we have to seriously take this into account and we must understand that the accountability for this is not just with us who live in the Western Balkans but with our European and Euroatlantic partners. The absence of enthusiasm leaves some space open for defining some causal alternatives. Some of us who of been in policy for a long time these are true causal alternatives that only encourage illusions, and illusions again can take you dangerous to another waste of time and that is why I believe it is important for our partners not to show fatigue, not to discourage people from integrating but to encourage the processes. We know there are no shortcuts to European integration processes. We know we cannot shift the burden of some problems, finding solutions to the problems on others. I believe that we need to strongly stimulate pro-

European governments in the region for the integration process of all societies in this region to continue with maximum intensity.

Mr. Ivan Vejvoda: Ruprecht Polenz, you are the Chairman of the Committee on Foreign Affairs of the German Bundestag. You just heard the Prime Minister. Stability and Security. This is, dare I say, historically the first time that this region of the world is choosing, by itself, which kind of roof or framework within which it wants to come. Historically, it was always outside forces that defined the roof. So this is a voluntary choice, a free choice. To this last remark of the Prime Minister, do you think, that given the conditions, economic, social, in Europe in its own kind of inward solving of problems, do you think that enough attention is being paid to keep the pace of the process both of EU and NATO enlargement alive?

The Hon. Ruprecht Polenz: First, I would say that the President rightly described what we have achieved after the time we had the stability pact for the

Balkans, and the promise for all states of former Yugoslavia, that they could join the European Union if they fulfill the criteria, if they reconcile within and with their neighbors, and if they achieve the necessary reform. And those who did, like last time, Croatia, are now joining the European Union. On the other hand, if I'm looking at the discussions within the present European Union, it is not top on the agenda how to enlarge next. Because if you look at the headline of this panel, "The Future of Euroatlantic Integration," I would start with the remark that there is no further Euroatlantic integration if the European Union itself falls apart or disintegrates significantly. And this is a challenge we are facing in two aspects. The first is how we cope with a state debt crisis, and will we be able to preserve the Euro as our common currency within the euro zone? Because if it would not be able to do so, this important kind of disintegration in the sphere of currency will probably not stop there but inflict economic politics and other areas of the politics, as

well.

And with this business, we are very much committed. And this is what we are up to for the last two years very much. First point.

And second point, we are facing a challenge from the announcement of the British government to hold a referendum on there for the EU membership in 2017. And they raise, again the question, will the European Union be a free trade zone or back to a free trade zone, or will it go on further on the way to an ever closer union? So the question, I think, on this panel is not only that the European Union should keep its doors open, I'm very much in favor of that. But we should have asked to become an ever-closer union to be able to fulfill this task, organizing an even larger amount of states. If you have no center of gravity which brings you together, you are not able to enlarge, enlarge and enlarge, then you might delude. And in the treaties of the European Union, there is not the quote of an ever-larger union, there's a quote of an ever-closer union.

This is the goal and this is maybe sometimes not so well understood in the United States, therefore I'll be putting a bit emphasis on that.

Mr. Ivan Vejvoda: Thank you very much. Master Vershbow, Deputy Secretary General of NATO. We, of course, know that this process has been ongoing. We know, of course, that NATO had its first out-of-area intervention in this part of the world back in '96, and then in '99. Compared to all other interventions, to mention Iraq and Afghanistan and their different formulas of coalitions, I would say that this is the intervention area that is the closest to actually attaining full stability, security and peace, in historical terms. Not tomorrow morning but within a relatively mid-term span of life.

The open-doors policy has been mentioned by Ruprecht Polenz at the Chicago summit. Then Secretary Clinton said that the next one should be with enlargement. From your vantage point in NATO, Brussels, how do you see these next steps and, you know, are

people working at 9:00 in the morning on their enlargement file when they come in, those who are responsible for this?

The Hon. Alexander Vershbow: Okay. Well, thanks, Ivan. The answer is at least some people are. So there's no--

Mr. Ivan Vejvoda: That's already good news.

The Hon. Alexander Vershbow: --suspense about that.

Mr. Ivan Vejvoda: That's already good news.

