

Steve C.: ... that's a promotion or a curse ...

Didier R.: I don't know.

Steve C.: ... here in Belgium. Thank you so much for joining us again. It's always fun to have a conversation with you, and we're going to open this up to all of you as well.

Steve C.: But let me start out and ask you what's the most irritating challenge you have right now?

Didier R.: For the moment, I would say-

Steve C.: Is it the British?

Didier R.: There are two main problems for, not only Belgium, maybe for many parts also in the world. First, I've seen the different discussions in the last hours and days about the royal disrupt. Of course, we try to explain that we need to go back more and more to a multilateral approach, but it's challenging for the moment, and of course at the European level with the Brexit, with some evolutions, with some populist parties, with different oppositions in different parts of Europe, but also at the international level, of course, we have tried to have a different kind of multilateral agreements, and it's come to be more and more difficult to go for a while with that. I'm thinking about the discussion side of NATO and the side of WTO, about the Paris Agreements and that's the first problem, because [crosstalk 00:01:02]-

Steve C.: Is that more irritating for you than-

Didier R.: Not only with the United States. We have different problems in the discussions with the U.S. about, I said, the Paris Agreement, but also about the GCPOA about Iran, because we had an agreement and then it's impossible to go further with that.

Didier R.: But the second problem is not only a world disrupt; it's also planet disrupt, and we need to fight against climate change. It's one of the many issues now, maybe the most important issue. And there is a link between both, because it's if it's impossible to work together on that, it will be very difficult to have some results till 2030 or 2050 like we have said in Paris, and so that are the main challenges for the moment.

Didier R.: Belgium is back, if I may, around the table of Security Council in New York since the beginning of this year, and through the two years, we tried to convince if it's possible with orders, the different partners to work together, but it's more and more difficult, and I must confess, first of all, in Europe, because the Brexit is quite the same evolution. It was a real multilateral approach, and now we have

one partner going out, and maybe orders with many oppositions about migration, about different kind of issues in Europe.

Steve C.: Why is the message that Belgium or any member country of the EU is stronger with everyone working together not more compelling right now, what's come undone? We were just talking offline about even the domestic situation, as I know the king has asked you to put together a government, and what you described about what was going on inside Belgium sounded a lot like what's going on inside of Europe, that other parties are saying it's better to stand alone than work together. Why is that so seductive?

Didier R.: Of course it's a trend for the moment to try to work and all, to go to different extremist parties to far right, to far left. It's the same in Belgium, in the two parties of Belgium, in many countries in Europe-

Steve C.: Do you feel like the last sane man in the country?

Didier R.: Yes, and maybe saying that it's better to work alone and to be stronger alone, it's maybe the situation in U.K. with Brexit and with all those, but if I may, on a longer period of time, we don't have any lessons to give coming from Europe, but we have a sort of expertise. What was the interest to work together? Peace. Since the beginning of the creation of the European Union and NATO, we are living in peace for the first time during such a long period of time in Europe. The second element is democracy, because of course it's maybe useful to repeat that, but also in Portugal, in Spain, in Greece, it was not the case. And due to the large amount of the European Union, it was possible and of course in the eastern part of Europe, after the fall of the Wall, it was possible for many people in the eastern part of Europe to have a real democracy.

Didier R.: And then, with internal market and the way to work together on trade investment and in the academic field, it was possible to have better welfare in Europe. So if you look to the actual situation in Europe in comparison with the situation just after the Second World War, we have made so many progresses that it's possible to explain to other parts of the world, "If you want to live in peace, in democracy, at rest, a positive solution about welfare, it's maybe better to work together and to try the multilateral approach."

Didier R.: But of course, it's more important for a country like Belgium maybe than for others you know that we have had the tradition to see many partners, many neighbor countries coming on our territory just to organize wars. So it was very important to Belgium say, "No, we start with that, and we try to build something else. And I'm sure that in Southeast Asia, or in Latin America, or in many parts of the world, maybe also in Africa, the only one way to solve different conflicts, sometimes military conflicts, and to organize a real democratic process is to try to organize a certain integration among different neighbor countries. Not on the model. We don't have, I said, any lessons to give. We have had so many problems in the past, but I'm sure that we are a good

result with such a kind of ... And it's difficult to understand why it's so important with such a lot of good results to see many countries going back to a more unilateral or national approach. Certainly in Europe.

