

## TRANSCRIPT

### Europe's East, Russia's Western Neighborhood: Working Towards a Common Transatlantic Approach

**Discussants:** The Hon. Dr. Carl Bildt, Minister of Foreign Affairs, Sweden  
Amb. Marc Grossman, Vice Chairman, Cohen Group, and Board Member,  
The German Marshall Fund of the United States  
The Hon. Alexandr Vondra, Deputy Prime Minister, Czech Republic

**Moderator:** Stefan Kornelius, Editor of the Foreign and Editorial Sections,  
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...fall off the Berlin Wall. And since central European countries came into Western alliances, NATO and the European Union, we have Carl Bildt, the Foreign Secretary of Sweden. We have Alexandr Vondra, the Deputy Prime Minister Czech Republic. Thanks for joining us.

And Marc Grossman, who used to be the European appointment at State Department, is now with the Cohen Group. Thank you for being with us, he is definitely one of the eminent experts on Turkey and also the Balkans we can talk to.

Let me start off this round in asking Alexandr Vondra about two things. First, your country has been, has gone through a very self finding process in terms of internal politics, party politics, and second has taken a very strong stand recently towards Russia and the missile defense issue. How much, how important is it for a young democracy as the Czech Republic to have something of a unifying issue from the outside to bring the internals together?

ALEXANDR VONDRA, DEPUTY PRIME MINISTER, CZECH REPUBLIC: I don't know. Those are the two questions which I do not think are so much interlinked. First what is the reason why we Czechs, Slovaks, Hungarians, were able to make it? I think, you know, we had a lot of advantages, geographical location, tradition and all.

Czechoslovakia was a working democracy in the 20s and 30s. We had those heroes, you know, from the time of the (INAUDIBLE) Resistance like (INAUDIBLE) and others. So, I think all those sources from within in combination with how easy inter-linking with the outside world, I think that's played the role.

So it is not in a way that, you know, something would be brought as a gift to us or that we would need to organize massive foreign support. Of course, you know, we needed a friendly, international environment and we were lucky to have it in the 90s including and you mentioned Russia.



And probably were lucky to have the international environment at a time when Boris Yeltsin was a President in Moscow. Now we were together meeting in Moscow a few days ago to take part at the funeral and all ask, you know, what is the legacy of Yeltsin, because recently, you know, the legacy is being shaped into something like, you know, (INAUDIBLE) or what ever.

This is not the way how I remember Yeltsin. I remember Yeltsin as a man who brought freedom and capitalism into Russia, of course with all the mistakes and the problems of the early beginnings. But he created a space and at the same time he also opened the space for a more cooperative spirit in the whole central and Eastern Europe. And I think Yeltsin deserves a certain credit for it.

KORNELIUS: As an observer to your immediate environment, what are we seeing in Ukraine right now? Are the tendencies, is the magnetic power of the idea of EU, of Western entities like NATO, is that strong enough to amplify up to Kiev or is it sort of something where we see competing powers to fight for influence right now?

VONDRA: Well certainly Ukraine was always the area which was exposed to the competing interests. You know, the Western part is more Western type of Christianity. The Eastern part is more Orthodox. That is nothing new.

At the same time, I think there is no reason to be frustrated. Of course, to do in Ukraine the same what we did in Central Europe, it requires much more effort, because there are the differences. We had those advantages like geography, location and the tradition of democracy.

This is something which the Ukraine does not have but that at the same time I think that there is a lot of progress, if you compare Ukraine right now with the situation let's say five, six, seven years ago under Kuchma.

It is now a country where you have three or four main parties which are competing together, they have the divided economy, of course there are the problems, they are learning but certainly that's not the reason to give up or to suck into some kind of Ukraine (INAUDIBLE) not at all I think we should energize ourselves to be as much help as we can.

KORNELIUS: Our Secretary built one of those ideas of the European Union core ideas as enlargement, is spreading out it's soft powers, bringing in countries, democracies, bring in their rules, thousands and thousands of pages of joint rule work and one of the areas you are watching closely and you have dealt with over the past years closely is the Balkans and they are watching us closely to be seen.

We see the show down of Kosovo starting next week at the United Nations hopefully. What's your game plan? What's the advice? How should you proceed, since this is not a conflict free zone, even in the west on how to proceed?



BILDT: I think you are right in pointing out the importance of enlargement. Enlargement is being the fantastic success of the last ten, 15 years. We have extended the zone of the rule of law of democracy of market economy of these Governors so we now have five hundred million people; the biggest integrated economy in the world, by far the biggest trading power.

The Euro is traded more than the dollar. That is nothing to do with enlargement but is a fantastic success story. Not everything is perfect in all of the countries, but we should not underestimate the importance of what we have done, but by saying that I think it is also important to say that this sort of guiding inspiring light of enlargement is what has driven reform in these countries and what is applied to those that is applied to the countries that are beyond.

If the light of enlargement starts today, and I think it has done that lately, it opens other avenues and opens the door for other forces and be that in the western Balkans, or be that elsewhere and makes it more difficult for us to secure peace and the rule of the law and democracy and all of those particular values. This applies to the western Balkans no doubt.

The only long-term hope for democracy and reconciliation there is the prospective of integration with the European Union. The soft powers of European Union, if they are reduced at the end of the day, we might be forced to rely on the hard powers of NATO, that is not what we want to do. Kosovo should be seen in that light but Kosovo is small piece of territory. We shouldn't make Kosovo the thing that defines our Balkan policy.

The Balkans policy should be defined by the enlargement perspective and that we should look at the big players and then we should have Kosovo within that particular context. As for Kosovo it is in the security council at the moment, I would expect their will be a period of diplomatic trench warfare of the best or worst sort depending on your test and then I think there will be the need for some profoundly constructed diplomacy where I hope that Europe, perhaps the German presidency can take the lead and it has to be a security council resolution.

I heard that – I don't know **if Dick Holbrooke has left -- but** Dick is normally saying well, the **Russians will veto** and the American's will recognize that is playing with fire in Europe and playing with fire in the transatlantic relationship in playing with fire in the Balkans and will not be allowed to happen.

We need to take this step by step. U.N. enlargement, Serbia, state building in Kosovo, and then as part of the world strategy. **No easy answer..** It will take time.

KORNELIUS: Why is it that the lights are dimming, why is it that the energy is waning, the power doesn't seem to be there. We have two referendums France and Netherlands; we have an enlargement **fatigue**. The German Chancellor has stated that she has seen for the time



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being an end to the process all those who are on the list are on the list, and those who are not this give a sick note to torture to Ukraine, to whoever you want to talk to.

BILDT: No I think there has been a failure of political leadership, **honestly speaking**, because there is a very good case that can be made for enlargement. When we now see the fact that the European economy is starting to perform much better than most people expected.

I would argue that enlargement is a large part of that particular story. The fact that due to enlargement we have competitive pressures building up very, very fast in the European economy, have forced the restructure of industries, which makes a German and Swedish export industry more successful on their Asian markets than the Americans are.

It would not have happened without enlargement. We have created **a new dynamism**, both political and economically apart from securing peace in the root of it all. But we haven't really taken that story to our respective **electorates** to the extent that we should have done. And then we ended up instead with the French veto and with these fairly ludicrous debates.

And that has led to slow down in the momentum. Part of that has to be said was perhaps unavoidable because I believe to take in Sweden was fairly easy. But of course it becomes somewhat more difficult when we go down to the Western Balkans. But I don't forget that at the end of the day, when we had the Swedish accession in 1995.

