

THE BROOKINGS INSTITUTION
EUROPE THROUGH WAR AND PEACE:
A NOBEL PRIZE AND AN UNCERTAIN FUTURE

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Moderator:

JUSTIN VAÏSSE
Senior Fellow and Director of Research,
Center on the United States and Europe
The Brookings Institution

Panelists:

ROBERT KAGAN
Senior Fellow
The Brookings Institution

JOÃO VALE de ALMEIDA
Ambassador
Delegation of the European Union to the United States

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P R O C E E D I N G S

MR. VAÏSSE: Welcome everybody for this very intimate session. Friday afternoons are not great for events, but anyway -- my name is Justin Vaïsse, I'm the Director of Research for the Center and the US and Europe and it's my pleasure to introduce and moderate that that one hour session -- discussion on basically Europe -- War and Peace. And I think I'll give you a sort of a short introduction and try to tell you a bit about my family's history because I think it's relevant to the subject at hand.

So in 1870, the Germans invaded Lorraine, which was the home of my family but my great-grandfather -- whose name was Andre -- was born French, rather than German, in 1872. Because her mother would always make sure to cross the border a few weeks before she was due to deliver to avoid him being German. Twenty years afterwards, he attended the Saint-Cyr Military Academy, which, as you know is the French West Point, and he became a colonial officer. He took part in the fight against the Boxer Rebellion in Beijing and then he was -- he administered various territories in Indo-China and in Madagascar. In 1914, the Germans invaded Lorraine, which was the home of my family still at that time -- but this time the invasion was accompanied by considerable violence. In the nearby small town of Longuyon in Meurthe-et-Moselle more than 80 civilians were executed by German soldiers including the priest and the mayor of the city. And as his house was pillaged and occupied by Bavarian and then Prussian troops, he was actually gone -- my great grandfather, he was on his way to Turkey for the Gallipoli expedition. When trying to seize Canakkale from the Turks and the Germans, he was shot and he fell in the water. Fortunately, he was rescued by one of his Senegalese soldiers, and he slowly recovered from his wounds in a military hospital in Alexandria, in Egypt.

He went on to fight in Verdun in 1917, where he was gassed with

mustard gas. The first time the German armed forces used mustard gas. And then, he was also injured the following year in the Somme in 1918 -- in the Campaign of the Somme. And, you know, all in all, he was lucky to be alive at the end of the war, unlike the entire Saint-Cyr Class of 1914 which was entirely wiped out by the war.

So imagine a complete class of West Point being wiped out by the war. And after the war, he spent a lot of time in the administrative process of trying to obtain reparations to rebuild his property. In 1940, the Germans invaded Lorraine -- which was the home of my family, still. They had not moved. For the third time in 70 years, the property was occupied and damaged again. And Andre's son, my grandfather, whose name was Pierre, fought in the Campaign of France, but his entire craft platoon was no match for Hitler's Stukas -- the planes, and he had to retreat until the Armistice. In 1942, he entered into a resistance movement called Alliance - which was working with the British Intelligence service, and was reporting on aircraft movement in Lyon. But he and his wife were arrested by the Gestapo of Klaus Barbie in August, 1943 and brutally interrogated in Paris.

When my grandmother gave birth to her first child -- who was my mother, in January 1944, Pierre was en route to Buchenwald concentration camp where he stayed until April 12, 1945, when General Patton's 3rd Army took control of the camp and liberated him. But his return home was tainted with sadness because he had lost his younger brother to the war and as well as two brothers-in-law who had also died for France in the French African Army landing in Provence. Like his father did 25 years earlier, he spent a lot of time trying to rebuild and obtain reparation. But this time, the situation was different. Things had really gotten too far between France and Germany and even in the disputed and patriotic region of Lorraine, there was a solid European movement. In which, Pierre de Chevigny, my grandfather, took part with

increasing faith. It was hard -- it was hard because national sentiments ran very deep in the family for the reason I just mentioned. And, hatreds ran very deep. *Le Alemande* was still *le boche* -- which was the derogatory word for the German.

My grandfather embraced the political career and he was part of NATO Military Assembly in the 1960's where he cooperated with Americans, Germans, and others to build a military strong and united west which provided the framework in which the European construction blossomed. That's why, this long story is to tell you why, when the Nobel Peace Prize news came, it only made sense to me. Of course, it was very political decision, but it seemed to me fully justified -- won on historical grounds.

For centuries, Europe has experimented with basically all types of war, I guess. Red powers, rivalries, nationalist wars, total wars, genocide, wars of colonization, wars of decolonization, guerilla wars, civil wars, religious wars, you know, Europe really had everything in store -- and also had generously exported all these kinds of war to the rest of the world between the 15th and the 20th century, basically. But then, it stopped in 1945. And, when I look at places like the Caucuses, for example, or you know China/Japan, I cannot but think that European reconciliation and European construction are sort of a historical anomaly -- sort of miracle, of sorts.