Steve C.: Belgium is now a member of the UN Security Council right now, and I'm wondering whether you've noticed any tilt in the way global powers are behaving. We have a lot more proximity to China. We were just talking about China offline, Russia and the United States. You've been watching the G20 in Osaka, where Vladimir Putin has apparently invited Donald Trump, who has apparently accepted, to go to the 80th anniversary of the Mayday Parade. What does it do to the Belgian soul to see the president of the United States on the viewing stand of a Mayday Parade in Russia?

Didier R.: It would be quite strange, but we have seen also saw different evolutions with Russia in the last years, and the position in Belgium is the same since more than 50 years. It was the armor, the training inside of NATO, about Russia. We want to have an open dialogue with Russia, but we also sought to be very firm on some principles ...

Steve C.: But you weren't going to hang out in the parade.

Didier R.: And so parade, I'm not sure that it's interesting to go there.

Steve C.: Yeah. How do you feel about China and Russia are today?

Didier R.: Again, we see that there are more and more unilateral approach from the different partners, not only from the U.S., and we have had many discussions side of NATO about that, but if you look to China, it's the same. I said to you just before that some years ago, I was listening all the time, they are emerging countries. And now there are many people surprised to see that they are emerging, because you should look to China, China is present everywhere, not only in Africa, also in Europe, more and more, with more investments and with more trade activities, and it's a fact.

Didier R.: And so we need to think about the way to organize maybe a new kind of multipolar approach or again, multilateral approach. And to give an example, WTO, it's very important for the U.S., for Europe, to have a rule based auditor to be sure that it's possible to try to impose a level playing field, and certainly with China.

Steve C.: Donald Trump hates the WTO.

Didier R.: And due to such a reaction against the WTO, it's become to be more and more difficult. Now we have a discussion with Japan, the U.S. and the European Union to try to rebuild something, but if you you discuss with China, what is the most important problem? Is to try to have a level playing field. We are knowing that it's not exactly the same kind of rules in China than in the rest of the world.

Didier R.: But to try to organize that we need to work together. And it's very strange to see that all the time is more unilateral approach coming from the U.S. against China, and then we need to do something. But to give an example, for Belgian people it's very difficult to understand that for security reasons, it's important to have new tariffs coming from the U.S. on all steel and aluminum production. I don't see what are the real risk for the security of the United States to receive steel and aluminum from Belgium.

Didier R.: So, we have tried last year with [inaudible 00:08:22] to start new discussions, and it will be maybe possible, not to have a new TTIP or something like that, but a new framework for the trade relations between the U.S. and the European Union We are the main partners in the world.

Steve C.: But one of the big sticking points right now, and I have to admit that I'm on both sides of the argument, which [inaudible 00:08:44], but is Huawei. Belgium cybersecurity officials have given Huawei a clean bill of health. In March of this year, Huawei said it was establishing a cybersecurity research center here in Belgium. So you're going to be one of the Huawei huggers in the world, and the United States is putting a price on that for allies or others that are not taking their systems away from Huawei. Are things like the steel sanctions and other perhaps punitive steps that the United States might take some day. Are you defining yourselves in a way, standing up and saying, "We're not going to take it any more from you guys, you Americans?"

Didier R.: No. We try to work with different partners, but first of all we receive, it's true, more and more investment coming from China, like many other countries in Europe and maybe in the world, because it's a one [inaudible 00:09:41] world. It's a real impressive project, but not only to Europe, to many other continents.

Didier R.: But in the Belgium, what are we doing about that? We need to do more about cybersecurity. That is true. So we have some concerns about the presence of different partners on our territory, with different kind of new infrastructure and new technologies, but we need also to give an answer at the European level. And since more than one year, or one year and a half now, with Cecilia Malmström, the European Commissioner, we are working on a system of sort of protection for some very strategic infrastructures. And it's very important to discuss together, and to say, in some fields it's better to try to do something at the European level and not to let different investment coming from abroad, and certainly from China, first of all, because, I repeat, we are not sure that there is a level playing field with China, and there is the same kind of interest about our cybersecurity in China.

