

THE BROOKINGS INSTITUTION

EUROPE'S POST-AMERICAN FUTURE?

Washington, D.C.

Thursday, June 13, 2019

PARTICIPANTS:

Welcoming Remarks:

CHRISTIAN HÄNEL
Senior Vice President, International Relations America and Asia
Robert Bosch Foundation

THOMAS WRIGHT
Senior Fellow and Director, Center on the United States and Europe
The Brookings Institution

Panel 1: Can Europe's Center Hold?:

EDWARD LUCE, Moderator
Washington Columnist and Commentator
Financial Times

CÉLIA BELIN
Visiting Fellow, Center on the United States and Europe
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YASCHA MOUNK
Senior Fellow, SNF Agora Institute
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AMANDA SLOAT
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PARTICIPANTS (CONT'D):

Panel 2: The Trans-Atlantic Agenda in 2021 -- Is Deeper Cooperation Possible?:

THOMAS WRIGHT, Moderator
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BENJAMIN HADDAD
Director, Future Europe Initiative
Atlantic Council

WALTER RUSSELL MEAD
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P R O C E E D I N G S

MR. WRIGHT: My name is Tom Wright and I am director of the Center for the United States and Europe here at the Brookings Institution. I am very much looking forward to what promises to be an illuminating and timely discussion on several of the key issues and challenges facing governance on both sides of the Atlantic. The trans-Atlantic relationship more broadly and also, the future of the rules based international order, which is of course the subject of much discussion in the age of Trump.

As you can see from the screen behind me, this is part of our successful Brookings Bosch Trans-Atlantic Initiative. Or as we call it here, BBTI. On behalf of everyone at Brookings I would like to express our gratitude to our partner. There are Bosch Stiftung represented here by their Senior Vice President Christian Hänel and other colleagues. Christian will offer a few remarks in a moment setting the context. But before he does, I would like to underscore our appreciation for the vibrant transformative partnership that we have forged with the Robert Bosch Stiftung over the last two years.

We launched this two years ago with an acute awareness of the deepening anxiety and disruption in the trans-Atlantic relationship and growing questions on both sides of the Atlantic about the merits of the international order, the values of open society and democratic governance, and the extent to which global engagement serves the national interest. Given the gravity of these challenges, there's a pressing need for dialogue, for research, and for new ideas about how to sustain and adapt the trans-Atlantic relationship in this new era. So, we're very excited to have deepened this partnership with Robert Bosch and the discussion that we will have this morning could not be more timely and we will have two panels back-to-back. The first looking at internal developments in Europe in light of Brexit, the European Parliament elections, and other developments in Europe. And the second, looking at the future of trans-Atlantic cooperation. Can we envision and return to cooperation in the future, maybe after the next election? Or regardless of who wins, are we in for a period of continued tension on trade, defense spending, and other issues?

So, now, this is a good time to turn the proceedings over to Christian who has been instrumental in bringing about the trans-Atlantic initiative. But before I do, I would just like to add that Brookings places a huge value on its commitment to quality and independence. We're most enormously grateful to our partners who understand and respect our independence and recognize that the value we offer is independent scholarship. Bosch has been a superb partner in all respects including that one. So, I'd like to thank Christian, thank Thomas from Bosch too. And with that, I'd like to hand it over to Christian. Thank you very much. (Applause)

MR. HÄNEL: Distinguished panelists, ladies and gentlemen, good morning. And greetings from Stuttgart, Germany, where the headquarters of the Bosch Foundation is situated. A very warm welcome to all of you on behalf of the Bosch Stiftung, the Bosch Foundation, as well. And a big thank you to our colleagues at Brookings for hosting us today. And again, it's a packed auditorium. We're always, as my British brother-in-law would say, green with envy when we look at Brookings' success in filling the auditoriums which we struggle with sometimes in Germany with our events. So, thank you very much for giving us this great audience.

My name is Christian Hänel. I'm senior vice president, international relations, America and Asia at the Bosch Foundation. And today's event is as Thomas said, part of the 2019 annual convening of our Brookings Bosch Trans-Atlantic Initiative as Tom has said, the BBTI as we came to call it. It aims to build up and strengthen resilient trans-Atlantic networks and reinvigorate dialogue and collaboration on issues concerning trans-Atlantic relations and also social cohesion in Europe and the United States. Today's BBTI event will feature not one, but two back-to-back panel discussions. The first on the future of the European Union and the second on the prospects for trans-Atlantic cooperation in the future, post-2020. Both intend to look beyond the current state of affairs and the somewhat gloomy political realities on both sides of the Atlantic. We hope that this will offer at least some kind of optimism. Of course, it's always a little tricky when you ask a German to

provide some kind of optimism. I will try my best.