And, so, of course, that's what I'd like to invite the panelists to discuss today -- that is the European contribution to world stability and world security not only in the past, but also today in terms of not only providing a model of reconciliation and institutional construction, but also in terms of peacekeeping, development aid and strengthening of global governance. So, the items that I'd love our two speakers of today to discuss are, you know, sort of go without saying, how did reconciliation happen, how much does the EU bring to the world to world peace today and does it basically deserve its Nobel Peace Prize? How much is it also threatened internally by social and political

impact of the economic crisis -- when you see developments of the last two years.

Countries like Romania and Hungary, or the turmoil in Greece, including the resurgence of old hatreds that I just alluded to, you can legitimately wonder if that Nobel Peace Prize is not sort of a swan song for Europe and for what Europe provides to the world.

So to discuss this issues, and I've been too long in my introduction, but to discuss this issues we have two great and very distinguished speakers. João Vale de Almeida is, as all of you know, the EU Ambassador here. He has worked mostly in his life for the European Commission under presidents Jacques Delors, Jacques Santer, and Romano Prodi. He was very close -- and is very close -- I guess, to President Barroso. He was his advisor and personal representative and he was appointed Ambassador here 2 years ago in 2010. Bob Kagan, here to my left, is Senior Fellow with us at Brookings. He's a historian, author, and a famous commentator. We all know about his books, *Power and Weakness*, and you know, *The World America Made*, but Bob is also a historian and his book, *Dangerous Nation: America's Place in the World from its Earliest Days to the Dawn of the Twentieth Century*, is probably the book that has been read least, but which has occupied Bob the most. And he's currently writing a sequel to that book. So, I will ask them, Bob first, and then João to present their view on on these issues.

Bob?

MR. KAGAN: Thank you, that's a fascinating story that you told. By the way, thank you for pointing out the correlation between the amount of work I put into a book and the number of people who read it. (Laughter) You know -- as it happens in working on the second volume of this history, I've been deeply immersed in the post-World War I period, in the 1920's. And, the thing that just struck me as being completely obvious and inescapable is that Europe had worked itself -- I mean, whether you want to

say over a hundreds of years, or only since -- and I think you could certainly argue since the Unification of Germany, had worked itself into a cycle that it really couldn't escape by itself. That this sort of -- whether you want to look at it from an international relations theory point of view, you had a security dilemma of great powers -- each of whom, in search of their own security, made everyone else nervous.

You had, obviously, ambitious nations behaving as nations do. By the way, I don't think ambition for powers was limited to Europe, but it had created a cycle that Europe could not solve on its own. And that's at least one reason why you had three major wars in Europe. People forget the Franco-Prussian war was an extremely serious event. You know, historians treat the 19th Century like it was just one long period of peace. I think that there were 2 million troops and something like a half a million dead in that war. It was really devastating. People don't even take it seriously. But, anyway, and then World War I came. And, it was very clear, at least it's clear to me, and I think it was clear to Europeans at the time, that Europe really needed a *Deus ex machina* to come in and provide some solution to this problem. And, Woodrow Wilson I think really did understand that. And people talk about Woodrow Wilson like he's some kind of airy fairy idealist. Actually, he was extremely practical. And, he was looking at the European problem and he didn't think that Europe could return to a stable balance of power. I think his argument was there was no stability in that balance of power. And, so, you needed some mechanism to sort of solve this European conundrum.

Well, the United States withdrew -- it didn't play that role. Europe then, being sort of inherently unstable came and, you know, led to the Second World War. And, then, the United States finally did play that role. And, I don't think, talking about the Nobel Prize, of course, Europe deserves the Nobel Prize. You know, I'm going to say

this in a good way, and in a bad way. The bad way is, look at who's gotten the Nobel Prize. (Laughter) Europe really deserves it compared to a lot of the people and institutions that have gotten the Nobel Prize. And, the Nobel Committee seems to give out prizes for a number of reasons. One of which is kind of a "lifetime achievement award". But another reason is to sort of, "buck up" you know -- forces that they think are trying to do good. And, another is to just insult American republicans. But that one, I don't think, in this case I don't think that really played a big role. It's like giving Jimmy Carter the award in 2002.

But, in any case, in Europe's case, it certainly deserves to be "bucked up" at this point. I think that Europe now does have a very, you know, is going through crisis and deserves some bucking up. And then, but let me get back to who deserves credit, because that's sort of what the question you're asking is. And, look, I think that any European would acknowledge that the initial establishment of a European peace depended on the presence of the United States in force. That the Germans could not be welcomed back into Europe after the experience that you described, without some guarantee to the French that they wouldn't do it again. The Germans themselves welcomed American forces as a means of sort of allowing them to move back into Europe. And, I think Joschka Fischer's talked about this. I don't think there's any question that the initial sentiment and probably for some years to come, required this American role.

Now the question is, is it still required? And didn't Europe build something on its own apart from that? And the answer to the second question is, of course, Europe has built something remarkable -- I mean, you refer to it as a miracle in the book that I wrote years on the United States and Europe which is widely and mistakenly understood as somehow a criticism of Europe. I actually refer to Europe as a

geo-political miracle -- something that had never happened before. And it really is a miracle and Europe has, in fact, fundamentally changed. And, the great question would be, if the United States were truly to withdraw, do I think that Europe would immediately go back and it would be 1870 all over again? I think clearly not.