Didier R.: But to do that, there are two things. First of all, we need to have a common approach at the European level to organize such a mechanism to see what are the necessary protections for different infrastructure, but we also so to work on a better development of new technologies in Europe.

Steve C.: So what's your hope that that common approach will really develop? We know that you just ran to be Secretary General of the Council of Europe. That didn't go as you had hoped, a leader from Croatia has now taken that post. Do you have real faith that ... I mean, I'm just interested in, you keep saying we need a common approach, we need multilateralism, and you keep saying, on the other hand, we're not getting there, we're not achieving it, and we have lots of internal problems. So what is the fix? If not you, what else?

Didier R.: I've proposed project for the Council of Europe, but I've seen that was split inside the question about the western part or the eastern part, and maybe about the way to think about the real, again, multilateral approach, integration about the human lives there, democracy and rule of law, and some countries thinking that it's better maybe to work alone. And it was a very interesting with three days, about the presence of Russia, again, in the Parliamentary Assembly of the Council of Europe.

Didier R.: And I had the feeling during the last days that it was better for different kinds of partners in the Assembly who don't have a strong institution, I'm not speaking about as strong Secretary General, but a strong institution that are in better position with such an institution, without any capacity or too much capacity to intervene in their own country.

Didier R.: But that is the evolution with some populist parties in the far right and far left party in different parts of Europe, but again, to go back to the question about the way to react on that, of course we have a long tradition in Belgium to work with [inaudible 00:12:31] with the Bendix, we were the first in Europe during the Second World War, and that of course we took part in the creation of the Council of Europe, and then the NATO and the European Union.

Didier R.: But due to the results of such an approach, it's important to us to try to explain that of course there are different ways to think about the world. But if we want to organize a real peaceful process, and a real democratic process, it's very important to have different partners, all of them. So just to give an example, I said to you the Middle East peace process, I have seen the Kushner plan. It's fine. Of course we need to spend a lot of money to fight against the root causes of the [crosstalk 00:13:13]-

Steve C.: ... the Kushner plan is fine.

Didier R.: No, it's fine about that, to invest and to say we'll spend maybe 50 billions euro dollars, it's more euro than dollars, but we will spend a lot of money there. But without a political solution, it will be impossible to solve the conflict. So it's fine to say we are coming with the economic plan. Yes, it's maybe a part of a possible solution, but the real one, it's a dialogue between the two parties in the field, and then with the participation of the other countries in the region, the [inaudible 00:13:46] maybe, Russia, all the main players, if you are just coming

with an economic plan, and say we are spending a lot of money, it's impossible to have a solution.

Didier R.: And I'm sure that in many different conflicts in the world, of course it's important to come with an economic development plan, but if you don't put it on the table the different actors you are living for many years and decades with the same conflict.

Steve C.: So Belgium is not going to contribute to the Kushner plan.

Didier R.: Not in such a way. If it's impossible restart a real dialogue between the two parties, with Israel and the Palestinian authority, it's impossible to have a real success.

Steve C.: Does Mike Pompeo ever give you a call and say, "Hey, I need your help?"

Didier R.: Not on such an issue. We have had many calls on other issues-

Steve C.: Any other? Does he call you and ask you for help on other fronts?

Didier R.: But we try to work together in different kind of other issues. We have had huge debate about Syria with possible decision from the U.S. administration to go out of Syria and then to stay with some military presence in the northern boundary of Syria, it's very important, because, again, if I may, it was a comment coming from the U.S. some times ago about Afghanistan. Together in, together out. That is a real multilateral approach.

Didier R.: And then we have listened now maybe some unilateral decision to say we are going out. It's not the best way to organize [crosstalk 00:15:14]-

Steve C.: Secretary Mattis was as offended as you may have been.

Didier R.: Yeah.

Steve C.: So, were you deeply offended by the comments, regardless of where it came out ... I'm trying to take your temperature on your sense of frustration with the United States, and what is your red line with the United States? Do you have a red line with the United States?

Didier R.: First of all, it's the most important partner, I said, and not only in the economic field, in many fields. Also in security, in defense, and I want to repeat all the time that hopefully in the last two years, we have two summits in Brussels, and it was possible the actual U.S. president to go forward with the NATO alliance, it's very important to have such an alliance and to work together.