In Europe, the recent parliamentary election results showed the traditional center-left and center-right parties losing their majority for the first time since the start of direct elections in 1979. Consequently, the European Parliament will be more fragmented, or maybe more diverse than ever before. It also became apparent that the success of far right politics across Europe is not going to vanish soon, with Marine Le Pen's National rally and Matteo Salvini's League making the most notable gains in France and Italy.

Even though the European far right parties are a long way from claiming the majority, in Brussels they will increasingly be able to shape the debate and attempt to -- maybe attempt to remake the union from within instead of just proclaiming a general anti EU course. There are experts like Robert Bosch Senior Fellow Constanze Stelzenmüller who argue that this development would be garnished by a U.S. administration whose Europe policies and politics have come to the benefit of those politicians that seek to undermine the European project from within. The European Parliamentary elections had quite an impact for national politics in Germany. Well, in Germany the leader of the Social Democrats, Andrea Nahles has resigned after, I think it was 408 days in the position. Not only has this move raised serious questions about the future of the current governing coalition with Chancellor Angela Merkel's center-right Christian Democrats, as Anna Sauerbrey, editor of the German daily, Der Tagesspiegel, and well known on this side of the pond for opinion pieces in the New York Times noted, "If there is one lesson to be learned from the recent European Parliamentary elections in Germany, it is this, the era of big tent parties is over and no one knows what will come next."

In the trans-Atlantic political sphere, things do look quite challenging as well. Mounting policy differences on trade, defense spending, or in how to shape relations with Iran, just to name a few, have become the new normal. And speaking of trade, Walter Russell Mead recently argued in the Wall Street Journal that, "The U.S. president sees Brussels as too weak, too liberal, and anti-American on trade." On the other hand, during

his recent trip to Germany, U.S. Secretary of State Mike Pompeo and his German counterpart Heiko Maas emphasized the importance of the decade long partnership between the U.S. and Europe and downplayed the current trans-Atlantic rift. Pompeo said, "When two nations interact, there will be different opinions, but to suggest that relations between the U.S. and Germany, or the U.S. and the EU are dominated by existing differences simply does not correspond to reality."

This would be a wonderful vantage point to throw in some more optimism, however, this view does not really resonate with current public opinion in Germany. According to a recent survey conducted by Atlantic (inaudible), nearly 85 percent of Germans have a negative or very negative view of the German/American relationship. What is even more remarkable is that 57 percent of those polled want to see more distance in the political relationship between Berlin and Washington. And now get this, 42 percent even considered China a more reliable partner than the United States.

In contrast, 70 percent of Americans say that relations with Germany are good. According to a survey conducted in the U.S. by the Peer Research Center. About two thirds in the U.S. want to sustain close ties to Germany and the EU. I'd say at this point, let's listen to our American friends on this one then. However, these are pretty asymmetrical poll numbers on both sides of the Atlantic. So, do they show that maybe Americans are just -- well, keeping the calm while Germans are exaggerating a problem, borderline German angst when they look at the trans-Atlantic relationship? Or is there more behind it? So, what do we make of all this and where will things go from here? And it's a wonderful thing always when you give the welcome remarks, you can ask all these questions and our panelists, of course, the experts will provide the answers later to questions like, where is the EU headed after the recent parliamentary elections? And, can the United States and the European Union overcome their current estrangement? Or is Europe's future indeed post-American as the overall title of today's events -- or event suggests?

Our two expert panels, as I said, will offer insights into these and other

questions. Therefore, without further ado, please join me in giving them a warm round of applause. To moderator Ed Luce and the participants of today's first panel on the future of Europe, thank you very much. (Applause)

MR. LUCE: I'll find my place. Thank you, Christian and thank you, Alina and Tom. Great to be here. It's always great to be at Brookings discussing weighty and cheerful topics such as this. And I will get into questioning our distinguished panel about the broader future of Europe questions, but as a journalist, I can't help leading off from today's news which is about the conservative party's leadership election in which a wide and diverse range of white Oxbridge males in favor of hard Brexit voted for Boris Johnson. And I think he got more than number two, three, and four in the contest combined. So, the next Prime Minister is Boris Johnson, and that's not such big news, but it is news. And so I just wanted to kick off Amanda by asking you whether this therefore means, in the context of the future of Europe, not just Britain's own journey that a hard no deal Brexit is now a probability.