To make a comparison, I think that if the United States withdrew from Asia, you would fairly quickly return to the kind of competition especially between China and Japan that marked previous centuries and that the United States also provided a solution for. But Europe, and again, I think we have to talk about Germany. Germany is a very, very different place than it was in the 19th and early 20th century and the people are obviously affected by their history. And, I think that Europe has created something that now stands alone. I'm talking too long, but let me just say the question of what this means for the world is a more complicated question. I think the fact that Europe, at peace, based on the history that you described of five centuries, is an enormous gift to the world, in and of itself. If nothing else ever happened but that Europe remained at peace, and remained at peace in the kind of prosperity producing and democracy producing way that it is -- this by itself would be the greatest contribution Europe could make.

If Europe is able to export this approach -- if Europe is able to export not only its values but its means of dealing with these kinds of international problems, that would be great too. But I am unfortunately skeptical that Europe has been able to export that. That was the original dream. I think Europeans were very ambitious about the idea that they represented the future. Unfortunately, the future looks more like Europe's past than Europe's present. And, Europe is not, at this moment, exercising that kind of influence on the world. But, nevertheless, certainly deserves the Nobel Prize and I'm very happy that Europe received it.

MR. VAÍSSE: João?

MR. VALE DE ALMEIDA: Well, thank you. Thank you very much. A pleasure to be here with Justin and Bob and all of you. Let me go back to a more kind of personal remarks as Justin started. Well, first of all I'm very happy that my predecessors and family chose the coast of Portugal rather than Alsace or Lorraine as their place because our life has been simpler. But, how do I feel today? How did I feel when I got the news -- I think I was in New Hampshire following the campaign in a swing state, talking to Democrats and Republicans. Well, first of all very happy. Because it's always better to get a prize, than not to get it. And, it didn't come exactly as a surprise, I may say, because I knew that for a number of years, we were on the short list of the Nobel committee. We didn't actually make it to the very very final short list a couple of times. But, we knew that the committee was thinking about this kind of award. So, not really a surprise but we were all extremely happy and I think any European would be happy.

Secondly, proud because I've been working for this project for more than 30 years now -- 31, very soon. And I think that my children more or less understand a little bit better what I've been doing in the last 30 years -- for their lives in the last twenty-something. But also, let me say, very clearly, and listening to Justin's family history, very humbled. I mean, so many people died and suffered in order for us three to be here today discussing whether or not the Union deserves a Nobel Prize that we cannot feel anything else but being humbled by all these efforts. And, that's the feeling I have -- maybe the strongest one I have today is that one -- is to look back and see how many people fought, died, suffered for this to be today's reality in Europe. And, I think that's much more important than the cynicism around do they deserve or not the Prize now, twenty years ago, twenty years, later. I mean, that's all basically not very important.

What is important is that Europe is at peace, Europe is in democracy.

Five hundred million people live in democracy today, respect for human rights, individual freedoms, you know. The thought of war between France and Germany is something my children cannot simply understand. And we have the highest standards of living in the world. Gosh, if this does not deserve recognition which is how we interpret the Nobel Prize, I don't know what does.

So what does it mean for us, in a more or less personal and more analytical way? I think it's a recognition of what we've done in the past. It's an inspiration for the future. But it's also a wakeup call for the present. And that's the way I believe we should take this Nobel Prize. Recognition for the past -- I think this is the biggest ever conflict prevention/peace building operation in mankind. And it was done, not by accident -- it was done on purpose. We didn't have a blueprint, but we had a vision when they started -- right after the war -- together with the Americans. And I agree with Bob -- it would not have been possible without the Americans. And I would like very much to share the Nobel Prize with America and Americans and all the soldiers that died in Lorraine and (French term) and many other places around Europe for us to be able to commemorate the Nobel Prize today.

So this was a shared effort. European dream is as much an American dream. So, no doubts about that. But if you look back this was a highly successful operation. I mean, countries like mine came back from dictatorship to democracy and prosperity. Countries were before behind the Iron Curtain now today -- having the highest rates of growth in Europe. I mean, look at Poland today and compare Poland with 10 - 15 - 20 years ago. Again, it's not only the European Union -- we don't claim any exclusivity in the success of what we have in Europe today. NATO plays a role. Americans play a role. Others play a role -- played a role. But it's certainly a successful operation. So what does it mean for the future? I think we cannot abandon

this track. We have to finish the job. We have to finish the job in the Balkans. We are one-third through this process. The most difficult parts of it are still there. But we need to accomplish -- I mean, we know that the single most important driving force for reform and peace and reconciliation in the Balkans is the prospect of European accession. There's no other one. I mean that gives you a sense of the historical role that we still have to perform and finish in the Balkans.

The same for Turkey. I support -- that happens to be the official line -- but sometimes people forget -- the accession of Turkey to the European Union. We are in the process of negotiating. We know how much this prospect has influenced change for the better in Turkey. And we know how much we need Turkey as part of our system of values because of its regional relevance -- and increasingly so, more than regional relevance.