The Hon. Alexander Vershbow: But first of all, let me say I'm very pleased to be able to participate in this particular panel because I date myself, but I go back to the early 90s. My first time working at NATO when I was involved in the very first efforts by NATO to open to the east, and it was not just about enlargement but partnership, as well. And it wasn't just about Central and Eastern Europe, we had a broader vision. And I would say that enlargement does remain very much a key part of our agenda, even though we're certainly wrestling with some other very important

challenges, including the implications of the financial crisis for our defense capabilities, including Afghanistan both before and after the end of 2014.

But that meeting you mentioned in Chicago was a very exciting event because you had the 28 NATO foreign ministers, I think, with not uniform levels of enthusiasm but with a lot of enthusiasm, expressing their strong belief that the enlargement process should continue. Many did indeed express the hope, there was no guarantee, they expressed the hope that the next summit would be one where invitations would be issued to some additional new members.

And of course the candidates present at that are for it. Not just about the western Balkans. I see Irakli Alasania sitting there, not coincidentally, in the front row. So it's a broader process and indeed, when we speak of Euroatlantic integration at NATO, we speak about enlargement, we also speak about our partnership strategy, which has a strong Euroatlantic dimension, but is now extended even farther to the

Middle East, to the Gulf and to partners in the Asian-Pacific region, as well. Even the Columbians are looking for a meeting with me soon.

So Partnership for Peace, however, was always cast as having multiple purposes. For those who weren't interested in membership, it was still a way to deepen ties with the alliance, and we've indeed seen extraordinary returns on that with some of the non-NATO EU members playing key roles in our operations, and we have to deepen their integration as we go forward, get them involved in smart defense in our connected forces initiative.

For the Central and East Europeans, enlarge--excuse me, Partnership for Peace was presented very clearly as the best path to NATO membership. And, indeed, I think we delivered on that and maybe even over-fulfilled the plan. We have 12 members who have joined us in several waves, and I think the extraordinary effect of the prospect of NATO membership in galvanizing the reform process in these countries has certainly validated the



decision. And I think Ron Asmus, who I'm sure is--if he's listening in on any part of this year's Brussels Forum, it's this panel, deserves a lot of the credit for helping craft the vision. And it was a glory day for me to have worked closely with Ron during the Clinton Administration.

I think NATO was the driver of the process of the Euroatlantic integration in the early days, because NATO could act more quickly, but NATO certainly served as the security foundation. I think it made possible the extraordinary and deeper process of Euroatlantic integration that is reflected in the enlargement of the European Union.

So where are we now, where are we going to be going from here? I would say NATO is still taking a proactive role within the spirit of our membership action plan in trying to help the aspirants to meet the standards, to deepen their reforms. A lot of staff time is spent working with the countries. We have frequent visits, the Prime Minister will be at NATO next week meeting

with the council. Our Policy and Partnerships Committee meets very regularly, so we're reaching out trying to help countries cross the threshold.

The Secretary General asked me to visit all four candidates soon after the Chicago summit. And while we're still not yet in a serious phase of debate about invitations about the next summit, that'll happen when that summit is scheduled, I think one can say that the four candidates are at widely varying states of readiness. They all have a lot of work to do.

The former Yugoslav Republic of Macedonia is in a special category. They, in a sense, got an invitation at the same time as Croatia and Albania, but it was with a condition regarding the name and sadly, it's now been almost five years and the issue seems no closer to resolution. I have argued, I made this point when I was in Scopia, that after 20 years as a functioning democracy, one that's shown admirable leadership in wrestling with interethnic problems under the--thanks to the Ohrid Framework Agreement, to add an additional

adjective to the name of the country would not cause anyone to call into question the identity of that country. So I hope a compromise can be reached before allies begin to question the wisdom of the decision that they took in Bucharest.

Now, Montenegro has made enormous progress, has only been an independent country for, what is it, seven years and has clearly made a lot of progress in terms of its reforms. But there's plenty of challenges that Montenegro must still address, in terms of the rule of law, dealing with corruption. Public support for NATO membership is still very low and I'm hoping the Prime Minister can help lead the debate on why Euroatlantic integration, including NATO, would be in the interest of Montenegro, just as we would see its eventual integration in the interests of the alliance.