I had 80 members of the European Parliament who didn't vote in favor of it because they considered it dangerous and enlargement fatigue and diluting the identity of the Union. So there has always been those forces. It requires political leadership and vision.

KORNELIUS: Marc Grossman, the United States has supported this European course all the time and lately given the comments not only by Dick Holbrooke but by others too and actually seeing the current debate on missile defense, the tiny nitty gritty of European neighborhood policy towards its East seemed to be over-shadowed by the larger issues, more strategic issues, missile defense and certainly the Kosovo question, recognition or not. Does the U.S. lose its fine pattern in dealing with Europe?

MARC GROSSMAN, VICE CHAIRMAN, COHEN GROUP, BOARD MEMBER: Well, first of all thank you very much. I don't pretend to be an expert. Carl Bildt said while we were getting ready that there are two officials here and one irresponsible American. So I will try to (INAUDIBLE)>

UNIDENTIFIED PARTICIPANT: (INAUDIBLE) charming.

GROSSMAN: I hesitate a little bit with this accent to comment on what others have said. But let me make three points if I could. First, I think that as Foreign Minister Bildt said, the





European Union and the European expansion has been for Americans and for Europeans the greatest success story as he said of the past 20 or 25 years.

And I think sometimes Europeans don't stop and reflect on this success. It is an astonishing accomplishment. And I was roundly criticized when I was at the State Department as the Assistant Secretary of European Affairs and later for my little bumper sticker was that the European Union should expand as far East and as rapidly as possible, and then I would get a lecture about how we weren't members of the European Union and fair enough.

But that turned out to be a right policy and a policy that you all followed. And so I think first it is worthwhile if you are a European to just stop for a moment and recognize the tremendous success of this.

Second, it is very important for the United States, I believe, speaking now as a private citizen, to keep supporting this expansion of the European Union because as both of these gentlemen said, it is the way that the rule of law will move east.

It is the way that human rights will move east, that free markets and democracy and reconciliation will move to the East. And I hope that this issue of enlargement fatigue is a short-lived thing and that people will take a rest from it if it is some kind of fatigue and return quickly to issues of enlargement.

So I would say that this is the strategic issue and I am glad to talk about missile defense and all these other things. But if you want to talk about the strategic issue in Europe, the strategic issue in Europe is the continued enlargement of the European Union. And I would say, with respect, also with this accent, let's not forget the important role that the expansion of NATO played in this as well.

KORNELIUS: Since we are in Brussels, let me ask you a very EU like question. I am wondering what an American thought, says about that. Enlargement is one thing on the European coin. The other side is deepening, is integrating.

And this city and the representatives coming, the policy coming from here has its sort of underlying assumption right now that deepening has to come to some kind of end until we have the structures and the mechanisms in place, the Constitution, and that the EU loses its power.

As Carl Bildt said, we have somehow peaked in our efforts, right now, probably where we are gaining strength from other place from. Should this enlargement process, reaching out to the east, even to the southeast, talking about Turkey be done at all costs even if the other side, the deepening wouldn't work any more?



GROSSMAN: Well, three things. First of all it is very important, I think for me to say that this effort to create European Union is a great vision of Europeans and it is a European decision about how Europeans want to live. It is not for us to describe and to dictate this. So this debate is an important one for Europeans to have. I think as Americans we have an obligation, a connection here to talk about it and so I'd say a couple of things. First, I don't see that there's a great disconnect or a contradiction between expansion and deepening.

Indeed, I see them as very much connected and so I think to pass the longer debate and say, well for example, we can't take Turkey in because Turks don't understand issues of compromise. Turks, too many of Turks would be in the European Parliament, it'll destroy the European Union.

I think those are all issues (A) that can be dealt with and (B) that divert people's attention from the important issues, which is continuing to bring the values and to continue to bring the way of life of the European Union and NATO as far East as possible.

KORNELIUS: Carl, you wanted to add something?

CARL BILDT, MD, MINISTER FOREIGN AFFAIRS, SWEDEN : Well yes, just add two elements to that. One, which is fairly easy to understand, the greater the integrated market, the great is gain for everyone that is part of that particular market.

If you have an integrated market of six countries, but if it was 12, is far better for the original six, not as big as 27. The gain increases with the size, if you talk about only the economy and then if we look at the policies of it.

The Global weight of the European Union. The world that we can play on the Global (INAUDIBLE). I mean, there is no question that each enlargement has made us more powerful. Not enough we might argue and we might not be sufficiently (INAUDIBLE).

We had an interesting experience the other day. We had, we have these informal, sometimes, the informal meetings apart from the formal meetings of the Foreign Ministers. The city of Laeken, we were discussing all sorts of issues and at the final session we invited in those countries that are now negotiating for membership.

So suddenly we have Turkey around the table as well in our discussion and I can tell you it made a difference. We were discussing the Middle East, we were just discussing Iran. To add the Turkey perspective, you could visibly feel around the table how that addition made us a more relevant, a more powerful intellectual at least Global player.

So I have no doubt whatsoever, but the bigger, when we grow, we grow in importance, relevance and weight.



UNIDENTIFIED PARTICIPANT: But the bigger the Union gets it, the more attractive it also gets for divisions and for camp building. This is my question.

BILDT: Yes.

UNIDENTIFIED PARTICIPANT: (INAUDIBLE) to the Deputy Prime Minister. The Czech Republic now is at the core of the missile defense debate. You have take two (INAUDIBLE) taken a strong position on (INAUDIBLE) in favor of deploying.

Watching at the same time how this whole issue splits the European Union, how far are you prepared to go in breaking with part of these new alliances you have joined?

ALEXANDR VONDRA, DEPUTY PRIME MINISTER, CZECH REPUBLIC: Look, I think that the enlargement on one hand and the missile defense debate on the other hand, they are two different things but...

UNIDENTIFIED PARTICIPANT: Sure.

VONDRA: .... regarding the enlargement, this argument which you used at, you know, with enlarging the community, is the end of the effect of it there (INAUDIBLE) I don't agree with that. In fact, you know, there is a French institution which measured the speed of adopting the various directive in European Union and there the speed of those adoption grew up by 25 percent since 2004.

So since this big bang enlargement, it (INAUDIBLE), we are able (INAUDIBLE) the UN is not in any crisis. We are able to make the deals. It's not about (INAUDIBLE) this is not (INAUDIBLE) we need to unify it on certain strategic issues. So for example, you know, the Turkish membership.

I belong to those who are convinced that Turkey can contribute. I belong to those who believe that Istanbul is the same European city like, let's say, Brussels. So yes, let's do this, let's do this by step-by-step approach, of course, that rope can be, you know, squeezed into a situation when the majority in Europe is not able to afford, but don't lose the horizon and on the missile debate (INAUDIBLE) look, I think we are in agreement that the enlargement in the '90s and in the turn of the Millennium is a great success story and it is because it contributed to the stabilization piece and cooperation in Europe and neighborhood.

And why we succeeded, we succeeded that the Americans and the Europeans were working together. NATO enlargement, UN enlargement, it was done in certain harmony and with the missile defense, Czechs, together with (INAUDIBLE) belong to those who are now discussing seriously with the U.S. whether to deploy the system.



The reason has nothing to do with the enlargement. It's to countering certain threats in Iran and (INAUDIBLE) the Americans are building the system and the question is you know whether this would be just a national system in the U.S. or whether it would be the transatlantic system. And I think to make the transatlantic bond strong, we need to work here together because the threat is real and the system is possible and (INAUDIBLE) future.

