

Brussels Forum

March 20, 2015

Welcome and Opening

Announcer: Ladies and gentlemen, please welcome the president of the German Marshall Fund of the United States, Dr. Karen Donfried.

Dr. Karen Donfried: Good afternoon to each and every one of you. It is great to have you at the 10th Annual Brussels Forum. For those of you who are returning, it's great to have you back, and for those of you who are here for the first time, I can promise you a weekend full of thought-provoking discussion on some of the most pressing transatlantic issues that we're facing.

Brussels Forum in many ways mirrors GMF's mission, which is to provide a forum for voices to be heard, ideas to be shared and transatlantic cooperation to flourish. I am actually a Brussels Forum veteran. This is my first forum as president of GMF, but I actually have been at GMF two times before, and I remember vividly starting on this journey 10 years ago. I know there are lots of people who are going to be with us over the weekend who actually have participated in every one of these events. I only want to highlight one of them, and that is my predecessor as president of GMF, Craig Kennedy. It is very much due to Craig's ambition and creativity and vision that we were able to shape this conference.

I also feel, as I'm sure many of you do, the spirit of my friend and our former colleague, Ron Asmus, who I know is looking down on us with a big smile on his face because in so many ways, this is his Brussels Forum. I'm sure he's looking down and so proud to watch the forum turn 10.

It was great to work with Craig and Ron in building this forum, which was really intended to capture the breadth of the transatlantic relationship in terms of the many issues that we discuss in this relationship. And the thought also was to have the forum in Brussels, given the centrality of this city in a unifying Europe.

Critical to the success of this initiative has been the support of our founding partners, one of which is Daimler, and the other is the federal authorities of Belgium. They have contributed both financially and intellectually to this forum in each and every of the past 10 years. I also want to thank Deloitte, which has come in this year as a new strategic partner, as well as BP, Chevron, The OCP Policy Center, and UPS as forum partners.

We are also pleased to be joined by a terrific congressional delegation, and I want to welcome back in particular Congressman Issa, who was with us also at the beginning. My amazing GMF colleagues also deserve a special shout-out of praise because it really does take a GMF village to pull off this weekend, and they really deserve a round of applause.

Today, the world faces similar, though in many cases more daunting, challenges than a decade ago. We chose the overarching theme of evolution and revolution for this forum because we want to reflect on how the transatlantic relationship has changed over the last decade. We also want to look ahead to define the greatest challenges and opportunities that we are likely to face over the coming decade.

At the inaugural Brussels Forum, way back in 2006, many of the topics we addressed remain high on the agenda today, economic competitiveness, global terrorism, pandemics, the rise of China, turmoil in the Middle East and, yes, even Ukraine made it onto the agenda that first year.

But what is so striking to me is how fundamentally the context in which we are discussing these issues has shifted. This is true for both Europe and for the United States. For Europe, I think few things capture that shift better than the opening line of the European Union's 2003 European Security Strategy. It reads, Europe has never been so prosperous, so secure nor so free. And of course, when we think back, in 1999, you'd seen the introduction of the euro, the single currency, the EU and NATO were enlarging their memberships and the European peace order seemed secure with the European continent having said goodbye to war as the conflicts in the Balkans moved toward resolution. This sense that

Europe was done and no longer the subject of the transatlantic relationship was also reflected in the Brussels Forum agenda in 2006.

I remember working with Ron on this session, which we called Framing a Transatlantic Agenda for a Global Era. And what Ron wrote was, the focus of the Cold War agenda was Europe. In 2006, the focus of the transatlantic agenda is global. The opportunities and challenges of the 21st century lie far behind Europe and involve issues that were peripheral to the transatlantic relationship during the Cold War.

Today, of course, we are experiencing a context that has changed in fundamental ways. For Europe, the European Union has suffered through a deep economic crisis and faced a fundamental challenge to the single currency, which has yet to be resolved, as ongoing negotiation with Greece made clear. We are also facing the most significant threat to the post-war security order in Europe because of Russia's illegal annexation of Crimea and ongoing support for the separatists in Eastern Ukraine.