Defense spending could be a little higher and again, to be honest, we still see scope for further reform of the intelligence services. So there's a to-do list, but Montenegro's working very hard on that.

Bosnia and Herzegovina, also in a special category where they were offered participation in the membership action plan but with a very simple condition that they register the immovable defense property, and three years later, that condition, sadly, hasn't been met, either. And, of course, that's just symptomatic of broader challenges in making the state function like a normal state, but we do hope that that can be addressed soon. Secretary General was recently in Bosnia and got some encouraging reactions from the different political leaders, so maybe this spring will be the moment.

Now, finally, Georgia. Georgia, of course, again, each candidate presents unique challenges and Georgia has a unique status. Because in Bucharest, it got a very clear message that it will be a member of the alliance one day. And after Bucharest, Georgia made a lot of progress in its reforms, it's now become the largest non-NATO troop contributor to our operations in Afghanistan and has suffered a lot of casualties as part of that very important contribution. And taking a

responsible stance in recent years toward regional stability with the non-use of forced declaration made by President Saakashvili a couple of years ago.

But clearly, things are slightly different today than they were a year ago. After the October elections, Georgia faces a new set of challenges. In the short term, a concept familiar to many European countries, it has to show that it can demonstrate the capacity for cohabitation among the governing coalition and the opposition between the Prime Minister and the President. And it needs to continue to demonstrate that it's applying its laws consistently, not selectively, and over the--and cohabitation is something that's not just from now until the presidential elections, I think it's a broader challenge, even after that.

So the burden now is on Georgia to show that it's worthy. But at some point in the future, the burden will be on the allies, if Georgia delivers, to fulfill their commitment at Bucharest.

And I am an optimist. I'm confident that when that

day comes, and I'm not going to say when the day will come, that allies will be true to their principles, that they have always been consistent in supporting the territorial integrity of Georgia within its internationally recognized borders.

We certainly encourage and we welcome steps towards normalization of relations with Russia, but we also have always stated repeatedly that no outside country has a veto over any country's choice of its security alliances.

So all the candidates present unique challenges. Certainly the Western Balkans, as a region, is one we where would like to see the unfinished business of building a Europe whole, free, and of peace carried out. And that ultimately might include your country, Ivan. And the state of Kosovo as well.

But in the meantime, each country must qualify on its merits. We're not going to raise the bar but we're not going to lower the bar. And I am hopeful that we will see invitations issued in the coming years but I

think it depends, most of all, on the candidates themselves.

In the meantime, we want to continue deepening the partnership relationship, reaching out to Ukraine which no longer seeks membership but still seeks a close partnership with the alliance. Continuing to work on the NATO-Russia relationship. There, of course, the Russians don't seem to be so keen about Euroatlantic integration as they used to be. They talk more of Eurasian integration. But I think we should stick with that vision of Euratlantic integration that encompasses Russia as well. We ultimately share a lot of the same interests. And I think that there's a good base of cooperation on Afghanistan and counterterrorism that could get us through the near-term and hopefully in the longer-term when the anti-Western fervor begins to die down in Russia to build a real strategic partnership that will make the Euroatlantic security community truly complete.

Mr. Philip Stephens: Well, thank you very much for that comprehensive overview. I'm sure it was a good reminder for those who don't follow it so closely as some of us do.

Ambassador Kurt Walker, you were the U.S. ambassador to NATO. You are now at the McCain Institute, dare I say, a free man, not in government anymore. But also you were, for many years, involved in the policy making in Washington on these issues of enlargement. We have heard that the doors remain open. The Thessaloniki promise in terms of the EU made in 2003 also is on the table. How do you see the U.S.'s view, governmental and both of the kind of policy thinking world on both of the enlargements, in fact?

Amb. Kurt Volker: Right. Well, thank you, Ivan, and I will address that question. I want to first say thank you to Mr. Sannikov for your remarks, because it's harrowing what you've been through. And to see you with such poise and optimism and determination is really an inspiration. And it's a message to all of us that we



have to approach your country and your situation with the same determination as you do. And we owe you nothing less.