KORNELIUS: Before I open this up and I or I give first to Ambassador (INAUDIBLE) if he's here because we also talking about Russia's west. And since you are the Russian Ambassador to the E.U., I would be very keen to hear your opinion concerning (INAUDIBLE) process and what process roads should be in it. But Marc Grossmann wanted to make a point.

GROSSMAN: I just wanted to make a quick point, to the point that (INAUDIBLE) making. One of the really important things from my perspective over the past few years has been that the European Union has not lowered any standards to bring new people in.

I think that's been a very important effort in order to put the values and the construction of the European Union out forward and I hope that going forward what ever the enlargement is, is that the standard of the European Union leading all of the (INAUDIBLE) having to meet the standards of the club to which people are joining that you will stick to that because as you said?

UNIDENTIFIED PARTICIPANT: (INAUDIBLE) a side effect,

GROSSMAN: That's it exactly

UNIDENTIFIED PARTICIPANT: We are adding new

GROSSMAN: Right.

UNIDENTIFIED PARTICIPANT:... elements of integration, so it will be more demanding to become a member in the future.

GROSSMAN: But I think that is part of the answer to the question of why for me, anyways, there is no contradiction between expansion and deepening because if you keep your standards high, then deepening that occurs simultaneously.

KORNELIUS: Okay. Let's open this up and I promised Ambassador, if you agree and if you would like to, add a comment on this enlargement process. We see this, we see the confrontation over missile defense and somehow, it reflects Russia's uneasiness with what it perceives as kind of assertiveness is that right?



AMBASSADOR: Well, first of all, I fail to see a direct link between the anti-ballistic missile project and E.U. enlargement. I have been told these days consistently by my interlocutors and the European Union that the E.U. has nothing to do with a ban. I see Carl nodding. Secondly, it would take the enlargement process of the E.U.

I would say one might regard it as a regional incarnation of the broader globalization process. Regional in terms of the European continent. So we see it as a natural phenomenon. Not void of problems, both within the enlarging European Union and beyond. Not void of difficulties that arise for third countries, as Mark will confirm that the E.U. has never been an easy partner for either of our countries.

For my country in particular the enlargement has brought a lot of difficulties and a lot of concerns. Those were reflected in our respective joint statements of 2004 and 2007. I will not go into detail now, but I must say that overall with your E.U. enlargement, is some, is more or less natural process which makes it quite distinctively different from (INAUDIBLE) enlargement. Which in our view is an unnatural process of trying to address security issues of the 21<sup>st</sup> century with means designed in the middle of the previous century. (INAUDIBLE)

UNIDENTIFIED PARTICIPANT: On the TV EU has an alliance for security. You don't see the E.U. as a security alliance?

AMBASSADOR: I see the E.U. as a security alliance in the future, perhaps. I would have been more optimistic had there not been this ABM project so very prominent in the headlines. Because this was one issue that was never on the agenda of the E.U. and all of a sudden two E.U. member states are concluding bilateral agreements with a 3<sup>rd</sup> country behind the back of the European Union.

As far as standards are concerned, I have my own view on that. I believe that in practice the EU has no been entirely consistent in pursuing standards for acceding countries; otherwise we wouldn't have seen events that have been taking place in the last 48 hours in the capital of one of the new members of the European Union.

KORNELIUS: You are talking about Estonia.

UNIDENTIFIED PARTICIPANT: Yes, your guess is correct.

KORNELIUS: Thanks for this comment. I want to open this up now and I was told to actually prefer the back benches since they have been treated badly in the earliest sessions. So please sir, why wouldn't you take the first question.

UNIDENTIFIED PARTICIPANT: We have been discussing the role of the European Union, the issue of...



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KORNELIUS: Would you identify yourself please?

UNIDENTIFIED, FORMER AMBASSADOR BRUSSELS: I am Ambassador (INAUDIBLE), former Ambassador here in Brussels and now running a think tank, which is concerned with European policies.

Now, I must disagree with you Mr. Grossman on the issue of values. I think the Union is a value-based system. And the Union of 15 has been much more homogenous on values than the new Union is. And one of the problems is that the out of foreign policy consideration or what ever, the one has started to give rebates on political criteria.

And this is one of the things, which is of a great concern to the population of the European Union. So, I think people are really, this is a real concern, and this is one point. The second one is the issue of deepening. I mean, the Union can only function if it has an effective form of governance.

And at the moment, we don't have that. And with that, the Union is losing its problem solving capacity. And people are moving away for that reason. If you look at the French campaign, it is coming out very clearly, especially from the candidates. This is a very important issue. So I think please, give us breathing space.

The Union in order, let's give us time to make the big bang enlargement a success story, and what we are worried a little bit is that we see a certain re-nationalization amongst some of the new countries. I think they have not yet internalized what the whole thing is about, the software on which I would say the Union is based.

KORNELIUS: Probably we might explore that later. The old countries haven't realized (INAUDIBLE) yet. Let's talk about that in a minute, but I want to take one more question please. Please use our microphone.

UNIDENTIFIED PARTICIPANT: Thank you very much. (INAUDIBLE). It is extremely encouraging to hear such great support for enlargement from the political leaders up here on this panel. We certainly should continue to send these messages, although the messages are being mixed from across Europe.

The reality however, is that enlargement will be put on hold for quite some time and I think this is something that we don't want to admit in public forum too much. But I think everybody knows that that is the case.

In so far as we are not admitting that that is the case, I think that we have been unable to come up with parallel strategies on the part of the European Union to address the regions in our neighborhood in a way that would not allow the kind of political and economic backslide



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that we are perhaps on the verge of seeing very soon, because the light, the guiding light of integration is to some extent already dimming.

And I think we risk a serious security and economic situation in our neighborhoods that in the long run will cost us dearly. Should we be thinking now, actively of an interim strategy which goes far beyond the European neighborhood policy, which I think we all accept is inadequate?

UNIDENTIFIED PARTICIPANT: I think we all accept is inadequate, primarily because it doesn't provide the economic incentives and instruments for reform that Eastern European countries received in the transition period.

We talked a little bit about this in the lunch time break but is there now the possibility for looking at a serious Marshall plan style economic, regional economic program, perhaps for our southeastern neighborhood in the first place, and then perhaps for the Black Sea in the second place, but something that would be tangible based on pre-structural funds style assistance that would provide a real road map to economic integration, since we haven't actually got enlargement on the agenda now for these countries?

KORNIELUS: thank you, glad (INAUDI BLE). I would suggest to take in consulate (INAUDIBLE) for another comment and then from the Russian side and then we turn it back to you. I think you have a microphone ahead of you or in your bag.

UNIDENTIFIED PARTICIPANT: (INAUDIBLE).

KORNIELUS: Press the button, yes, now its working.

UNIDENTIFIED PARTICIPANT: Thank you very much. My question would be as follows: I do believe that sooner or later the European Union will include 48 countries and my calculation goes as follows, we have 56 members of the CNOG, Montenegro is the 56<sup>th</sup> member, minus United States and Canada, minus five central European countries and minus Russia, minus eight makes it 48 to my mind sooner or later.

While watching the recent enlargement stage, where we were very much concerned about how it will influence our trade and economic relations with European Union and I think that the enlargement did not have any negative impact on these relations but in any case it has become much more complicated for Russia to communicate with European Union because some new member states like the Balkan states, like Poland, do use their membership in the European Union in order to try and solve some bilateral issues in relations with Russia and mind question is whether this coming enlargement to 48 countries maybe will fix the wide decline in Europe, United Europe on one hand, Russia on the other hand and very much more complicated relations between these two parts of our continent. Thank you.