MS. SLOAT: Well, two things. One I think it's --

MR. LUCE: Do you want to borrow mine?

MS. SLOAT: It was -- I pushed it --

MS. SLOAT: Our microphones are working as well as the continent of Europe at the moment. Would you like my microphone? Fog over the English Channel.

MS. SLOAT: Okay, I'll start again. I would say two things. One I think hard Brexit has always been a probability. And second, lest anybody over interpret what Ed said, there is still a democratic process to go through in the UK with the further narrowing down of the two candidates and then the 120,000 paid up members of the conservative party who get to vote for their final choice. It is a rather curious system where they are essentially voting for the conservative party leader, but they are effectively voting for the new Prime Minister since the conservative party will remain in government.

Certainly, if you look at the debates that have been had among the contenders for the leadership, the question really has been who can promote the hardest

Brexit and who is willing to see the UK crash out with no deal. We here at Brookings hosted a couple weeks ago, John Bercow who is the Speaker of the British Parliament. And one of the questions that we put to him, which is a part of the live debate that's going on in the UK is whether or not Parliament can stop a no deal Brexit. Boris Johnson, of course, has been a proponent of no deal. He leads a faction of hard Brexiteers that are particularly opposed to the backstop for Northern Ireland. I think if he could try and find a way to resolve the backstop for Northern Ireland, he would be prepared to go forward with a deal. He is going to, of course, face the same challenges that Theresa May did in the sense that you have a very divided Parliament. A very divided country. And an EU that is not prepared to renegotiate its red lines including the backstop. So, I think the interesting thing to watch is going to be this debate between a likely Prime Minister Boris Johnson and a Parliament. The only thing that the British Parliament has managed to agree on with Brexit is that they don't support a no deal Brexit. And so, we're already seeing talk about whether or not Parliament can try and introduce legislation and find a way to block that.

The other thing is, is we're simply running out of time. The UK had gotten a six-month extension. The new deadline for Brexit is Halloween. The first half of the six-month period that was supposed to be spent sorting out the domestic position is now being spent on the Tory Leadership Contest. It's not expected to be finalized until the end of July. Everybody will go on their recess in August. And then we really only have a couple of weeks in the fall before we're facing a new deadline.

MR. LUCE: And it ought to be said that Boris' campaign as I will renegotiate a good exit deal with Europe, but Brussels' leaders he's described as Second World War camp commandant. So, that's an interesting potential negotiation we see there.

Yascha, widening the lens, two or three years ago, we had Trump early in his administration, we had Angela Merkel writing pretty strong. Macron vanquishing Marie Le Pen. Macron actually being described as leader of the moral super panel. And this idea that Macron and Merkel together could rekindle the Franco-German merger and reform the

Eurozone which is sort of the key existential question, the survival of the Eurozone for the future of Europe, and having European renaissance as Macron went on to call it.

Today, we have populous having done pretty well in the European Parliamentary elections. Macron's got the persistence of the whole jour le jour problem. Merkel is a lame duck and the friction between Germany and France is getting sort of stronger all the time, seemingly. So, no revived motive there. So, when we talk about competing visions for Europe, what vision, if any, looking at it from a relatively high altitude do you see having any chance of commanding consensus?

MR. MOUNK: Well, I think none. What we've seen in the last few years is simply that the kind of consensus you need in order to affect any real change in European institutions is very broad. It involves a lot of different countries and a lot of different political forces. And as moderate parties in both the left and the right have been squeezed by the extremes, and as some European countries have been taken over by extremists who are trying to erect dictatorships in parts of Europe like Poland and Hungary, the prospect of actually gaining the kind of broad consensus you need in order to reform Europe's institutions, I think has just proven to be illusory.