To turn to the enlargement questions and the European integration beyond the current last dictatorship in Europe, I want to go back to the 1990s. And Sandy mentioned this and I worked for Sandy. I worked with Ron Asmus. There were a number of arguments that people raised in the early 90s about NATO enlargement, about EU enlargement. "We're not ready. Our institutions aren't ready. The candidates aren't ready. They have a lot of work to do. It's going to be very expensive. They've come out of 40 years of communist systems and they need massive reforms. And they're not culturally prepared for democracy and market economy. It'll take forever. It may upset Russia and we don't want to create new dividing lines in Europe." Those were the arguments of the day.

Now, look around this room. \*Miro, \*Maurice, Edgars, who else do I see? \*Soren, \*Bogus. You would

not be here as equal participants in our community of democracies and market economies and secure countries in Europe if we listened to those arguments. We overcame those arguments because we believed in a few basic things: That everybody who seeks to live in a free society, in a democracy, in a market economy with human rights and with their security guaranteed for the future, has the right and the opportunity to do so.

We believe in that right for everybody. Madeline Albright, in an article in *The Economist*, probably written by Ron, said the people of Europe's East deserve to live in the same freedom and security and prosperity as the people of Europe's West. And she was right. And we see that for those who joined NATO or the EU in the last 20 years.

Now, the institutions are just a means to an end. The end is that Europe whole, and free, and at peace where everybody has the same opportunity to live in those kinds of societies. The institutions are the way we help countries to get there and build that. And it

was successful. And now look around the room again. Prime Minister, Irakli, Eva, Ivan, why should you be left out? Why should your countries not have the same opportunities? So it's important that Ruprecht, Sandy, others talk about the open door being there.

But I'm afraid that in both the United States and the EU, we're letting you down. There is not, in the political discourse in any of our countries right now, a forward vision of how to bring this community together. Yes, we hear it from Georgia. Yes, we hear it from Montenegro or Macedonia, but we don't hear it in Paris, Berlin, London, Washington as part of our objective that we need to see this community come together.

Now, certainly, and Sandy went in great detail on this, there's a lot of work to do. It's not to say that all of these candidates are ready to join NATO now any more than Slovakia was ready under Meciar. But that's not a reason to do nothing or to let it go or to wait. That's a challenge to get the work done, both in these

countries that are aspirants, but also in our case to make clear our passion for the community that we believe we should be living in together. And if we can do that, it will help those countries make those changes and it will help bring about that transatlantic integrated community that we all want to see in the long run.

Mr. Philip Stephens: Thank you very much, Kurt. And because time is running out terribly, I will now turn to the audience and ask in a bundle of three questions at a time. And I see Professor \*Mikahil Turan. And please do present yourself as you speak.

Mr. Ilter Turan: Yes. I am Ilter Turan from Istanbul University. Mine is an observation more than a question. It seems that we're talking about a security community and a market community. These two do not correspond to each other. There are major discrepancies and something needs to be done about that. This has acquired renewed importance in light of earlier discussions during this conference - that a

transatlantic economy should be built. So this is just an observation.

Mr. Philip Stephens: Thank you. Matt.

Mr. Matt Bryza: Hi. I'm Matt Bryza with the director of the International Center for Defense Studies in Tallinn, Estonia. Where I sit, not enough of my time, but where I like to sit sometimes in Tallinn, there are questions not only about Euroatlantic integration in terms of enlargement but about cohesion of the transatlantic link and whether or not, as crazy as it sounds, Article Five remains intact. So I wondered, building on your comment Chairman Polenz, about there's nothing to enlarge if we don't have the structure itself in existence, what are your views on the health of the transatlantic link?

Mr. Philip Stephens: Heather Grabbe.

Ms. Heather Grabbe: Heather Grabbe from the Open Society European Policy Institute. I'd like to ask Prime Minister Djukanovic, as one of the veterans of

Balkan politics, what you think the international community should now do in terms of Bosnia's future? What is it that the EU and NATO are not doing that they should be doing that would help to instill good governance which would help to resolve the final status issues in the region? You've been there. You've seen it for a long time. And it seems to me that you're actually in a very good position to explain to us: what's the missing link? The things that are, diplomatically, too sensitive to talk about?

Mr. Philip Stephens: And I had one more question right here. Irakli.