KORNELIUS: Thank you, back to you, probably, who wants to start? Do you want to take on the first question?

**VONDRA:** I strongly disagree with the gentleman who speaks first. On the issue of values, I really don't think that there are some differences in the values of Europe; we share the same values with South American friends so the problems are not the values.

Of course, I can imagine that if the Belgium socialist is meeting the conservative from Poland that there is not a complete harmony, but you know that is nothing new in the Europe, if the Catholic from Sicily is meeting the Protestant from Norway there is not the complete harmony too, so those are the differences which we should be able to handle in the European Union and we are able to do this and we will be able to do this. On the issue of the re-nationalization, well just you know there was the proposal for certain deepening but it was declined, not by the new members, but by the old members, so French and the Dutch so no, not us.

So that's I think my correction to what has been said on the left side. She's asking whether the day's atmosphere for some comprehensive strategic proposal how to reenergize the enlargement. I think look I would be realistic, so would not expect anything like the Marshall plan, I think that there is not enough political will among the players, at the same time I think look first we need to admit that the second way of enlargement would be different that the first one.

Some friend of mine yesterday in cafeteria told that you know we are facing now similar problems like in Italy in 1947 or in Greece. If we are approaching the East like in the Ukraine and I think basically it is a correct view, so we need to be a different more structured approach.

For example, I guess the E.U. made a mistake with formalizing this ENP, this European Neighborhood policy as a certain box for everybody, you know, putting the Eastern countries together with the Mediterranean, inside I think that those are the totally different regions with different needs.

So we need to reenergize and to have the more structured policy and to bring more attention and to stress – and that's the most important, that this is important for us here inside Europe, to stabilize our periphery because if we fail to do that, then it will turn against us.

UNIDENTIFIED PARTICIPANT: How about (INAUDIBLE)'s point on picking individual fights within the Union that the point or the (INAUDIBLE) about picking individual fights – countries – fights – picks – countries picking individual fights to – with Russia under the – sort of the shield of the European Union?

UNIDENTIFIED PARTICIPANT: I don't understand the question?



UNIDENTIFIED PARTICIPANT: OK, sorry, you shouldn't answer it then. (INAUDIBLE).

UNIDENTIFIED PARTICIPANT: (INAUDIBLE).

UNIDENTIFIED PARTICIPANT: (INAUDIBLE) based on policy ...

UNIDENTIFIED PARTICIPANT: (INAUDIBLE).

UNIDENTIFIED PARTICIPANT: .. and how cohesive is this EU, – the question of the Ambassador, whether there's a new EU

UNIDENTIFIED PARTICIPANT: I believe

UNIDENTIFIED PARTICIPANT: ... which is not really like the old one.

BILDT: No, it's not like the old one. I mean it's – as a matter of fact, it's far better. It includes people like Swedes and Czechs and whatever and that, of course, meant a fairly substantial improvement, obviously.

I mean, impossible to say anything else. However, it is more diverse, yes, because we all come into this Union with our particular national traditions and our political cultures and whatever, that is somewhat different, but at the same time we are more united.

I mean, I've sort of returned to active politics a couple of months ago and became Foreign Minister for dubious reasons, but it did happen and I've been attending meetings since then and I've been amazed by the way in which this group of 27 is coming together.

I might be complaining now that we'll – that we should do something more, but I didn't expect the internal decision-making process to even uncomplicated foreign policies to be as efficient, as cohesive as, in fact, it is.

So we both diverse and more united. Then some other comments are slight, slight, slight, slight tribute to my old friend, Vladimir. I mean, there has been a dispute over the location of a statue in Tallinn, I understand.

These things happen in most countries, but otherwise, I mean, the looting of liquor stores in Tallinn is not really a big political issue and I wouldn't make very much more out of it either.

We need to – I mean, going back to (INAUDIBLE)'s question, we shouldn't give up on enlargement. It's not dead. I mean, we are negotiating with Croatia and I would hope that we would be able to conclude those by 2009.



I hope that we will serve as an inspiration to the rest of the Western (INAUDIBLE). I would hope that there would be a government of European orientation in Serbia, so we can start to move Serbia forward. Macedonia's all in the candidate status. That will simplify the situation with Bosnia; leave Kosovo aside for the time.

Turkey – yes I am worried by what I hear coming out of the French debate and at worst, that's – this can lead the Union into profound – both in internal and external crisis. So we should be – and with various serious implications.

UNIDENTIFIED PARTICIPANT: Are you concerned about what's coming out of Turkey these days?

UNIDENTIFIED PARTICIPANT: Well, yes, but less so I have to say. They are in a difficult ...

UNIDENTIFIED PARTICIPANT: Why not?

UNIDENTIFIED PARTICIPANT: ... situation. They have the Presidential election that is contested. They've got a Parliament election coming up. There has been the dimming of the light here as well.

We need to take this side position much more seriously than we've done. If we don't make a concerted effort to sort that one out, there's a risk of that being the show stopper in South Eastern Europe, so we need to be much more forceful in our policies.

We also need to energize the neighborhood policy. As was said, there's always a package deal for everyone, but within that one, you can diversify and that will be on the table for the European Council in June.

The German President is coming with a proposal for substantially augment. We'll see how substantially augmented it will be and that it is important. I mean, Turkey is important to the entire stability – security of the Eastern Mediterranean Black Sea region.

Serbia, is the key to Balkans. Ukraine, extremely important to the entire development in the East of the European Union. Also long-term implications for the relationship with Russia. We need to have the proper policies of integration somewhat different, but they must be offensive – forward-looking in all of these three cases in order to continue to spread stability.

If we stop that, it's not going to be status quo, as was pointed out by several others. There's a risk of other forces taking over. We might start by generating instability instead of generating stability, but the discussion is there and I'm fairly optimistic. Fairly optimistic that it will produce something reasonably good.



KORNELIUS: OK, Marc Grossman, any comments?

GROSSMAN: Well, let me just see if I can add a little – my own perspective to each of those very good answers.

First ambassador, you and I had a chance to talk about this a little bit this morning and I must say that from my perspective in terms of time, I couldn't agree with you more, sir. For a couple of reasons, one is that I do think that values are the core of this European Union and the fact that European Union values are being spread as I said before and I think in agreement with my two colleagues is one of the great success stories of the European Union.

Second, when you talk about needing time, I think that's exactly right. And one of the things that really concerns me about the debate in Europe today about Turkey is I think too many Europeans have fallen into the trap of believing that they have to decide today, whether Turkey should or should not become a member of the European Union and that's a huge mistake.

It's a huge mistake for two reasons. One is, is that this doesn't have to be decided for eight or nine years. I don't know however long it takes to meet all 80 or 120 thousand pages of the acquis. It takes a long time and it ought to take a long time, but what is going to happen eight or ten years from now.

I believe that at the same rate of change Turkey will be quite a different country and so you all, as Europeans, will have a decision to make eight or nine years from now, that's very different than the decision that you should not be forced to make today. And although, this may be not my place to say, but I also believe that eight or nine or ten years from now, Europe will be different as well.

And the idea that more and more Europeans, I think, will come to recognize, that these are not homogeneous societies, all of them Europe, that they are multi-ethnic society and multi-religious societies. Why would you not want to bring at the time, a successful democratic Turkey, closer to that European Union at a time when you're dealing also with strains and struggles in your own Societies. And so, I don't disagree with you at all. I think time in this case works to the positive and those people who are arguing, that that decision has to be taken today about Turkey, I think, are putting people into trap.