And, we need to look at Ukraine and Belarus and we need to look at our Eastern flank. You know, Ukrainians have the same right as I have to live in full democracy and respect of human rights and freedom. They are part of Europe. So we are in the process with Turkey, difficult one, but again historic responsibility. So we cannot stop, we should not stop, and will not stop because that's my duty -- our duty -- towards those who died for this in the past. I mean, it's as simple as that. So, I think the European Union dream project is not only alive and kicking, and we can come back to that when I talk more about economics and other things. As much as it is not a finished job yet. And there's a lot we need to do.

We could talk about beyond Europe and beyond our neighborhood. I believe we have a global role. I believe the kind of world Bob described so brilliantly in the number of books and again, refer to it. That's the world that needs Europe more than the Cold War world. It's a more unpredictable world where new threats that we do not

master or control are there and where the European solution -- which are not perfect -- I mean, you cannot find more self-critical people than Europeans about European Union. Sometimes a little bit too much to my taste.

But, anyway, this is not perfect. But, I mean, look at the situation in the south Asia Sea and that region. I mean, there are no mechanisms of dialogue. There are no mechanisms of conflict prevention let alone conflict solution. I mean, our model, not perfect, you know, contains elements that basically we dealt with people that were at war for centuries, that didn't speak the same language, that had different cultures but realized they were, all of them, too small to count in this world. That they were, all of them, sick and tired of killing each other. And that maybe there was an alternative. This is the message I think we bring even today and I will say even more today than done in the past.

MR. VAÍSSE: Thanks, João. I have two questions one for each of you. To Bob, it's a very simple question. How would you assess Europe's contribution to world stability today? And, I'll announce the second question for João so he can have time to prepare it. You just talked about the message of Europe. How much do you think that message has been weakened or is being weakened by the current crisis? So in terms, both of capacity and what we generally refer to as self-power, how has the crisis, do you think, affected Europe's capability and Europe's capacity to provide that piece out to provide a model.

MR. KAGAN: When I think about Europe's contribution it seems like a backhanded compliment, but I don't mean it to be -- that Europe's contribution is to provide this sort of oasis of peace, democracy, stability and prosperity in a part of the world that is a central part of the world. And I remember a few years ago when Robert Cooper was writing about what the mission of Europe should be. What Europe's foreign

policy should be. He talked really about enlargement, as much as anything else. I think that the emphasis that partly is a result of the United -- I mean, not partly, largely is a result of American sort of pressures, and urgings. The notion that what Europe should do is sort of be another America that has troops to dispatch anywhere else in the world and plays a global military role; I think that's been a mistake. I don't think that's what Europe aspires to be. I don't think that plays to Europe's strength. But, Europe as an enlarging space of civilization if you will, just to use shorthand, I think is very critical. And that's why I completely agree although it doesn't make me very popular in Europe, to say that Turkey should, in so far as it's possible to, bring Turkey into the European Union; that should be done. And that the magnetic attraction of the European Union even today, as you point out, even despite the economic difficulties, remains very strong. I mean, Erdogan has talked more recently about wanting to be part of the European Union. I wished that we had more influence on what was going on in Ukraine so that they could move in as well.

But, I mean, if Europe were able to enlarge itself in this way that is a major contribution. Because it happens to live in the middle of a very critical part of the world and even sort of bordering what you might call an arc of perpetual crisis. And, so that I think is realistic. What unfortunately I think is less realistic is on the one hand, the American dream of a kind of Robin to America's Batman, where we all go out together with our armies and fight and do what we need to do and provide stability. Those are the kind of analogies that just get me into trouble all the time. And I'm already regretting having used that one. Or, the European dream that Europe is sort of, to use the old American phrase, "A Shining City on a Hill", that is an example to the rest of the world in that look at how well we have solved our problems after killing each other for centuries -- now we've done it, so you can all do that.

The world is unimpressed, unfortunately. If you go to Asia, they are not saying, boy, I wish we were more like Europe. And, the sort of the deep nationalist sentiments that Europe has moved beyond, unless you're talking about football, or things that are, you know, Europe hasn't entirely moved beyond it. But, in any case.

MR. VAÏSSE: Important things, important.

MR. KAGAN: Important things, or when the Greeks immediately say "Nazi" every time you talk about their budget deficit. But, the rest of the world really has not moved beyond this nationalism. In fact, nationalism is stronger today, I think, than it has been in some time. So, the model is not just winning everybody over. And, Europeans projecting power is not going to do it. So I would say, and Europeans don't like to hear this, because Europeans have a history of being global players and global forces, so somehow it's an insult to say, what you're doing is important enough.

But I really do think that that is, in the near term, that is the best objective that Europe can have. And, you know, one more point, I'm sorry I'm going this long -- there is a global element of this which is liberal values that we all share. Liberal is always a problem in Europe but enlightenment values, let's say, that we all share are under assault in the international system. They're under assault at the United Nations Security Council, they are under assault in the International Economic Order, from nations and powers that don't actually share them to a great extent. That is where the United States and Europe together, I think, have a very important role to play by upholding certain rules of the International Economic Order, by pressing ahead on the sort of increasingly humanitarian approach to international problems. Those things are resisted by the Chinese and the Russians, and I think that's a place at the UN Security Council and elsewhere where the United States and Europe working together can make a big difference.