Mr. Irakli Alasania: Thank you. First of all, in Georgia up to the October elections, we have the unique opportunity to present ourselves to the world, to the NATO, that we are fundamentally democratic as a nation because we passed this test and it was the first transfer of power through the peaceful means.

After the elections we are struggling now, hard, to get a new handle on the security environment around us and, as Sandy just mentioned, we're also trying to be realistic and have realistic position towards Russia which means that we have to have the workable relationship with them. At the same time, we're sending signals to the Syrian and Somali population of the occupied territories that we are really building the infrastructure, political will, to really have the environment which we can coexist together so there's going to be a stable, enduring peace process.

As skeptics before were telling us that we cannot have closer Georgia enough because the Russians will be upset, you know, have the policy towards the breakaway regions, now we are putting this in place. I just want to hear how helpful it will be to transform the mindset of the skeptics for the Georgia's full integration to the NATO in light when we have the largest constituency in the world per capita in Afghanistan. And we're there, not because we want to be liked by others, but

are we there before we do believe what we are doing there. We are fighting the common goals.

So that's the question. How helpful it will be for those skeptics that these processes, if successful, I'm sure successful, that Georgia will have the opportunity to be a full-fledged member of NATO.

Mr. Philip Stephens: Okay. Thank you. Back to the panel. Prime Minister Djukavonic, can I ask you to answer this question on Bosnia?

H.E. Milo Djukanovic: (through translator) In my introductory address, I mentioned the Bosnian issue as an issue that unfortunately for a long time has remained an open issue after the last decade of crisis, the last decade of the 20th century. If we remember the date that took place in 1995, we must mention that 18 years are now behind us. So this is a long period and that we still have a dysfunctional Bosnia. With every next year of having dysfunctional Bosnia I fear that we will have the loss of trust in European and



Euroatlantic future and that at the same time, space is created for restoration of ideas that we believed were defeated in early '90s.

And that is why I believe on this issue, as well as on the issue of the relationships between Belgrade and Pristina, we need a more offensive policy of the Western community. When I say offensive, I mean a policy that would offer formulas, solutions based on European, Euroatlantic structures in each of these respected countries.

I am in contact closely with people in Bosnia. I know they need more encouragement, more stimulus for them to reach a higher level of functionality. I believe that the integration issue is the issue of its survival, and I believe we owe this to Bosnia for reason of the disastrous years it went through in the last decade of the 20th century.

Another point I wish to draw attention to is I understand very well some remarks that we heard by Mr.

Polenz on issues that Europe is facing and particularly those that came from Mr. Vershbow who rightly emphasizes of our tasks. As I said earlier, we are not seeking shortcuts. We are waiting to fulfill all the conditions, but we believe - we feel that on the other side there is a need for more encouragement, more stimulus. I fear that this partnership position is now weakening the partnership position of the other side, which should take on more responsibility and push countries of the Western Balkans harder into Euroatlantic integrations. Without that I believe there will be problems and then we all work on these problems and then we waste much more time, energy, money. We waste many times instead of us having done something right at doing more to integrate that part of Europe and create conditions to avoid problems.

And that is why I see that one of the results of certain fatigue that is often mentioned, we do not see that much of partnership stimulus; we see more the need to show tricked attitudes, trick position. And I am

saying this as someone who has been in politics for a long time. And this, I must say, undermines trust in Europe in the future. And this goes hand in hand with joint ineffectiveness in properly resolving all the issues and problems going back to Yugoslavia. We should think about Europe as Europeans. We should not think about Europe as people from the Balkans. We should not think about asking Europe to keep the door open for us so that we can have enough time to pull our way all the way to the door. Europe is our own home. Europe has problems, but we are sure that Europe cannot go out of these problems and it cannot be competitive unless it is united. So Europe has to resolve problems it is facing now, but this not to say that issues start talking about integration only after then. So it is now that Europe has to discuss integration because if you lose the chance to become globally competitive, that is why I believe we have to show much more sensitivity that Euroatlantic partners must show more sensitivity and encourage what European and Euroatlantic policy in

Europe means. We have to see you as a strong point of support. We know these are missions that are challenging. It is not easy to achieve functionality of those here, but I think we all need to get more stimulus than the stimulus we have been hearing in the policy of European Union lately.