Didier R.: Second element, of course we have different visions on the way to organize the discussions in the world, but we are also working with many American people. I want just to give you an example, I spoke about climate change. It's maybe the most challenging issue for the moment. Of course we don't have the same vision than the U.S. administration on that. But I have seen in many states in the U.S., in many companies, the capacity to go in the same direction than maybe some European countries to develop more and more technologies [crosstalk 00:16:24]-

Steve C.: So you could deal with Mike Bloomberg and governors and mayors, but not Donald Trump on climate change.

Didier R.: Yes. It was in Berlin with my colleague from Germany, [inaudible 00:16:33], but so is John Kerry some weeks ago to discuss about climate and security, and how it's possible, we have had the same debate at the table of the Security Council in New York, how it's possible to explain that we will have more and more risks in the world due to the climate change. It's a real security issue. Is it possible to discuss that at the table of the Security Council?

Didier R.: But, again, I've seen it in the U.S., there are many, many states. I was in Texas sometimes ago for a trade mission, Texas, they produce more and more renewable energy in a state with such a high capacity in oil, but they produce more and more renewable energy. And in Europe we need to think about the way to compete in the new technologies about the fight against climate change.

Didier R.: Just to give an example. In 2000-

Steve C.: I love how you've sidestepped my red line question, but that's okay.

Didier R.: No, but the red line is that, that we have some red lines in the discussions about, I would say, climate change, we want to go further with the Paris Agreement with or without the U.S., we go further forward. JCPOA, it's not the best possible agreement with Iran, but there's an agreement with possible monitoring with an agency, it started in Indiana. So we want to go forward with such an agreement, with or without the U.S.. Of course, we asked UN to fulfill all their obligations, but that are the red lines if you want to say if we have an agreement with U.S. on board, also is a new decision in the U.S. We want to go forward with different other partners.

Didier R.: And the second element that it's possible to work with many people in the U.S., of course it's better to do that also with the U.S. administration. But if it's impossible, there are many things between our universities, our companies-

Steve C.: Let me ask you a question on Iran. Just a little while ago, Senator Blunt said we are not close yet to a collision, a military collision in Iran-

Didier R.: I hope so.

Steve C.: Senator Klobuchar, in the debate she had, said we're 10 minutes away from a collision with Iran. If we did have a military collision with Iran, where would you be?

Didier R.: To us, it's important to try to do everything that's possible to avoid it. And of course there are maybe some problems, we have some incidents, but we don't want to have an escalation, and I'm sure it was very important for the European Union to repeat that we try to work for a peaceful process, and the JCPOA is that, of course, because the first element is to try to don't have any nuclear weapons in Iran, and then to try to take back again Iran. In the international community, we are far from that, but we try to discuss and to do that.

Didier R.: If there is an escalation in the military situation, of course we will ask immediately to have a real coordination with the U.S., because also for the NATO, it will be a huge problem to see that one of the main partner is engaged in such a situation. But I'm more in the way to think about the first idea. We are far from such a real escalation. We are not far from one of another incident, but I'm sure that it will be possible to maintain a quite peaceful process in the near future.

Didier R.: But the most important reason to try to go forward with the JCPOA is that. If you don't have any contact with Iran, it will be very difficult to have an influence there. And so it's the reason why we are sure that there is a possibility with the JCPOA and maybe with other discussions about ballistic missiles, about the regional role of Iran, in fact we are on the same line with the U.S. to discuss on different issues, but we don't want to stop the implementation of the JCPOA, because we don't have a real success on the ballistic missiles and the regional role of Iran, because you know that regional role, it's not only Iran, there are other players in the region, and we need also to have fair approach and to discuss with the different actors in the same way.

Didier R.: But again, just to go back to one issue, we have also a problem in Europe when we are looking and discussing about the world, of course we have our problems. I don't want to go back with Brexit and all this. But also we need to try to develop our own champions in different fields. If you are looking back ...

Steve C.: Economic champions?

