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Introduction:

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Panel 1: European Challenges, European Answers?

Moderator:

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Panel:

CHRISTOPHER CHIVVIS
Associate Director, International Security and Defense Policy Center
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JUSTYNA GOTKOWSKA
Project Coordinator, Security and Defense in Northern Europe Programme
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MATTHEW ROJANSKY
Director, Kennan Institute
Woodrow Wilson International Center for Scholars

GWENDOLYN SASSE
Director, Center for East European and International Studies

Panel 2: Transatlantic Relations and European Security: A Break with the Past?

Moderator:

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Panel:

THEODORE BROMUND
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DANIELA SCHWARZER
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P R O C E E D I N G S

MS. HILL: Ladies and gentlemen, my name is Fiona Hill, the director of the Center on U.S. and Europe. And I just wanted to do a quick welcome to all of you here at Brookings on a very steamy and strange Wednesday. I think we ought to be talking about climate change but anyway, lots of different political climate changes underway.

So I think we're going to go through a 40 degree change, perhaps not on this panel but over the course of the day. So I hope you all brought your umbrellas. Being originally British, I always worry about people with their umbrellas. So I hope you're all prepared for the storms that are coming this afternoon.

But in the meantime, we're going to have a panel about the storms that are facing Europe, political security, and economic. Sorry, I was making a segue. She's always wondering why I talk about the weather but, you know, I can't stop myself.

This is actually the final event of a two-year program that we've been running here at Brookings in the foreign policy program. We've had three workshops on the topic of European security and European political developments, first one here at Brookings over a year ago and then also in Warsaw and Berlin.

We start off this series of inquiries into European security back in 2015 against the backdrop of the conflict in Ukraine and also as Germany was starting its chairmanship of the OSCE which has just wrapped up, looking to see whether the OSCE could be reinvigorated as a conflict resolution mechanism to deal with the Ukraine crisis. Well, obviously, that was 2015 and a lot has happened since we first put our proposal together. The challenges to the European security order and to politics inside of Europe have multiplied both internal and external.

The internal challenges have included the populace surge and nationalist political movements that have riled European politics, the ongoing European financial crisis in the Euro zone including more bailouts of Greece and banking crisis inside of Italy. And then of course, we've had the aftermath of last year's Brexit referendum in the UK which has put the UK on a path to divorce from the European Union and Article 50, the infamous Article 50 is supposed to be invoked this very month of

March.

This year of 2017 is probably going to be even more interesting than last year. We have a series of general elections in Europe that come on the heels of our election here in the United States. We've got the Dutch election this month, in fact, just in a couple of weeks. Then we have elections in France which a lot of people are focusing on and then in Germany toward the end of the year. And there are a series of other elections as well, but these are the most notable.

The external crises and challenges that Europe has been facing are pretty obvious to everyone here in this audience. We've had the aftermath of the Syrian refugee crisis which, of course, is continuing, but the aftermath of the mass migration movement of last year into Europe and particularly into Germany which has brought a whole series of political consequences.

The Syrian conflict has arguably got worse. We've had direct Russian involvement in the crisis since the end of 2015 and that's brought together all of the challenges to Europe's eastern and southern flanks in ways that we, perhaps, didn't anticipate when we first started putting this program together.

And then of course, since our own election here in the United States in November of last year, we've had all the questions that have been raised in various different fora about the U.S.'s own commitment to the Euro-Atlantic relationships and to its European allies and whether we're going to see the solidarity within the transatlantic alliance frame.

So all of this is just a sample, the cursory highlights of what's on the agenda, and our two panels today are going to unpack some of these issues. First of all, before we begin and I hand over to my colleague Constanze Stelzenmuller to introduce the first panel, I want to say a note of thanks. Most of the workshops were made possible by the transatlantic program of the Federal Republic of Germany for a grant through its European recovery program. Now the European recovery program is an offshoot of the Marshall Plan. And for those of us at Brookings, it was especially poignant and pleasing that we got a little bit of money left over from the Marshall Plan because Brookings was one of the institutions that was involved in the drafting of the Marshall Plan itself.

So I'm going to make a quick commercial break and a plug for a book edited by our colleague Bruce Jones, the vice president of Brookings and director of the Foreign Policy program on

the Marshall Plan. It's available in the bookstore. I don't think this is a conflict of interest in fogging our own books actually. But in any case, I know there's a lot of sensitivity at the moment on this. But anyway, this is a book talking about the background of the Marshall Plan at an equally tumultuous time in Europe in the last 1940s after World War II.

And I think, you know, many of the themes that we're talking about today, you know, will resonate for those of you who have the interest in having a look at the collection of pieces in this book. We also have been delighted to partner as a result of this grant and a series of other small grants, with a number of transatlantic organizations in the workshops and in putting together this panel. This has included the German Council on Foreign Relations in Berlin and we have the new director of the council here with us. The Center for Eastern Studies in Warsaw and we have a representative of the center here as well. And then also the Robert Bosch Foundation in both Berlin and Stuttgart that has also made possible a fellowship for us; it has allowed us to bring Constanze Stelzenmüller here to Brookings. And then the Heinrich Boll Foundation of North America, which is an additional partner of ours in putting together our series of programs on Europe.

So that's all of the thanks, my commercial break, and I would like to hand over now to Constanze Stelzenmüller for the first of what I hope are going to be two extremely interesting panels on all of the different things that we have to deal with in Europe. And thank you so much for everyone for turning up today. Thanks a lot. Over to you, Constanze, thank you.

MS. STELZENMULLER: Good morning, everyone. Yes, I'm Constanze Stelzenmüller. We do talk a lot about the weather at Brookings, and yes, we celebrate the narcissism of minor difference because we are Europeans and that is what we do. So, and I have to say it's a great pleasure to have been a member of this family here at Brookings for the last two years. And I have to agree with Fiona. Life here, as a Europeanist in this town, has gotten more exciting all the time and has gotten particularly exciting the last two months or so.

It wasn't quite what I expected when I signed up for this but it's been amazing so far. And there are many old friends in the audience I see representative of the embassy, think tanks, students, and so on. This is good. I'm glad you turned out in such force on a Wednesday morning.

I've got a distinguished panel sitting here with me. I'm going to introduce them quickly

and we're going to do -- we're going to have a discussion of about three-quarters of an hour then hand over to you, the audience, with -- for your questions and comments. And I'm going to start with Justyna Gotkowska who is the representative of one of our partners that we did the workshop in Warsaw with to talk about European capabilities in response to the crisis in Ukraine.

Justyna is a specialist on security but also a specialist on Germany. So she is always useful to get a sort of more critical, piercing glance on what's happening in Poland's western neighbor particularly in the security reforms.

To my immediate right, Chris Chivvis, well known I'm sure to many of you and a connoisseur of transatlantic relations and of European security issues at RAND. To my left Matt Rojansky, the director of the Kennan Institute, a distinguished expert in Russia and Eastern Europe, and to my very left, Gwen Sasse who is from Berlin and the new director of the very new Center on Eastern Europe and Russia?

MS. SASSE: It's international studies.

MS. STELZENMULLER: International studies, exactly, I'm sorry.

MS. SASSE: East European and International Studies.

MS. STELZENMULLER: Zed OIS, ZOIS, and previously what a tenured professor at Nuffield College in Oxford. An expert, again, on Eastern European and Russian studies.

The composition of this panel, of course, will I think of automatically lead us to focus mostly on European security challenges in the east and perhaps a little less on the south and the Mediterranean, although I think at least, Chris and I will try and push things there as well because that has become increasingly more important. But the fact that this panel is composed the way it is a nod to the original -- the reason why we created this series in the first place.

When I arrived here in November 2014, all of us were under the impression of the annexation of Crimea, the violence at Debaltseve. There was a huge debate here in Washington, many of you will remember, about whether to deliver lethal arms to Ukraine. And at the time that seemed like an all-engulfing crisis. It still is but others have joined the spectrum of European preoccupations.

Justyna, let me start with you. Two years on, after the events in Ukraine, where do you think -- if you had to give us a priority list, a washing list as it were, of European challenges from a

Polish perspective -- and we'll talk about what to do about them later on -- but give us an idea if you sit in Warsaw, what is -- what are your top three preoccupations? And perhaps you could give us also an insight into the Polish government's thinking just of how they analyze this?

MS. GOTKOWSKA: Well, I think that it will not be a surprise for you when I say that Russia is our prime security concern.

MS. STELZENMULLER: Okay.

MS. GOTKOWSKA: And from Warsaw perspective, Russia is a long-term challenge to us on the east -- our security of the countries in the eastern flank but also to the west in general, due to domestic and foreign policy developments in Moscow. We perceive Russia as a revisionist power that questions post-Cold War order, wants to undermine the West, and will play out all the differences and problems within the EU and within the U.S.-European relations.

From a Polish perspective Russia not only wants to restore its domination in the post-Soviet sphere, but also wants to extend its influence in Central European region and the Baltic Sea region. And what's worrying for us it that Russia perceives military power as its -- one of its main instruments and is willing to use it as Georgia and Ukraine conflict has shown.

And the problem from our perspective is that we are dealing with an imbalance of forces in the Baltic Sea region on Russia's favor and that might induce Russia to use it when it perceives that by doing so it may achieve its policy goals.

Second challenge that I think that we in Warsaw right now perceive as in important one is that Europe, especially Western Europe, fails to take more responsibility for its own security. We, especially from the Munich Security Conference, we are starting to perceive a worrying change of rhetoric with regard to defense expenditure and the goal of two percent of GDP.

We have heard the head of the European Commission Jean-Claude Juncker, and also German Foreign Minister Sigmar Gabriel talking about security spending, not about defense expenditure but about security spending and the need to count in not only military expenditure into it but also investment and humanitarian and development aide.

From Warsaw perspective, a tendency is also worrying to concentrate on developing CSDP structures instead of investing more in military capabilities and instead of more engagement

abroad. And therefore, I think that the Polish, current Polish government, watches with suspicion especially some German initiatives that are aiming to strengthen CSDP and build new structures such as European or EU's headquarters because -- and far, far so.

And I think that since we in Poland perceive U.S. as our main security granter and our main ally within the U.S., the threat of rising anti-Americanism in Western Europe is worrying for us all well. This is, of course, related to Donald Trump and this administration being extremely unpopular especially in Western Europe due to internal policy here in Washington but also pressure on security towards the world and possibility of strained trade relations.

And the questioning of the transatlantic link that might come on -- in Western Europe, not only that might happen in Germany, for example, after elections and more distant to the U.S. is perceived in Warsaw as a challenge.

MS. STELZENMULLER: All right. And these are your top three?

MS. GOTKOWSKA: I would say that from the Eastern perspective I think that for us --

MS. STELZENMULLER: Right.

MS. GOTKOWSKA: -- these are Russia, not enough effort --

MS. STELZENMULLER: -- spending? Uh, efforts.

MS. GOTKOWSKA: -- in securing -- in European security and the strained transatlantic link I would say that these are things --

MS. STELZENMULLER: I'm going to ask a follow-on immediately before I go along the panel and it's because you have, of course, not mentioned security challenges in the South, in the Mediterranean, in the Middle East, and in Northern Africa. And, I mean, what you describe as the perspective of the Polish government sounds entirely, you know, congruent to me but just out of curiosity how much of a -- how much concern is there in the Polish government or in Polish thinking in general about what's going on in the south of Europe and in Southern Europe?

And because I, for a German say or somebody sitting in Paris, one of the concerns, of course, is bridging the divides in Europe, the divided security perceptions. And one of the aspects here, of course, is that this is something that divides not just EU but NATO as well.

MS. GOTKOWSKA: What's the stance of the Polish government? Well, of course, the

security threats coming from the south are not of immediate concern to us. But I think that in Warsaw, the government is also worried about the division with EU and is willing to take steps in order to show its own solidarity. And I think that this government has shown that by sending the F-16 aircraft to Iraq for reconnaissance, by sending special forces for training, and I suppose there might be other steps from the government coming due to pressure from the current U.S. administration.

So I think that this shows that there is an understanding that showing solidarity toward the south is -- must be done also by the countries on the eastern flank.

MS. STELZENMULLER: Okay. All right. Thank you very much, Justyna. Let me move to Gwendolyn Sasse. Gwendolyn, you're a regional expert rather than a security expert. But I think that -- I think for all of us, we in the security tribe have had to learn more about regional issues which used to be unfashionable. And conversely, I suspect that regional experts have been thinking more about security issues in the last month and years than they would have done during, say, their university training.

So give us, perhaps, an idea of what you plan to focus on with your new institute and your new job because this is interesting that this is partly government funded. It was, in fact, I think initiated by the German Foreign Ministry. And I think it's also worth noting that the initiation or the creation of this new think tank in Germany is part of a -- sort of an overall attempt to push the strategic community in Germany and in Berlin to do more - to be more capable, and be more, shall we say, outward looking than it has been in the immediate postwar decades.

So give us a sense of what you plan to do with your institute. And then perhaps, if you would also, take a shot at answering my question about security challenges as seen from Berlin.

MS. SASSE: Okay. So here comes, thank you, here comes my ad for the new brand -- new institute, which will officially open next month. It was, in fact, a decision by the coalition to strengthen expertise on Eastern Europe in 2013. And then it's taken until 2015 to get it approved and through parliament. And, yes, the funding comes from the German Foreign Office, but it has what is called in Germany institutional support. So it's not dependent on any particular government or who is in the foreign office now.

So in that sense it is an independent research institute now focusing on Eastern

Europe broadly defined. So sometimes people ask me is it only on Russia? Is it only on the post-Soviet space? We do work on that, obviously, but it's -- it has to be from a research perspective, a wider definition of Eastern Europe. So Eastern Europe when you sit in Berlin doesn't only start at the eastern border of Poland. Although I was sometimes told, yes, but the Poles don't like to be called Eastern Europe.

I didn't invent the name of the center but if it has Eastern Europe in it, it has to be flexible. It has to be talking about the wider region and central Asia is probably also only partly Eastern Europe if at all. And then we also have international studies in the title. So that brings the link in.

So our focus is, and that goes to your question, and it was also one of the -- my top three security challenges that you asked us to address. So I think and I hope with the institute we can further that debate a bit that we start with domestic developments in a region, in a country. It could be regionally, locally, also going really down to the developments on the ground. But they have, obviously, security implications.

So that we look from the bottom up whereas I think others start from the debate and the international environment and look in. So I think that is entirely complementary and also complementary with some of the think tanks that obviously exist in Berlin.

Our mandate is also to start with whatever that exactly means, academic research. So probably what it means is or how I define it, this is nothing particularly scary or far away from policymakers and shouldn't be. But it gives a perspective or the possibility to work on somewhat more long-term projects and look a little more in depth. Therefore also look on only particular issues. So we will never have the breadth that other think tanks can offer but hopefully we can add something by looking a bit more long term at a few developments on the ground.

So now to -- is that enough as an ad for the moment? Yes?

MS. STELZENMULLER: That's worth adding that one of the ironies of German, the German think tank and academic landscape particularly on Eastern European and Russian expertise after 1989 is that we basically went for full-scale intellectual disarmament both on regional expertise and on arms control and are -- have been regretting this for the past couple of years.

So I think this is a very -- forgive me if I, you know, do this extended commercial but I

am actually really very happy that this is happening because I think it was badly needed in Berlin. So but over to you.

