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FUTURE OF TRANS-ATLANTIC RELATIONS

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Introduction:

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Keynote Remarks:

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Moderator:

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P R O C E E D I N G S

GENERAL ALLEN: Ladies and gentlemen, welcome, and good morning. Wonderful to have you at the Brookings Institution this morning. My name is John Allen, I'm the president of the Institution and I have the honor today of introducing an event, which is sponsored by the Alan and Jane Batkin International Leaders Forum and the Robert Bosch Foundation, and we are deeply grateful for their continued support of the work that we do here today.

We have the pleasure of being joined by a number of distinguished guests who will be joining for the entire event. But in particular we're very honored to have the former prime minister of Italy, Paolo Gentiloni, joining us this morning. And seated in the front row with him, and a very warm welcome to the Italian Ambassador Armando Varricchio and his wife, Micaela, and also the wife of Prime Minister Gentiloni, Emanuela. As well, Ambassador Schuwer is here this morning from the Netherlands. And so we're very grateful for your joining us as well.

Ladies and gentleman, Paolo Gentiloni is a professional journalist by trade and is one of the founding members of the Italian Democratic Party. He first became a member of the Italian Parliament in 2001 and between 2006 and 2008 he served as the minister of communications in Prime Minister Romano Prodi's government. In 2014 Mr. Gentiloni became the Italian minister of foreign affairs in Prime Minister Matteo Renzi's government. And this is where he and I first crossed paths. I was a special envoy to the global coalition regarding the Islamic State and at the time he was the foreign minister. And I have to say, with all sincerity, that Italy was truly exemplary as we formed this global coalition for its willingness to not just contribute to the effort, but the speed with which Italy embraced the emergency of the moment and deployed its resources, not just its political support, not just its treasure, but how Italy deployed its

troops as well. And we were deeply grateful for Italy's contribution. His strategic leadership was instrumental in making it all happen. And I have to say that I truly believe that the world is a safer place today as a result of his efforts.

He would become the prime minister of Italy from December of 2016 to June of 2018, and continued to lead Italy with the utmost distinction and to the great benefit of the international community. Now, in 2019 former Prime Minister Gentiloni is a distinguished fellow in the Brookings Foreign Policy Program, which is, of course, a true honor for us.

As for today's event, a few short moments from now I'll welcome the former prime minister to the stage for his remarks and he'll then be joined after those remarks by Brookings Senior Fellow and Director of the Center for the United States and Europe Tom Wright, one of the world's leading scholars on Europe and a proponent of the trans-Atlantic relationship. And I'll note then that he will moderate a one-on-one discussion with the former prime minister.

A final reminder that we're both on the record today and we're streaming live, so to those of you coming in over the internet you are most welcome to join us.

And with that, it is a great pleasure to welcome to the stage the former prime minister of Italy and now the Brookings distinguished fellow, Paolo Gentiloni.

(Applause)

MR. GENTILONI: Well, thank you very much. A great pleasure and honor for me today to become distinguished fellow of Brookings and especially grateful to General Allen for your kind words and especially for your leadership I had the experience to see in the anti-Daesh coalition, it was really an extraordinary mix of competence and political software and capacity from your side. So thank you very much for what you achieved and for your role now in Brookings.

Well, my remarks will be concentrated on populism, Italy, Europe. A new narrative of fear is conquering the stage. According to this narrative, globalization is not only unable to guarantee economic wealth, but it threatens our identities and is challenged by migrations. To defend these identities we should turn backwards, the narrative says. This narrative is the foundation of a new political offer, national populism, a political force with no comparison with the 20th century left or right. The identity issue is not recent, but it has assumed a disruptive importance in the last decade because of its key role in the national populist reaction to migratory flow. Progressive forces, but also the conservative pro-European right itself, were late in seeing this new political wave coming. On the contrary, the new populist offer intercepted it in time. They succeeded in riding it generally, directing it in three directions.

First, they turn popular discontent against the privileged and cosmopolitan elites. Secondly, they found refuge in the past. Nostalgia is the common horizon of revanchist nationalism, not just for countries with large empires behind them, even smaller countries can refer to recent history in search of refuge and often of revenge. Finally, they promise that retreating within national borders is the only way not only to make every country great again, but also to protect jobs and incomes threatened by international competition.

Populist, nationalist, isolationist, protectionist, these are the three ingredients of the recipe to exploit social anger and identity fears. A successful recipe in the UK referendum, in U.S., and Italian elections, and in other countries as well. For eight months Italian national populism has proved itself as a governing force. While the evidence of these months can draw us to some early conclusions, economic failure comes very rapidly to the point of having already eroded part of the consensus of the Five Star Movement, one of the two coalition parties of our government which

concentrated its electoral campaign on economic and social issues. The fundamental of Italian strong and innovative economy did not change in these months. They are still there. But we had a slowdown of the eurozone economy, we had a dramatic loss of financial reputation, we had a deep crisis in confidence of consumers and entrepreneurs.