If I might just say to the second issue, I also agree and here I am giving advice to people, to the European Union. But I think more effort to southeastern Europe and more effort to candidate countries is absolutely right. As long as, it's not a substitute for European Union and I think I agree then with the foreign minister that, sure, I think more could be done in many places, as long as at the end, if you meet all the criteria of European Union there is membership at the end.



And I think this is particularly important in the Balkans and particularly important in Serbia. We talked a little bit about Kosovo. I don't see how there is a useful successful positive outcome of Kosovo, unless Serbia believes that they are headed quickly into European Union.

KORNELIUS: Thank you let's go on here, I have (INAUDIBLE) who wanted to ask a question.

VOLKER PERTHES, GERMAN INSTITUTE FOR INTERNATIONAL SECURITY AND AFFAIRS: Yes, thank you, Volker Perthes from German Institute for International Security and Affairs. Carl, I would like you to get back to one of the practical challenges, which you mentioned in passing that is possible. Because I think it is probably not (INAUDIBLE) to get challenged for the European/Russian relationship and the transatlantic and the U.S. Russian relationship, but also for the cohesion of the European Union itself.

You said, if the thing, which we all want to avoid happens, that is Russia vetoing the (INAUDIBLE) recommendations, that's a (INAUDIBLE) approach was playing with fire, sort of recognizing the independence if possible, if it happens. So I would like you and probably also Mr. Vondra to lay out what an approach could be that is not playing with fire and that also maintains European unity here.

KORNELIUS: Bruce Jackson had a question.

BRUCE JACKSON, PROJECT ON TRANSITIONAL DEMOCRACIES: Bruce Jackson, I just was wondering, listening to this, how many people in Minsk or Tbilisi or Chisinau would recognize that this discussion is about them. I mean, I think we need to push the panelists a little harder on trying to define, you know, what could be part of a policy towards Europe seas.

There was a recommendation from the back to consider more economic measures. That seems to have merit, but just simple questions comparing this to our experience in the Balkans. There is clearly a higher degree of complementary and cooperation in transatlantic affairs about the Balkans that exist than Chisinau or Kiev or the south Caucasus. What can be done about that gap between the cooperation mechanism?

Secondly, if I remember in 1990s, we created more new institutions, Russia NATO Counsel, PFP, Membership Action Plan, Baltic Charters for Central Europe. Why isn't, why did institution creation stop with the possible exception of the neighborhood policy, which is an aspiration, is not yet an institution? How can we basically bring new institutions to a specific problems that countries of the Eastern are encountering?

KORNELIUS: OK, could you just pass it to the back to this...





UNIDENTIFIED PARTICIPANT: ...Countries of the Eastern and countering.

KORNELIUS: OK could you just pass it to the back to this gentleman right about here.

PAWEL ZALEWSKI, CHAIRMAN OF FOREIGN AFFAIRS COMMITTEE, POLISH PARLIAMENT: Yes, thank you very much, my name is Pawel Zaleski, I am the Chairman of Foreign Affairs Committee of Polish Parliament and I would like just to answer some issues which have arisen, during the discussion.

First the problem of (INAUDIBLE) of the EU and the ability of the enlargement for you to work effectively. My answer for this issue is to of course we do need new institutions. We do need effective institutions. However what we are lacking the most is the political will to use them or to use the institutions we have today.

According to the current treaties we can deepen our common cooperation for example in the field of the foreign policy. What we are doing, we have the common approach towards Congo, toward Sudan towards Iran. But we do not have the common approach towards Russia.

And it is not the problem of lacking of institutions; it is a problem of lacking of political will. This is the first problem. Russia of course is one the most prominent examples but there are much, much more important examples.

Second, we are talking about the relations between the enlarged EU and Russia. Of course I would like to present a more central European perspective on this subject. I think that Russia sometimes has some problems with understanding what does it mean that the body countries Poland, Czech Republic and others are the members of the EU.

Because sometimes I have a feeling that Russia would like not to recognize that we are all, all EU countries are obliged to conduct the current trade policy that is something new for our Russian friends. And they want to play with us superiority while according to the treaties and according to the proxies we should be treated as Unity.

And that is one of the reasons of problems with different embargos. Our Russian friends imposed not on other Polish food product, but also on the other EU, Eastern or Central European countries products.

So I would like to encourage our friends just to, not to use the double standards, not to divide EU countries on two groups. One which is treated with let's say higher standards, located on the West. And second treated let's say or pretending to be treated as in the former times located in the East.



That is the best recipe to have a success in dealing with the whole EU. The treaties because there is no I guess there present at the fall of Estonia. I think that it is very important issue because Mr. Ambassador mentioned this point and I think that it is extremely important just to clarify the situation.

The monument which is the discussion about the monument of the Soviet soldiers which was located in the center of town which just the point of quarrels of debate has been just replaced to the other place.

That this the right of the independent country. The civil and right of the State to respect first of all to respect the monument, and Estonians do respect the monuments. Replacing them to the other respectful place, but they just did not want to have it in the center of the City.

And the reason for it is very easy, everybody knowing the history of this country and knowing what happened in this country in 1940. Knowing what in this country in 1944 would realize that it was just as it made it.

So it is extremely important to know that sometimes our Russian friends pretend to show to the west that Central European countries have problems with Russia. It is completely the opposite. Sometimes our Russian friends have problems with Central Europe with recognition of the Central Europe independence.

KORNELIUS: Thank you very much. (INAUDIBLE) and the Ambassador raised his hands. Before I hand it over to you, I have already asked him right away to this perception question. It is working, just keep going.

HOLCLEF (ph): OK, well you will all understand why I need to react to this. I wouldn't try to judge whether the EU has enough political will or not to deal with Russian, seeing that the EU probably doesn't have enough political will to deal with its own individual members.

It is not that Russia doesn't understand the nature of the European Union. I am afraid that some people within the European Union do not understand Russian and its intentions. On how we treat and whether we would welcome or not a unified position of the EU towards Russia, of course we would.

It would actually make my own life much easier had their been a single position of the European Union towards Russia, provided it is formulated on the basis of the more advanced views existing in the European Union towards partnership with Russia, rather than being the least common denominator of the 27 positions of member states.

Because in the later case, the common position of the European Union would actually be pulling partnership with Russia backwards rather than pushing it forward. On Estonia and the



monument, you see in this particular instance, I would say it is an intersection of two major problems of that particular country.

One is the deliberate policy of the Estonian government to revise the history of the Second World War. And the second is the policy that it has; the government of that country has towards a third of the country's population. So in this particular instance, these two, I would say erroneous policies have come together and produced this effect.

As far as the alternative respectable place for the monument, I wonder whether the Polish representative actually knows where it is, because it has been declared a state secret in Estonia and the monument itself has been kept into pieces so far.

KORNELIUS: Thanks Ambassador. I think we shouldn't get into the Estonia question too deeply and President Ilves is certainly excused for not being here today for this message.

Please, for a short answers and some speedy reactions to what was said and then I will turn it over to here and ask for very short and brief intervention (INAUDIBLE) questions please since I guess we are running out of time. (INAUDIBLE).

**BILDT:** We might be running out of time. Just to make one comment on sort of not going to the Estonia issue, but the general issue is that history is still very much alive.

I mean this is a continent that was plagued by wars, conflict and occupations more than any other part of the world, and that history is still, I mean it is fragile sometimes. We had German-Polish relationship going for steep nose-dive over an exhibition and the particular bell, what that particular exhibition, less than a year ago.