MS. SASSE: Yeah, so obviously, all the whole institute took a political consolation so yes. So in terms of the key security challenges, let me then start with that and I think we need to think on the domestic and the international much more in parallel and together than we have done in many corners or circles so far.

And of course, on the one hand there's a contradiction or the real challenge is that on the one hand the U.S. security umbrella for Europe is shaky at the moment. Everything points to the need to, and that is the optimistic argument, that this is the moment for the EU of Europe to come together and rethink its own security architecture and to become stronger. But at the same time the scope is also extremely small for that the moment if you look at the EU and how busy it is with internal developments, how weak it seems, how the future of the EU itself is highly uncertain, things that a few years ago we wouldn't have probably foreseen at all in this form.

All of a sudden, we seem to depend very much on the outcome of the French election. So that is, if you ask also from the perspective of where we sit, although I don't represent the German government, but when you sit in Berlin, yes, there is this perception of now is the moment. Now something has to happen and Germany mostly by default and by choice has a key role in this.

But at the same time there's also the feeling oh, we need to worry what happens in France. We need to wait and see what happens in the U.S. So this -- I think this basic contradiction I think is a real challenge. The need and also very good argument for more European engagement and thinking about European security but the scope for it is smaller than it ever was before.

And in -- I get a little tired these days of these discussions is the liberal order over. And I think this talk can easily become a self-fulfilling prophecy. So the more we talk about the liberal dying it will probably die even faster. So I think the discussion really has to shift to well, what enables anything like liberal order, and maybe we shouldn't even use that term anymore, but maybe a rules-based order that starts again domestically.

So there's no point in building something at a European or international level if it doesn't work domestically. So I think a lot of the emphasis now is on domestic politics in individual

European countries and in Europe as a whole if I take a European perspective, there's also holes elsewhere.

So the talk of the EU being too busy with itself at the moment or European countries, yes, that's true but that's also really important that they are very busy with themselves right now because those are the key issues. And if -- and there's polarization in European society, there clearly is polarization here. And I think that is the key element not only that there is this rise of populism and we'll see how that unfolds in a number of European elections.

But the key thing is that societies are polarized. And this also brings the chance for some debate, discussion, and regeneration as well. So and recent trends in France and the Netherlands I think are also pointing towards that. So I think that is really one key starting point for security discussions and not always at the super national or European level. And that is linked to -- I was going to do them in the reverse but now you asked me so I started with the domestic -- the importance of domestic developments.

But clearly, at the most abstract level but also at a very, at the same time, a very concrete level, one of the key security challenges, I think, is this move away from rule space institutions. And if we remind ourselves of what do institutions or rules do? They provide predictability. They lengthen actor's time horizons and provide predictability. And that's exactly what's not there and wherever we look institutions, internal institutions, based on different rules and somewhat complementary, sometimes not always. But wherever we look the EU, the OSCE, NATO, WTO, they're obviously all different institutions.

But that's become really shaky. In academic circles there's a kind of a group of scholars studied norms and how norms come about and the lifecycle of norms. But that was always focused on all the nice norms. So human rights norms and so on and this idea of there's a certain threshold you reach and then there's a certain cascade and the norms spread mostly through peer pressure. And I think now we urgently need some research on the reverse of that.

So it seems also your research to a certain point and then there's a cascade in the opposite direction. And so probably thinking that through, it was never entirely clear how norms where they actually really come from, but then when you see them and how they spread is -- that's possible to

analyze. And now I think we need to really focus on how norms also start dying or they come under pressure in particular.

So now what -- you also asked us what to do about these challenges and I think one sphere might be to -- one area might be --

MS. STELZENMULLER: I'm going to stop you there.

MS. SASSE: Sorry, yeah.

MS. STELZENMULLER: Let's talk about that in the second round.

MS. SASSE: Yeah, okay, fine, yeah.

MS. STELZENMULLER: But it's -- I think it's very important that you highlighted the relevance of both domestic internal arrangements in Europe and in Eastern Europe and in Russia. And I'm wondering whether you could expound on that a little bit.

We -- I'm sure you've read Ivan Crusaders pieces on the different historical clocks, as it were, the disappointment in Eastern Europe with the segues of democratic transformation. They have made huge sacrifices; huge efforts to transform themselves to the likeness of European Union, to follow European Union rules and to become more like us, as it were. And they have been disappointed he writes by what that has achieved for them for their outlook.

I would say that, obviously, there's a difference say between the Baltics, between Poland, and Romania, and Bulgaria. But can you perhaps give us with your regional expertise a little more of a sense of just what those domestic challenges are? I mean, we know that there is illiberalism, there is authoritarianism, but perhaps you can give us a little more of a granular perspective.

MS. SASSE: Uh-huh. Well, first of all, on that point it's a bit of a disappoint to at least East European or Central East European intellectuals of what happened. I think this rush to get into the EU and adopt everything fast clearly couldn't, at the same time, change sort of the fundamentals of I don't normally like terms like political culture very much but also the long shadow of legacies.

And so very quickly, jumping through hoops and building new institutions is one thing. But then they clearly need to establish themselves and have much more time. So I think if anything at the moment in Western Europe guards a little against this rise in populism then is probably this longer history. And the more diverse party scene, for example, which could never flourish in the -- in this hurry

to do everything fast and do reforms fast and get into the EU fast.

So it doesn't have the grounding that some, at least institutionally, some of the political parties still have. So if we think back at the accession process, the political parties could never position themselves on anything apart from we can do it better. We can get there faster. We have the technocratic expertise to get us in. But at the same time, be careful not to over exaggerate the difference because I think in some ways East European countries or the elites or intellectuals also realize that maybe East European countries have just become just like us and that means also really imperfect and with all the same problems.

They just manifested themselves in Eastern Europe, in parts of Central Eastern Europe faster, and I think they are more vulnerable to these challenges. Yeah.

MS. STELZENMULLER: All right. I'm sure we'll take these points up again. I'm going to move to Matt Rojansky who is in some ways sitting here as somebody who can explain Russia to us as a Russia explainer which is what you often, a role that you often play. And I don't want to be unfair here. I was about to say that that is not an easy role for you and it's putting you in a somewhat unfair position.

So I think what we -- what I would like you to do is to try and give us a, I mean, you've traveled to both Eastern Europe and to Moscow. But give us a sense of the -- what the thinking is in Russia and perhaps not just in the Kremlin but in Russian society about what is happening in Eastern Europe and we'll take it from there.

MR. ROJANSKY: Sure. Well, I think actually the easiest way to characterize me sitting on this panel is that you've gone ahead and made area studies fashionable again by putting the heads of two fundamentally area studies committed institutes --

MS. STELZENMULLER: You say like it's a bad thing.

MR. ROJANSKY: It's great. It's fantastic. No, I'm a huge fan and I actually second everything that Gwen said in describing the mission of her new institution because this is the 45-year old mission also with U.S. government support and chartering and so forth of the Kennan Institute. So it's good to see that the Germans are catching up.

MS. SASSE: Only four years late.

MR. ROJANSKY: But we'll have to talk more. So you know, in fairness I think, Constanze, I can probably do a better job of telling what you Russians outside the Kremlin are thinking than I can tell you what's in the mind of the most important person in the Kremlin. I am just back from a week in Moscow and I think that's helped really crystallize my sense, at least, of how Russians are reacting.

I think there's a lot of reaction to what they've been watching as they look to the West. One kind of background point about world view, I think Russians for the last year plus maybe arguably two years, but without any doubt for the last three or four months, have been in a strange headspace of seeing their predictions and their descriptions of the state of world order actually come true.

We, I think in the West, for a long time resisted what they were saying because we perceived it to be threatening, hostile, critical, and it was I think all of those things. The perception in Russia now is that well, they've simply been proven correct. Whether we acknowledge it or not in the various convenings titled 'the end of the liberal world order,' and they have them too by the way. I mean, it's, you know this is the title du jour of any think tank discussion.

And I think my big takeaway from last week is just wow, be careful what you wish for because it's not like anybody is going around Moscow these days, you know, popping champagne and celebrating whatever this is, this fulfillment of their dark vision. In fact, they're very concerned.

And I think I'd start my list of three, I'll try to group this into three. I'd start my list of three with uncertainty and concern in particular when Russians look all the way west across the Atlantic. Because, of course, they tend to think first about where is the United States headed? Where is their partner in Washington headed or their adversary?

And their sense is, again, not talking about the main decider but thoughtful, serious Russian policy voices have been we were never euphoric and now we are -- our concerns have been given kind of body. We believe that the cabinet around the president is going to constrain any enthusiasm he may have had for reengagement. Let's use that term. And that the U.S. Congress may, in fact, double or triple or quadruple down on that by, in fact, casting us into a deeper and more permanent conflict than we would have otherwise been in in terms of just executive actions. And here, of course, I'm talking about sanctions.

I described the current Russian perspective on, again, the United States as a defensive crouch, which is not to say they are looking to provoke any additional crises but that they are mostly ready for further confrontation. And in particular they do think about the United States moving decisively and aggressively in their view forward in terms of deployments in Eastern Europe. They certainly see the U.S. deployments in Poland as, you know, what they are which is a tripwire and a symbol and so forth.

And of course, they make the same argument they've made about ballistic missile defense which is we just don't believe you that this is about Iran or North Korea or something like that. And, in fact, we now see the reality of that laid bare. And I think they are very concerned about pressure from the new U.S. administration potentially on allies, in particular on Syria and Iran. And those are non-starters. I'd let Chris go further and so those are non-starters for Moscow.

Second general category, let me note, Russians tend to be much more comfortable in the concrete than in the abstract about the European project. But they are concerned both in the concrete and the abstract about the European project. The concrete concern, of course, is what it's always been that various manifestations of European institutionalism, be they EU or be they NATO or something else, are fig leafs for American empire.

That is the concrete, right? So that, you know, Europe, excuse me, Ukraine, Georgia, not totally off the table even when we in the West casually say, well, NATO membership is not currently on the table but they recall Bucharest and then they look to Montenegro where, in fact, you know, the institutional order is continuing to expand, albeit modestly, albeit haltingly. And their view is that this is the expansion of American empire and the term that they use is occupation.

They talk about European countries now occupied by American military forces rather than hosting bases or being allies or being partners. And of course, this, again, is a fulfillment of a kind of dark vision and a dark description that actually plays very well into some of the current trends in European politics itself, right? That that narrative works better than it would have, for example, five years ago.

MS. STELZENMULLER: So they're thinking of the Baltics in Poland as being occupied?

MR. ROJANSKY: They talk about them in that way. It's quite impressive. Now there's no intellectual consistency between that and the notion that they themselves, that the Balts and the Poles and other, they themselves, are the provocateurs. In fact, this is a very interesting point that the United States as the military hegemon coming into Europe is both imperialist and aggressive but is also naïve and is being manipulated by neo-fascists, by long-term Russia haters, by people who seek to provoke a conflict and bring the United States into it.

And after all, you Americans, you don't want that. So why would you fall for that? Right? So those two messages are simultaneously sent.

And then lastly, and by the way, sort of the abstract side of European institutionalism, important to be aware of, at least note when Europeans talk about things like values of transparency, the European acquis, the notion that use of force is unacceptable in a European context, that radical extreme nationalism is unacceptable, that xenophobia, and all of these things for which the European order was built to prevent these things.

Well, these run fundamentally counter to most of the themes that have currency in Russian politics today. And this brings me to the last point which is regime stability for the Kremlin, the self-same Kremlin. The biggest threat to regime stability is this be careful what you wish for problem.

Is the notion that the locus of dynamism in Russian politics today is not, in fact, the Kremlin. I'm sorry to have to tell you it's also not the pro-western liberal opposition such as that ever was and is today. It's, in fact, the nationalist voices. It's the voices of criticism of Putin and the Kremlin from the right in some vague and broad definition, although, that's broad enough that it sometimes embraces communism and socialism and things like that.

And that really is a threat to the Kremlin and for that reason when Russian wades into this debate about whether Europe, the liberal order, and so forth, it is very fraught for the Russians. And I'll close on this. I just read this morning and I didn't even have a chance to read to the end of the article that apparently the Kremlin commissioned a study of its media. And this is fascinating because there's been a lot of handwringing, some of you might have noticed, about the power of the Russian media, in particular its international broadcasting.

We are concerned about it. But it turns out the Russians are also concerned about it

because one of the effects of Russian broadcasting on their own society in constantly drumming these stories about fissures, divisions, crises, dark forces threatening, enemies at the gates, is that they now live in a very fraught and dangerous environment. And lest we conclude, I think, overly simplistically well, that's all to the benefit of Putin. There's a rally around the flag effect and everyone just supports the Kremlin even more, there's clearly some concern, even on the part of the Kremlin, that this is raising the risks that they themselves will be vulnerable to those same kind of tides of populism and fear and nationalism that are threatening some of their avowed adversaries. Let's leave it at that.

MS. STELZENMULLER: So I have to ask you, there is not a sense that the Kremlin can actually do something about this?

MR. ROJANSKY: There ought to be. So far I can tell you that the change that I saw most of all in the Russian media was with respect to President Trump. You know, from -- this has been reported widely from three weeks ago, a month ago talking about, you know, Trump, Trump, Trump, Trump the hero. Look at all the great stuff Trump's doing to now either not mentioning him or sort of mentioning him and then immediately bringing up some member of his cabinet or some statement by a senator which counter veiling sort of negativity about Russia.

That suggests to me that the Kremlin is still very much in control of media narratives. That said, you do this for a decade, ideas get implanted in people's heads.

MS. STELZENMULLER: Sure. And it becomes a self-fulfilling prophecy but --

MR. ROJANSKY: Exactly. And I'm also not totally sure that the media is insensitive to the marketplace as it sees it, right? So there are areas in which the press maybe tries to over fulfill the plan. And even if a message gets sent from the top that says be careful, be careful, you're starting to sort of give a little too much of a platform to these crazies, they may not be as in control of that as they would like.

MS. STELZENMULLER: Well, that's a sobering thought. All right. I'm going to let that sink in and move to Chris, our fourth panelist.

Chris, we are going to have a second panel, which will expand our discussion to the transatlantic angle of this.

MR. CHIVVIS: Uh-huh.

MS. STELZENMULLER: So while you would have been perfect on the second panel as well because you're multifunctional, I'm going to ask you here to focus on sort of an American -- as a -- with -- American with deep expertise on Europe on your sense from sitting here from what the West challenges for Europe are, the ones that they most urgently need to address and need to address perhaps on their own in this new dispensation that we're seeing where more is being asked of us.

MR. CHIVVIS: Okay. It's an enormous challenge to pick three, to be honest. I mean, picking up on European studies, I mean, the area studies --

MS. STELZENMULLER: The area challenge.

MR. CHIVVIS: -- yeah, the area studies discussion that we were having a minute ago, I mean, I come from an area studies background and moved towards a security studies background about 10 years ago when actually European security was not a very complicated problem. We talked about things like Berlin plus and, you know, the EU elect mission in Kosovo.

And from the perspective of the Pentagon, Europe was a part of the world that was more or less solved. We are in such an extraordinarily different situation today. I mean, there are so many different challenges that Europe faces that is, in fact, hard to pick three. But I have picked three, but there are a reflection, they're not necessarily in priority order but they're a reflection of at least how I, sitting here in Washington, and of course, spending some time in Europe, see the challenges as of today.

And actually, my first challenge is one that hasn't even come up yet, I think, surprisingly and that's the need to deal with Euro terrorism. I mean, Europe clearly has a long --

MS. STELZENMULLER: This Euro terrorism?