Now, there's problems on some of the moderate parties as well, as you are pointing out. The idea that France and Germany would come together and align on a vision of Europe's future and be able to push them through the European institutions has failed because Macron and Merkel (inaudible), probably two of the more simpatico leaders within Europe today with each other have not been able to push that forward nearly as strongly as expected. And frankly, Germany does not appear particularly interested in the Euro form. So, we're now in the paradoxical situation in which we're basically trying to keep the institutions on even keel. Go bit-by-bit in a moment in which those institutions are in serious reform. And that seems to be the kind of zombielike state that the EU will have for the next 10 or 20 years. But I just want to add one other thing which is that the biggest challenge both to the EU and to European values at this point is not at the EU level, it's at the national

level. We can debate exactly how the European Parliament elections went, but far right populists took the largest share of the vote in Italy, in the United Kingdom, in France, in Poland, in Hungary, and I think in one or two other places that I'm forgetting right now. And we are seeing something that two or three years ago was still doubted by a lot of people. Namely that it's possible within the heart of the European Union to undermine democracy to such an extent that you no longer have free and fair elections in Hungary. And that Freedom House now considers a member state of EU only partly free. And to me, the most dramatic news from the election in Europe was that in Poland, where the opposition was actually doing everything right, where they built a very broad coalition against the governing law and justice party where they've featured a lot of their prominent politicians, giving real weight to this election, in the end, law and justice came out a good seven points ahead of the pro-European coalition. And it now looks much more likely than it did a month or two ago that that government will get re-elected in the fall.

Now, if the Polish government gets re-elected in the fall, it is very clear that as Kaczynski has publicly stated, the journey is going in the direction of Budapest. And then you have essentially two elected quasi dictators in the heart of the European Union. And that becomes an existential threat, not just for the people living in those countries, but for the EU itself. Because you can try to justify to Germans why they should share their sovereignty with French citizens or to French citizens why they should share their sovereignty with Danish citizens, but in the long run it is going to become very, very difficult indeed to convince the citizens of free countries to share their sovereignty with dictators in Budapest or Warsaw. And that's a challenge to the EU which I think we haven't yet properly confronted.

MR. LUCE: So, not so much competing visions as sort of surging nightmare and a zombie center of Europe. Just sticking on the zombie center of Europe, Yascha's words, not mine, we have Macron still trying to create a sort of European court. Macron, perhaps Pedro Sanchez of Spain, but Macron right now, is still the best hope of those that

have a positive coherent vision for Europe. And he's trying to build a center party in the European Parliament which I think he has renamed from the liberals to renew Europe. But even there, we have its leader Nathalie Dwazo. I believe in the last couple of days, she described her rivals for the leadership. One of them she called an ectoplasm. Is that right, which is an interesting insult, ectoplasm. Another she called an embittered old man. And so that's not going particularly well, either. Talk to us a little bit about the practicalities of Macron building this Europe renaissance movement that he still wants to build.

MS. BELIN: So, ectoplasm is a beautiful insult coming from Tintin directly from the Captain Haddock. And so it's very French of her -- European of her to use that word.

MR. LUCE: She was also the French Minister who called her cat Brexit, right? Because her cat couldn't decide whether to go in or out.

MS. BELIN: That's brilliant. She was more than controversial during this election campaign and she probably underperformed for Macron. Macron came in second in the European election campaign after Marie Le Pen's national rally. And partly because he has trouble really identifying with an ideology that a lot of French could relate to. And partly also because the campaign and its leader, Nathalie Dwazo probably underperformed.

The story behind Macron, and Macron trying to do this liberal group that he prefers to be called Renew Europe because in French Liberal libéral has a sense of ultra-capitalism hidden behind it. So, he was really willing to just get rid of that word. This effort is very much an effort of not aligning either with the center right and the center left as well. So, at the same time as he's trying to create a center, he's also trying to create a sort of an anti-system center which is very paradoxical. Something that I call extreme center.

The extreme center today in Europe is also part of the populist wave. This populist wave was very much about changing ideology, providing new radical ideology of virtuous people against corrupt, elite as a definition of populism is. But there are groups that are now rejecting the sort of corrupt elite as the former political class. The inherited political

class of mainstream rightwing parties, mainstream leftwing parties, and Macron came in in 2016 sort of rejecting the entire French political class and making a case for an anti-system candidate because he's very much at the center of it all. So, it's sort of this new version. He has called it at the European level, the fight between nationalism and progressives which he has tried to replicate at the national level. So, in his own personal fight with the national rally and at the European level it's the liberals. So, are they now called Renew Europe? This new liberal group at the center versus the nationalists. So, he really wants to be with this group a force for proposal. And he knows that sovereigntists and nationalists are very much a force of obstruction with very often very little to offer on the European stage, so he can be his own engine.