It was a profound crisis over a fairly simple interpretation of a very tragic part of European history. We do have those things coming up time after time, time after another. I mean, the, I don't think Vladimir say, is right in saying is rewriting the history.

I think everyone knows what happens but you interpret it in different lights and that will be the case for quite some time. Until (INAUDIBLE) profound reconsideration that we've seen.

Germany, France, we Swedes sort of reluctantly forgotten, though forgiven even the Danes for what they did to all our nobility in 1521, but it took a couple of hundred years. We certainly not allow any statues to erected in favor of any Danes, (INAUDIBLE) from that, I can tell you for certain out of that particular incident.

Certain element of element of care dealing with history. Those statues, reactions to statues in disputes I think is called for. That applies between Russia and others and it applies inside the European Union, as well. It certainly applies in the Balkans.



You can create a war in the Balkans over statues fairly easily if you want to. And there are those that want to use fairly simple things about locations of statues to create difficulties. We should not allow that to happen.

That one comment fairly lengthy. Others, Russia again, I mean, my feeling when I talk with Russians is that they don't really understand the true nature of the European Union. And of course if you have the mentality of a former great power to certain extent a great power, you play bilateral games. That's that, we've go to Moscow.

I can tell another capital where I say the same thing, in the other direction. That tendency is there as well. And I can also say that understanding the true nature of the European Union is a phenomenon even for inside the European Union. This is a (INAUDIBLE) that is under creation, which is a difficult one.

Everyone is difficulty to relating to it because they don't really understand how it is. It is work in progress. It will take quite some time (INAUDIBLE) but it is of increasing relevance, it is the central actor in Europe. It is increasingly a big actor on the global scene, as well.

That we see another. We are now setting up the European battle groups. That was unthinkable a couple of years ago. Where we are ready to do military missions independently of NATO or together with NATO or together with others.

We are extending cooperation agreements of different sorts with all sorts of countries. We are conducting eighteen different security operations. We will be taking over lots of responsibility for Kosovo. All of this unthinkable just a couple of years ago.

We have difficulties relating to it sometimes, as was shown in the French and Dutch referendums. So have others as well. But let's have a somewhat more strategic perspective and see that things are in fact moving forward quite substantial.

KORNELIUS: But this confusion, brief question to all 3 panelists, this confusion over how to deal with Russia which is best probably shown in the missile defense issue? How could that be solved? I mean this is a strategic issue, it was raised here. How to get a cohesive Russian policy, Russian E.U. or Russian West policy?

**BILDT:** On quite a number of issues, we do have a cohesive Russia policy. But look at...

KORNELIUS: (INAUDIBLE)

**BILDT:** No, not quite. Look, look at the issues that are under the competence of the European Union. We have a common trade policy. We negotiated the Russian **accession in the WTO** as one. We are standing up together on the Polish issue.



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We are all say that Georgia wine is very good. Russia has created an opportunity for us by not buying it to drink themselves, its all for us. So we do stand together on quite a number of those issues that are within the competence of the Union.

Energy policy, yup, we've said very clearly that competition (INAUDIBLE) supplies to everyone. Be that Microsoft or be that (INAUDIBLE), same thing. You've got to break up the monopolies. It also applies to breaking up the monopolies that are in Germany or in France or in Spain. Equal rules.

Then there are things that are outside the competences of the European Union. We don't have a ballistic missile defense competence for the commission as of yet and accordingly more be within NATO. So I wouldn't necessarily be that pessimistic on those issues either.

KORNELIUS: All right. Alexandr Vondra.

VONDRA: Certainly I very much agree with what Carl has said to. I've nothing to much to add to that. But just maybe look, you know, when I have heard this sentence about the revision of the second World War. President Klaus was in Moscow...

UN: Yes.

VONDRA: ... this Friday and few days before in the preparation to visit we got the offer from Kremlin for 2 statements. One is, was related to this ballistic missile defense, that you know the Czech do not consider this is a threat against Russia so no problem, we did it and in a reward we got relative I think constructing statement that despite the fact that Russia ...

ALEXANDR VONDRA, DEPUTY PRIME MINISTER, CZECH REPUBLIC: Amended despite the fact that Russia considered this as a threat, it will not affect the Czech/Russian relationship. So as far as so good.

The second offer was just, you know, to agree on this absolutely safe (INAUDIBLE) and I think, you know, here the tactic behind it is very clear, you know, it's – because, you know, for the Czechs it sounds very differently than, for example, for (INAUDIBLE) or for Russians, you know, it has the connection even, you know, to Munich and you have to understand this better than anybody else here.

So we declined that, but just, you know, listening this absolutely same sentence, you know, for second time this week, it's a sign. Just – and, you know, what should be the consequence? Well, I think that we need to discuss this – these issues.



We need to discuss those issues also collectively because, you know, that's the ideal way how to start to play the bilateral games, one against the other. It – it's the best prescription, you know, how to implement this policy, divide, etcetera. We all know that.

UNIDENTIFIED PARTICIPANT: OK.

VONDRA: So I think that engagement and debate and to clarify those misunderstanding sooner rather than better.

KORNELIUS: Thank you. You've got the first answer on the next round, but I want to bring in more questions here, please. Short questions, please. No long statements since we are running out of time.

UNIDENTIFIED PARTICIPANT: (INAUDIBLE) on history being alive, the last time I was checking around the castle in Prague, our guide said to us, these are all the pictures the Swedes left behind.

UNIDENTIFIED PARTICIPANT: All two of them (INAUDIBLE).

UNIDENTIFIED PARTICIPANT: I want to ask about ...

UNIDENTIFIED PARTICIPANT: They had three.

UNIDENTIFIED PARTICIPANT: ... the conditions we need to make before these countries come more closely into relations with NATO and the European Union. I recall some years ago being told very firmly within NATO headquarters that Romania and Bulgaria had to resolve all of their border disputes with their neighbors before they were acceptable as members of the European Union.

Now, for Georgia, for Armenia (INAUDIBLE) with the question of (INAUDIBLE) and, of course, with Moldova Transnistria, those are pretty large questions there and if we're talking about Ukraine coming into a closer relationship, the Russian Black Sea Fleet anchors in Sevastopol, so I think I would be more persuaded that we know what we're doing about these countries if we had a much more active policy on resolving some of those conflicts.

That the idea that Georgia is going to come into the – into NATO, when there are still Russian forces in Abkhazia, and South Ossetia, and odd helicopters flying at night across the Kodori Gorge, is (INAUDIBLE).

So there's some pretty active diplomacy in partnership with the Russians, which needs to be resolved before ...

KORNELIUS: OK.





UNIDENTIFIED PARTICIPANT: ... (INAUDIBLE).

KORNELIUS: Thank you. You had a question (INAUDIBLE)? Yes?

LORD WALLACE: What is your comment – I absolutely agree with Carl Bildt that this new and bigger European Union really has potential to play an incredibly important role at the Global scene.

But currently, the EU is really shooting way below it's weight in that – in those terms and I think what the European Union, as it is now, will have to also come to terms with is to change some very, very bad habits.

One, it simply needs to be more transparent towards its own citizens in terms of decision and policy-making. It is incredible just to focus on foreign policy issues, that European citizens never, ever see a debate among Foreign Ministers.

We don't know, you know, who's saying what. We have these individual press conferences, afterwards where everybody said, ooh, I was fighting for this and this and this and when we scrutinize it, it very often tends to not be true.