MR. CHIVVIS: I'm calling it Euro terrorism now, yeah.

MS. STELZENMULLER: All right.

MR. CHIVVIS: Europe clearly has a long way to go in dealing with the challenge of terrorism inside the European Union itself. I think it's important to point out that the EU faces a more serious threat from terrorist groups than the United States does. Obviously, no country is immune to this but America's European allies are clearly in a much more threatened position then America itself is.

This is for a couple of reasons. I mean, first of all, the simple proximity to the current

epicenter of the problem in Syria and Iraq; it's also because some important European states, France notably, have longstanding social and economic problems that are contributing to the disaffection of a significant sized North African population.

It's also, frankly, increasingly because of the migrant crisis. So there's no reason, moreover, I think, to think that the problem is going to get better any time soon. Indeed, it could actually get worse as we look ahead over the course of the next couple of years as the flow of returning foreign fighters from Iraq and Syria increases in the -- in response to, you know, more successful counter-ISIL military operations in the region. And increases at a time when Europe still hasn't managed to strengthen its defenses significantly.

It can also get worse if the migrant population or at least parts of it starts to sort of sour on being in Europe. And this also, I think, is something that seems increasingly likely, sadly, given the growing presence and effectiveness of online recruitment and also growing networks of Salafi jihadists recruiting in-person in countries like Germany.

Fixing this problem is going to take more resources for law enforcement. It's going to take more resources for intelligence. It's going to take better intra-EU coordination and cooperation. It's going to take continual efforts to upgrade border security and it's going to take closer cooperation between Europe and lots of countries outside of Europe. I think, frankly, above all the United States. Obviously, it needs to be done in the best traditions of human rights, world law that the European Union stands for.

Second big challenge today is deterring Russia. We've obviously talked about this a little bit. So far I have a slightly different take perhaps than some of the others on it. I think the starting point here is that in the last few years we've seen a really, very impressive increase in Russian military power due to Russia's investment in its military, more frequent training exercises, and the overall modernization program that has been going on now for about eight years.

We've seen Russia's influence growing militarily not just on its periphery but obviously in the Middle East and also, although less obviously, within many parts of Europe itself. So I've been studying Russian operations in Syria and I think there's evidence of some really significant new military capability there. And in addition, I was also -- I was in Moscow last week with Matt.

One of the other things that came across is that the Russian military itself is increasingly empowered within Russian politics and increasingly emboldened as a result of the success or the perceived success to date of operations in Syria. So there's obviously been a lot of hopes about, you know, some kind of a grand bargaining with Russia and I think we should all want better relations with Russia. It goes without saying.

We need to take a lot of steps to ensure that the, you know, the growing tensions that we've experienced in the last couple of years don't spiral out of control. This means we've got to have effective mechanisms for crisis management. Eventually, I think we're going to have to find some common ground on Syria if we're going to resolve that conflict. There's a lot of other issues that we need to continue to engage on like strategic stability for example.

But I think even as we do these things, there are a host of challenges that are going to continue to divide Europe and Russia, to divide NATO and Russia, to divide Washington and Russia beginning with the European Union itself including attitudes towards human rights, multiculturalism, free markets, liberal democracy, international institutions, missile defense, Iran, Afghanistan, Syria, North Africa, the role of military power, the list goes on and on and on. The things that are there, they're not going to change overnight, and I hope no one expects that they will because it would be unrealistic.

Maybe some European leaders, I've heard some talk out there, think that they can build a 21st century relationship with Moscow. The problem is this isn't what the Kremlin wants at least in my view. They're pretty clearly looking for a 19th century relationship that's built on military power, realpolitik, and spheres of influence.

And this is exactly why, as we've seen over the course of the last few months, Russia's been using active measures to divide Europe internally and undermine the transatlantic relationship. So deterrence, if it's properly implemented, is going to reduce the risk of miscalculation and therefore conflict.

I mean, I think this is something that a lot of people perhaps don't recognize. The point of doing forward deployments in Central Europe is to actually reduce the chances that we're going to get into some kind of a conflict with Russia. So specifically, in terms of deterrence, obviously we need to go ahead with these reinforced military deployments in Central Europe. It means being ready to

support Ukraine with lethal assistance, I think, at least under certain conditions. Not under any conditions. And it means taking, probably, a new look at the role of nuclear weapons in European security.

So third and third priority right now, and this has been mentioned by a couple of the other panelists, but I think it is, obviously, sort of the issue du jour, and that's for Europe to avoid the impulse to turn inwards and in particular to delink from Washington. It's not hard to understand, I think, the desire in some parts of Europe to go it alone right now given the range of, you know, very serious or even existential challenges that Europe faces, and the fact that the U.S. probably from a European perspective looks like a pretty uncertain partner.

You know, I think, it's understandable that there is this sort of impulse and growing talk about Europe going it alone but I think that before European leaders start opting for a more insular Europe, especially on defense and security, it's probably time to sort of to take a beat, to have a little bit of a pause here. It's important that we give things in this town a little bit of time to play out and not engage in any kind of short-term decision-making.

Despite the confusion that seems to reign here these days, America hasn't changed overnight much less irrevocably. The fact is the U.S. does have long and enduring interests in Europe and in the transatlantic relationship. We have deep cultural ties with Europe. We have an interest in the strength of the European economy and the security of its people, and, frankly, the -- America in a world like the world that we face today has a need for allies.

Now obviously maybe not everyone recognizes these interests right now but I don't think they're just a matter of opinion. These, at least for me, are a matter of historical record. Europe security and its economic and political wellbeing have been a cornerstone of American power and America's global role for decades.

Conversely, when Europe is in crisis, America suffers. And I think that that sort of reality is one of the reasons why we've seen, at least, when it comes to European security some normalization of statements coming out of Washington. In particular, I'm thinking about Vice President Pence and Secretary Mattis' statements in Europe over the course of the last few weeks.

I'd expect that trend -- my prediction would be that that trend is going to continue. I

think we have to remember that we built the transatlantic security system together, the U.S. and Europe, as a foundation for liberal democracy and in order to advance our interests, our economic interests, our security interests, and so forth and so on.

You know, obviously, can the system be improved? Yes, unquestionably. There are a lot of flaws in it. There's a lot of work to be done. But to move away from transatlantic cooperation into a fortress Europe and a unilateral isolationism in Washington would, in my view at least, be to hand a major victory to the opponents of the system that we're all ultimately, I think, seeking to defend.

And indeed, I'll conclude on this, I mean I hope that European leaders will not only, you know, take a beat and not make any decisions based upon the current, you know, confusion in American politics. But I hope that, in fact, they'll take a more proactive approach and that they'll do everything they can and travel to Washington, and do everything that they can to actively encourage an Atlanticist outlook here.

MS. STELZENMULLER: Well, thank you very much, Chris. I think that was a rousing call to preserve the transatlantic alliance and to realize that we are, despite our flaws, warts and all, each other's best hope. But I'm going to perhaps since we've got another 30 minutes, I'm not going to try and summarize this discussion.

I will point out two things. One is that we've had four speakers who have given us really quite, in some ways, quite startlingly divergent takes on what the problem for Europe is. Informed, I think, very much by where they sit, what they suggest, at the very least, is that we may have to have new conversations among us about our priorities and about how to swear these circles.

And the other thing that hasn't come up at all, startlingly, and that I think would have been different maybe a decade or even five years ago is that none of us have mentioned international order concerns, the protection of the global commons, the protection of the global international order. We've talked about liberal democracy in the West, I think, but I don't think we've really talked about the larger challenges that the world faces.

And that's, I think, to me also something that's interesting to note. It's also a little bit concerning. Now we have another 30 minutes as I said before we break for coffee and what I'm going to do is now hand over to the audience. What I would like you to do, I think there are microphones

floating around, is to raise your hands, introduce yourselves, and ask a question or make a comment. But if you -- in either case, please make it brief and if you could address it to someone or to several people on the panel that would be really great. Okay, the lady up front here. Then you and then you. Yes. That lady.

MS. FEINBERG: Thank you, Victoria Feinberg. I retired from the Department of Defense. I'm a former Soviet citizen and I have a degree in cybersecurity. My comment is to Matt and to Chris, Matt, as a Russian expert, and Chris, as someone who mentioned that Russia now has advanced weapons.

And my first question is how much of the Russian new military power is impacted by the Russian activities in the cyberspace? And given that Edward Snowden is still in Russia, has that made any influence on the Russian military ability?

MS. STELZENMULLER: Thank you. I'm going to take the gentleman here. Yep.

MR. ZENGA: Thank you. My name is Frida Zenga. I'm a graduate student at American University. I'm from Germany. Chris, could you elaborate on the point you made about a potential new role of nuclear weapons in European security and how that relates to your earlier point about preserving crisis management mechanisms? I'm just curious like if you could elaborate on that. Thanks.

MS. STELZENMULLER: Thank you. Admirable concision so far. I'm going to take Eva Spon.

MS. SPON: Thank you. Eva Spon, retired State Department. I have a question that's really pretty much for all the panelists but perhaps especially -- I'd like to hear a bit more about how you see the trends in some parts of Eastern (audio drop) populism and (audio drop) ties to Russia and a dis (audio drop) the growth of (audio drop). I think looking back on the nineties we were incredibly naïve (audio drop) underestimated the (audio drop). How worried should we (audio drop).

MS. STELZENMULLER: Got it. So I see you waving. Let me ask you something. I'd like to go three by three. If your question attaches directly to one of the three, I'll take it. No? Then I'll take it in the second round as the first one, okay? Great.

Matt, I'm going to hand over to you.

MR. ROJANSKY: Okay. Victoria, I obviously have no idea what's happening with Edward Snowden. I mean, I certainly didn't meet with him. You know, how does cyber power play into what I think Chris rightly described as a broadly, more capable Russian military, although smaller in many ways, smaller and more capable. It's interesting.

You know, again, I don't know in detail. My sense is if you read the new generation warfare literature, the so-called Gerasimov doctrine, you know, cyber capabilities are seen on a spectrum along with all types of other capabilities. This is a type of thinking and an argument in the security space that is not new for Moscow. It goes back more even than a decade. And when I brought up the question of cyber carefully with my Russian interlocutors because you go straight to the election hacking thing and you just kind of get dismissed out of hand. I mean, that's basically still the Russian position.

But interestingly, when you talk about cyber in broader terms as a kind of military capability, as if it's almost the last 1940s and we've sort of just realized that there is this new weapons system that's very, very capable but we don't yet know the rules for what you can and can't do and what the implications and how you deter, there is an interest in having that conversation. That I got very, very clearly and the Russians specifically cited this meeting that's now happened between Dunford and Gerasimov as potentially the beginning of professional to professional conversations about new rules of the game.

And that I heard consistently. I think that there's something promising in that but if we recall back to about 15 years ago when the Russians came, I think, to the Bush administration in its first term with the proposal for a cyber treaty, and the American response was great, let's do a treaty on cyber security or an agreement or dialogue. And the Russian response is no, no, no, we mean information security; different perspectives on the same technologies given the different ways in which they're used including vis-à-vis your own citizens. So I leave it at that.

MS. STELZENMULLER: We could have a whole separate conference on this obviously, but, Chris, over to the --

MR. CHIVVIS: Yeah, I mean, I think the point that Matt made last about Russia thinking about cyber capabilities falling under the broader rubric of information security, which includes

the ability to control the information that your population consumes, is obviously something of an impediment to the kind of discussions that you're talking about.

In terms of the use of cyber, I mean I think clearly it's so far more part of Russian unconventional warfare, part of the Gerasimov doctrine. But my concern about it is that if you're talking -- if you imagine a conflict moving up the faces of conflict to more intense conflict, cyber has a potentially a very destabilizing effect particularly in crisis situations. It's kind of a loose hinge because, in part, because we don't know enough about what the capabilities actually are. We don't have good attribution.

You know, we don't -- we -- cyber forensics is very difficult. So there's a lot of, I think, thinking and analysis to be done to try and bring the cyber problem -- try and get it into some kind of box so it's less destabilizing.

MS. STELZENMULLER: How about the role of nuclear --

MR. CHIVVIS: Yeah, I mean, so my point there is really, I mean, obviously you're dealing -- when you're talking about nuclear weapons you don't want to do anything in large steps. But I think the point is that it is certainly time for NATO to take a serious look at its declaratory posture, for the United States, the UK, and France in particular to perhaps be meeting a little bit more regularly to discuss nuclear issues, that's what I'm talking about.

There isn't necessarily a crisis manage -- a direct link to crisis management. When I was talking about crisis management, I'm thinking more about military incidents over the air in Syria, trying to be sure that we do have the communication in place that we need to ensure that those don't spiral out of control.

MS. STELZENMULLER: You're surely aware that there is also now a discussion in Germany about German participation in one way or another in an eventual -- in a European nuclear deterrent?

MR. CHIVVIS: Yes.

MS. STELZENMULLER: Your take on that?

MR. CHIVVIS: I think this is -- the very fact that that discussion is taking place is notable.

And potentially helpful to be honest. Yeah.

MS. STELZENMULLER: I mean, I think maybe some of you know the Germans are members of the nuclear planning group at NATO because they host nuclear, American nuclear weapons on American soil. Of course, we have no idea how many and where they are. But that the fact, I agree with you the fact that that's happening is not just notable. I think it represents a really significant shift in the German debate.

It's also perhaps, I mean, I think you should perhaps not over read this as a sort of Germany racing for world domination yet again. That's not what this means. I think it's important as a concession, an implicit concession, of the extraordinary problems we face in upgrading our conventional capabilities and making them more effective and credible on a European level.

I'm going to move over to Justyna to talk a little bit about the question that Eva Spon raised about populist and authoritarian tendencies in Europe, and perhaps, more general on the issue raised by Gwen, the importance of our domestic arrangements for our security and perhaps also for our resilience.

MS. GOTKOWSKA: Yeah. But I would like to --

MS. STELZENMULLER: Please, absolutely.

MS. GOTKOWSKA: -- have a word on nuclear issues in Germany.

MS. STELZENMULLER: I'm not trying to limit you.

MS. GOTKOWSKA: I do think that these discussions are pretty marginal in Germany. If you think about a few years back when Germany wanted to get rid of U.S. weapons and that there was a huge --

MS. STELZENMULLER: (Inaudible) foreign minister --

MS. GOTKOWSKA: -- a big political, yeah, but a city of conservatives also supported that policy. And then you have a huge I think also support for this in the German society. I think there will be no change of Germany's policy.

I would to see, for example, more planning, military planning with regard to Tornadoes aircraft that are taking part in nuclear sharing and are planned to carry U.S. nuclear weapons in case of conflict. And in the -- as far as I am informed, there are no planning in order to extend the -- or for new

aircraft that is capable of carrying nuclear -- U.S. nukes.

But with regard to the discussion about populism and nationalism in Central Europe, and I talk about Central Europe because I think that labeling is very important. And since rhetoric somehow has an impact on thinking and on analyzers, putting Poland and Baltic states and Visegrad states to the basket together with Ukraine, Belarus, and Russia influence in the thinking. Because I cannot agree that there is disillusionment, disappointment with Western norms and values in Central Europe, meaning Poland, for example, and Visegrad, Visegrad states which I will speak on part of Poland.