Mr. Ivan Vejvoda: Kurt, would you like to address the question that Irakli Alisania asked?

Amb. Kurt Volker: Yeah. If it's all right, Irakli, I'm going to put it in a slightly larger context. In the first instance, I do want to say we saw democratic election in Georgia, and we have some concerns about a less than democratic transition. So we have to continue to work on that with you. We hope to see this transition stabilize and Georgia continue to move forward. The bigger context, though is I think that our lack of vision for enlargement in a country like Georgia, or being part of the transatlantic and Euroatlantic for a country like Georgia, is related to a myopic or a misguided approach to dealing with

Russia. That we buy into the argument that somehow as Russia's neighbors come closer to the rest of us in a democratic market economy safe community, that that's a threat to Russia somehow where Russia has some veto over that. And I think we have to reject that completely. Every country has the right to make up its own mind. Ambassador (inaudible), last night, talked about the charter of Paris for a new Europe, that's in there, but every country has that right to set its own course for itself. Now, part of that, and very important part of that, is that this idea of a Euroatlantic community or a Transatlantic community should not be construed as excluding Russia, that we very much would want Russia to be just like the most successful countries in the Euroatlantic community, democratic, market economy, security, and all that, and cooperative with the rest of it. If Russia were in that position, it wouldn't be concerned about how its neighbors are doing. And so I think rethinking the way we think about Russia also is important to getting our

relationship and encouragement for countries like Georgia right.

Mr. Ivan Vejvoda: Ruprecht Polenz, would you like to comment on any of these questions?

The Hon. Ruprecht Polenz: I think we have also to put emphasis on the point that our communities, European Union and NATO, are also about values and to join us means not only to share values on paper, but also in practice and to meet the conditions. And I said, yes, the doors are open and the European Union is not sitting crossed arms and just watching and looking are they able to fulfill the criteria or not. We have many, many programs to help all the countries in Western Balkans to join. You know pretty well what we are doing. I just mentioning what we are doing to help to solve what's left over from Dayton when we are talking to Serbia and Kosovo to manage their relationship in a way that it is possible that we can start negotiations with Serbia because if Syria will not finally agree in the independence of Kosovo, they

cannot join the European Union. It's as simple as that. But, so far, Serbia is not ready to do so. And because I'm a politician and I have (inaudible) in my constituency and I can tell you it is not only the headlines in German newspapers. We have seen it in France, as well. We have from Bulgaria and from Romania now a transfer of people who want to look for better working and living conditions in the northern part of Europe and they bring problems to our cities, which cannot be solved so easily because one of the conditions that, let's say, the basic conditions of life are so that the economy is competitive to the other economies within the European Union has not fulfilled so far and, therefore, we have also to cope with this point. And, therefore, it's not just so easy to say the larger the better and the faster the better. This is not, I think, the conclusion we have to draw from what we have learned in the last 20 years. Yes, every country has the right to choose its alliance, true, but it's also true for us as members that we

don't want to pursue a policy as an alliance, which, let's say, brings trouble in the overall security we have to discuss about. You are right. Russia never will have a veto on which countries we take into NATO, but nevertheless, we have to take into account that just right now we are trying to get Russia on board with Syria and the things are linked to some extent. And therefore, I think we have to see the overall picture if we are pursuing a policy. And we have to convince Russia, and I did it last week. I tried my very best to convince my Russian counterparts in the foreign affairs committee of the Duma that the best borders that Russia has are the borders with NATO and I started with Norway. I don't where my colleague from Norway is here, she will agree. And this has a little bit of impact to them, but so far we still have also to pay more attention to Russia as we have done in the past. And the Russian NATO council, maybe you can tell a little bit about it, in my idea it was a body to discuss all these issues. The practice is, if it becomes hard,



there is no meeting of this committee and therefore, we are not able to use our instruments in a way that will help our policy, open door policy, and bring other countries in. So finally, I would say, and here I agree to the message you would like to give us. Not so much for the Balkans because the Balkans has the stability to take this perspective to join the European Union, but with regard to the European Neighborhood policy, the European Union is pursuing to the countries from Ukraine to Georgia.