Since January the Italian economy is technically in recession. The promise of identity and security is dangerous as well, but its attraction has not declined as the social one. On the contrary, Lega, the other party has continuously strengthened, both against Berlusconi's right and against the Five Star Movement itself. Salvini, Lega's leader, is rewarded not so much by his policies, such as by the profile of his leadership. Actually, his policies of deliberate exclusion instead of integration could produce in the coming years a spread of hatred that up to now Italy has been partly spared from.

Undoubtedly, ladies and gentlemen, populism is a serious challenge also for Europe. There will be no overwhelming populist electoral victory in elections. The Italian case will remain rather isolated. And in the next European Parliament the forces aligned with national populism will probably reach about 10-15 percent of the votes. However, the challenge lies in the influence these forces will have and are already having in the functioning of European political systems and in the orientation of the traditional right of the European People's Party.

But beware, the crisis of globalization has produced not simply social hardship, fear of migrants, protectionist reactions. For the first time we experienced a decline in the confidence of the unlimited spread of our liberal democracies. Nowadays liberal democracies have to face a double competition, one from radically alternative models, such as the Chinese one, and another from within by those who more or less explicitly challenge them. While democratic contagion retreats, anti-democratic contagion becomes a European threat. People like Grillo and Casaleggio, the founding

leaders of the Five Star Movement, often say that parliamentary representative democracy is bound to extinction. And Viktor Orbán, the Hungarian prime minister, has been theorizing even illiberal democracy.

The challenge can really be one if it is first and foremost a European challenge. Multilateralism, free trade, environmental sustainability, welfare, and freedom are at risk. The challenge is to prove that democracy and freedom are more efficient and beneficial to the majority of citizens than any other alternative, and that the geopolitical tensions surrounding us still require the presence of a quite super power like the European Union. The hope in a more human globalization stands in the same place in which the greatest delusion was -- Europe. This is my point. Europe has not enough weight and it struggles to answer the many demands of its citizens with common policies on jobs and migrations. But it still has an amazing force of culture attraction in an age that requires new humanism. And Europe still has the unicity of its welfare and its courage, hat we have seen its highest form when the Bataclan in Paris reopened. Europe still has its strong desire for freedom. This year will be celebrated for the 30 years after the fall of the Berlin Wall, and it still has civility, of which a little Sicilian highland, Lampedusa, has become a symbol. So the European election next May 26 will be a moment of truth in the challenge against national populism.

And, finally, ladies and gentlemen, national populism is certainly going to affect trans-Atlantic relations. Let us consider a few examples. The role of NATO. On the U.S. perspective, it is key to look beyond the surface. At the moment there is no real disengagement, but certainly a downgrade in the hierarchy of priorities. The U.S. call to allies to contribute more is understandable, but it is not conclusive. Actually, some countries that do more, like Turkey, often do not act for the common interest of our alliance. Others, like Italy, are perhaps behind others in expenditure figures, but they are

certainly more involved in shared operation, from Afghanistan to Iraq, from Kosovo to Turkey, et cetera.

On all these issues the next two or three years will be decisive. And Afghanistan will be perhaps the crucial test also for the Italian government. We should strengthen our mutual engagement to confirm the role of NATO and to force the European integration in defense. These two things should be always complementary.

Relations with Moscow. A significant part of national populists, especially in Italy, constantly boasts special relations with Russia, but in reality, national populists are divided. Populists are engaged in emphasizing friendship from one side of the Atlantic to the other, and from Eastern to Western Europe, but they have very different positions, or even opposite. Just think of the recent meeting between Italian Salvini and Polish Kaczyński, with opposite views vis-a-vis Putin.

EU-USA tensions, trade tensions. This is a big question mark for the near future and the position of Europe is still being defined. It is difficult to predict which trend will prevail, between free trade views—Germany, the Netherlands, historically Italy—an emerging tone of autarchy in certain countries -- today is Italy -- and the Macron view, which calls for a protectionist commitment at the European level. (Speaking French).

In the post war era, ladies and gentlemen, the trans-Atlantic relationship was not just a military alliance or a bulwark for the free market, it was also the main engine to promote liberal democracies. We should safeguard these principles, despite tensions in trans-Atlantic relations, also for its medium and long-term geopolitical significance, particularly because without this common principle it will be difficult to identify a shared geopolitical interest between Europe and the United States vis-a-vis China. After the end of the golden age of globalization and in the year of the rise of

national populism, the revival of Western values, now seemingly in retreat, is necessary more than ever before.