I think that what is happening in Poland is a part of a wider European and also U.S. phenomenon because it is first of all, the disappointment and -- of certain social groups that were excluded from some benefits, from economic development in Poland that took part the change of governments. There was a disappointment of, an exclusion of certain political groups with more conservative mindset from the political mainstream and labeling them as nationalistic in Poland.

And third point, there was a disillusionment with former political elites living in their own bubble that was far away from the reality of day-to-day life of a usual citizen. And I think these three reasons are responsible for changes in political -- in government in Poland and in some other countries. And these are part -- and this is what happening in Poland and it's part of a wider European and U.S. phenomenon and not something very special for --

MS. STELZENMULLER: Okay. But just here I have to sort of challenge at least part of what you're saying. Are you not worried about, say, what Orban is doing in Hungary in terms of rebuilding institutions in such a way that the primacy, the political primacy of feedesh is practically guaranteed and thereby political pluralism is undermined. And are you not worried that this could happen in other European countries? I'm not putting an eastern-western-central or anything in front of that.

MS. GOTKOWSKA: Maybe -- I was talking about more about Poland not talking about Hungary. I don't think that will happen in Poland. We have a great polarization as it was said, discussed before, in Poland but we have a great pluralism as well. And Poland, in spite of governments taking over public television, for example, still the variety of opinions and the possibility to express them

is there and in my opinion will still be guaranteed.

MS. STELZENMULLER: Okay. Thank you.

Gwen, how about you?

MS. SASSE: Can I just respond briefly to the labelling issue because I think you brought it in initially, Constanze. My plea was just for one that Eastern Europe is in my way of using it a pragmatic term. That this is a political construct and can very quickly be politicized is very, very clear, but I think all of the term Central Europe, Eastern Europe, post-Soviet, Balkans, and that's all really problematic. So my plea was only for kind of a construct that we then look carefully who uses it for what purpose.

But rather than saying this is now Eastern Europe and that isn't. On the populism question, I completely agree with you, Justyna, that -- I would have responded like that as well that it's not just an East European problem or Central European problem. So I think for a long time it was in particular very eloquent intellectuals like Ivan Crostairs saying there's a problem. There's a problem in Central and Eastern Europe. But it gave us, I think, the sense of it's a problem over there somehow and we don't have it.

So I think it's much more important now to say we have it in Western Europe. We have it here in the U.S.

MS. STELZENMULLER: And Germany.

MS. SASSE: And we also have it in Germany is what I mean and we have it in authoritarian states, too. So I think the more interesting question, in a way, almost is how come an authoritarian systems and democracies seem to be coming more and more alike? You know, they use some of the same dynamics and they have some of the same problems, but and as I -- I think I said in my initial remarks, what is then specific about Central and Eastern Europe is that some of the more recently created structures can come apart much more easily so that there isn't kind of anything to fall back onto it seems.

And so then in Hungary it's gone quite far and in Poland there's a least a threat if you start tinkering with the constitution accord, with the media. So this is coming apart faster but I think the phenomenon is present elsewhere as well. And I think in some ways the security discussion we've had

and the security situation we find ourselves in internationally, globally, to some extent distracts from that. So for example, it is now at the moment I would say easier for a Polish and German government to have conversations about security and about Russia but that also distracts from raising issues and domestic issues. So everybody's quite happy not to have to address them.

So you brought in this point initially that many Central Eastern European countries are unhappy with the EU talking about all the ones who, in particular, joined the EU but also those who are not -- may never join. But also they, of course, don't want to be told by the EU what they should do. So this is also not a mechanism that would work. But I think by focusing on the security issues, some of these issues get taken out of the debate.

So there's kind of warning voice on some of these issues there. Having said that, also, I mean, talking about Germany they also should start criticizing what's happening inside a country. That's always a given as well. But I also would like to put to, and I think just mention it for Poland as well, is that it's a mixed picture.

I mean, let's not forget about the mass protests in Romania. I mean, this is a different kind of society and we probably wouldn't have quite expected it at that point in Romania over an issue to do with corruption. So still, I think the image of that society and that system still struggling with that more than other recent EU member states, countries have joined more recently is a different kind of statement of protests in Poland that have forced the government to revise some things. So it's not a completely clear cut picture either.

MS. STELZENMULLER: I'm just -- you've just made me realize that perhaps there is something of a silver lining to this situation that we find ourselves in which is that we are sort of relearning each other. We are, certainly the protests in Poland -- in Romania have, I think, you know, just given other Europeans a completely different perspective on Romanian political culture. And I think that we are, in some ways, despite the obvious fissures that are apparent in Europe and the weaknesses of our institutions both on the national and the EU level, I think at the same time we are conscious that we're moving closer together.

We are more deeply integrated and that we have a stake in each other's internal affairs. Let me, again, I'm conscious of the passage of time. I'm going to take a last round of

questions. I'm going to ask all the questioners to be brief and we will start with the gentleman over there. Then we'll take two more questions and I will ask my panelists to, in their answers, to sort of also give -- address perhaps the questions of what to do about the challenges that they raised in their responses to my first question.

MR. HURWITZ: Thank you very much members of the panel. I'm Elliot Hurwitz. I'm a former state department, World Bank, and intelligence community person. And I would like anyone on the panel to comment on the Baltic states, Lithuania, Latvia, and Estonia, which were occupied in the past by Soviet and German troops and there is now a Soviet base in I believe it's called Kaliningrad. And this has significant implications for European security. So anyone on the panel who would like to comment on that, I would appreciate it.

MS. STELZENMULLER: Thank you very much. All right, the gentleman in the back there on the side? Yeah.

MR. DENI: Good morning. My name is John Deni. I'm from the Strategic Studies Institute at the Army War College. I've got a question for Matt. Matt, you're -- the news that there's a Kremlin sponsored or Kremlin initiated study of media impacts domestically in Russia is both ironic and paradoxical.

I wonder if I could draw you out a bit more on that though. It seems to be clear that the Kremlin's concerned, if this is the case, that they're concerned with some movement or candidate getting to the right of Putin. How widespread is that concern? Did you perceive how widespread it might be in your visit there and the people you spoke with? And could you tie this back to something that Chris said which I though was spot on which, if I could paraphrase, amounts to basically it takes two to tango between in terms of the future of the East-West relationship. Thank you.

MS. STELZENMULLER: Thank you. All right, and in the back over there, and then I'll take you as well, and then we'll but over there. The gentleman in the back. If you look -- can you raise your hand again? Or have you got a mic? Good, please, go ahead.

MR. HEIGHTON: My name's Prescott Heighton. I'm a law student over at American University and a graduate student at School of International Service. My question is primarily for Matt. U.S. has been caught off-balance and flatfooted by Russia periodically over the past decade and this is

probably in large part due to lack of understanding Russian history, its distrust of the West, and us seeking a 20th or 21st century solution whereas Russia is seeing things through the lens of realpolitik.

How would you recommend that the Trump administration approaches the situation so as not to be caught in those same scenarios?

MS. STELZENMULLER: Okay, thank you very much, and now the lady here. Thank you.

MS. RIES: My name is Marcie Ries. I'm recently retired from the state department and I was last ambassador to Bulgaria. My question is it's a remarkable display of different problems in Europe, fissures between Baltic, Central, Eastern Europe, Western Europe, all these elections coming up. How realistic is the prospect that Europe will come together, heal these wounds, produce a different perspective on perhaps a better perspective on transatlantic relations and European security?

MS. STELZENMULLER: Thank you very much. Okay. All good questions. I'm going to go in reverse order starting with Chris. And again, we've got about seven minutes until the coffee break and I, as a German, take coffee breaks very seriously.

MR. CHIVVIS: So I guess three comments. First, I actually want to briefly on the conversation we were having before about populism, I think it's important to note that there is a deep connection between European security and the rise of populace parties. If you're talking about active measures by Russia, if you're talking about the migrant challenge, if you're talking about terrorism, these are all things that fuel the rise of populism.

So it's important that we don't draw some kind of a line and say on the one hand you have populism which is a socioeconomic phenomenon; on the other hand you have security. I can perhaps speak to the Baltic states question.

Obviously, there's been a huge amount of work done on this question. You know, a lot of research that we've done at RAND has demonstrated how exposed the Baltic states are in particular because of the A2AD challenge posed by Russian deployments in Kaliningrad. Sort of the way that I see the discussion right now is a question of how much is enough?

There's clearly a consensus about moving some kind of conventional military posture into the region. The debate is over whether or not it's got to be, you know, 20,000 U.S. and NATO

forces or whether a smaller number, a tripwire force for example, in conjunction with some, you know, special forces, in conjunction with a new NATO nuclear posture is going to be sufficient to get us to the level of risk that we want to have in the Baltics. And right now I think hopefully we're moving in the right direction.

On the question of how realistic it is that Europe will solve all of its problems, I don't see it as a -- I would see it as a question of probability. How probable is it that Europe is going to be able to resolve its problems? And I would say that the case for optimism is that things get easier as things get easier. So you know, if -- as a few of these problems begin to get resolved, if the deterrence question is sorted out, if Syria calms down, some of the other problems are likely to look less challenging. And I think there will be room for -- more room for optimism. Of course, the converse is also true. And I won't spell out a doomsday scenario but it is -- we have to be aware that it is --

MS. STELZENMULLER: But nice work in covering your bases.

MR. CHIVVIS: Okay.

MS. STELZENMULLER: Over to you.

MR. ROJANSKY: Okay. I heard three questions and let me try to answer them very, very briefly. John, you know, why/how can the Kremlin be studying its own, you know, again, something Constanze put -- underlined earlier, how can it be studying its own creation in the media? Okay. Here's the thing about Putin, he is both of the system and outside the system.

He gets to do that. It's a very unique feature of the system that he has built. You hear this in his annual state of the Russian Federation addresses where he criticizes corruption in the Russian government. Where he talks about isn't it terrible that entrepreneurs are being arrested and this is having a chilling effect on our economic growth?

And he does it over and over and over, year after year. My colleague, Will Pomerantz, and I went through, catalogued these things. We found five of these in a row and, of course, nothing changed from year to year. It actually got worse in some of those years which is a strange statement about the efficacy of the supreme vosht of Russia.

So it can happen. Let's now oversimplify things to sort of left and right and, you know, how can he ask this question that seems internally contradictory? He can.

Second, the question about sort of how not to be surprised, okay, well, study Russia. Okay, that's first step. No, seriously, just actually pay attention. It is very important to have a grounding in who we are, where we want to go, what we stand for, what our institutions are about.

We've also got to listen to them when they say we don't stand for those same things. We don't like them and here's why. And I think we're increasingly doing a better job of investing in doing that. We sort of ramped that up in the Cold War and then we ramped it way, way down. Constanze was right about unilateral disarmament.

But I want to note here, it's not always us being surprised by them. Sometimes they're surprised by us. I would argue that the last three months have been a phenomenally powerful example of that. And sometimes we are surprised together. Sometimes we are all mutually surprised and we simply react in different ways.

And I think that is where the argument for a very simple thing called dialogue is extremely important because their reaction might end up destructively interfering with our reaction even though the place we're coming from is not really that different, for example, with respect to terrorism. And I think that argument's made.

And then lastly, Constanze's basic question what do we do, the (inaudible) question for Russians. Bear with me. I'm going to read you two sentences from George Kennan 1946 but these are priceless. "Europeans are tired and frightened by experiences of the past and are less interested in abstract freedom than in security."

Sound at all current or familiar? "We must formulate and put forward for other nations a much more positive and constructive picture of the sort of world we'd like to see than we've put forward in the past."

So his message is you don't do containment. You don't defeat the Soviet Union or Russia by playing whack-a-mole, right? Wherever they set the agenda, Donbass, Syria, you show up and overmatch them with your greater power, but that were help is needed, you provide it. So the Marshall plan which grew out of that exact same spirit, this institution and others, George Kennan at the time was at the National Defense, University of the National War College at the time, right?

But these ideas has as much currency today as I think they did in 1946 and I pointed

out some of the other ways in which I think this period is more similar to that than it is, for example, to the height of the Cold War in the early 1980s when at least we had some basic frameworks and some basic rules.

There's a lot of uncertainty and I think, therefore, there's a need for a clear vision from our side about how you solve problems and resources to solve problems.

MS. STELZENMULLER: Gwen?

MS. SASSE: Okay. Three quick things. One on the question will the EU or Europe get its act together quickly? Definitely not. And as maybe not even as the EU because let's not forget, Britain is leaving the EU. If we talk about defense, that has huge implications and already most of the corporation was not strictly through EU channels but Britain and France being very important.

So depending on what happens in the French elections that has major implications of this. So this is most likely we will see initiatives inside the EU or outside between some European countries in this sphere. And I think it's also important to stress what you said, Chris. It's not going to work as some sort of isolationism, but my argument before was that there's a lot to do in Europe itself. But that will only work in the sphere with the U.S.

Just what's changed is not a, I think, a push for isolationism, but this taken for grantedness of the U.S. role in Europe. That's no longer there but that can have different implications.

Briefly on the Baltic states, I think one thing not to forget is that Estonia and Latvia have large Russo-phone -- that's not ethnic Russian but Russian speaking minorities. Many members of these minorities are not well politically, socioeconomically integrated into the states. So when we enter into Estonia and Latvia into the systems.

So this is mostly a legacy of early post-Soviet period and when we talk about will Russia test NATO in the Baltic states next, I would point more to otherwise of being able to destabilize the situation from within rather than testing militarily whether Article 5 holds.

This does not mean that this Russian speaking population is one group and all looking to Moscow, but there is potential for destabilization that will suit Russian purposes possibly better than actually testing anything militarily.

I want to sneak in because Constanze interrupted me beforehand, my third sec -- my

top security challenge which I never mentioned and it was the most concrete one which you maybe expected most from me. In Europe I think let's not forget Ukraine. I mean, let's not -- apart from Europe there's not going to be anybody really focusing on Ukraine very much.

So however frustrating, for example, the Minsk negotiations are for everybody involved in them, that is the only possibility to maintain a dialogue and maintaining those channels is absolutely vital. And I think Germany and France have a very important part in this at the moment and we see this again. So often this question, oh, this isn't all dead? It can never be implemented the way it was planned but that's not the point of a peace negotiation of a conflict management process. So this is the only thing there is. The only thing all sides agreed on, and it's absolutely vital that Europe, the EU, in particular Germany, France keep this momentum up.

And then finally, the little question on what do we do about all this? I think we will see a lot more and there has to be a lot more flexibility in terms of ad hoc cooperation on certain issues. So I also think, and I agree with you entirely here, that making sort of dividing lines harder by the day is not the answer. So probably the answer is more to keep all kinds of other linkages which exist and dialogues which are not always all about international politics going, and having all of this interaction a bit like in the Cold War open and they do exist. I mean, there are many people to people links. Links through migrations, through culture, for example, somebody running a big cultural foundation in Berlin told me it was never easier with Russia than now.

All of a sudden we can do all kinds of things. So this doesn't resolve immediately issues but they keep all kinds of interactions alive which I think prevent these dividing lines from getting too strong.

MS. STELZENMULLER: Thank you. Justyna.

MS. GOTKOWSKA: So a few words about Kaliningrad Oblast from coalition Baltic states military perspective it's a crucial area. By deploying the air defense, coastal defense, and ballistic missile defense systems Russia can effectively close large part of Baltics region and large part of Poland for and meriting traffic for the native forces.