This neighbor policy is drafted in a way that we say this is an (inaudible) to a membership and accession policy. I think this is the wrong message. We should make a political statement that all these neighboring countries belong to Europe and that they can finally, in the future, maybe also join the European Union if they fulfill the criteria. And all what we are doing with the neighborhood policy are the first 20 miles on the road where 100 miles down the road might be an open door to the European Union. First

point and second point and I will finish.

We should immediately change our visa policy with regard to these countries because we have to keep our doors open also for the people as long as we can't take the states and therefore, we have to be much less restrictive with Visa to young people to business people and to others who want to come to our societies and then we have the right framework. We show the direction, which kind of development we want to see, and we bridge the gap from now until they are there for the people because they can come and visit us and maybe also stay for a while and work here.

Mr. Ivan Vejvoda: We have five, six more minutes. Sandy, I'll come back to you first in (inaudible). I just want to get two more questions before our final round where you can wrap it up. And, yes, (inaudible) first question here.

Jesper Peterson with the House Committee on foreign affairs in Washington, DC. I have a question about Kosovo's Euroatlantic integration because five of the

EU countries, four of which are NATO countries, do not currently recognize the independence of Kosovo. I'm wondering if you can talk about how that impacts the integration process. I know that both the EU and NATO are actually being very pragmatic about the integration process in general, but ultimately this does remain a de facto obstacle to integration. Can you talk a little bit about whether there is a discussion inside these institutions or in the member states about how that might change?

Mr. Ivan Vejvoda: Okay. And final question here. Can we get a mic, please.

(Inaudible) Washington, D.C. My question is about the new smart defense concept. (Inaudible) Do member states, member countries, believe is a financial necessity or could it be used at a political leverage or tool to increase or create closer cooperation among members within NATO? Thank you.

Mr. Ivan Vejvoda: Okay. That's a bit of a side question. So this is the final round then Sandy and

Ambassador Vershbow please.

Hon. Alexander Vershbow: Yeah. Thanks. I can't resist commenting on the first batch of questions too.

Mr. Ivan Vejvoda: Please do, please do.

Hon. Alexander Vershbow: Well, just briefly on the last one. Allies I think believe, they certainly have declared at high level meetings that they believe that in a period of austerity we have to make more of a practice of multinational collaboration to get more bang for the euro, more bang for the buck, both in accusation and also how we do things that have traditionally been done nationally, like logistics. So we can achieve greater efficiencies, free up resources for buying additional capability. And, as I said, this is something we hope to extend beyond just members. It should become something that partners, like-minded partners can contribute to.

On the Kosovo question, I'll go backwards on this series of questions. It certainly complicates our debates that some countries in NATO haven't recognized

Kosovo's independence, and we have to use very special terminology in our papers referring to institutions in Kosovo rather than to the government of Kosovo. I don't know where this will go if there is a breakthrough, which we all hope there will be in the Belgrade-Pristina dialogue that leads to a modus vivendi some kind of normalization that this might unlock the situation. Because ultimately, if we're serious about Euroatlantic integration, then Kosovo should be part of the process too, not just Serbia, not just Montenegro, not just Former Yugoslav Republic of Macedonia and not just Bosnia. So a lot may ride on the success of Kathy Ashton's efforts and we wish her every success.

On the other set of questions. There was a question about our security communities and market communities not coinciding. I think that's true if you look strictly at the membership rosters of NATO and the EU, but increasingly if you speak of our communities, whether it comes to the economic and trade relationship or our security cooperation, which is as I said, is

very intense with countries like Sweden, Finland, Austria, and others, then there is a real overlap in these communities and I think the Transatlantic Trade and Investment Partnership is an opportunity to deepen the economic cooperation, but also an opportunity perhaps, to think more holistically about the transatlantic relationship. With a financial austerity facing both NATO and the EU, we need to work to coordinate our capability development, our efforts at crisis management, our policies on capacity building for the Middle East and North African countries, rather than duplicating or working across purposes of one another. So maybe this epic trade negotiation could be just the start of a process of trying to get another dysfunctional relationship, between NATO and the EU, to actually function properly so that we can come up with a more rational division of labor. And again, get more effect for the limited resources that we have.