MR. VALE DE ALMEIDA: Well, I agree with most of what you said, but the last part about the job not yet finished in terms of -- and you wrote brilliantly about the end of the history. And that's where we are today. And I think we could develop that later on. But I want to come back to Justin's faith. Of course, economics and foreign policy -- economics and politics -- are linked today, more than ever. I mean, you cannot be a global power if you don't have a solid economic domestic basis -- domestic foundation. And, I think the troubles we've been through in the last couple of years have shown that interaction. And I tend to agree that if we prolong this crisis for too long this will have an impact in our external credibility. And I think our leaders are aware of that.

Now, how can this affect or effect our capacity to be credible partners? I think it can. But, we are not condemned to that. And, if you look today at what we're doing in Europe, and if I look -- let me put it this way for the sake of the debate -- if I look at 2012, and if I look at the 4 main players: United States, Europe, China and Russia -- and I look at what's been happening in these countries or blocks of countries in 2012, and I'm oversimplifying, of course. But, I look at China, you know, they were basically busy with a transition of power. They were basically busy dealing with Mr. Bush, Eli and his ramifications, and choosing the new leadership. And it took most of the energy of the Chinese leadership in 2012. Tell me what fundamentally or structurally happened in China in 2012 that had an impact in the future of China. Tell me what fundamentally China did in the international scene which has a long-lasting impact. If I look at Russia -- again, a transition between well-known actors but still a transition -- and, basically, the feeling we have out of Moscow is that things have not settled in yet and that there is a process ongoing that in a way has prevented Russia from being particularly active or rather active in the defensive way rather than a pro-active way, a courageous way in the international scene. And, I think we have a few examples where they have taken rather

conservative positions in the sense that they were not maybe able or capable, willing to make bold moves because they were still caught in the transition.

Well, I don't want to comment too much about this country, but if you can see that 2012 primaries plus elections, we can say that United States has been rather inward-looking during the whole of 2012. Well, if I look at Europe, I mean there were a few transitions of power, of course, but basically if you look at the picture of Europe what are we doing? Well, I think we've been extremely busy. We're dealing with crisis situations in a number of countries of an unprecedented nature. And we will be dealing with that in an unprecedented way, creating new mechanisms, new funds, new money, and new articulation of power. We are busy dealing with structural reforms in Europe, deficit, debt, labor markets, pension systems, role of government, privatization. Go around Europe and see the depth of the changes that are being introducing in our economy, society, and at the same time as they are dealing with very urgent crisis situation.

And with all this we still have time to talk about the future. We started just now a new discussion about a new treaty. When we thought that a few years ago people were fed up with that -- we will never do another treaty. There is a debate in Europe today about what the new treaty should be about -- new competencies. In European Council next week there will be discussions about how to organize economic and monetary union with very ambitious ideas. So Europe, while others are basically in transition looking inwards, Europe is doing its homework. I mean, it's doing a job in a multiple layer agenda, and a very ambitious one.

So, in spite of the crisis I see this animal very much alive and kicking, to be honest. And, I'm ready to exchange and debate -- but I see an alive and kicking animal looking at the most urgent needs of today, but at the same time looking beyond. I

mean, we're talking about things that may happen in Europe in 15 years but, also, we are talking about the elections in 2014. And people are saying -- Martin Schultz was here last week and I discussed that with him. I mean -- EU once and I think that will be the case. The President of European Commission to be basically elected by all the citizens of Europe, through the European parliament election. You look at the debate about economic and monetary -- anybody talking about a treasurer -- a treasury? European treasury? We're talking about very strict rules and transfers of power.

So, in spite of the crisis, which I recognize and I'm not complacent about -- I have to be, and this is not my salary speaking here. It's a firm belief that in spite of all this our animal is alive and kicking, and very busy at work.

MR. VAÏSSE: Thanks. I'd like to open it to the floor now. Please identify yourself and you can pose a question or make a comment due to the nature of the discussion. We'll start from the back over there -- the gentleman.

MR. CORCORAN: Yes, my name is Pat Corcoran. I spent about 10 years at the University of Strasbourg as a lecturer, and therefore had some exposure to the European organization such as the Council of Europe, the Parliament, the Court of Human Rights. You talk about the movement now toward monetary fiscal economic union. This is seeding power to an organization -- the Commission -- which is not elected, which issues rules which are rubber stamped by a Parliament, which can hardly initiate its own rules. There's a huge debate, I think, in Europe, as to whether these powers should be transferred. Would you comment on that?

MR. VAÏSSE: Thanks. On our way to the front -- the gentleman here?

MR. BLADOWSKY: Yes. Chris Bladowsky from Manufacturers Alliance for Productivity and Innovation. This is question to both speakers, but perhaps more to Ambassador Vale de Almeida. Sometime in April, maybe May, of this year, Secretary

Clinton wrote a letter to the European Union and handed it over to Catherine Ashton, the high Commissioner of External Service. I haven't seen, of course, the content, the copy of the letter, but the idea was a fairly clear delineation of concrete steps or areas where the United States and the EU could work together to tackle issues. And, I think, broadly defined, it was South Asia, Caucasus, sliding towards the greater Middle East. So, very much the backyard of Europe. I have learned about this letter and comments and the debate about this -- mostly in the United States. I haven't seen much of a debate in Europe. Can you comment whether there was any debate? To me, it seems like a signal from the White House, not just from the State Department, that the U.S. does not want to pivot east without Europe, wants to pivot with Europe, or perhaps even better yet, it sends a signal that Europe perhaps should pivot east because that's also in its best interest. I thought that this letter would engender much more discussion than I've been able to trace in the European media.