I mean, just on an example, Iraq, where we had such opposing views within the EU. The Foreign Minister is a – primarily were off opposing views had to take the plane all the way to the Security Council in New York and sit there and debate each other for us to see it.

We had never seen that in Europe and that has to change. Secondly, in terms of really then having a weight Globally, the EU needs to be a player that trust each other and that means to use the fact that these are 27 countries, that if they move and if they work at the same time on many different issues, we can achieve much more.

The current pattern of having one EU Presidency doing all and 26 leaning back, falling asleep, it's simply not viable in the long run and this has a lot to do with simply coming to terms with the fact we're trusting each other, we can entrust each other, maybe even a new (INAUDIBLE) as it is the case in Iran, doing different things at the same time, implementing decisions and policy that we have actually jointly and collectively decided upon in a transparent fashion that also our citizens understand. This has to change.

KORNELIUS: Well this is a constitutional question and that will be answered soon.

UNIDENTIFIED PARTICIPANT: (INAUDIBLE).

KORNELIUS: (INAUDIBLE) hear the question first? And I ask you now for really brief ones because we want to get in as man as possible before we wrap it up.



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UNIDENTIFIED PARTICIPANT: I would like to ask Marc Grossman and Alexandr Vondra to follow up a bit on what Lord Wallace has said. I am really sorry your Lordship. It is about Georgia and the Ukraine, NATO membership, potential membership.

We know there was a congressional statement in support of the membership. There is quite a drive on the other side of the Atlantic whether it got to that. So could you share your personal sort of perspectives on that? Could it happen soon? We are very close to the Bucharest Summit, how it will evolve.

KORNELIUS: OK, and one final here.

UNIDENTIFIED PARTICIPANT: Thank you very much. (INAUDIBLE) from Serbia. But I would like to continue with (INAUDIBLE) how the (INAUDIBLE) is raised and Carl briefly on (INAUDIBLE). When it comes to your neighborhood policy, you have way too many initiatives.

We do have a group of countries which are now EU members who have accepted restrictions when it comes to freedom of labor and movement, Poland and others. So they are not really quite in the same situation as others.

Now we are dealing, and you mentioned something about Balkan countries. We are ready to accept not only restrictions which I am positive are going to be there when it comes to freedom of movement or labor. But also maybe they should not have a Commissioner tomorrow when times for decision making process.

And then when it comes to a country which are now meant where we say (INAUDIBLE) policy, Ukraine, Georgia, Moldova, others. I think that we have countries which are not even saying we would like to become members, but we do have expectation.

Aren't to have it in mind that there is an offer for these countries to upgrade neighborhood policy by engaging all these countries in a list of agreements when it comes to trade, environment, many other issues, technologies, development, et cetera with one minus and this is decision making.

It is not what they are asking for and this is the thing which you are hardly able to offer and of course, not even a membership. And that might really be a new neighborhood policy plus, which will then be implemented over a certain number of countries and will really help democracy in all these countries.

And if you put this together, and I am not leaving Grossman out of these debate or (INAUDIBLE). In this situation they might have, they are open for more of a cooperation



with the states on a difference, ground and for let's say Russia maybe, because they are not new members although they are already inter-linked heavily.

And if you this and that within a possible new neighborhood policy for the NATO, which I now quote as let's say "limited sovereignty", "limited security guarantees" or "unlimited territories". And I have in mind southeastern dimension of NATO; let's say New Zealand, Australia, Japan. Then you have a total different situation. Would you be able to reflect upon this including Marc and maybe (INAUDIBLE). Thank you.

KORNELIUS: OK, thank you. Back to you for the final round. Probably we start with Marc Grossman., always bigger, always better is basically what some said. Is that still true or do we really need to revise this policies? Do we need to set up rules, be more open, be more transparent?

GROSSMAN: Well all those things can be true simultaneously. I mean, my own observation is that the European Union's enlargement, NATO's enlargement have been positive things. To the extent that we can continue to do that, and as we have talked about here on a number of occasions keep our standards up, I think this is a good thing not a bad ting.

But if I could just, you gave me the opportunity; I wanted to go back to a couple of the points that were made before. First on this issue that was asked about, you know sort of how to, you asked I think very well, about how to go forward with the relationship with Russia.

I think a lot of this has to do with increasing the level of consultation, bilaterally between the United States and Russia, the European Union, no for me today, but certainly from NATO. And I think those, there are lots of things we have talked about. We've talked about energy policy, talked about missile defense, talked about a number of things.

But I must say that I very much agreed with the point that Bob Zoellick made in the previous session, when he said that, here Defense Secretary Gates goes to Moscow, ready to talk about missile defense, ready to talk about, you know the ways that we might be able to cooperate, and there has to be something coming from the other side, and so if you are committed to more consultations and more work together, I hope that that would be, there would be some response from the Russian side as well.

Second, I am very sorry Bruce Jackson has left because I think he plays a very important role in all of this in reminding people of the need for institutions. And I think his recommendation that we go back to some institution building is a good one and is an important one.

And I think that there are possibilities there. It would be a real return to diplomacy and I hope the United States would play some role in that. Now on the question of Georgia and Ukraine, I think that there is, as you say, an increasing interest, especially on the part of the Congress to get Georgia risen higher up on the agenda in terms of NATO membership.



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But I will tell you something sir. When people first started to think about the Riga Summit, everybody said, not going to be an enlargement Summit. We won't talk about enlargement. Enlargement will be way down on the list of priorities.

But what happened was, over the period, there was energy policy that seemed threatening to Georgia. There were other signs from Russia that seemed threatening to Georgia, and it raised up this issue of Georgia, so this isn't, you know just a matter of someone waking up one morning and saying, gosh let's have Georgia move up the chain in terms of enlargement.

It was a reaction to outside policy. And so I would say that there is still interest in Georgia. I don't know whether at the next NATO Summit, if there will be a specific invitation. I think Ukraine is a different question because this is still a question for Ukrainians.

Ukrainians themselves think haven't come to some agreement to say, we would like to pursue this and when they do I think it would be interesting to do so. My final point is the one on the European Union as a global actor.

I think that you all, it is very important that the United States, from my perspective keep in strong support of a strong European Union, because it was said earlier today this ability of the United States of America to work with European Union on solving the remaining problems in Europe and then work globally to solve the problems around the world is extremely important.

So, I hope all of the things like the battalions, like the effort to move militarily, all of those capacities will come, because they are of great advantage I believe to the transatlantic relationship.

KORNELIUS: Thank you. Alexander Vondra, in addition to the points you want to make to those questions, what are the key criteria EU and NATO should consider when enlarging again in terms of addressing Russian concerns and in terms of actually making it work?

VONDRA: Well I think that the NATO enlargement, it should first consider the internal will of the countries. So for example, you know Ukraine, I am not skeptical about the speed of the process simply because Ukraine first must decide on its own what it wants to achieve.

In the case of Georgia, it is a different issue because Georgia is very much interested. I have a strong sympathy for and I feel even the need you know, for Georgians to be protected. Here, you know, I think yes, let's go ahead.

But in the process it requires the serious debate because there is a core Article Five in NATO and we should be able to honor the commitment which creates still the core of the NATO alliance.



And certainly would require also some talks with the Russians too. So I think the best is to illustrate this on those two individual cases than to talk about it theoretically. And maybe if I may comment the words which came before, I have certain experience now meeting with the Minister and General Affairs Council at the lunches and all that.

And I think, look, we will support the merger of Javier with (INAUDIBLE). Yes, we need one person.

KORNELIUS: I wouldn't phrase it like that. I see what you mean, but I think there is some (INAUDIBLE) reserves his opinion.