And in order not to do that, in order not to let Russia miss -- do some miscalculation that by some military incursions in the Baltic Regions it may get its grand bargain with the U.S. It's so

important to keep -- to sustain the U.S. deployments, the European deployments in the region as Chris said; to maintain and keep the transatlantic unity and to send right messages, first of all.

And with regard to prospects of European solutions, I think that the elections in Germany and in France will be crucial. And for us, from Polish perspective, the elections are indirect -- are the ones that are mostly important and we hope for a Merkel government that is more prone to more defense spending and supports I think more -- would give more support to transatlantic relations that an SPD dominated government.

MS. STELZENMULLER: All right. Thank you for that clarity. I am not going to even attempt to a resume of this discussion except that I thought it was fascinating. We covered a lot of issues that we could actually construct several new conferences about, but I'm very grateful that all four of you took the time out and two of you actually came -- traveled across the ocean to join us this morning.

I thought this was really great. There are, obviously, some concerning differences of perspective, but at the same time, I think so much has happened in the European space in terms of attempts to address these concerns that I would not have been able to imagine two or three years ago, including in my own country for that matter, that I have at least a little bit of hope that we could get out of this storm brewing over our heads.

And with that, I'm going to say thank you to all of you. Please help me thank my panel and we will -- and of course I went into overtime so we will meet again at 10 of 11 for the next panel. Thank you very much.

(Recess)

MR. WRIGHT: Okay, I think we're ready to go. Welcome to the second panel for this conference. My name is Tom Wright. I'm director of the Project on International Order and Strategy here at Brookings and a fellow with the Center on U.S. and Europe. And we have a terrific panel, I think, for the next 90 minutes or so. The title is "Transatlantic Relations and European Security: A Break with the Past?" And we're joined by four excellent panelists.

We have Ted Bromund to my right here, who is senior research fellow of Anglo-American relations at the Margaret Thatcher Center for Freedom at The Heritage Foundation. He was

previously associate director of International Security Studies at Yale and is an adjunct professor of Strategic Studies at SAIS just next door.

Julie Smith is a senior fellow and director of the Strategy and Statecraft Program -- I really love the title of that program; I liked ours, but I think that one's better -- at the Center for New American Security. Julie's also a senior vice president at Beacon Global Strategies and she was previously deputy national security advisor to Vice President Biden.

Daniela Schwarzer is the director of the German Council on Foreign Relations, DGAP. And she was previously director of research and head of Europe programming and research at the German Marshall Fund in Berlin and is one of the leading sort of thinkers on European security and the EU and the eurozone.

And then Kurt Volker is executive director at the McCain Institute for International Leadership. He's also a nonresident senior fellow at the Center for Transatlantic Relations at SAIS and he's a former U.S. ambassador to NATO during the George W. Bush administration.

So welcome all and thank you. And I think we'd like to keep this as sort of conversational as possible and we'll stop with about 20, 25 minutes, or so for a discussion with you all in the audience.

But, Kurt, I'd like to start with you because, you know, one of the really striking things about the Trump administration in the first five weeks is sort of the different messages coming out of the administration. You know, the president, Steve Bannon, and others have a particular sort of point of view. They've been very critical of the EU, they've sort of said certain things about alliances. You know, Trump has a long sort of record obviously of saying nice things about Vladimir Putin. But then, at the same time, you've seen him appoint quite a lot of people who have very strong track records in transatlantic relations: Secretary Mattis, Secretary Tillerson said the right things in his confirmation hearing, and General H.R. McMaster.

So could you help us sort of try to make sense of these -- you know, connect the dots. I mean, is there a common sort of coherent message and how should we really think about understanding what the signals are from the administration in the first five weeks?

MR. VOLKER: Great. Thank you. Thank you, Tom, for having me here. Thank you

all for having me. And I just want to thank Brookings for hosting it and Constanze and you, Tom, for doing this. And I just have to say what a great audience you've assembled. It's not just a full house, but it's a really high-quality house as I look around and see all of these familiar faces, as well, too. So it's terrific to be here, so thank you.

The first thing I want to emphasize is what you said, Tom, already. It's five weeks. This is not the first year. We haven't seen everything. It's very early going and this has been I think an administration that has been very -- relatively slow compared to others in getting its people in place and getting things out the door on foreign policy. So it is early days.

But to answer your question, and we've talked about this a little bit, so I'll just launch into it, I kind of think we're seeing two phenomena take place at the same time. The first one is a carryover from the presidential campaign. This was a campaign that was about a populist movement that Donald Trump was able to assemble, taking on an establishment in Washington. And it was as much against the traditional foreign policy elite and traditional Republican Party and traditional Democrats as it was against Hillary Clinton herself as a candidate. It was an effort to overturn the tables and start over. So that kind of populist campaign has continued on.

And remember, one of the things that now-President Trump did very effectively during the campaign was get into the media, control what was going on in the media. He was shaping the dialogue, what people were talking about. He was communicating directly with his own voting base. He was running a very different kind of campaign and one that turned out to be better than the ones that the traditional political parties were able to assemble, whether it was in the primaries or the general election.

So I think there is a deliberate desire on the part of the political side of the White House, including the president, to continue that; to continue that direct dialogue with voters and his voting base; to continue that type of messaging; to maintain that fervor about change and changing the establishment in Washington. And that's why I think we've seen a lot of the things that we've seen, including the rally last weekend in Florida or some of the tweets and the press conferences. It's continuing that campaign.

At the same time, and this, I think, has been understated, there has been a very

professional process going on, first in the transition and now in the building of the administration, of vetting and selecting people and choosing good people to fill the right jobs. I think if you look at the national security team that's there, you mentioned, this, Secretary Tillerson, Secretary Mattis, Pompeo at the CIA, obviously Vice President Pence, Dan Coats is the DNI, we now have H.R. McMaster as the national security advisor. This is a very, very solid national security team.

I admit it all at the cabinet level. We have not seen second and third and fourth tier nominations and confirmations. They have had some hiccups in that process it seems. They've not been able to agree between the cabinet agencies and the White House on what they want to do or which people, so it's gotten jammed up a bit. But so far, the decisions made have actually been good decisions.

I was together with some of us here, certainly Julie and others I see in the audience, at the Munich Security Conference last weekend. And I have to say, I've got to hand it to Vice President Pence for pulling together a coherent U.S. foreign policy message for Europe. And it was the right foreign policy message for Europe at that time and it was consistently delivered by Secretary Tillerson at the G20 in Bonn, by Pence himself, by Mattis, by Kelly -- Secretary Kelly for Homeland Security.

So it was actually very impressive to see where there was a lot of questioning about the U.S. commitment and U.S. role. Are we supporting it or are we tearing up NATO? What about the European Union? Do we support Europe? What about Russia? What about Ukraine sanctions? It was very systematically answered. Coherent and clear support for NATO, support for the European Union. We're leaving sanctions in place on Ukraine. We're going to hold Russia accountable on Ukraine. Yes, we want to work with Russia, but they have to live up to their obligations concerning Ukraine, and we'll see what we can do together on top of that.

And we expect Europe to do its part, too. It shouldn't just be the United States that makes these kinds of commitments. We want Europe to make those commitments, too.

I thought it was a very well-delivered presentation. And more importantly, it was well-coordinated so that this was actually reflecting administration policy. Pence himself was very explicit in his remarks in Munich that he was asked by the president to go to Munich. He was speaking on behalf of the president, he was delivering a message from the president. So this is important because

everyone wants to parse, well, but Trump says this and Pence says that. He couldn't have been more clear that he was speaking on behalf of the entire administration in delivering that coordinated message. So that much I think is terrific.

Now, the question that everyone will then immediately ask with that analysis, well, you have these two streams. You have the populist political tweeting and then you have the professionalism and the policymaking. How do they reconcile with each other?

And my short-term answer is I don't think they do. I think they both continue. I don't think you're going to see one or the other just dominate everything. They both keep going because they both serve their particular purposes.

It was very interesting last night to watch the non-State of the Union speech because it was much more put together as a speech and a presentation than a lot of the populist rallies that we've seen, and so that's interesting. And I think it's the venue, it's the nature of the speech, it's the coverage, but I think that's a very good thing. And I think it gives you some sense that these things actually can continue with some degree of coherence.

And what I'm hopeful, if I had to pick out my one worry as we're looking forward after just five weeks, is that we haven't -- the administration has not made enough progress in getting more people nominated and more people confirmed into the positions that need to be filled. Because the cabinet can't keep this together by themselves for an extended period of time. They've got to get more people in place.

MR. WRIGHT: Great, thank you. That's a terrific overview.

And Daniela, I'd like to turn to you to take a look at a policy from the European point of view, but particularly, you know, after Trump's election I think it's fair to say there was enormous sort of shock and worry in Europe. And we've seen certain things, as Kurt mentioned, that would exacerbate that view, but also seen certain things that would alleviate it in terms of the messaging at Munich and some other things.

So my question is, are Europeans reassured at all by some of these developments? And what is still sort of most worrying? Like what are people most concerned about in terms of what's likely to come out of Washington?

MS. SCHWARZER: Thanks very much, Tom and Constanze. Thanks so much for having me here. It's a great pleasure to be here on this panel.

Well, I mean, I think we've gone quite a long way that if the morning after the U.S. president's speech in Congress we are happy to have a coherent message. I mean, that says, I think, a lot about the mood. And obviously, in Europe, this incoherence which was around and that you mentioned, Kurt, during the campaign, this is a lasting impression, of course.

And I would say that policymakers in Germany and in Europe more generally, when they look towards the United States, what they most feel is uncertainty. And of course, they hope for a coherent message and a message which in particular reemphasizes the pillars of our transatlantic relationship, being NATO, being trade, being other ways of cooperation.

And the feeling that I sense in Berlin is -- or the approach that I sense in Berlin, and that is sort of the immediate reaction to Trump's election and what then happened until he came into office, is really that, first of all, there is a growing awareness that we have to assume even more responsibility. And that's a German issue over the past years, of course, our international responsibility, our responsibility of defense, foreign policy, and security policy. And that sense is growing. Obviously, the awareness was there before he became elected, but now there is an even stronger urge that we need to be able to act in a situation where the U.S. on certain issues may not be a reliable partner.

Then the other dimension that is part of this is, of course, Europe. Sitting in Berlin, thinking about foreign and security policy, there are two prisms. One is the transatlantic relationship and NATO and the other one is the European Union. And here I'd like to pick up a few points that have been made on the previous panel.

So one is that question whether we are turning away from the United States and only turning towards Europe, and I don't think that is happening at all, frankly. And I don't think that tradeoff should and has to be made. I do think that Europe has to work together much more closely in terms of defense because, otherwise, we won't be a strong pillar within NATO, but I don't think that in Germany anyone would seriously argue we should go alone.

So I think that's sort of an important continuity in the discussion, but what I would say is

that what has happened in Washington over the past month has created a -- I'm not saying completely new debates, but has triggered a lot of dynamic. And Germany is definitely in its own discussion about defense spending and all those questions which already came up in the previous panel, ready to look at its own role and is completely aware that some of our European partners are so weak that Germany has to take relatively more responsibility than it might have wanted.

MR. WRIGHT: Great, thank you.

Ted, if I could turn to you. When Theresa May was over here and she had a meeting with President Trump, one of the things she said was that, you know, Britain needed a strong EU even after it left. Right? It sort of got lost in the messaging a little bit, but she did mention that. And you wrote a piece, co-authored a piece, that got quite a lot of attention, I think, in terms of thinking through maybe what the Trump administration might say or do on Europe. And amongst the recommendations was that the U.S. should sort of rethink its support for the EU, that it may not be in U.S. interests.

So I was wondering if you could just tell us a little bit about that, maybe about the rationale, whether or you think the Trump administration will take a different view of the EU and why we should sort of welcome that rather than being concerned about it.

MR. BROMUND: Again, I want to thank Brookings, Constanze, and Tom for the invitation to speak here.

I disagree a little bit with Kurt, although maybe only a shading, about what the Trump administration's attitude towards the EU is likely to be. I don't think it's going to be so much supportive as a "don't much care" attitude. That's not quite the same as hostility. It's not the same as trying to break up the EU. But I think it is a departure from the general post-1945 American policy of seeking positively the support and advance the European project. It's an attitude of neutralism verging on polite disinterest, maybe sometimes even semi-unpolite disinterest.

Why is that? I think there are two strands that feed into thinking on this. The first is, broadly speaking, economics. If you go back to the diagnosis that the U.S. had after World War II, it comes to the conclusion that a lot of European problem is the need for democracies to have reasonably high and stable levels of economic growth. That produces the Marshall Plan, it produces GATT, it produces the IMF, it produces what we now call the World Bank. It's a very coherent and I think correct

diagnosis about the causes of political stability in democracies. It's the economy, stupid.

Well, Americans, and I think particularly conservatives, have noticed and have paid much more attention to the euro crisis over the last five to six years. And I think out of this has come a conclusion that the euro, far from driving European prosperity, although it has certainly on the whole been a good thing for Germany, has tended to produce large areas of Europe that are stagnating, recessing, or even very deep depression. Greece is the obvious example here, where the Greek depression is longer and deeper than the American Great Depression.

This has inevitably resulted in political trends that a lot of people in the United States find somewhat disagreeable and a lot of Europeans find somewhat disagreeable, too. Well, the euro is absolutely central to the European Union's current view of itself and its role in Europe. So if you're skeptical about the euro, that leads very naturally to skepticism about the European Union.

Second, there's a security point. We've already heard, and I agree entirely, that the American desire was for a strong, parallel European pillar. Well, I think Americans, particularly conservatives, have increasingly come to the view that European security institutions do not produce a strong European pillar. That view, I think, is almost unarguable at this point. But they also don't produce a parallel European pillar.

It's hard to read statements by EU leaders, Juncker and Tusk in particular over the last few weeks, without seeing in their advocacy of more European cooperation on defense, which is not inherently undesirable, but without seeing in those comments a desire to build a pillar that is clearly very separate from the United States. I was very struck when Donald Tusk classed the United States with Russia and China as places about which the EU must be concerned. I'll just give Mr. Tusk a hint. If you want a strong American commitment to Europe, that's not the way to go about it. (Laughter)

So Americans have looked at the devolving security situation in Europe and on the right you have skepticism about what the EU is contributing in a positive way on security and you have the very traditional -- going back to President Eisenhower -- argument that Europe should spend more so we can spend and do a little bit less. Those are different arguments, but they end up coming to the same direction: skepticism about EU foreign and security policy. And you heard a lot of that skepticism repeated in the first panel today, that there really is not a whole lot of there there.

My deepest concern about EU security cooperation, I share the sentiment that they focus too much on security and not enough no hard power, which is what we need right now, my biggest concern is that when Europeans talk about European security cooperation it feeds the dynamic in the United States that Americans here, great, problem solved, so we can go home. Right? They don't hear, hey, the Europeans are getting their act together, so, therefore, we're building a stronger transatlantic relationship. It feeds the sentiment which is as old as President Eisenhower that more European cooperation is a substitute for American involvement, so it legitimates us doing less.

I don't Europeans really have a strong grasp of the way this dynamic plays in the United States. You say one thing and we tend to hear another, or at least that's the way it plays in the system. Because, after all, what have we done in Europe since the end of the Cold War? As European security cooperation has supposedly increased, our forces have dropped by 90 percent. Now, some cuts were undoubtedly warranted at the end of the Cold War, without question. But in my view, this process went too far and one reason it has gone too far was because we believed that we could hand off our security responsibilities in Europe, which I take very seriously, to an increasingly more integrated Europe.