MR. VAÏSSE: Thanks. And we've come to the front here. Gentleman and then -- right.

MR. BIGULSKY: Hi, I'm Zack Bigulsky from the German Marshall Fund. So my question is two both speakers. Do you expect any process of turmoil or backwards integration considering the Scottish referendum for independence in 2014 and victory of the pro-independence Basque parties in Spain?

MR. VAÏSSE: Let me move to the right here -- gentleman behind?

MR. BONO: Hi, Joseph Bono. I was with the European Parliament up until the earlier part of this year, actually. I wonder if anybody has a comment on the rise of some of anti-European and European skeptical political parties in both the European Parliament and in national elections and how the publicity of the Nobel Peace Prize to the EU might affect those upcoming elections.

MR. MITCHELL: Thanks very much. I'm Garrett Mitchell and I write the Mitchell Report, and I'd like to pose a question that comes predominantly from observations made by the Ambassador on one or two occasions about the job needs to be finished -- the European Union. You've said that on multiple occasions where we have to finish. And what I'd like to know is if we were meeting here at some point in the future, 5 years or 10 years, and it was a place where you could say within reason things that I had in mind had been done -- and if not, things are never really finished, but we're more finished than we were when we met here in 2012. What's that agenda look like? What are the things that are undone and need to be finished? And, to what extent are those, if you will, intra-European steps and to what extent are they more extra-European and global in nature?

MR. VAÏSSE: Thanks. Here, Cesare?

MR. MERLINI: Thank you. Cesare Merlini, residency and fellow here at Brookings. Bob may remember that I had the opportunity to site his definition of the European Union as a geo-political miracle on this. And, I'd like to go on this point that the United States is a *Deus ex machina* of European integration, which is certainly American contribution. We'll say, very important, possibly decisive.

But, sometimes this brings the Americans to pay insufficient attention to the indigenous process for unity and the debate that accompanied it. This between functionalist Germany and federalist (foreign term), this kind of debate which is still there, to a certain extent on this. And, this debate also has played one paradox we are facing today. All these problems we had in Europe, following Germany unification were due to the fact that that was a geo-political centrality of Germany and the European continent.

Now it happens that this centrality is there again. Germany is a central power of European continent. It's a different Germany, no doubt about it, but it's

centrality and I would like to have the reaction of the speaker. If one looks at the events that unfolded since 1945, in a way, isn't that a paradoxical phenomenon? That France and Britain, by resisting supernationality, helped in the development that brought Germany back to the central position.

MR. VAÏSSE: Thanks, Cesare. One last question over there on the other side of the room.

SPEAKER: (inaudible) Thank you for your comment. Could you define what is European solution. Thank you.

MR. VAÏSSE: Ah, you mean the European solution?

SPEAKER: When you say it's a European solution, what is?

MR. KAGAN: You mean for world -- for international relations?

SPEAKER: Whatever it is (off mic).

MR. KAGAN: Okay. All right. Nevermind.

MR. VALE DE ALMEIDA: I'm responsible for my expressions so I will explain.

MR. VAÏSSE: Thanks. So, we have a number of questions so you can sort of pick and choose. Bob, do you want to start on -- or do you need me to run down --

MR. KAGAN: Well, happily for me, most of the questions were directed to the Ambassador (Laughter) so I think maybe you should start, don't you think?

MR. VALE DE ALMEIDA: I'll kick off and maybe I come back on a few points.

MR. KAGAN: I want the answer to what the European solution was as we are all waiting. We're all waiting to hear.

MR. VALE DE ALMEIDA: I'll leave that for the end, all right?

Okay, let me start with the first question on the transfer of power. At one

point, I think one needs to always have in mind is that the main difference I would say of the European project has been the institutional one. Why are we different from other international organizations? Because our level of integration in terms of countries is higher than anywhere else. But fundamentally, we are different because we operate under the rule of law. Because we have a European Court of Justice, which is, by the way, not the same as the European Court of Human Rights. And there's a lot of confusion between the two, particularly in some countries. But this is the fundamental difference. We have a European set of rules. We have a European justice court, and this is what makes this system so different from other looser solutions of integration.

Now, you claim that the whole system is basically anti-democratic or non-democratic. Well, I dare to disagree. I don't disagree that the European Commission is not directly elected by the people, but I agree that European Parliament is directly elected by the people. And, European Parliament has the power to invest and to take down -- bring down the commission as such. So, but I agree with your underlying political point which is that we need always to -- and there was another question that was linked to this -- we need always to be very much aware of the need to guarantee the support of European people; to guarantee the democratic accountability of our exercise of power. And, this is extremely important, particularly in moments of crisis, in moments of change or uncertainty. Which, by the way, to some extent explain the emergence of Euro and Anti-European movement. Euro's captic movements. We need to need to fight the battle of the hearts and minds of citizens in a very efficient way.