Thank you for your attention. (Applause)

MR. WRIGHT: Mr. Prime Minister, thank you, and welcome to Brookings. It's a real pleasure to have you with us and we look forward to many of these conversations in the years to come.

You gave us plenty of food for thought in your remarks, especially on the future of politics in Europe, the future of the left, and the upcoming parliamentary elections. I'd like to get into all of that in a few minutes, but we've had some relatively dramatic news this morning from Europe involving Italy. So I'd just like to get your reaction to that initially. France has recalled its ambassador to Rome over the deputy prime minister's interventions on behalf of the Yellow Vest Movement. And the French Foreign Ministry released a statement this morning, and I'll just read from it because it's quite interesting. It says France has been for several months the object of repeated accusations, unfounded attacks, and outrageous declarations that everyone knows and can recognize. This is unprecedented since the end of the war. So we haven't really seen that language, you know, in the EU, between EU countries for a very long time. And it does sort of get to I think what was a key point of your remarks, that we're seeing in a way the Europeanization of politics, that it's not just about nations anymore. We used to say in the parliamentary elections it was a series of national elections and there was no real European issue, but now this is spinning across borders.

So I was wondering if you could just maybe comment on that and just reflect on this sort of Europeanization of divisions and are we seeing the emergence of the sort of new ideological divide that is actually affecting interstate relations in a way that it hasn't before?

MR. GENTILONI: Well, thank you, Tom, for your question. The first sentence, I would say is an answer. I am Italian and I should obviously say, right or wrong, my country. But in fact, there was a lot of wrong stuff coming from my country in the last weeks and months. So I do hope that this -- unusual to be --

MR. WRIGHT: Diplomatic. (Laughter)

MR. GENTILONI: Diplomatic. Ambassador is here controlling me. (Laughter) This unusual evolution will be positively concluded in a very short period of time. Italy and France are historical friends, people to people relations are wonderful. But not only this, we have great common interests, especially on Europe, the economic policy of the European Union. If there are two countries having the same interest, these countries are France and Italy.

In the last months of my office as prime minister I agreed with Emmanuel Macron to draft a new bilateral treaty, Italy and France. Macron wanted to name it the Treaty of the Quirinal, which is the place hosting our president of the republic, to show a sort of balance with the Treaty of the Élysée, which is the treaty connecting since many decades France and Germany. And this was the right thing to do and it's still the right thing to do. The opposite -- and what frequently came in these weeks towards the French President and the French government is only one of the consequences of national populism, which is to try to find enemies. You need enemies in your country or outside your country to keep consensus untied. But you can't identify an enemy in a neighbor and friendly country. So I hope that no escalation will be there. I hope also that the French government will understand that de-escalate and restore immediately normal and positive relations between the two countries is the only decent and rational thing to do.

MR. WRIGHT: Thank you. And you mentioned in your remarks about

the upcoming parliamentary elections in Europe in May. And this of course is seen in some ways as part of electioneering, you know, that each party is trying to make their case and find wedge issues. But you also mentioned you didn't think we'd see a populist wave in May. And I was wondering if you could just talk a little bit about what you think the campaign will be like. You know, it's sort of unusual to have a campaign that resonates as much as this one in the European context. And will the future of the EU change if there are a significant number of sort of populists in the parliament afterwards sort of using some of the rules to change maybe the direction in ways that weren't intended?

MR. GENTILONI: Yes. I think first we will not have an overwhelmingly -- a tsunami disrupting the political balance in the European parliament. Forget it. There is someone giving messages about this, but this is propaganda. We will have the three traditional families, the Christian democrats, the socialist democrats, and the liberal having more or less from 410-420 members of the parliament out of 700 members. And we will have probably around 90-100 of the very different one from another, but single expressions of national populism.

What will this mean? First, that the leadership of the European institution will not change. The president of the commission, the president of the European council, the president of the parliament, the main responsibilities will remain in the traditional orientation. But we have to take note and observe at least two things. One is that the commission will have at least three or four members nominated by nontraditional governments.

MR. WRIGHT: So each government can nominate their own commissioner --

MR. GENTILONI: Yes. We have --

MR. WRIGHT: -- and populist governments will nominate populists to those positions?

MR. GENTILONI: We have 27 commissioners with very different portfolios, but each single country has 1 commissioner. And we will have three or four commissioners with a view of Europe completely different of the view that we share since --

MR. WRIGHT: Italy, Hungary, Poland, maybe one or two others?