People have stopped asking about NATO's relevance. The question is to whether there is a role for NATO but whether NATO should be doing more. The United States, too, suffered economically over the past decade but has recovered in substantial ways. The cloud of the global financial crisis seems to be lifting.

The question about whether the United States will shape the geopolitical order in the coming decade is hotly debated, but there is no question that a rising power like China is posing a challenge to U.S. leadership, whether in the East China Sea or with the development of The Asian Infrastructure Investment Bank.

What does this changed context mean for transatlantic relations? The reality of the transatlantic relationship today is that we need to focus on all three dimensions of this relationship, on the core transatlantic relationship, on creating a Europe that is whole, free and at peace, and on cooperating on those global issues of common concern beyond Europe.

As we focus on these, this is also certainly what GMF is doing outside the halls of the Steigenberger Hotel. While the opening line of the EU's 2003 European Security Strategy, Europe has never been so prosperous, so secure or so free, may not ring so true anymore today, much of that strategy does, and I would say that also includes these lines in that strategy about the transatlantic partnership. It stated, the transatlantic relationship is irreplaceable. Acting together, the European Union and the United States can be a formidable force for good in the world.

Over this weekend, we will explore the most significant issues in the transatlantic relationship. In most cases, these are challenges that have evolved and re-emerged, rather than emerged for the first time. On Russia, beyond the critical

crisis management that we are engaged in on a day-to-day basis regarding the conflict in Ukraine, what is our longer term strategic perspective in that relationship with Russia? We have watched Ukraine over these 10 years, from the hopes of the Orange Revolution to the protests on the Euromaidan to military conflict with Russia. Are we ready to support Ukraine to the extent required to help it return to a path of political and economic health?

On the economic side of the ledger, where will growth come from? Can Europe innovate and compete? Will the dollar maintain its importance as a reserve currency and thus continue to give the United States powerful leverage? On the Middle East, the proliferation of conflicts, Syria, Iraq and the Islamic State fighting actively in both of those countries, Libya, Israel-Palestine, just to name a few of those tension spots and conflicts, that reality has been joined by the reality that Europeans and Americans are going to foreign battlefields to fight, becoming further radicalized and then returning home to commit terrorist acts.

This unanticipated evolution has given this issue tremendous salience on both sides of the Atlantic. As you will remember, last May there was an attack here in Brussels at the Jewish Museum, less than a mile from where we're all sitting. The recent attacks in Paris and Copenhagen and, just a couple of days ago, in Tunis, remind us of the need to address radicalization in our societies.

The response to the attacks in Paris, rather than dividing us, showed strong unity as we stood up for the values we believe in, and we saw millions march in Paris and across France. A member of the European Parliament yesterday quoted a tweet to me that had appeared at the time. It's quite famous. It's that they wanted to bring France to its knees. The brought Europe to its feet. So the question is, will that unity last?

How do we counter violent extremism in our societies? Often cities, not federal governments, are best equipped to confront these issues, and we will take a deeper look this weekend at grassroots efforts to improve our communities. And when we think about combating terrorism we constantly need to strive to find the right balance between protecting our security and safeguarding our civil liberties and our privacy. They are not only challenges that face us but also opportunities. The Proactive Transatlantic Project is the Transatlantic Trade and Investment Partnership. We will hear later from Mike Froman and Cecilia Malmström about this, and certainly there are difficult issues around GMO foods and ISDS that will need to be negotiated. But ultimately, achieving agreement will come down to political will. The energy revolution presents another opportunity. Can the Shell boom be not only a boom for U.S. energy self-sufficiency and the competitiveness of U.S. manufacturing, but also for helping our European and Asian allies to diversify energy sources. All of the issues, challenges and opportunities alike are

grits for our Transatlantic mill the weekend and beyond. One of the co-chairs of this year's Brussels Forum, the brilliant Dr. Brzezinski, when asked about what advice he had for Transatlantic policy makers said, think strategically, reflect historically, think strategically, reflect historically. Simple and clear words, but profound.