And, I think one of the challenges for the future, would be to deepen the democratic accountability of European project. We need to have politicians that agree decisions in Brussels, because ultimately those who decide in Brussels are not the non-elected members of the European Commission. Those who decide in Brussels are the

representatives of people directly elected -- members of European Parliament, and the representatives of government inside the council of the European Union. These are the two bodies that ultimately decide, and they are fundamentally democrat. But, it's important that the politicians that agree on those decisions in Brussels on Thursday don't go back to their countries over the weekend and blame all the negative aspects of those decisions on Brussels and all the positive elements of that on their own governments. And, this is fundamental problem in Europe today - to address the veil of skepticism. But you would not have the success that Europe has had, if it was not based on the very solid rule of law. Respectful law. The French say (French term) -- this is fundamentally what makes the difference with other projects.

I'm not aware of this Clinton letter -- I don't know exactly what you refer to, but the issues you raise are extremely important. A brief word on the pivot to Asia. My position on that is very clear. Our position is very clear. We welcome American renewed interest in Asia. We think this is in the interest of Europe. The United States can contribute to stability and security in the region to open the channels of trade. This is good for them, good for us, and good for the region. So, no problem. It's only normal, by the way, that the U.S. has a renewed interest in Asia. They are a Pacific power. We are not a Pacific power. And this is only normal. But I also think the Americans are capable of doing that and other things at the same time. And that's the way it goes for a power like the United States.

This raises issues for Europe. And the main issue for me is that this should be taken as a clear invitation for Europe to do more in Asia, alone, or together with United States. And I think there is a debate today in Europe about that -- and I welcome that -- and I think this is perfectly compatible with the American renewed interest there and it may even be a cross-fertilization in this debate and at least I very

much look forward to that.

As far as the neighborhood is concerned, as I said earlier, this is our primary responsibility. I mean, we cannot claim to be a world power if we are not capable of influencing events in our backyard. It's an issue of credibility. And, I think what the situation we have today, and as we look forward, and in the past, is that you are bound to have lesser engagement of United States in the world scene. For different reasons, including domestic public support for interventions and deploying forces and all that. So there will be some degree of rebalancing of American intervention outside. And, particularly in the neighborhood of Europe, where Americans will say, okay, but this is your area of influence -- we expect you to do more.

Europe is already doing more. If you compare what we're doing today in the Balkans, or Libya, as we did in the 90's in the Balkans, there's a clear difference. And, I think Bob's comments about Venus and Mars will be slightly different today than they were in his excellent book. And, Europe's track has to be that one. And I think there's an awareness today in Europe that we will need to do more. We will need to be more capable of adding to soft power, bits of hard power. In our own way.

And the big question for the future, and I'm responding partially to the other question, I think one of the challenges we will have is under the combined effect of new attitudes from America, and the enormous budgetary constraints how are we going to organize our defense capabilities? Are we going to go for each country alone? Or are we going for pooling and sharing, creating a real defense market in Europe -- defense industry market. Are we going to improve our cooperation with NATO in order to look for efficiency and value added? There's a big debate going on there and I wish this debate to be a trans-Atlantic one, in which we share notes, compare notes and work together. In the beginning of a new cycle here, this is maybe something we should be looking forward

to and hoping for.

On the Scottish issue, the Basque issue and I could add the Catalonia issue -- well these are matters for first and foremost for the National -- for the member states to deal with. And certainly there is a movement there. Which is not, I mean, we don't have time to discuss all this here, but you may find yourself in a position where countries or populations are readier to think or consider changing the boundaries within their own nation states than they are about leaving Europe. I leave this for speculation -- I'm not making any political point here. But, in this kind of environment it may be worth thinking about that because I don't see any country wanting to leave Europe. I leave parenthesis for Britain because there's a debate going on but there is no decision. I don't see any country eager to leave Europe. On the contrary, I see many countries wanting to come in. And, this is part of European solution, that we provide something which is attractive and appealing, in spite of all the crisis, for more people to want to come in. I don't see, again, anybody wanting to leave. I see movement in some countries where some regions may consider leaving their own country, but their immediate wish, which is, by the way, not easy to solve, is to stay in European Union. And, the challenge is about how we do that. And, again, it's not an easy point to solve.

If I look down the road, 5 - 10 years, well that would take us very far, but I'm sure you would see a different monitor union. I'm sure you will see a different economic and monitor union because it's in the making as we speak. You'll see a core of members of the Union who are part of the monitor union which will be more integrated than they are today. The question is, what will be the relationship between them and those inside the European Union but outside the Euro Area? And the question of Britain is, of course, a relevant one. I don't know what the outcome will be, but one thing is for sure -- the members of the Euro Area will be more integrated in 5 - 10 years time than

they are today; that is for sure.

What will happen on the defense front? Against the combined two factors I mentioned earlier, again, I don't know, but I say it's very difficult for us to stay exactly in the position where we are today. If we want to address the invitation from America, if we want to address the challenges in our neighborhood, if we want to address the facts on budget, we will need to do something about that. Is Europe mature for that debate? I don't know. We tried in the past, but we didn't manage to go very far. We have the issue of the relationship with NATO to sort out as well.