MR. GENTILONI: Yes. Exactly. Second thing to observe is, as I was saying, the influence of this vocal minority, limited but vocal minority, on the decision and the attitude of the main parties and particularly of the EPP, the Christian democrats, because inside this European popular party you have very different positions. For example, the Hungarian Prime Minister and his Fidesz Party is a member of the European popular party. So will its influence grow as the dynamics between IFD and Christian democrats in (inaudible) in Germany a little bit short. They can have an influence even if they have 10 percent of the votes in the Bundestag because they are shifting the position of the mainstream parties.

So the challenge for the election will be crucial. The fact that they will not win doesn't mean that the challenge is now relevant. For the first time it will be a challenge on the future of Europe. And take note of this because it will be really a premier. It has never been so. The European elections have always been something relatively minor.

MR. WRIGHT: Yes. Going to your remarks on sort of the difference between the left and the right I guess in the last few years, one thing I thought was particularly intriguing is you were saying Salvini and others on the populist right are able to sort of pivot in a way away from economics and focus on wedge issues of immigration

or creating enemies abroad, or just finding those issues that sort of transcend the normal political economy, whereas on the left, you know, generally people are sort of focused on the political economy, and especially given the constraints of the Euro Zone and all of that, that's quite sort of difficult. And so arguably we see something like that, you know, here too where immigration has become a major issue.

And you also mentioned that over time this may boomerang because Salvini may find that some of these policies are counterproductive. But between now and then, between now and sort of when it does boomerang, what's the way back for your political tradition? I mean what would your advice be to center left politicians in Europe about how to sort of transcend this new environment and try to make the case? I heard somewhere recently Tony Blair was sort of speaking on this and he said, you know, maybe our time is up. And he said maybe the political tradition that I represented of openness to globalization, maybe that time has passed. We have to try, but maybe history has just turned. Sort of a relatively fatalistic view. But how do you see it in terms of where we go from here?

MR. GENTILONI: I totally disagree with Tony Blair on this. The fact is that -- well, in the dynamics of the national populist political offer, nationalistic right-wing positions are strategically leading. This is very clear in Italy, but from my point of view, this is almost clear also in Europe. The antiestablishment populist experiments giving themselves a sort of leftist approach are in extreme difficulties all over Europe. Just think of the change that Syriza position had in Greece, just to look to what happens to Podemos in Spain. So there is a leadership. This leadership doesn't mean a rapture, because what we experience in these months in Italy is that even supporters of Chavéz and Maduro at the end of the day are available to close the harbors against migrants. That can appear crazy, but we have in our country the demonstration that, yes, this is

Five Star Movement, you can have -- appear to be extremely leftist -- Chavéz -- but you accept the idea that migrants should go out and it is correct to close ports and harbors against migrants.

So what is the alternative? Well, I've written a book, I had the pleasure to give one copy to General Allen. He will improve his Italian. (Laughter) So it's not something we can solve in one minute. But --

MR. WRIGHT: It's called "The Impopulist Challenge"? Is that right? In English.

MR. GENTILONI: And in the title there is something I think important -- impopulist means you don't have to follow the populist agenda if you are running your electoral campaign on Mexican border in U.S. I'm not sure that you will win, meaning win for the progressive and democrats. And the same is true for my country. And you don't have to imitate their way of doing politics, oversimplification, creation of enemies, insults, factionalism. It is not true that this is the only way to have a successful political leadership. It is not the case. I often repeat that the most popular political leader in Europe is a lady in office since 14 years in Germany and she's not an insulting extremist and populist, as you very well know.

But, obviously -- last remarks -- we cannot only repeat the old-time recipe of overture of openness. And from this point of view, Tony Blair is correct, because this kind of view, openness against closure, globalization, against protectionism, is fundamentally the right one, but at the same time we know that if we are not able to present ourselves as something different from a cosmopolitan elite without rules in our country, in our neighborhood, in our reality, we will lose. And if we don't have in mind the fact that we have to protect the quality of jobs, even without breaking free trade and globalization, we will lose again.

So we have right questions, protecting jobs, identity, rules, and wrong answers from the national populist side. It is for us to give the right answers. The right answer is not only to repeat openness, openness, openness.

MR. WRIGHT: You mentioned Chancellor Merkel and she for many of us I guess is an exemplar, as you put it, as sort of centrist leadership. But her government also took a particularly hard line in the Euro crisis that your government had some disagreements with and the previous governments in Italy. And I'm just wondering what would you say to her maybe or to members of her government in terms of what Germany should do sort of stall or reverse the tide of populism in Italy and in other countries. I mean does Germany have a responsibility in as it can seize our fiscal and monetary policy to ensure that large areas of Europe maybe, you know, receive more of an investment boost than they have in the past?