That process has not worked and we now have the worst of both worlds: European security institutions that are institutionally weak and underfunded, an American military and security commitment which is far weaker than it should, and tendencies on both sides of the spectrum pulling the United States and Europe further apart because of policies we've been following over the last 25 years. At the heart of most of those policies is the European Union. I, therefore, think that at the end of the Cold War, the United States should have reassessed its policies, stop supporting the European Union, and return to an approach of neutralism towards Brussels and strong support for NATO, which is the only reliable instrument for the fundamental thing the U.S. cares about in Europe, which is security.

MR. WRIGHT: Thank you.

Julie, in terms of, you know, what we've heard so far, but also more broadly, I mean, are we headed for a transatlantic split that is arguably sort of greater than even 2003 or '04, or will we sort of muddle through, helped by sort of the reassurance of the cabinet and the recent messaging?

MS. SMITH: Well, first, thanks to you, Tom. Thanks to Constanze and Brookings for

hosting us today. And thanks to all of you for coming out for these discussions.

On the question of kind of where we're headed, I mean, I'm with Kurt in the sense that these are early days. We don't exactly know yet what the administration plans to do vis-à-vis Europe. We have heard schools of thought to date. We know that the cabinet members have been out in Europe saying many of the right things, many of the things you would expect to hear from any future president in United States. But we also know that we have Bannon sitting inside the White House that doesn't necessarily share those views, that has more skepticism about the utility of the international system, that wants to value many of our relationships with our European allies through a more transactional lens, and believes that somehow we're getting a bad deal by the investments that we make in the transatlantic relationship.

And so the $64,000 question for all of us here today and for our allies is ultimately which view is going to prevail? Or, as Kurt noted, will we just kind of continue down two tracks where the president will occasionally tweet something a little more provocative and more in line with skepticism that you see represented by Bannon and company through the Strategic Initiatives Group or will we see trends, particularly as deputies and undersecretaries and assistant secretaries arrive on the scene, more in line with what you expect from, say, you know, centrist Republicans or even many Democrats for that matter?

But let's say for the sake of argument that we end up with the latter, that the administration starts to coalesce around some of the remarks we heard last night. We heard the president state that he had strong support for the NATO alliance and that certainly lines up with what we heard from the various cabinet members that were in Europe just a few weeks ago, a few days ago.

Let's think through what that means. For me, I have kind of a handful -- I've got five questions for that particular scenario. So first and foremost on that list is how much does the administration then -- let's say it supports Europe broadly, how much does it want to defend and support and preserve the European project? Americans have invested a tremendous amount in the European project since its inception and every president in our history has supported the EU. But will we see something along the lines of what Ted just outlined, where it's kind of this benign indifference or is the administration ready to go make the case and to really focus on ways in which we can take the

broader international system, reform it, make it more inclusive, and yet ensure that it still promotes and protects our values? So question number one is, how much weight and time and energy and political capital do they want to invest in the European project writ large?

Question two is, how much are they willing to make the case to the American public about the value of the European project and the international system? We have a problem on both sides of the Atlantic and that is that our publics fundamentally question the overarching value of the system. Why do we have NATO today? What is its purpose? Do we want to have a positive EU-U.S. relationship? Are we somehow getting a bad deal? Are these institutions accountable to our needs? Are they representative? There are open-ended questions on both sides of the Atlantic and all of us here in Washington and in various capitals across Europe have done a fairly lousy job of explaining why we built up this whole system of institutions, why they matter, why they're imperfect, but also indispensible.

I'm not sure the administration's in the position to make the case or its deputies or cabinet members are willing to make the case to the American public. And in order to save the international system, which is really under threat from a whole set of forces internally and externally, we really have to pull along our publics in this debate, and I'm not sure the administration's going to be in a position to do that, but we'll see.

Question number three is, how much will this administration be willing to innovate? Will they think more creatively about pairing the public sector with the private sector to take on disinformation campaigns or energy coercion or cyber attacks or the long list of challenges that we're facing from various adversaries around the world for which the current institutions are ill-equipped and unprepared? So the innovation question for me is critical. Will they be developing new policy tools? But not just tools and policies, but really you have to think anew about the way in which we solve problems.

The answer to disinformation campaigns is not going to come from the State Department, as much as I love lots of people who are working there and many friends that have worked there over many, many years. It really will have to come from a new set of arrangements with the private sector, with NGOs, and outside groups.

Fourth question is, how much is this administration going to be willing to push back on what Putin himself and his entire government are doing to actively undermine the entire system? Last night there was no mention of Russia in the speech. That worried me. I hope we're going to hear more about what the administration wants to do vis-à-vis Russia. Maybe that will come after the complete some policy reviews. Maybe it will come with some new personalities that will arrive on the scene.

But there is an open-ended question about what the United States wants to do to deal with the fact that Russia is actively supporting populist candidates in Europe, interfered in our election, and is now targeting and setting its eyes on the French election. It's actively trying to fuel instability across Central and Eastern Europe, divide Europe from within and divide Europe from the United States. How much does the administration want to develop new ideas, proposals, and relationships to deal with that set of challenges?

And then the last question I have is, how much can we count on this administration to inspire change in Europe? Europe, despite what Frederica Mogherini tries to tell us, I believe is in crisis and is really struggling under the weight of weak economies, counterterrorism challenges, Brexit, pressure from Russia, the list goes on and on. How much does this administration want to help steer those conversations to generate new approaches, to invest in the European project, and to provide some leadership in institutions like NATO to keep this project alive and kicking?

And again, I don't have the answers to that. When will we get the answers to any of these five questions? I think we'll get some clues in the coming months. We'll get them at events, so we have a NATO summit in late May. We have the G20 coming up this summer. Anytime the president is sitting down with his counterparts will be a great opportunity for us to see exactly what he personally has in mind and what his team is going to do going forward.

And then secondly, as Kurt noted, as some of these appointments are made, we'll be able to draw our own conclusions based on who the deputy secretary of defense, deputy secretary of state, undersecretaries are, assistant secretaries, and how active they are on the scene more broadly.

And then lastly, I'll say certainly, as it always happens, a crisis awaits us in the coming weeks and months, something none of us in this room are thinking about. And when that happens, as it inevitably does, this team will be tested. And I'll be interested to see how much it turns to the

transatlantic partners, institutions, ad hoc arrangements, coalitions of the willing. What structures will it use to grapple with that crisis? Will Europe be the first call it makes? Maybe it won't. Maybe they'll turn elsewhere. Maybe they won't call Brussels. They'll call individual countries. Who knows? But I think a crisis will also give us an opportunity to see how this administration views Europe going forward.

MR. WRIGHT: Thank you, Julie. It's really terrific comments from everyone to open it up. And I'd like to just follow up, I think, with everyone on a couple of things.

And Ted, if I could begin with you on the EU because I think this is, you know, not just what you said, but what the president has said and the various interviews that Steve Bannon has given, it does suggest that this is a change. You know, they've been sort of eager to say there's no real change on NATO, but no one's really denying that there is a change in the EU.

And so my question is you mentioned on the economic aspect. The part I don't fully understand is, you know, Britain is not in the euro, so when it leaves the euro is intact. But for any other country to leave essentially, as you acknowledge, involves a dissolution of the euro. And no one has figured out a way in which to dissolve the euro without a financial crisis. I mean, the reason why Greece stayed in the euro is not because they liked it. It was because they were worried about the consequences. That's why Geithner and Lew sort of intervened from over here.

So, you know, I guess my question is what's your answer to how to prevent a financial crisis if the euro falls apart? I mean, why should the U.S. be disinterested if the dissolution of the euro could cause a repeat of 2008 or '09?

MR. BROMUND: All of the money that Germany centrally has given to Greece and the other Mediterranean countries, but especially Greece, will never come back. That money is gone. It will never be repaid.

There will be another crisis. It might happen in Greece. It might happen in Italy. It might happen in another country. Sooner or later, the Germans are going to realize that a very large share of their national income has been given away from the purpose of kicking the euro can down the road. When that happens there will be a reckoning to be paid. It would have been better if that reckoning had been paid much earlier.

There is no easy answer to the question that you raised because when you're in a

situation like this, every option is terrible. But the longer we continue this process of not just the euro, but everything that is associated with it -- the fundamental problem in my view in Europe today is slow growth. Bad economics makes bad politics. We saw this in the 1930s. We're seeing it again now. When you have nations in Europe that have had no growth for 20 years, you are almost inevitably going to have bad political consequences from it. So there is no good answer to this.

But I would just say one thing. The euro would have worked -- we've heard a lot of comments here today about the rules-based international order, a phrase of which I am sick to my back teeth about, and let me tell you why. Because at what point in the history of the euro was it actually based on following the rules that the EU set out? At no point whatsoever. It was a series of ad hoc excuses made for virtually every participant in the euro, one of the results of which is that everyone is now in the soup together. So when people talk about the rules-based international order my first prescription for the EU would be then start following your own rules and don't make so many excuses because we see the results of that 10 or 15 years later on.

MR. WRIGHT: So you think basically -- I mean, you do think then that the prime minister of Great Britain is wrong to tell President Trump that the U.S. should and that Britain has an interest in a functioning, successful EU? You think that that was a mistake in message or not?

MR. BROMUND: I think that's what the prime minister of Great Britain had to say politically. I think it is very true that the U.K. and obviously the United States has a very profound interest in a prosperous and secure Europe. Question: Is that the same thing as supporting the European project?

MR. WRIGHT: Daniela, if I -- well, Kurt – Why don't you come in and then we'll go to Daniela?

MR. VOLKER: Okay. Well, I'd love to jump in on this. There's two topics. This EU one I think is important and I'll come back to Russia later.

MR. WRIGHT: Yeah, we'll come back to Russia.

MR. VOLKER: But on the EU topic, first off, the money that has gone to bail out Greece has already come back because it's basically Germany paying its own banks.

MR. BROMUND: But you're going to do it again.

MR. VOLKER: Right. But I think --

MR. BROMUND: You're going to keep on making these transactions.

MR. VOLKER: Yeah, but your reckoning is maybe not as dramatic as you played it out to be because actually they're happy that they did that in a quiet kind of way.

The other point I would make is that I think you're right when you say the attitude of the administration will be not one of active support for the European Union as an institution, but rather one of letting Europeans decide what they want. You know, we'll work with whatever they come up with.

Connected to that is the notion that I do believe is felt by the new administration that what they experienced as a popular movement against an establishment in Washington is what many Europeans are looking at with an establishment in Brussels. And the arguments back from that, that one gets from many capitals in Europe and especially from Brussels, are from elites that are, in the eyes of the administration, in denial. You know, they're not understanding where their own publics are. And so taking a back seat and letting that sort out in Europe is where I do think that attitude would be.

What I think elites in Europe need to do is figure out how to be more responsive to concerns that their publics really have. And I don't want to project exactly what that is, but clearly from the Brexit vote, from the eurozone things that you were talking about, there's a concern about immigration, there's a concern about culture and identity, there's a concern about the economy, there's a concern about jobs lost to newcomers, there's a concern about security and terrorism and, you know, what we've seen all over Western Europe with these terrorist attacks. That's what I think governments and Brussels and Europe have not effectively grabbed and communicated to publics. We get it, we're dealing with it, here's how this goes.

If they do, then I think there'll be, you know, no resistance to the European Union being at the forefront of that. But I also am skeptical that it will be the European Union at the forefront of that.

MR. WRIGHT: Daniela, just on, you know, I'll come to you in one second, but one of the most crucial parts of the euro crisis was in the second Greece crisis. I think it was 2014 when it got to the brink, or 2015 when it got to the brink with Syriza and they were about -- well, Wolfgang Schäuble was interested in kicking them out of the euro. And it was Jack Lew who basically called up and said don't do that because the consequences of a dissolution could detrimentally impact the United States.

You know, that was an interesting example of an actual active interest with an outcome in mind that potentially kept the balance.

Daniela, if you could just react to what we heard about the EU, but also, you know, if you had 10 minutes with President Trump or with Steve Bannon, like, what would you say to them about the EU in particular, about why they should reconsider? I mean, people have been very clear with them on NATO why they should reconsider, but what would you say to them about why they should reconsider their stance on the European Union?

MS. SCHWARZER: Okay, thanks very much. Let me start with what I heard from the two American speakers just now.

I think looking back at the past four years is important here because it sounds as if we had been living in a completely integrated EU where one would actually call Brussels and not speak to governments and now, you know, this is all breaking apart and suddenly Berlin has called again. I'm happy to be corrected by those of you who have actually worked in the Obama administration and know better, but my perception from Berlin has been that Germany already played a hugely strong role, which increased since 2010, but that Europe and the EU, of course, was there for certain issues where we are fully integrated. Take, for instance, trade where Brussels is the interlocutor; the single market, all those questions; the euro of course; Frankfurt with the ECB. But there has always been a mixture between bilateral contacts between national capitals and Washington and then EU contacts and Washington. And this is still the reality today, so we are not in a situation where suddenly everything is blowing up.

The second point on the euro crisis and whether the euro is going to fall apart. We've been hearing this since 2008, I think, mostly here, not so much in Europe. But it's true that we haven't solved the problem since. But what we have done is we have built institutions which put the eurozone today in a better place than it was, in particular before the Greece sovereign debt crisis hit.

Now, what we still see is the problem if you have a halfway integrated thing. And that applies both to the euro, but also to some of the questions that you raised, Kurt, when you said Europeans need to understand what their citizens are worried about. Take what we have achieved in terms of integration in the field of justice and home affairs. Essentially, we have abolished internal borders, but we haven't done enough in terms of external border control, intelligence cooperation,

police cooperation, all those things that should go with pulling down borders. You need to integrate on a supernational level.

In both fields, and there's a great parallel between what we see in the eurozone and in the field of justice and home affairs, we are at a crucially critical point. If we don't do more, I do believe the system will fall apart because it can't deliver to citizens what they expect in terms of growth and employment, but also in terms of security. But in order to make that step governments need to transfer sovereignty in sensitive areas or at least find extremely smart and innovative ways how to pool sovereignty where they haven't been able to do so over the past years.

I wouldn't exclude that this is possible. It will be gradual. It will be extremely slow. Europe is slow in these things. It may not cover the whole EU, meaning the 27 states, obviously already discounting the United Kingdom. It may be smaller groups. But I don't think we are on track for a catastrophe in Europe because simply the self-interest of governments and countries is so high to keep this together in economic terms, financial terms, and security terms, and in particular, frankly, given the state of the transatlantic relationship.

I think, you know, this was -- maybe the election of Donald Trump and what we heard during the campaign and the first few weeks were maybe the wake-up that we need to move ahead. Right now things are not happening rapidly simply because two of the largest countries are heading for elections. Those elections may bring results that make this political progress that I'm speaking about impossible, but we may end up with a situation where it is possible. And then, in my perspective, we will see dynamics.

Now, the message to Donald Trump, in my view, should be that both sides, both the United States and Europe, have a lot to lose if we don't cooperate closely. And I would say that obviously Europe is in a situation where it's seen as fragilized. It's not in total crisis, but it's in a critical situation.

And now adding to those problems that are internally drawing us apart, and Russia has a huge role to play here, of course, would create a situation that makes the United States lose its most important ally. If you look around, sort of take the transatlantic relationship as given and look around in the world, where would you find partners with whom you believe an equally close relationship can be

built over time with mutual interests and a shared value base, which, of course, right now is being debated at some points at least?