The problem of that is that the story of populism in Europe is also a story of fragmentation. And you can see that both in the European results at a larger scale where both the rightwing and the leftwing block together did less than 50 percent of the vote. And everybody else, whether it's the greens, the liberals, the nationalists, the sovereigntists, the different kinds of nationalists out there, the anti-system or the populists, you know like five star in Italy, all of these provide very different answers, subtly different and or substantially different, but it means it's going to be that much harder to unite, to propose a consensus, to find a way forward for Europe because of this fragmentation.

MR. LUCE: So, Alina, you have a great new paper out with Benjamin Haddad in foreign affairs. Europe Alone, it's entitled, in which you say that the slow divorce or distancing between Europe and the United States is going to happen anyway, even almost regardless of Trump. But nevertheless, Trump is very much a pro-cyclical force in this situation. And he's encouraging some of the nationalists, anti-Macron forces that Celia was talking about very actively. He had all banned in the White House the other day. He had the President of Poland yesterday. He's got Salvini -- I'm not sure they can directly meet, but I'm sure there'll be a drop by -- visit in D.C. next week. To what extent is the American President encouraging these forces of European disintegration, as it were?

MS. POLYAKOVA: Thanks for the easy question, Ed. I really appreciate it. Just -- if I may just respond to what some of my colleagues put on the table because I think this is related to your question about the trans-Atlantic relationship. One, the point that Celia just made about the overall effect of the populous turn really being the fragmentation of politics at the EU level and at the national level across Europe. I think this really a very profound trend that we should all be watching. We were talking about the various factions around the European Parliament, but I think the bigger picture, this is the most divided European Parliament that we've ever had. There's some good news, I would say in terms of the ability of the nationalists, the Euro skeptics to form the nationalist internationalist. The great irony, of course, is they always fail. Just this morning, Le Pen and Salvini announced that they have failed to form a united faction of the three Euro skeptic factions in Parliament, which means these parties will not have as much as of a force as many had feared. And two-thirds of the Parliament is still pro-European integration and generally centrist. So, I think that is the good news, that the nationalists can get their act together.

I think on the other hand, the great irony is that the Brexit party which Amanda started talking about had the same number of seats as the Christian democrats from Germany. This is quite a shock. But the irony is that now there is a concern with Boris Johnson looking very likely to become the next Prime Minister and a hard Brexit coming as the result of that, the Brexit party will no longer be this great force the European (inaudible) to exit. This is just the great, weird, strange irony of how this whole populist dynamic is reshaping European politics. And I do think that we have focused too much on how much the U.S. President, or any U.S. President has had an effect in shaping European dynamics at this level.

Thank you for plugging the paper. The main argument of that paper is to say, look the reality is we all want to say this is a Trump problem. Right? But if we look at the greater scope of the fraying and decoupling of Europe and the United States, Trump is absolutely amplifying that trend. He is absolutely seeing himself much more aligned with the

populists than with the centrists. There's no question about that. Just look at the conversations and the comments that Trump has made about Chancellor Merkel, for example. But at the end of the day, this is an internal European problem. And the trends and the turn towards populism, towards the right has been there for decades. We just haven't been paying very much attention to it.

MR. LUCE: Okay. So, let's swap mics, friends. Thank you, Celia. Let's just stick for a second to the Brexit thing. If Britain leaves, we're then left with perhaps a sigh of relief amongst many Europeans. Macron being in the front of the cue that the Brexit headache is no longer directly one Europe can influence in spite of what I imagine will be the economic hit that Europe would also take from a hard deal Brexit -- no deal Brexit. But nevertheless, it will leave Europe alone with its problems and Brexit will no longer be one of them. And I think that this side of the Atlantic, to a great degree, as each of you in your way has been conveying, Brexit has been given way too much attention and Europe's other problems, perhaps too little. And chief of these problems is reforming Europe to make it viable and legitimate in the eyes of European voters, of European people. Amanda, looking at that post Brexit scenario, how do you see this playing out? Where is Europe going to go, with or without Trump helping things along?

MS. SLOAT: The first thing I would say, I guess is quibbling a little bit with the -- is this working? The first thing I would say is quibbling a tiny bit with the first part of your question because I don't think Brexit is going anywhere anytime soon.

MR. LUCE: It was a hypothetical question just to steer you onto Europe's other problems, but you can talk about Brexit.

MS. SLOAT: I know. I know.

MR. LUCE: You can talk about that too.