MR. GENTILONI: Yes, I will say, as I've said several times, that to face this challenge of national populism we need, yes, a good multilateral and foreign policy, yes, good recipes against migration, yes, reasonable leadership, but also change in fiscal investment and expansion policies in Europe. It is time -- and I think that the substantial slowdown of German economy should learn something also to the German authorities -- it is time to change this attitude because EU, among the big economic areas of the world, is the one with the lowest level of debt. U.S., China, Japan, has all a higher level of debt than Europe. So the obsession of the debts, the guilt of the debts, is provoking. It was successful for a certain number of years for Germany, but it is provoking a lot of problems for Europe and also for Germany. We'll have to change this. And you know what the problem is, that to change this we need a strong common point of view between France and Italy.

MR. WRIGHT: That could be a problem. (Laughter) So you talked

about this sort of meeting of Putin and -- I'm sorry, of Salvini and Kaczyński and how they disagree on Putin, and you also mentioned China. And, you know, these two countries, Russia and China, are both quite active in Europe now in different ways. Russia, as we know, has ties with some parties. It's also involved in politics in sort of subversive ways or it was definitely suspected of being so. And China, China is much more active now in Central and Eastern Europe in particular in terms of investments and One Belt, One Road, and there were controversies in all European and globally over 5G networks and the like.

I was wondering if you could tell us a little bit about how Italians feel about Russia and China. And do you think this will be sort of a divisive issue in European politics going forward?

MR. GENTILONI: Well, obviously they are very different issues. Russia has always been for Italy a test of from one side our strict coordination with NATO, with EU, and with our allies, and on the other side, to try to push for dialogue. This policy that diplomats call a double track policy has been in the last five years, seven years, a policy gaining consensus and momentum in Europe and in NATO. So you have to be clear and tough on defending your principles, on reacting on Ukraine, in Crimea, on what happens. But at that same time you have to challenge Russia not only -- with force, because this is the sector where Russia is stronger. Where Russia is weaker is a challenge based on economy, trade exchanges, culture. Do you own some Russian brands in your pocket? No, it's not easy to say there is a successful economic or consumer recipe coming from Russia. This double track has nothing to do with the idea that unfortunately is now crossing our government to share with Russia some goals, some objectives towards EU. This is very dangerous. When I hear my Minister of Interior Salvini in Moscow declaring that he feels at home in Moscow much more than in Brussels, I don't like this. Absolutely

I consider this very dangerous.

So Russia is easier from a certain point of view. We have to protect our political system from influence and we have to be clear in defending our principles and engaging Russia in trade dynamics. We are 30 years after the Berlin Wall collapse and the Berlin Wall collapsed not only for the force that we had, but for the economic relations, the (inaudible) relations. They couldn't afford their closure of their economies. And this is still in some way the case.

China is completely different because China is a successful example from the economic point of view. And the attraction of this successful example should not be under evaluated. When China launched its Asian Investment and Infrastructure Bank a couple of years ago, gradually this proposal was shared by almost all the Western democracies because it was convenient to be explicit.

If the decision is based only on convenience, we have, as you know, several, for example, European countries, from Greece to Portugal, to Hungary, that have a strong Chinese economic presence. It's not only football club, as in the case of my country, it is substantial in these countries. So it is only convenience, interests, tariffs, trade, or we are bringing variance. The alliance, Europe-U.S., is an alliance for liberty, for promoting free economy, for promoting freedom. If this is the sense of the alliance, we are so strong that no one can divide us. Is the decision based on convenience, look to what could happen 10 years from now. Every country decides on the basis of the convenience of its tariffs, its trade, and Europe is not the South China Sea. It is not deciding for an obvious geopolitical interest to protect from China. If there is an economic interest, someone could decide in wrong ways.

So my point is to face China we need to consider our trans-Atlantic alliance as a priority based on common interests, based on defense, but based especially

on values.

MR. WRIGHT: Thank you. So we want to go to the audience, but one last question before we do, because I'm pretty sure if I don't ask it, it will come up, but it's on Brexit, which of course is uppermost in people's minds. And you were prime minister during sort of the early stages of these negotiations and we're now at the later stages, and no one knows what's going to happen, of course. And it looks like we might have no deal.

But I'm wondering if you could just maybe offer as to your reflections on why do you think they're leaving, I guess. And, you know, in your sort of interactions as well as prime minister, why are we sort of at this point now where we're on the verge of no deal. And do you think it's going to hurt the EU to lose the UK? I mean we often hear about the effects in the UK, maybe a little less so about the EU. So just how do you see that?