And that is part of the answer to Matt Bryza's point. I think transatlantic link should never be taken

for granted. We have to continue to work to strengthen it. We've survived strains over the Iraq war. I think we will definitely survive the financial crisis, but it's been corrosive to alliance solidarity, but when it comes to Article V, I think there we have a good news story where in recent years the alliance has taken very seriously the need to do the necessary contingency planning to add Article V scenarios to our exercises and we'll have a very big one this year, Steadfast Jazz. Great name but a very serious exercise. We will, of course, we now have Article V on display in southeastern Turkey with deployment by Germany, Netherlands and the U.S. of the Patriots. And our whole missile defense policy is, I think, a new demonstration of Article V in adapting to new threats.

I won't say much more on Irakli's question. I think the bottom line is Georgia's under very close scrutiny and everything you do in terms of regional relations, relations with Russia, but especially in terms of deepening democratic institutions and the rule of law

is going to be watched very closely by allies. That's, I guess, both a blessing and a curse. But I do think that allies will ultimately recognize success if they see it.

Mr. Ivan Vejvoda: Thank you.

The Hon. Alexander Vershbow: Which doesn't mean that Ruprecht's point about expansion of the alliance has to strengthen our security. That is true and that's part of Article X of the Washington Treaty. But I think that we have time to work the relationship with Russia and continue to stand by our principles with respect to Georgia. Just--

Mr. Ivan Vejvoda: Can I just ask you to--

The Hon. Alexander Vershbow: Okay. Okay.

Mr. Ivan Vejvoda: Not a problem.

The Hon. Alexander Vershbow: All right. I'll stop.

Mr. Ivan Vejvoda: If my friends, the panelists, wish me good health, they will speak for one minute each now because otherwise, I'll be hanging in front of the door there. So Ambassador Volker Kurt, could I ask



you to, for a final thought?

Amb. Kurt Volker: Okay. One final thought, which is to reiterate one point I made earlier. The institutional enlargement is only a means to an end. The end is the Europe whole, free, at peace, democratic and so on. If our institutions are tired or if we have five countries in the EU that don't recognize Kosovo, the goal is to find a workaround, not get stuck and stop on that.

Mr. Ivan Vejvoda: Okay. Ruprecht Polenz.

The Hon. Ruprecht Polenz: The Euroatlantic partnership is our answer to globalization and is our way to pursue our interests in the multi-polar world with 1.3 billion Chinese and so on and so on. But to get this work also in the future done, we have to get the European Union strong and ever closer towards a political union, at least in my opinion. And of course, we have to get in also the European-U.S. relationship, not only via NATO as a security-related relationship, but via free trade zone, also an economic related and

based relationship, more than we have in the past.

Mr. Ivan Vejvoda: Thank you. Prime Minister Djukanovic, also a short statement.

H.E. Milo Djukanovic: European architecture has shown its weaknesses in the years behind us, and we need to draw some lessons from that. What's important is that it remains the idea of united Europe remains living. To be globally competitive, Europe must be united, that is to say it must be stable and manage its resources effectively. Such Europe will be a powerful partner to Euroatlantic partnership, which I believe should be strengthened further, should be developed and such strengthened European partnership should remain a significant factor of global peace and security. Thank you.

Mr. Ivan Vejvoda: Thank you very much, Prime Minister. I'd like to conclude with one sentence also linking to the thought of Timothy Garton Ash where he talked about the European Union, dare I say the Euroatlantic community as a laboratory. The region we

are talking about is a, in the most substantive sense, a serious test tube in this laboratory. If we do not succeed in this particular test in this laboratory, then it's about the credibility of both the European Union and NATO to help stabilize and secure democratic institutions and further a democratic political culture. And we at GMF, and hopefully, all of us together, are here just because of that purpose. Please join me in thanking this panel. (Applause)

Unidentified Male Speaker: I have one administrative announcement. There are three cars that are parked in front of this hotel. They are about to be towed away. If anyone in this room owns this car, I would move pretty quickly.

Mr. Ivan Vejvoda: Please leave your headsets on the chairs as you get up. Yeah, there are three cars that are illegally parked in front. They will be towed if-- in the next five minutes.