Just two points -- or maybe one point -- more about energy. I think, I hope at least, that the situation in Europe in a few years will be different on the energy front. This is a major strategic issue, as you know. There is a revolution going on in this country, not yet in Europe. We have Russia on the other side, on which energy is a major factor in our relationship. We have, of course, the Middle East. What would be the position on Europe on all these issues in 5 - 10 years time? I think this is, if I were in your kind of setting studying these issues, I will dedicate some energy to it. Some energy to energy. I think this will be a major issue.

What is the European solution? I don't know. What I know is that we are trying for the last 50 something years to find this. And, so far, it has meant cooperation instead of war. It has meant sharing of power instead of sticking to the power. It has meant long hours of fighting over communiqué rather than really fighting. It has meant very solid and strong institutions that think about the collective interest instead of national interest. This has been European solution. It is not a blueprint that we invented in the 50s; it is very much an incremental process.

We learn after each crisis. We use the crisis as a step-stone to move forward. This has been the European solution. It is applicable, useful, interesting for us,

the writers of the world? Maybe. We don't pretend again to be perfect, we don't want to impose anything on anybody. But, we may think that when we talk to the Africans -- you look at the African Union today. The institutions of the African Union aren't exactly or very similar to the ones in Europe. They are very far from where we are today, but it's a start. If you look at the ASEAN Southeast Asia, a number of elements of their institutional framework are based on our own. If you look at Latin America, there are instances of integration that try to learn from our own experience, so again, we are there to -- we don't have a copyright. If people in other parts of the world see our solution as a good one we are ready to help but I'm sure people are creative enough to find their own. So this is the European solution in a nutshell.

MR. VAÏSSE: Thanks, João. Bob, what of conclusion -- our time is up.

MR. KAGAN: Our time is up so --

MR. VAÏSSE: Do you want to --

MR. KAGAN: Well, I guess there was one question that was certainly directed to me and let me just say that the point that I've been making for years now is that it's too easy for people to take for granted a certain kind of global security structure within which a lot of things can happen. One of the things that has happened within that structure is that Europe has been able to pursue the course that it's pursuing. If you ask me, were the United States to cease playing the role that it's been playing since 1945, I believe that eventually over time, that would create problems for the European experiment because if European security is not guaranteed in the largest sense then nations have to start looking out for themselves. I don't know that we've reached a point with the European Union that they would do it as the European Union or whether they would do it as individual nations.

And then you talk about the power of Germany. If you were to add

military power to the power of Germany, I don't know that we wouldn't be right back where we started. I'm not a believer ultimately that human beings fundamentally change. I think human nature is a constant and the question is, what are the institutions and constructs that shape human nature and the way humans behave? And those institutions are not permanent; they're created. And they can be uncreated as they've been in the past.

So, you talk about the independence movements in Scotland and Catalonia and elsewhere, and Belgium for that matter, they exist in a way, because they live in an easier world. If the world were a more powerless world, if Britain had nobody to count on but itself to defend itself, we wouldn't be moving towards -- and as quickly toward Scottish independence. So, I think we need to take that into account.

And, one final word because you mentioned America as sort of the new rebalancing -- of course, it's possible that that's true, but I've heard this story before. Americans are always saying they are tired of what they've been doing in the world and the only thing that is as frequent as them saying it, is them going back out and intervening. I can easily foresee not one, but two significant American interventions sometime in the next year; one, possibly with Europe and Syria, and one possibly in Iran. And, then we'll have to have a whole new discussion about the new assertiveness of the United States or the new recklessness of the United States or whatever conversation you'd like to have -- but we won't be talking about the fact that the United States is no longer intervening. So, the world -- we don't change that much.

MR. VAÏSSE: Last word?

MR. VALE DE ALMEIDA: Just one point because I promised I would touch upon it -- which has to do with global governance. I think there is an agenda out there that I would like you and the U.S. to take together forward. And that is, how do we

organize this extremely complex world of today where you basically are driven by technology and finance and communications and globalized world market? How do you make sure that the way this world evolves is one that is compatible with our values? And I think values are even more important today than a few years ago in terms of democracy, individual rights, for instance. How do we make sure that our place, that is, the industrialized nations that share so much in common, their relative weight in deciding how the world will be -- is guaranteed? And my point is that I don't think that Europe -- that Germany -- can do it alone, that France or Britain can do it alone. I don't even think that Europe can do it alone. But I don't think the United States can do it alone either. There is a good chance that if we join efforts, we can make progress. And, that we can establish a sort of basic rules and standards and principles on which we will discuss with other parts of the world how to organize the world.

But I would call today as in the context of the Nobel Prize, and I believe this is part of the new narrative for Europe, which is to influence the world outside our borders, I would call for a cooperation between the two of us in different areas from trade, investment, regulatory framework to other issues. And I think this is the message I would sort of take out of the Nobel Prize discussion is to say, let's do it together. And, as much as we have achieved so much together, reflected it now in the Nobel Prize, the EU and U.S., I think we have an agenda for the next 50 years that has a lot to do about the world that will be governed.

MR. VAISSE: The European American Solution. (Laughter) On this, please join me in thanking the panelists for a great discussion and have a good weekend.

(Applause)

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