MR. GENTILONI: Yes, for sure, it will affect the EU because UK is one of the big four in EU. It is I think more or less 13 percent of our GDP in EU. A little bit more than Italy -- more or less like Italy. And because of his traditional geographic geopolitical influence. And also for cultural reasons. Just to joke, the languages we use in Europe are determined by the numbers of European citizens using these languages. And this is the reason why we use French, English, Deutsch, Italian, and Spanish as mandatory language. No, then all languages are mandatory in formal sessions, but the mandatory are these five. After Brexit we will have only Ireland as an English-speaking country, so will we keep English as one of the languages in --

MR. WRIGHT: The French might want that. (Laughter)

MR. GENTILONI: It is the informal language that we use. Where there is no translation among European leaders, you are speaking in English. So, but this is

stupid. What is relevant is that EU will be affected. I think it would have been even more affected reacting in a fragmented way. So I have to say that the reaction to this catastrophic decision, perhaps the more catastrophic decision of a political party in Europe after the war, the reaction to this catastrophic decision of the Tory Party and of David Cameron from the European side was very wise, from my point of view. Unity. Michel Barnier, the chief negotiator, was very clever in keeping this unity and asking the Britains what their intention was. The fact is that even now in theory we are 50 days before the deadline, it is not clear the message from UK.

My personal opinion, but this is not so relevant, is that the only rationale and positive solution to this crisis could be a second referendum. But, obviously, a second referendum could not be decided from outside, from Brussels or from nowhere.

MR. WRIGHT: Or Moscow.

MR. GENTILONI: Yes, or Moscow. (Laughter) Because we could lose the second referendum if it appears as a decision taken outside Britain.

So will we have, as Tony Blair perhaps thinks, a cross agreement among back benchers from one and the other party to agree for a second referendum? Very difficult. But this would be a solution. Otherwise, we will see. We have a little bit of changes in the interpretation of the Irish backstop, but no more. And this will return to the commons and we will see what will happen. But I fear the conclusion of this. It's very dangerous for Britain. So it is dangerous for EU, but there is no comparison, obviously.

MR. WRIGHT: Thank you. Okay, so let's open it up for questions. Please make sure you're brief and your question is a question and not a statement, so a question mark at the end. We might take a few together and try to get in a couple of round.

I'd first like to call on Giovanna De Maio, who is our visiting fellow in Italy

and is doing a lot of work for us here in Italy at Brookings, and then the gentleman here, and we'll take one more after that.

So, just, yeah, Giovanna.

MS. DE MAIO: Thank you, Tom, and thank you, Prime Minister Gentiloni, for being with us today.

As General Allen mentioned before, you also served for more than two years as minister of foreign affairs. And I would like to hear thoughts about the role of the minister of foreign affairs in current Italian politics, in general the state of the current Italian foreign policy. If we think about -- if you're looking at the -- foreign policy initiatives are taken -- seems to me that they are taken by other leaders, rather than the minister of foreign affairs. If you look at the Di Maio, the leader of Five Star, going to meet the Yellow Vest, if you look at the minister of defense notifying the Ministry of Foreign Affairs about the intention of -- we drove in from Afghanistan and if you look at the strong stances Salvini has had on closing the harbors in Italy.

So what are your thoughts on that?

Thank you.

MR. WRIGHT: So just hold that for one second. The gentleman here.

QUESTIONER: Thank you. Michael Armea with Firschstand Analytics. Prime minister, my question is with respect to the current preferences of the American administration for more bilateral relationships. That hasn't been, one can argue, very helpful towards strengthening trans-Atlantic ties. Can you see that being an issue, particularly with a side deal between the United States and the Italian government and a potential for that having a domino effect on the rest of the European Union, or would the EU realize that they're much better off standing as a cohesive political entity?

Thank you.

MR. WRIGHT: Thank you. And the third question, ambassador.

QUESTIONER: Thank you. Thank you very much, prime minister, for your remarks. I represent the country which is almost as paranoid about debt as the Germans. We are a good second, I must say.

QUESTIONER: I know. (Laughter)

QUESTIONER: You have had your spats with us. You talk a lot about the relationship between Italy and France. Now, those are two countries who -- and you started off by saying that Italy has gone into recession since the 1st of January. Those are two countries who are building a debt who are not really adhering to what we have agreed to within the EU on the economic financial field.

Are you worried that at a certain moment, the world seems to be nearing a possibility of a recession, that if it would come to pass that a country like Italy would say I need European support to rectify my economy that the answer might be less forthcoming as it has been, although you cannot say it's really forthcoming towards Greece, and that you might see a split, a north/south split in Europe.

Thank you.