VONDRA: It should be named differently than the Foreign Minister because it does not reflect the reality. But, you know, I would not expect a miracle to happen. It is always, you know, it is not, we are getting and (INAUDIBLE) expect so much.

You know, we are all sleeping there time to time and it does not, you know, about a personality of who is speaking. If there is some (INAUDIBLE) conviction, you know the dedication to do something...

UNIDENTIFIED SPEAKER: A conviction, you know, the dedication to do something and it's not about, you know, it's not about a country or a President. It's not about the function, it's about a people. So for example, you have the guy who would be excellent, you know, Mr. or Mrs. Europe, because he's exactly doing this, he's convincing, he's not sleeping...

UNIDENTIFIED SPEAKER: I paid him for this, (INAUDIBLE)

UNIDENTIFIED SPEAKER: He has the argument, so it's at the end of the day it's about a people.

KORNELIUS: I'd rather go back to the pictures of the castle and in addition to what you want to add Carl Bildt, my question is, do you see any limits to this idea of the west. I'm not really, of the idea of the West, if you go back in history. If you really see what makes the West tick, saying why are we so similar in terms of our constitutional histories to the U.S. Why is that closeness there? Is there any geographic limit and you don't have to go back to the division of the church for example or whatever the philosophical and historical causes are, but from the current political perspective, where does it end?

BILDT: Well we've, I would look back at 50 years of history of the European Union. You start to realize if we go to the philosophical level as in term to (INAUDIBLE) the Europe (INAUDIBLE). (INAUDIBLE) was the Senator, we'd still have the Karl's prize and it's done in Aachen and that's the six. But that has gone well beyond that, I mean it's crossed the English Channel to the British Isles and that was a very difficult cultural step.



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The political tradition of Britain is fundamentally different from the political tradition of the continent and then it went to Southern Europe. I mean, some of them Catholic and then the orthodox country like Greece. That's somewhat complicated places, some here would probably agree with me as well. And then we are now into the domains of the former **Austro-Hungarian (ph)** empire and we are dealing also with issues of the former Ottoman Empire.

We're integrating political cultural traditions that have been very difficult very different over time, but its happening. But we should have respect for the, that are forces of history moves somewhat slowly. Russia is another step, Ukraine is in between, but Russia clearly has another tradition. It's a European one.

I mean, no one would say that (INAUDIBLE) told the story in Asian or (INAUDIBLE), they are Europeans, but different Europeans. That means that that relationship is going to be somewhat more difficult. Add to that if I might make that one on our Russia relationship now and the dialogue I agree with what Marc said, but it's going to be a very difficult relationship with Russia for at least a year.

I mean those of us, we can testify who spent a day in Moscow in the Kremlin the other day, there is only one issue discussed with the garden ring of Moscow and that's going to be who is President of Russia one year from now. No one knows. I mean the transparency of that political system is non-existent. Everyone, well probably Vladimir, is speculating every day whether he wants to (INAUDIBLE), no one knows what's going to be the policies.

So there are going to be limits of our ability to really have a profound dialogue and we might see funny expressions of Russia policy, to put it in diplomatic terms doing this hear, which have that background primarily in something that is happening within the walls of the Kremlin, beyond that we will see what happens.

One remark on what we need to do in terms of foreign affairs. I do agree with everything that was said. We need to do far more conflict resolution. Let's mention Cyprus again, it's a profound failure. And that profound failure is going to have profound consequences and we're not prepared to deal with it.

One aspect of the treaty, which I think is very important, perhaps even more important than is beneath (INAUDIBLE) somewhat difficult (INAUDIBLE) is the fact that we need a common external action service.

It's not that we're going to replace our existing diplomatic services, but we have, I think the figures that we have, in the outside world, we the member states have 40,000 diplomats deployed around the world. Forth thousand diplomats, I don't know how many the U.S. has, no, and if you are (INAUDIBLE) I mean some of them will remain, but I once for the fun of





it asked, if we could make a calculation how many hours, months, these spend together attending each other's national day celebrations.

If you deploy those man-hours to the resolution of the Cyprus problem it might have happened already. So there are clearly things that can be done. Extension of our corporation, I mean, I think we are doing somewhat more than is known. Customs (INAUDIBLE) with Turkey was a rather daring step, but it was taken. We extended the entire customs union with Turkey, took quite some time. (INAUDIBLE) rather well.

With Southeastern Europe it's now the energy charter, which means that we extend the entire regulatory framework of the energy policy. Primarily the competition part of it to the Balkans, profound implication for the energy structures of that part of Europe.

The Ukrainians, we are supposed to, were supposed to, initiate discussions on a deep free trade agreement. That's got to be a fairly far reaching, there is an interest in extending their energy portion competition policy of our policies toward Ukraine as well. That's going to have big impact on energy markets and energy structures and energy policies all through Europe.

So there are quite a number of these things happening. But I agree we should package it, we should market it. We should put it a framework, we need to do the institution structures. We need to be more active in conflict resolution in our near abroad and then to make that final point again. The guiding and inspiring light of enlargement will always be there.

Drawing lines then the question of where are the borders. And I always refuse to answer that. I mean there's the Mediterranean, there's the Atlantic and there's the Arctic. To the east I don't know. But drawing big lines on big maps of the east of Europe is not an exercise that I favor repeating in European history.

Because if that is done, the one thing that you can be absolutely certain of is that the start of ugly things on the other side of that particular line, so the line drawing in itself is both unnecessary because we are not near any conceivable line.

Secondly, profoundly dangerous because it invites evil things on the other side of that particular line and that line is never going to protect Europe at end of the day from the consequences of what happens at the other side of it. So I don't want to go into discussion on the Board as viewable lines.

KORNELIUS: Well thank you Carl Bildt on drawing a line here, I think we can come to a conclusion. The looming light is that dinner is about to be served. I want to thank the panel. Give them a hand please. They did an excellent job, it's an extremely diverse issue ranging from Kosovo to well Estonia and I'll hand it over now to Karen to give you the details.



KAREN DONFRIED, GERMAN MARSHALL FUND: (INAUDIBLE) but first before I tell you about dinner, I want to thank everybody in this room because part what has been so special about last night and today starting with Prime Minister Verhofstadt and Javier Solana.

Continuing with the breakfast, the sessions on Afghanistan, globalization, civil liberties, the lunches and these afternoon sessions hasn't just been our dynamic speakers, it's been all of you participating in this conversation, so we want you to continue that.

And look forward to continuing with you. And if you have friends and colleagues at home, send them to our Website because they can get full transcripts of the open sessions. They can watch stream video, hi mom, and anyway please we hope you find that helpful. On the dinner, I'm sure you're all wondering what a networking dinner is.

Well what we thought we would do is rather than assign you all to seats again, which we had a lot of fun doing last night. And we hoped it worked OK, but we want you to go out these doors, you have a half an hour to kick up your heels.

But at 7:30 in what we call the Crystal Palace there in the middle of the courtyard you can go and help yourselves to food. You can eat there at the tables; you can bring your food and sit on the terrace. You can sit Café Wilther's, find a place where you're comfortable with people you want to talk to and enjoy.

We're going reconvene at 9:00 p.m. and I apologize there's misprint in your programs, it says 9:30 there but that's wrong. The night owls start at 9:00 p.m., we've got one on Russia which is already a hot topic. We have one on Democracy in Foreign Policy, Immigration and Integration and Entrepreneurship. So please enjoy the next couple of hours and we'll see you all back at 9:00, thanks.

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