Didier R.: Of course, and certainly in new technologies, because I remember the discussion in Lisbon about the Lisbon process, the time was Antonio Guterres was prime minister of Portugal, and it was the idea to build the malls, and now let society in the world 10 years later in 2010. And all the leaders on the table have sent some SMS and messages to explain that on what? Nokia. It was the only one phone for everybody maybe in the world, the most important company. 10 or 15 years later, when we discuss about the evaluation of the Lisbon process, they have sent a message on an iPhone or a Galaxy, so no more company in Europe in such a field.

Didier R.: I want to say that there are some success, we have seen with Airbus and maybe in other field, pharmaceutical industries and so on, but then the new technologies, certainly in internet we are speaking all the time about the [gaffer 00:21:47]. I'm searching for one European company in that.

Steve C.: But interesting. Erickson and Nokia and Samsung are the only competitors to Huawei in the kind of equipment that Huawei produces. And Europe is not putting its muscle or financing behind the global expansion of Erickson and Nokia, which leaves the world open to Huawei. No matter what you think of Huawei, there's just a structural difference between ...

Didier R.: Yes, but it's a real issue for Europe because it should be a challenge for the next commission. I fully understand that it was very important for the commission to apply the actual rules about competition in Europe. But are we able to discuss about in some fields the capacity for Europe to work as a real unity in competition, not inside Europe, but in combination with the U.S., with China, in different new fields. And if we want to be very competitive against Huawei and such a kind of infrastructure, but also against the different companies coming from the U.S. on Internet, we need to discuss about the capacity to work again together as European Union.

Didier R.: You have seen maybe the proposal of a merge between the Siemens and Alstom sometimes ago. I fully understand reaction of the commission. It was fair in the application of the actual rules, but if we want to have a real European champion in competition with companies coming from China or the U.S., we need to think in another way to try to organize the capacity to have big companies also coming from Europe. What that means, that we need to have a common approach in Europe. So again, a more multilateral approach in Europe, and not to work separately, and the Brexit and all the trends in Europe are very dangerous on that.

Steve C.: Before I go to the audience, just in we're going have to go lightning round. So fast questions, fast answers. Viktor Orbán, Hungary, how comfortable is that? As we're talking about China, Orbán is the principal sponsor of this 16 plus one partnership with China. Does this make you crazy?

Didier R.: Not crazy, hopefully, but I have said in different meetings at the level of the trade ministry because I was still in charge of the trade at the international level, at the European level, we want to say that it's impossible to go forward with that. We need to have a common approach with 28 or 27 but not 16 plus one or another kind of-

Steve C.: Do you have red lines with Hungary, like you have red lines with America?

Didier R.: On both side, human rights and democracy and we have now a discussion in the European Union [inaudible 00:24:12] like there is the judiciary formed in Poland, because I'm in favor. It was my proposal also to the Council of Europe, but

certainly in the European Union we need to pay attention to the rule of law, and not just about the economic conventions. I was Minister of Finance for 12 years, it's important to control the budget year after year, but we need also to control the values. The rule of law, democracy. And in Hungary, we have a lot of concerns about that, and how it's possible to have a new mechanism in the European Union to control it, and if it's needed to take decisions. And about the way to work together, the same. If there are some evolutions with 16 plus one it will come to be a problem.

Steve C.: Let's go right here. Yeah.

Lou Dish K.: Thank you.

Steve C.: We have the microphone?

Didier R.: Maybe a microphone, it will be ...

Steve C.: Just run across.

Didier R.: And with that time I will take some water.

Lou Dish K.: My name is [Lou Dish Kia 00:25:09].

Steve C.: Real quick.

Lou Dish K.: I'm from the Policy Center for the New South Morocco, and now that Belgium is in the Security Council, and putting aside the issue of having a European seat in the Security Council, is there any coordination between the member states, European member state of the Security Council on some issues?

Didier R.: Great question. Before, we have had the first meeting last year in New York to try in September to organize coordination, but I have invited all the European members in Brussels with [Frederick Amogeri 00:25:44] during the diplomatic days, a meeting of all the Belgian diplomats at the beginning of the year. And we tried to have all the time a coordination with for the moment five members. One third of the City Council is coming from the European Union.