MR. GENTILONI: Thank you. Well, the role of diplomacy on our foreign ministers, I think it's obviously changing from time to time, from governments to governments. It is obvious that, first of all, prime ministers, presidents, leaders of the countries are the ones taking the most relevant decision on foreign policy. But in general I think that, at least for my country, the substance of foreign policy remains to diplomats and foreign ministers if foreign ministers want to exercise this role. There is professionals, we have diplomats, they are not appointed because they are friends of the president or of the prime minister, there is a career, there is competence, there is seriousness. We don't have such a strong deep state in Italy, but it is something giving

stability.

Obviously, I repeat, we have an extraordinary coherence in foreign policy since 70 years. Perhaps among the big four of EU, Italy and Germany have been the countries with the most coherent foreign policy in the last 70 years, more than France, more than UK, more than Spain, obviously, for the dictatorship. Now, for the first time in this month we are a little bit unbalanced and we count on our diplomacy to keep the direction as it has been in these years.

We have also to change things. As foreign minister I frequently repeated that we are not in the old automatic track of EU and NATO, not considering our national interests. The problem is to combine our traditional position in the geopolitical context and national interest. Is it impossible -- it is very easy, because Italy is an open country, export oriented, multilateral, culture oriented. So we have everything to lose from autarchy and protectionism. It's crazy for us. We are, with Germany and the Netherlands, the single European country most export oriented. So what have we to gain from autarchy and protectionism?

But don't underestimate foreign policy and diplomats because they are very relevant. Yes, there is a bilateral approach from the administration. It is not completely new because U.S. administrations have been frequently skeptical on EU and it is understandable, because EU is a strange creature. We could say it is an imperfect democracy. It is not clear if you don't want to help, you can play on the fact that there are sovereign states, but also the commission, but the council and the parliament, it's not easy.

But in general, I don't think that the idea of engaging bilaterally every single state is a successful one. It is there and Italy is an interesting test because I think that the U.S. administration now is looking with some interest to the Italian government

and to a bilateral dynamic.

If I may give a suggestion to my government, I would not play too much this game because yes, it is a political game, but then we have defense and economic interests. And if we are dealing with the Libyan crisis, we need not tapping in the shoulders, but we need a commitment from our friends and allies in the U.S. And I was very pleased to have this when I was foreign minister. Now, I think it is a little bit declining, apart from declaration and tapping on shoulders.

Yes, I perfectly know the Netherlands' position and a very good friend of Mark Rutte. I know the differences that we had in these years, but I think that everyone should consider the fact that in time of slowdown of our economies every single relevant economic area reacts with a stimulus and expansion policies. Is it possible in Europe that this is only done by Mario Draghi ECB policies, or should we have fiscal and common initiatives in this field? I think that this would be in the medium-term in the interest of Germany, the Netherlands, the Baltic States, and the -- obviously I don't think that we risk big divisions. I appreciated when Jean-Claude Juncker said one month ago that he was regretting the attitude a little bit too sharp adopted a few years ago towards Greece. In fact, it was more strongly sharp from the IMF than from EU in reality. But we will cooperate and Italy will have cooperation.

What worries me is that we are not working in our interests now. Just a final example, there is this club of the Southern European countries, the Mediterranean so-called countries, they are seven countries. These countries have 52 of the European GDP, these 7 countries. It's not Visegrád, it's Italy, France, Spain, Greece, Portugal, Malta, and Cyprus. They have the majority of the GDP in Europe after Brexit. And they have an opportunity to work together, to dialogue with Germany, Netherlands. That, unfortunately, my country is lacking. It's discussing with Kaczyński I don't know what.

And this is not exactly in our interests.

MR. WRIGHT: Thank you. So we have time maybe for a little bit of a lightning round, but it is lightning round. So the lady here and then over here and then the gentleman here in the middle, and then we'll have unfortunately call it that. But be quite brief. And you get to choose one of the questions. You get to ignore two, because we're just out of time.

QUESTIONER: Okay, super briefly. Thank you for the presentation. My question is I feel a bit elephant in the room is what is the role of the left in Italy going forward? I feel part of the reasons these populist surge was that the left avoided some of the key questions that Italians feel are close to their hearts, migration, the economy, and et cetera. So I'm wondering what the position of the left going forward.

MR. WRIGHT: Thank you.

MR. CHECCO: Thank you very much. Larry Checco, senior advisor to Serve USA. If Europe is struggling so much with populism and protectionism now, what happens when we see an overwhelming amount of immigration, whether it's due to political asylum or global warming. I don't think we've seen the start of this, I don't think we've seen the tip of this iceberg. What is your vision if this becomes an even more bigger problem for Europe?

MR. WRIGHT: Thanks. Final question here.