So I would try to make clear that, indeed, we are in a situation that is a high-risk situation in Europe. But I do believe that both sides would win tremendously if Europe used the situation to become stronger, maybe reshape itself, reshape Brussels as the institutional hub of the European Union, and relook at the way full membership is being thought out. There will be more disintegration somewhere, at some places, but there can also be deeper integration at others.

And maybe it's important to point out that Brexit is -- sorry, Grexit was the issue you mentioned, where the United States took an active position. If you take the European position on Russia and Ukraine, I would say the United States have equally played a very strong role in helping those countries, in particular Germany, to keep the EU united on that issue because there are diverging interests. And Russia interferes a lot in some countries which are more open to actually giving up the sanctions regime.

So there are many, many places where I think the United States are important to Europe. Europe has to become stronger, but, you know, I see no scenario where the United States would win if Europe collapses.

MR. WRIGHT: Thank you. Julie, just your reaction to what we've heard so far, but also, specifically, I mean, you served in the administration at a time when the United States worked closely with the EU to put sanctions on Iran. And those sanctions, what everyone thinks of the final deal, most people think that the sanctions regime was a positive step.

My question is, would it have been possible to agree those sanctions with Europe without the EU? Like does NATO have the capacity to do that? And if the EU was sort of treated either with disinterest or there was a fundamental shift, how damaging would that be to the security mission of the transatlantic alliance?

MS. SMITH: No, that's a really good point and it brings me to what I wanted to say in regards to what Kurt was outlining in terms of urging European leaders to be more responsive to what they're hearing from their publics. I think that's part of it. I think leaders, frankly, on both sides of the Atlantic have to clearly hear more of what the publics' concerns are, and I think we've ignored them at

our detriment.

But I think it also puts a responsibility in our hands or gives us a responsibility, all of the leaders in Europe and the United States, the elites, to go out and kind of chip away at some of the mythology, as well. Because I think folks are too quick to say, well, the EU is like a foreign policy midget or dwarf and isn't of much use and that now we're going to look at things in a more transactional frame. And what are we actually getting out of this? And that takes us to examples like laying on sanctions, the Russia sanctions in response to the annexation of Ukraine; laying on sanctions against Iran.

Fighting back on the notion that NATO is obsolete, it's an alliance that has done a lot to reform and adapt itself to the 21st century, more so than most institutions. And yet, it still kind of gets the bad rap.

There's a lot of mythology surrounding trade. Some legitimate grievances on the part of our publics on both sides of the Atlantic, but also some perceptions about what trade fundamentally represents in our economy and in the world system. And I think we have to, while listening to our publics, stand up where appropriate and help people understand the cases where the system actually is functioning.

But I would not, therefore, conclude that our fundamental job is just to go out and defend the status quo because that's the worst-case scenario, that we go out and say everything's working fine. You guys just have to understand more about, you know, all the positive aspects of this glorious system. That's not going to do it. And it's not going to serve us well, it's not going to serve our publics well, it's not going to feed into our political systems in a productive way. Leaders have to present something more than just the status quo going forward.

MR. VOLKER: And can I just say, because as much as love Daniela, your comments were illustrating my point. When I arrived in Munich last weekend, within a half an hour I'm being harangued by the taxi driver when he knows I'm American, complaining about Angela Merkel and saying that the only border that counts is the German border. And to then be telling this taxi driver that we're going to do more EU border he'd say you've got to be kidding me.

SPEAKER: Was he Turkish? (Laughter)

MR. VOLKER: I think he was first generation, but it wasn't Turkish. I think he came --

MR. WRIGHT: Can we turn -- before we go to the audience, can we turn to Europe and NATO? Because, I mean, this is obviously another major issue. And, I mean, it's an open question for whoever wants to jump in, but, you know, in his press conference last week President Trump said something that I thought was interesting. He was asked why is Russia doing this stuff in Ukraine and harassing American ships? And he said, well, you know, from Putin's point of view I want to do a deal with him, but he thinks I can't deliver because of all of the hardliners in Congress who are threatening to re-impose sanctions. And so he's sort of creating mischief because he thinks I don't have space.

Which I thought was probably accurate. I mean, it's an interesting sort of insight. And my question is if, you know, we are returning to a more traditional approach on Russia, you know, what is Putin going to do? I mean, is he going to just go along as normal and be satisfied with the occasional friendly Oval Office meeting or is he going to take a big gamble and try to, you know, push Trump in some way? And do you all have confidence that the president as opposed to his secretary of defense or secretary of state will actually push back in those circumstances? I mean, what can we expect in a real way on U.S.-Russia relations in the next, say, 6 to 12 months?

I know it's sort of open on who would like to start first, but maybe, Kurt, since you were --

MR. VOLKER: Well, I'm anxious to talk about it, but I hate to dominate the conversation.

MR. WRIGHT: No, no, please.

MR. VOLKER: First off, a couple of framing points are important here. Every president that I can remember and have had the privilege to work for has tried to get along with Russia. It has always been some form of openness, some form of reset, whether it's no triumphalism under George H.W. Bush or the Gore-Chernomyrdin Commission under President Clinton or President Bush had the strategic dialogue that he tried to do, President Obama did the famous reset. Every single time they have tried, every single time they have been disappointed not because their predecessors had screwed up and they were fixing it, they were disappointed because of Russia's own behavior. So that's the first

thing. I expect that pattern to continue.

The second thing we have to actually watch what's happening here a little more closely, I think. If we remember back to the Obama administration, and I was ambassador to NATO both at the end of the Bush administration and the beginning of the Obama administration, in August of 2008, President Bush had just been with Vladimir Putin at the Beijing Olympics. We had just had a meeting of the U.S.-Russia Strategic Dialogue Group in Sochi. And then in August of 2008, Russia invades Georgia; takes its peacekeeping forces that were there and makes them an invasion force. They even cross outside of those boundaries and are rolling towards Tbilisi, and we have to respond to this.

And we do things like suspend the NATO-Russia Council. We have four foreign ministers, including our secretary of state, descend on Tbilisi. We have the president of the European Union, Sarkozy, going to Moscow. We have full court press to stop them and get them to try to go back to where they were before the fighting started. And with a lot of flaws that cease-fire thing actually happened, but then there's no implementation of the agreements after that by Russia. And we now have a situation where they recognize these territories are independent states and they still occupy them.

But despite all of that, the Obama administration comes in and just hits the big, red reset button. We've resumed the NATO-Russia Council. We stopped really taking seriously the occupation of these territories in Georgia. We rip out missile defense from Poland and the Czech Republic. So there's a whole lot --

MS. SMITH: And replace with another. Sorry.

MR. VOLKER: Well, that came later. That came later.

MR. WRIGHT: But in terms of Poland, I mean – the conversation on that.

MR. VOLKER: But the idea here is that there was an effort on the part of the Obama administration not only to reset with Russia, but to figure out what could we do for Russia. What can we give Russia to make them happy, to calm things down? And it didn't work. You know, the Russians still, you know, behave as they do.

Now, all we have so far with the new U.S. administration is a change in body language,

saying we would like to get along. We would love to work with Russia. We don't want to be in a conflict with Russia. But we're not reaching into our pockets to find things to appease Russia with.

MR. WRIGHT: But they did try. I mean, that's why Flynn resigned. Like, I mean, they tried to lift sanctions and they failed, but they did attempt to. Right?

MR. VOLKER: Hmm, yeah, I think there's a whole lot else going on there behind the scenes. But that being said, that's not where we are and we actually have no offers being made. And I think Putin responding in kind of a probing way, ramping up conflict in Ukraine a little bit, sending out the nuclear-capable cruise missiles, buzzing some U.S. warships trying to get a rise out of the administration to see where we are.

I think we're actually not going to be seeing this quick and open-ended rapprochement with Russia and the U.S. offering a lot of things. Frankly, I think the administration's waiting to see if Russian behavior improves. And if not, then I think we're going to be very quickly in this kind of cagey managing each other as we have been after the first couple years of every administration that I can think of.

MR. WRIGHT: Ted, do you trust President Trump to respond to an act of Russia aggression in Europe?

MR. BROMUND: I very much agree with Kurt that we have been at least the last two administrations, and I agree with him really before that, but certainly the last two administrations, have come in both with the best of intentions about Russia. They have both, unfortunately, I think, been fooled by the Russians. I hope that we learn from history and we aren't fooled a third, fourth, or fifth time. But the history of post-Cold War U.S. foreign policy strongly suggests that when it comes to Russia, we are very slow learners. I wish I had an explanation for that. I'm a little bit bereft of one.

I would say, however, that I've heard -- I hear many people saying that, you know, the time is right for more outreach and showing enthusiasm for dialogue and cultural communications. I would probably want to put a bit of a pause on all that kind of talk.

I think the most important thing for us to do with Russia right now is not show that we are willing to have dialogue or cultural exchanges or that we mean well. I think the most important thing is to reestablish deterrence in Eastern Europe and hold the line. Because if we don't do that, all of the

other stuff is irrelevant.

And I'm just concerned that we've drifted so far away from the core mission of NATO and the core reason why we the United States have an interest in Europe, which is territorial security, that lots of talk about the other stuff at this moment in time is a distraction from what we actually should be focusing on.

MR. WRIGHT: Thanks. Julie, just general reactions, but also what specifically does the administration need to do to accomplish what Ted suggested, to reestablish or to, you know, underscore deterrence in Europe? Is what they've done so far enough or do they need to do more?

MS. SMITH: Well, I think you could do more. I think that plenty of people in this audience and a bunch of us up here, all of us up here on the stage, could make that list in terms of what the next NATO summit could do. But I think fundamentally the administration, my sense is they've got two big goals when it comes to national security: combat and defeat radical Islamic terrorism; and take a more aggressive posture, perhaps get us into some sort of trade war, who knows, with the Chinese.

And I think the sense is among some members of Trump's team that Russia can be helpful on both counts. And I think what they're going to learn is that Russia will, in fact, be unhelpful on both counts; that, in fact, so far what we've seen, the strikes in Syria, 80 percent of what Russia has done in Syria has actually been in areas where the Islamic State is not present and that they, in fact, don't care to help us. And if they do, we certainly don't have to trade them anything for it. And also, what would they bring? They bring airpower to a fight where we've got plenty of airpower.

And then on the Chinese front, I just think they're completely miscalculating the relationship between Russia and China, and how quickly you could say, hey, come on over here and join with us on all sorts of exciting things and leave China in the dust. I don't see that playing out that way.

So I think they will try to extend a hand. I mean, yes, every administration comes in, wants to try and engage. I'm all for engagement. I just don't want it to be done over the heads of our European allies. I don't want Ukrainians to be sold up river. I don't want to pull out any force posture in Central and Eastern Europe. And I don't want to weaken deterrence.

So, you know, the Trump administration is all about we come at everything from a

position of strength. Well, let's do that when it comes to our Russia policy. Let's maintain all of these deterrence measures, come at it from a position of strength, know that we don't need Russia that much on any of these challenges, and that if we're going to find ways to cooperate let it serve both of our interests in a way that we don't have to give anything fundamentally away.

We don't have to promise them that we'll never enlarge the NATO alliance. I mean, the list of what the West could give Russia just goes on for pages. And the list of what Russia could then in return offer to the West, I have a hard time getting past points 1, 2, and 3. I just don't see it. And what worries me about this administration is that they're seeing more on the Russia list than actually exists.

MR. WRIGHT: Thank you. Daniela, one final question before we go to the audience.

We saw in Prime Minister Abe's visit to the United States that he had a close -- you know, he managed to develop a close relationship, at least over two visits, with President Trump. In Europe, it's obviously more complicated. European leaders aren't exactly flocking over to Washington. There's domestic elections in France, Germany, the Netherlands. There's severe domestic constraints.

The president is meant to visit Europe for the NATO summit later in the spring. Could you just very briefly talk to us a little bit about the personal dynamics of this? I mean, this is a guy who views a lot of things through a personal lens, right? So how are these personal relationships likely to unfold? And, I mean, it seems like it's sort of very risky because these meetings could go badly wrong. How worried are people about that? And what's their strategy to try to, for want of a better word, sort of seduce Trump into being pro Europe?

MS. SCHWARZER: Yes. Well, you've given the dates. I mean, it is probably the NATO summit for the first visit. And obviously, that's a bit unusual again that there's such a long time where there are no, you know, state visits from one side of the Atlantic to the other, except for, obviously, Theresa May at that point.

You know, after the election, immediately advisors to Angela Merkel, diplomats, everyone tried to get in touch with the Trump team, and this is an ongoing endeavor. As was said earlier by Kurt, I mean, the teams are not fully in place and that obviously makes preparations more difficult. And that is a big concern to Europeans because the big visit is one thing, but to establish contacts to start working together on a daily basis that's hugely important.

For the personal dynamics, I mean, if you look at Angela Merkel, she has a way to interact with leaders of all kinds. And she is known as a person who is very reflective and controlled and thinks through where this might go. And I think both sides, frankly, would put a lot of effort to prepare this in a way that this doesn't go badly.

And, you know, in a way, last night's speech was reassuring because I would say this went well. It was controlled, it was no bad surprises. I mean, I think that's something that Europeans will look at and will be more hopeful that this period of an extended electoral campaign, which you characterize, Kurt, yes, it might be going on on Twitter, but that eventually governmental relationships will come into a mode where actually accidents can be avoided.

MR. WRIGHT: Great, thank you.

Okay, we'll go to the audience. We'll take two or three questions at a time. So Anders over here for the one. Just wait for the microphone and just introduce yourself briefly. Thanks.

MR. ÅSLUND: Thank you very much for an excellent presentation. My name is Anders Åslund from the Atlantic Council. I have a simple question. How afraid should we be that the new Trump administration throws Ukraine under the bus?

MR. WRIGHT: Great, thank you. Just this lady here and then the gentleman beside her.

MS. SONENSHEIN: Thank you. I'm Helen Sonenshein, retired economist from academia. My question relates to something that wasn't even mentioned and that is the reported cutbacks in the various cabinet positions, especially the Department of State, with the implication that Tillerson is being sort of sidelined to some extent. To what extent does this mean that all these various negotiations and diplomacy will be then dealt with my Trump himself or by the military? Or perhaps you've got some other thoughts on how that's going to be handled if, in fact, all that cutbacks in personnel in the Department of State does, in fact, take place.

MR. WRIGHT: Thank you. I'm going to take two more actually. This gentleman here and then the lady in front of him.

MR. FYOKOPSEN: Thank you. My name is Freto Fyokopsen. I'm from a Norwegian newspaper called VG.

The Trump administration are saying that they will step up the fight against ISIL through the coalition that already exists. Could the panel comment on whether this step-up could put a strain on the transatlantic relationships between Europe and the U.S.? Are we ready for such a step-up with the transatlantic environment today?

MR. WRIGHT: Yes. One more and then we'll --

MS. KIRCHNER: Yeah. Magdalena Kirchner. I'm with the RAND Corporation.

My question actually is an extension to yours and to Daniela because you mentioned that the EU would be realizing that they might be losing a reliable ally in some issues and would take on a stronger role. But what about everything that's not defense? What about non-military security, climate change, diplomacy? When you have a president who thinks that offshore balancing in the Middle East is a good thing because our enemies fight each other to death, what will be the EU response to this? Do we see more than a 2 percent discussion, but more on climate change and women's rights and soft issues?