MS. SLOAT: I'll just make one brief comment on that. It really is only the end of the beginning because whether or not there is a deal or a no deal, the UK still needs to engage with the rest of the European Union. There is political, economic and security

interests. And I think most people believe that even if there is a hard Brexit, the question is how long it will take the UK to come back to the EU to try and negotiate some sort of future framework. And the EU has already been clear that if they do negotiate those things, the UK is going to have to accept much of what is in the current agreement anyway in terms of paying its bills, dealing with citizens' rights, and addressing the border in Northern Ireland. So, lest anybody think this is going to be wrapped up one way or the other in October, I think Brexit is going to be with us for a very long time. On your --

MR. LUCE: Yay.

MS. SLOAT: Sorry?

MR. LUCE: That's something to look forward to.

MS. SLOAT: Yes. On the broader question, I think Alina is right that there have been trends in terms of moving in different directions. I mean the big thing that you often hear coming up in this Trump debate is you start to get into these questions of European strategic autonomy. Questions about whether or not Europe is able to do more for itself. But at the same time, you look at what Europe is dealing with and in the last couple of years, you have had the financial crisis which has called into question one of Europe's central tenants, which is the idea of a single currency. And alongside that, you have the migration crisis which called into question another of Europe's central tenants which is this idea of free movement. And then you have the broader defense spending debate which Trump has certainly crystalized, but is an issue numerous presidents before him have raised. And it's clear that Europe is not going to have the capacity in the near future to be able to spend a sufficient amount of money and have a sufficient amount of capabilities to be able to defend itself. And as Yascha was saying, you also have very deep divisions within the countries themselves.

So, I think Trump has been heightening a lot of these problems, has been raising a lot of questions for the Europeans. Another concern, I think on the European side is that they don't really seem to have a plan B strategy beyond the re-election of Trump,

which I think is going to heighten these trends even further. The inclination in Europe right now seems to be, we're over halfway through the term. Things have been bad, not quite as bad as they could be, let's just hold on until November 2020. And the challenge, I think, is if Trump is re-elected, it's going to force them to have to start making some very difficult decisions in terms of their own internal capacities and in terms of how they strategically align themselves that they have not been making to date, and I think they have been avoiding for the first term of Trump's presidency.

MR. LUCE: Okay, well, let's talk -- Yascha.

MR. MOUNK: Well, I just want to again double click on the domestic element of this. I think it's important to think about the European dimension and the way in which it impacts relationships with the United States, but it's also important to just remember what this actually means for the level at which power still remains most immediate and potent. And that's the national state level. The conservative party in the United Kingdom now essentially faces a choice between making a sensible, real serious person prime minister and potentially having the Brexit party eat its lunch at the next general election, or making Boris Johnson prime minister. And they've decided to make Boris Johnson prime minister by the looks of it.

But this means that the conservative party of the United Kingdom, for the moment, is essentially transforming itself into a populist party led by somebody who has not just engaged in all kinds of irresponsible rhetoric against various EU leaders and so on, but has essentially argued whatever he thought was most fun and most provocative at every stage of his career from when he was a correspondent in Brussels often making up things about the EU, to the night on which he had written out a speech in favor of Brexit and a speech against Brexit and decided to jump on the pro-Brexit bandwagon because it's the most fun thing to argue. So, the fact that on the back of his strategy, Boris Johnson has now finally succeeded in conquering the British political system and is going to be shaping the nature of domestic British politics is very worrying in itself. And it's going to extend and have

impact beyond Brexit.

In 2010, there was a poll in Britain which asked people to name the most important issue facing the country. Zero point five percent of Brits talked about the European Union or about something like Brexit, 0.5 percent. So, the fact that all of this emotional energy could be invested in Brexit, but it nearly has destroyed the two parties that have dominated the British political system for 100 years is not because Brits care so passionately about the relationship of Europe. It's that the anti-establishment sentiment; it's the sentiment against immigrants; it's the sentiment against the shortcomings of a political system is now as intense in Britain as it is in many other countries in North America and Western Europe. And that is going to stay with us not just for the next 17 years it will take to figure out the relationship between Britain and the EU, as Amanda has pointed out, it will stay with us for a long time in every other aspect of policy. And I think we have to take that prospect very seriously.