Didier R.: And to give an example about Venezuela, it was not only possible to have a real coordination, but at the end of the meeting, the European expression was given by the British Ambassador, so it's fine, the actual situation to do that. So, no, we try to work all the time with the five, of course, if it's possible with a good relation, with all the partners, permanent members, U.S., to give an example, but on some orders we have in Belgium a good cooperation with South Africa, Indonesia could give an example [crosstalk 00:26:29]-

- Steve C.: So you're not giving special preference to the European members [crosstalk 00:26:32]-
- Didier R.: No, but we try first to have this common vision coming from Europe with one third of the Security Council, it quite important.
- Steve C.: Great. Right here. Just run across. We're out of time.
- Kim D.: Kim [Dodger 00:26:50], Daily Beast. Just to double tap a theme, President Trump, in his discussions with Vladimir Putin, made disparaging comments about the press and made light of election interference. You have fears about that happening [crosstalk 00:27:04]-
- Steve C.: ... get rid of them.
- Kim D.: Exactly. Does that disturb you?
- Didier R.: But we have had the same discussions in Europe. If you look to the situation in the last days, I was in Strasbourg for the Council of Europe, and what was the decision? To take back Russia in the Parliamentary Assembly, the decision was taken some years ago to suspend some voting rights from Russia after the annexation of Crimea, and now there's a decision to take back.
- Didier R.: What's the problem? Of course I've listened to the declarations. Is it possible to have a dialogue with Russia, like with other partners, with China, with many others? But is it also possible to stay on a very strict line when we have a pressure on such a country like Russia due to the fact that they have had a decision like the annexation of Crimea. And to be concrete about the European point of view, we tried to go forward forward was the sanctions on Russia. I'm hoping that it will be the same in the U.S. to go to a dialogue, but to stay with real pressure on Russia. That's the way to analyze the situation in next weeks. I follow the discussion in G20, but is it possible for the U.S. to go forward [inaudible 00:28:17] further with the sanctions? And we have the same kind of level of section, and sometime higher in the U.S. than in Europe.
- Didier R.: So, that's the analyze at the we need to to do, not just to react about one sentence, but to see is it a mixed approach? Real dialogue but also sanctions and pressure when it's needed.
- Steve C.: Right here.
- Anit Rose: [Anit Rose 00:28:41] from [Sets 00:28:42]. Let me come back to a more ...
- Steve C.: But you're going to do it in 30 seconds.

- Anit Rose: It's related to Huawei, European champion, and whether we should let use competition policy to have European champions. Isn't the question rather how we can create an integrated market in Europe? And the simple example would be spectrum policy for example. Why have national auctions and not have European ones?
- Didier R.: No. First of all, we need to go forward with the constriction of the internal market. We are not at the end of the internal markets in Europe. And so that is a real issue. We need to work on that and to try to make some progress. And to be honest, with 28 or 27, or with less than that if it's needed, maybe in the Eurozone. If it's needed, we need to go in a better way, maybe with Eurozone, if it's impossible to do that with all the different partners.
- Didier R.: The second [inaudible 00:29:34] about the champions, it's not only a question of the rules in line with competition. I want to give an example. In Defense, I'm now Minister of Defense with that, but we don't have the same integration of the Defense industry in Europe than we have for the civil aviation. With Airbus it was a success, in the space we have also some success. But due to the fact that we are working together with a real integration of many companies in the Defense industry, we are not so far. We need to develop. And there is now a new decision that the level of the commission to have a fund to finance some collaborations between European companies.
- Didier R.: And in new technologies, I'm talking about internet, it's the same. It's not just to open the door for a new where to think about the competition policy, but it's also to try to help different companies to work more and more together. It's abnormal to have so many different kind of companies, again, in the different sector in Europe, how it's possible to compete in the world if we have such a differentiation of all the companies at the European level.
- Didier R.: So it's a problem of competition. It's true, the rules at the European level about competition, but it's also problem to help the different actors to have a real industrial policy and to work together.
- Steve C.: If we had another hour, I'd love to get into defense spending. I'd love to get into your passionate comments last year here on this stage about the threat to civil society from terrorism. So many other things, but this was cool, anyway.
- Didier R.: Yeah.
- Steve C.: Ladies and gentlemen, Foreign Minister and Defense Minister, Didier Reynders. Thank you very much.
- Didier R.: Thank you. Thanks.
- Announcer: Ladies and gentlemen, please welcome se-

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