MR. WRIGHT: Great. We have four terrific questions. The advantage of that is you can pick and choose and ignore the difficult ones. So why don't we go just in the order maybe in which we have the panel. Whatever you want.

MR. VOLKER: Okay, thanks.

MR. WRIGHT: Pick any of that.

MR. VOLKER: Yeah, I'll try to be brief. I think there is very little risk that Ukraine will be thrown under the bus. First off, you have the administration coming out already saying that they will hold Russia accountable and that sanctions will remain in place until Russia meets its obligations. So that's already administration spokespeople saying that, the secretary of state saying that, Nikki Haley saying that, Mike Pence saying that.

In addition to that, you have a number of senators saying that they are already thinking about putting into legislation sanctions that have only been put in place by the administration thus far, which would make them part of law and very much more difficult to lift as a result.

Third, I think there is a sense, that I'm picking up anyway, that the U.S. should not have been left out of the efforts to resolve the Ukraine crisis at the beginning. And so depending on how

these questions about who does what get sorted out and I think in looking at future negotiations on Ukraine, I think you're going to be seeing a greater U.S. role in that. So I don't expect Ukraine to be thrown under the bus.

I should also just mention to remind people, Poroshenko has had two conversations with President Trump already and we've had some delegations at a lower level coming through town. I think we're okay there.

The other questions I'm going to lump together and just answer it in one way because I think it gets to this question, again, as to what happens. First off, I see this throwing out of a number of a 37 percent cut to state and AID as the left hand, as I describe this phenomenon. It's the throwing it to the popular movement, the voting base, saying we understand. We're not going to do all this foreign aid. We're spending too much on other countries. We should be focusing at home. We're going to cut this stuff.

Is it realistic that we're going to have that size cut in our State Department and AID budgets? I don't think so. Many senators, including McConnell and Corker, already came out yesterday and said it seems a little steep to me. (Laughter) And I think that means we're not really going to see that. So it is, again, this parallelism of the sloganeering on one side and the reality that's going to fall in place in another.

And then when it comes to ISIS, which is then related to that, I think there's a great welcome for people to do more in the fight against ISIS in whatever form that's going to take. It'll just mean having a little bit more time to put together our own goals and then figuring out how we can work with others to fold into that. But I do think it's one of the top priorities and it is something if I were a European foreign minister visiting Washington, I would be talking a lot about.

MS. SCHWARZER: Yeah. So reassuring what you say about Ukraine. I think from a European perspective, if the United States changed positions it would be extremely hard for the EU to keep up its approach to its eastern neighborhood as it stands right now. And we would at some point see a shift from an idea of helping transition and supporting transition to just privileged instability in that region. And that would be, you know, going away from our initial goals and declared policy objectives.

ISIL, yeah, I think Europeans are simply waiting to hear more. And the Munich Security

Conference in that regard wasn't very sort of enlightening. So the administration still needs to spell out how it wants to go about the fight against ISIL. Obviously, from a European perspective there are two concerns.

One is Russia. So that, you know, for the sake of some cooperation in the fight against terrorism, there's a deal, as Julie said, about the head of the Europeans on other issues with Russia, and that would be very bad. So I think that the primary objective here for the Europeans is to engage in that discussion as early as possible.

And the second concern is that U.S. approach could be overwhelmingly a military one while the European approach to the whole region of the Middle East is, of course, balancing military approaches, but also other tools. And that's probably one of the strengths that the EU can then bring.

And, again, I think it's very important for Europeans, yes, to wait and see what comes out of D.C., but, at the same time, step up our own efforts and think through what we are willing to do whichever way the decision goes here and be an interesting partner to be engaged in that discussion.

A final point on the soft issues, yeah, I mean, just after Trump's election, while I tried to find out what people thought was the biggest risk about Trump coming into office, the topics I heard most were Iran, China, and climate. That was sort of in Europe. And I do agree that the Europeans are very, very concerned, that there's not that much they can do on the soft issues if the United States back away from their previous positions.

And I take much of what the German chancellor keeps saying when she emphasizes norms, values, soft issues, you know, approaches to global common goods, the value of global order on top of the security order, which we've mostly been discussing today. I think this is very much fed by the concern that the U.S. may question certain achievements that have been made and Europeans are well aware that they have to speak up for those goals really.

But realistically, I mean, if the United States decides to pull out of international agreements, that's a huge hit, a huge blow. Because others have been brought in precisely because the United States and Europe have been subscribing to those goals.

MR. WRIGHT: Thank you. Ted?

MR. BROMUND: Let me try to do all four. I'm only a little bit more nervous than Kurt is

about Ukraine. I do agree, however, that if we drop our sanctions, the future of European sanctions probably looks fairly grim.

I myself am a little bit stunned by that. Here you have an open land grab and a war on continental Europe and yet we are told that if the United States doesn't keep its sanctions up, Europe won't do it and it won't do anything. I mean, that to me is a confession of absolute strategic and economic poverty. So I'm not terribly nervous, maybe a little bit more nervous.

Second, cutbacks in state. Foreign policy has -- the conduct of a lot of really important policy was centralized a lot over previous administrations already. I don't think that's a desirable trend. I would like a lot of that power to flow back to State, so I'm not advocating this, but I think state is already in a much weakened position not because of President Trump's elections, but because of the way American foreign policy has been conducted for several decades. I think that's unfortunate, but I think the trend is likely to continue. The place where it's going to be done is the NSC most likely.

Third, ISIL. I hope, and I worry about this for the administration a little bit, that it equates defeating radical Islamism with defeating ISIL. Would that it were so simple. Yes, ISIL/ISIS has a lot of connections around the world and they are obviously extremely important, but they are just one branch of the franchise. Dealing with ISIL in Syria and Iraq does very little to remedy the problem in Libya or the al-Qaida issue in Afghanistan. And I worry this administration, by emphasizing ISIL so much, is setting us up for a bad fall when people find out in a year or three that, yeah, ISIL is mostly gone, but the problem of radical Islam has not actually been defeated.

Fourth, on the softer stuff, it's interesting we haven't mentioned much about trade. I'm not sure if that qualifies as soft or hard. It's always sort of tough to figure out where trade fits. In my view, TTIP is dead. I don't think Donald Trump was the murderer of TTIP. I think Donald Trump was the coroner of TTIP and that it was already dead, primarily because of profound European opposition.

I think it's high time for the U.S. and Europe to come up with a new approach on trade. Consign TTIP formally to the graveyard. Coming up with a new approach probably involves firing most U.S. and European trade negotiators who are going to want to go at it the same way they went at it before. If you want an agreement now, I think you've got to throw out the playbook and try and new strategy.

MR. WRIGHT: Julie?

MS. SMITH: Quickly. I do worry about Ukraine a little bit. We are -- well, more than a little bit. We are hearing some of the positive things you would want to hear by a new administration, that they believe in sticking to the Minsk Protocol, that they want to maintain sanctions. But, again, maybe that's as good as it gets. And you get kind of what Ted was talking about at the opening, the kind of benign neglect.

So they're going through the motions, but if we're really going to get at the heart of this crisis it's going to take more than the status quo and we're going to need more support of Ukraine and we're going to have to push back on Russia more. We might have to kind of find our way into the Normandy process. We may have to think of some new structures.

It's going to take more than what we've done to date to really wrap our heads around some sort of end state. And what I worry is that they'll kind of sheepishly, okay, we're with all of this, but kind of outsource it to the Europeans and good luck to you guys. And that doesn't bode well for the future, so I do worry.

And then just on -- I guess I'll just say something about the fight against ISIL breaking the transatlantic relationship. I mean, again, who knows because who knows what the magic plan is going to look like? I suspect we'll end up with the current plan with some minor tweaks, in which case I don't think it'll create a real rift with our transatlantic partners because we may end up with kind of current version plus. And so it's a little bit more soft and it's a little bit more activity here and there. But if that's where we end up, I don't think we have that much to worry about.

Now, if it's paired with a radical approach and calls for, you know, inserting ground troops or it's paired with some really radical counterterrorism practices that we've all felt like we kind of put in the rearview mirror, then we're in the soup. But, again, I suspect we're going to end up with kind of old wine in a new bottle with a fresh label, and it'll be the big, new plan, but it won't, in practice, look that different from what we're doing now.

MR. WRIGHT: Great, thank you. We have time, I think, for a lightning round. So there's a gentleman here and then over here. Yes.

MR. ERNST: My name is Thomas Ernst, defense attaché of Germany here in

Washington.

My question goes maybe to the outsides of the podium. Ms. Schwarzer said China, Iran, and the climate, those were the danger areas. After listening to the discussion I come to the impression or have it that it's Europe is the danger area.

Mr. Bromund said, well, he is talking about a semi-unfriendly disinterest or maybe friendly disinterest in Europe and the European Union. I have to be careful here. Now, Mr. Lavrov in Munich at the security conference was talking about propagation of a post-West order.

Now, looking at Mr. Bromund or listening to him saying that the only fundamental thing the U.S. is interested in Europe is security and that's NATO and that's taken care of, whether the EU exists in its present form or not, whether the U.S. in its interest in bilateral relationships also towards European states will continue to do that. Now, my question is, isn't a post-West order then also favored by the United States administration now? Or are you thinking of NATO will take care of maintaining the present West order, whether the European Union exists in its present form or not? Thank you.

MR. WRIGHT: Thank you. The gentleman here. Yeah.

MR. ROZELLE: Hi. Chet Rozelle, independent researcher.

Well, now, all the things that we talk about, Middle East and Europe security, we know that the political structure in the Middle East was formed by the Europeans at the beginning of the 20th century at the expense of Kurds. They excluded Kurds and then they have new states and artificial borders, like Syria and Iraq.

So my question is, what kind of fruit do Europeans have from the tree that they planted in the Middle East at the beginning of the 21st century?

MR. WRIGHT: Great. These are probably not exactly lightning round questions, but that's okay. Is there a final question? Yes, the gentleman here and then we'll -- you all have 20 seconds each to answer all of these. (Laughter)

MS. SMITH: Speed round, yeah.

MR. EYRE: Okay, thank you. My name is Phil Eyre. I'm retired U.S. Navy interested in financial crime and the prospect of transatlantic governments either maintaining or ramping up the investigation and prosecution of issues emanating from the Panama Papers and (inaudible) sections, et

cetera, as linked to national security.

MR. WRIGHT: Thanks. We have a lot on the table there. That question, the post-Western order, and the Middle East, and the sort of European legacy in the Middle East, so maybe if we go in reverse order and just take, you know, 60 seconds maybe each, but just closing thoughts. It can be on those questions, it can be more general.

So, Julie, maybe we could start with you this time.

MS. SMITH: Well, just really quickly on the post-Western order, I mean, that was, I would note, kind of the line that Lavrov used in Munich. And I didn't feel in the audience a lot of receptivity to that.

At the same time, I'm not sure, you know, this administration has gotten so far down the road where it's got, like, its plan for the new world order. If it wants a new world order, if it wants to invest in old institutions, again, we may end up in a space where it just kid of carries on with the current system and puts most of its energy behind the NATO alliance where you find a lot of bipartisanship and widespread support across this town and even polling indicates among the American public. So maybe that's the low-hanging fruit and the easy place to invest energy to the extent that they want to in any piece of the order, but it seems like the most obvious place to start.

MR. WRIGHT: Thank you. Ted?

MR. BROMUND: Well, I have to sort of address the post-Western order question with all due respect to the Kurdish people and financial crimes.

We had a period of globalization from the late 1940s to the early 1970s that lasted about 25 years and which saw extraordinarily high levels of economic growth. We then had a period of crisis from, you know, the early 1970s through the 1970s and into the 1980s, symbolized by the collapse of one of post-World War II core institutions: Bretton Woods. It doesn't exist anymore. A lot of the other institutions were reconfigured during those years. We then enjoyed, from the end of the Cold War, about another 25 years of somewhat less satisfactory economic growth, but still fairly remarkable achievements.

We are now in another period of crisis. We have been here before. It was the early 1970s. Some of our existing institutions today will not survive just as Bretton Woods did not survive.

Some of them will be reconfigured. There will be a couple new ones. I don't know which ones those are.

I profoundly hope one of the survivors is NATO. And I profoundly suspect that one of the, at best, reconfigurers is the European Union.

Regardless of whether I'm right or wrong, though, I think we are in the middle of secular generational change, international institutions driven basically by the fact these institutions have drifted out of touch with political, social, and economic realities that have emerged over the last 25 years or so just as they did in the 1970s.

MR. WRIGHT: Thank you. Daniela?

MS. SCHWARZER: Yes, I'll pick it up right there, although the question was asked to the Americans. But still, I think we shouldn't think that if we don't engage for the global order it stays as it is. Because the challenges don't only come, obviously, from Washington, as we discussed today whether they do or they don't, but they've been going on for a while. And global power shifts with the rise of Asia, the rise of other emerging countries, all that has put some question to the existing institutions and rules that have been constructed after the Second World War.

I think the big challenge is that Europeans and Americans, but with those partners who are increasingly important, engage in the discussion what that next order or what the next development phase of the order could look like. And my concern is that if we only focus on each other, then we miss out on parts of the world that will be extremely important to that future order.

Last point maybe on trade. I think there are real concerns to be had. If you read the reports out this morning about Trump's potential approach to the WTO, we may see more bilateralization, more regionalization, both in trade, both in financial institutions. That trend's underway, but any move that the Trump administration makes on these things will be crucial for us as Europeans, as well.

MR. WRIGHT: Kurt?

MR. VOLKER: I think what's interesting in these questions, and particularly from our German friend here, is the difference in perspective between where this administration is coming from and the ideas behind it, and where some of the European elites are coming from and their ideas.

I say that because the notion here, which this administration represents, is that our leaders and our institutions have been failing us and we need to fix them. And I think that is something that is perceived about the West generally, as well. Our institutions and our leaders have been failing us and we need to fix it. So rather than saying this is an anti-West or a post-West vision, it's just the opposite. It's one of saying this stuff is not working.

And to the extent the West is equated with the current functioning of the EU as an institution is actually, in that perspective, sinking the West. And instead, the EU needs to get with it and figure out how to improve itself and be responsive to the needs of people and effective in its international actions so that it isn't failing like a lot of our other leaders and institutions are seen to have been doing. That's the difference in perspective.

And I hope that they kind of converge over time, that obviously, for those of us who've followed this for many, many years, yes, the ability of European states to be integrated with each other economically produces prosperity. To do so on borders and security issues produces a common space. To be able to contribute to security, that's terrific. The U.S. is not a member of the EU, so we can't be of it in the same way that we are of NATO. With NATO we're all sitting at the table together.

So I think when we look at a transatlantic community and West, the American perspective will always be to think of that as NATO is the body that binds us together on security. And it's really, as I think we talked about earlier, really up to Europe to figure out how it's going to address its own challenges, from the economic to the political to the security, the institutional. And I don't think there's any ill will in that. In fact, I think just the opposite. I think we're anxious for this to happen because we are fearful of what will happen with the West and with us if it doesn't.

MR. WRIGHT: Thank you, Kurt. Thank you to all of the panelists. Thank you to Constanze for putting together a really terrific conference today, and to the Center for U.S. and Europe. And thank you all for coming. I know we have plenty of material to talk about for the next four years easily, so that, I guess, is some upside as we contemplate all of these challenges and the relationships.

So with that, we're adjourned. Thank you very much. (Applause)

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