MR. LUCE: I should mention I've known Boris for about 30 years. You mentioned his period in Brussels as a daily telegraph correspondent. I was a stagier or a trainee at the European Commission at the time, and I used to meet him occasionally in the Kitty O'Shea Irish Pub where he might well have been embellishing stories and his target audience with daily telegraph readers. Retired colonels is the stereotype living in the home counties who wanted to be fed with stories of the ludicrousness of the European bureaucracy. The fact is now, we can set the 120,000 members of the conservative party. Its average age is 72. The Tories used to have 2.7 million members. They've not got 120,000. These people are going to decide the next Prime Minister, which will be Boris and the strategy with which he leads Europe. It's quite an extraordinary change in 30 years. So, let me just take this back though to longer term Europe which is not going to include Britain. We've got a hugely important summit next week. The European Council Summit in which they've got to make really big decisions to choose the next president of the European Commission. To choose the next head of the European Central Bank. All sorts of big appointments of the

big figures for the next several years. And again, there are Franco-German frictions over who this would be. So, the Germans -- Angela Merkel wants Manfred Weber, the head of the European people's party in Parliament. Somebody who has only really been a legislator to be the President of the European Commission. And they also have their own preferred candidate to be head of the European Central Bank. Both of these are really important decisions.

The first, the President of the European Commission because this is a person -- depending on who it is, could re-establish the legitimacy of European institutions if this is a good politician. Or if they're not, could further see a further withering away of any interest in who it is that runs Europe. What do you expect is going to happen? Is it going to be Manfred Weber? And if it is going to be Manfred Weber, is that bad news for Europe to replace Juncker?

MS. BELIN: So, I really don't have a clue who it's going to be. However, I can tell that for Angela Merkel it's going to be difficult not to push forcefully for Manfred Weber being a German of her own party. It makes all the sense in the world and so hope that she would be pushing for a consensus candidate, taking into account maybe the liberals and Macron, I think is just -- it's not realistic at this point. However, there will be a power play and a lot of things will be discussed at this point including all of the other appointments.

I do believe there is a story -- a larger story for these elections which is the story for the demands of change. And change can take many forms. Change can be a radical form in terms of ideology. So, that's what the nationalists are pushing for. They just want a different, non-establishment radical ideology at the European level that is pushing the idea of a Europe of nations that is not pushing for more integration, but just for common projects and nationalist sovereign borders. And then there's another story. A story for a change of system. There is chronic underrepresentation of Europeans at the European Union level that has -- that comes from the fact that there's a feeling that there -- that whatever the European voters vote in their national election, or at the European elections, they are not in a position of affecting change. They are not in a position of changing the

trajectory -- the budgetary trajectory of the European Union, for example. They are not in a power of profoundly shifting the EU towards a more -- greener side, or to -- on the migration case to really change the conversation. And this frustration is building up. And that's what's pushing more marginal, more radical parties at the European level as well.

But what's impressive as well is one figure that I think really struck me was that in France, 17 percent of French voters voted for parties that did not make it through this threshold of 5 percent for representation. It means that 17 percent of French voters went to the polls, picked somebody that they knew would not have representation at the EU level. And that number of 17 has been increasing. It was 8 percent in 1999. And then 10 percent five years later, 12, 14 the last time. And now it's up to 17 percent. And so there's an increasing higher choice to just vote true to your values or to what you believe this should be. Even though knowing your vote has no importance, will have no representation. There's a form of nihilism in this choice, but it's a form of a protest vote as well, but that is hardly discussed at the European level. So, I think what should be fair, what should be the conversation for next week is not whether the conservatives are able to impose their lead candidate or the social democrats can make a push as a consensus candidate, but a conversation on what type of people, maybe an outsider would be really representative of the huge variety of what's going on at the EU level.

MR. LUCE: Yes, thank you -- Alina?

MS. POLYAKOVA: Can I just jump in here really quick? Sorry. Just to follow up on what Celia just said, I think -- I didn't expect to be the positive person on this panel given that I work on populism in Europe, but I do think that the positive outcome that this conversation is testament to that, that we're actually talking about European politics at the EU. Which five years ago, which was the last year of Grand Parliamentary elections, I don't think we would have had such a deep, intense, emotional conversation about this. So, what we're experiencing now is what should have been happening for some time, but it's only happening now, which is this politicization of European politics, and a level that we're

used to national politics that we really haven't seen before at the EU level. And to me, that signals that in fact the EU, and the European Parliament has become a much more important player, and we're seeing -- we saw this in the turnout percentages. This was the highest turnout that we've ever seen for European Parliamentary elections.