QUESTIONER: My question is just a follow up to that question. What should the policy at the EU be regarding migration? You mentioned it several times as one of the key challenges, but so far the EU doesn't seem to have a very articulate policy to respond to it and to diffuse it as a springboard for national populism.

MR. WRIGHT: Great. So there's a lot there, so just any closing thoughts you have would be great.

MR. GENTILONI: Well, on migration and global warming -- that by the way are for Europe strongly intertwined because global warming is becoming one of the main causes of African migration, inter African and potentially migration towards Europe - - I think we should very clearly first recognize that, yes, we will have migration in the next 20 years coming from Africa. Apart from the risk and possibilities of wars and disasters, we have the Syrian migration, millions of people, but apart from this we will have for geographic and demographic and economic reasons migration coming from Africa. What will we do? So the populist attitude is zero migration. You close your eyes and you say, okay, the problem is not there. The problem is there. If you close Italian ports and harbors, maybe for a few months Spain is more affected by migrants crossing the Mediterranean and then something new will happen. First accepting reality. And populists do not accept reality.

Second, having a European policy. We don't have a European policy. European policy is based on the so-called Dublin Rule. The principle of this Dublin Rule is again that migration doesn't exist because this Dublin Rule was created for people fleeing from Soviet Union and Communist countries in the '80s, and the idea was of some hundreds of people who needed asylum for political and liberty reasons. So the European policies say economic migration doesn't exist. We have to accept asylum seekers and refugees, but not economic migrants. But economic migrants exist. What does having a European policy mean? Obviously it means to switch the migration flows from irregular, illegal, dangerous, and murderous mechanism, as it has been in recent years, to a regular, safe, controlled, and possibly matching with our economic needs phenomenon, with quotas, with common decisions, common distribution. Is it possible? Sure, it is possible. We are talking about hundreds of thousands of people in an economic area, the richest of the world, with half a billion habitants. Are we not able to

absorb in a safe, regular, and useful economical way a few thousand of people from each country, with quotas? There are experiments going on several other parts of world. Just think to Canada, for example, that shows that this is perfectly possible.

And in global warming, Europe should have a lead exactly for the reason that global warming is also -- it is not only a threat for Venice or for I don't know what, it is also triggering migration in a very substantial way. The Italian government is not planning this kind of policy, unfortunately, but this is another story.

In conclusion, Tom, if I may, because your question about the left and what happens in the future is a good one for a final remark. Well, the electoral defeats are always very bad things, but they can be useful if you learn some lesson. So the lesson that I think we learned, and I hope we learned, we will have my party, which is the main party of the Italian left, and unfortunately probably will also be the bigger national delegation in the socialist and democratic European family, in the European parliament. This is not a good thing, because if we are ranking number one, this means that in other countries we have similar or worse difficulties than we have. But we are electing a new leader in 20-25 days. The message, very clear, of the election I think is that we didn't work effectively to challenge this narrative of illusion and fair, we followed a sort of globalization optimism, always stressing the fact that free trade is good, GDP is growing, jobs are growing, showing positive experiences, because when you are in office you have always the temptation to show things going well, hoping that this is contagious for the economy. But at the end we appeared like the problem and not the solution. The optimist, what have you, to be an optimist in a situation where jobs are fragile, where we need -- so is there another way different from the decrease, the protectionist, the nationalist, the autarchy, the hate? Yes, there is another way. It is not the traditional way of the golden era of globalization. So the left in Italy and in several other countries, from

my point of view, has to do at least two things. One, having its own agenda and not following the agenda of fear and nationalism. This is, for me, useful in the U.S. as in Italy. And, second, in our economic agenda and social agenda we have to keep in mind that inequality is growing, quality of jobs is decreasing, digital innovation is very good, but can also be very bad for the quality of jobs. And that the only solution to this kind of problem is to have a more competitive economy, not to close and to go back, but to have robotics, artificial intelligence, innovation in your economy, but also a more sustainable economy, from the social and from the environmental point of view. If we have only growth and no sustainability on environmental and social aspects, we will go nowhere and we will appear as a cosmopolitan, privileged, elite, and the others will win.

I am confident that we will be able to do the contrary, but we will see.

And thank you very much for your attention. (Applause)

MR. WRIGHT: Prime minister, thank you. Thank you very much. That was really a wonderful set of remarks and conversation. We very much look forward to welcoming you back to continue this conversation.

I would like to thank the ambassadors and all of you for joining what is a joint event of our Batkin Statesman Forum and the Brookings Bosch Trans-Atlantic Initiative. So, thank you very much. And with that, we are adjourned.

MR. GENTILONI: Grazie. (Applause)

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