That means the idea of Europe is penetrating the mindset of the European public, finally. And this really wasn't the case before. And I think the good effect of Brexit is that if you remember the (inaudible) Referendum, there were all of these articles being written about the Oxit and the Grexit, or whatever you want to call it. That has completely stopped. None of these populous parties, the Frexit, right? Le Pen has not mentioned that. It has been quiet because Brexit has been such a disaster that the positive outcome of that is that it has consolidated support for the EU. And we see this over and over now in polls in continental Europe. It has ended any conversations about new political parties, or countries leaving the EU. And now, we're having a real conversation about EU politics, which I think was unheard of not that long ago. So, I think that in the long term, I still feel quite optimistic that some of these forces that are contributing to these difficult, conflictual questions about European identity, and the future of Europe, and fragmentation, and zombie paralysis, whatever you want to call it, are actually leading to the outcome that we're having finally a real debate about what it means to be an EU citizen in Europe.

MR. MOUNK: First, I just want to say that my microphone works and I'm not giving it up. That's a good laugh from over there. All right. Look, I can't let the name (inaudible) pass without saying my strong opinion because I think it really indicates everything that is wrong with mainstream politics in Europe at the moment. So, we had these elections which were styled and hyped, I think in many cases in a slightly exaggerated way as we sort of question the fate of Europe. That these elections will really show whether the center can hold against the populists. I'm a little skeptical of that because the national elections are much more important than European ones. But it was clearly a deeply symbolic vote. And who does the biggest faction of traditional moderate parties in the

European Parliament nominate? Somebody who is not just frankly a very provincial politician about whom members of his own party have said to me in private that he is deeply unimpressive and frankly incapable.

MR. LUCE: Tell us what you really think.

MR. MOUNK: Not the sharpest tool in the box was one of the more polite things that people said. But somebody who is probably more guilty than just about anybody else in Europe for insuring that Fidesz, the party of the aspiring and perhaps not just aspiring anymore, dictator in Hungary remained for so long a member of the European people's party. So, our response, our vision for who to put up at a moment when you see figures like Le Pen and Salvini and Orban starting to be more dominant in Europe is to put up the kind of boring, mediocre, excuse me shitty operative that European parties have been able to get away with for 50 years while everything was business as usual.

MR. LUCE: Would you go so far as to call him an ectoplasm?

MR. MOUNK: Please, I have standards. I wouldn't deign to go as low as that in my language. I'm willing to swear, but ectoplasm is a little far.

MR. LUCE: I mean you pick up on a very good point and you make it forcefully about the importance of the next president of the European Commission and how that challenge may be being dealt. But arguably, even more important is who is going to have the European Central Bank which holds the key to the future of the Eurozone. The bifurcation of the Eurozone between Club Med countries and the Nordic plus Germany plus the Dutch has been very, very deep. Arguably the post 2008 crisis wouldn't have happened if the ECB had handled it differently. And yet, we might be getting a German handpicked candidate who thinks that there was too much gone to reason. And there's been too much monetary relaxation by the ECB and that we should go back to the straight jacket, what I like to call the sado-managerist approach to the Eurozone. This is arguably way more important than anything else if we're talking about existential crises in Europe, the viability of the Eurozone, this is what Italian politics is about. Now, I'll throw this out to all of you, to what

degree is the future of the Eurozone going to be determined by who is selected next week at the European Council Meeting?

MS. BELIN: There's a paradox here is that you mentioned two models, the Club Med and the Nordic model. And I think the southern Europe type of vision has been clearly under-represented because it's dis-unified and it has not been able to push for whatever it's supposed to stand for. And it's going to just continue in that trend because you have a very different government at the moment. You have a right populous coalition in Italy. You have the liberal centrist Macron in France. You have the socialist in Spain. You have the Greek going on for their own elections. So, there is a sort of complete uncertainty on the ideological destination of this grouping that should have been or could have been or should have been an answer to German austerity and a more market oriented Nordic model. And it's their fault for not finding a way, but also it does feed into this idea that the EU is controlled elsewhere. That somehow all these populations -- southern Europe population cannot find a way to push it for its own interests. And it leads status quo, immobilistic forces sitting in particular in Germany with the power of just sit there and not change anything because change is hard, change needs consensus, needs a political will, needs to be driven by somebody. And the fact of this disunity really just prevents that.

MR. LUCE: Alina or Amanda, or anybody, but you two, your views on whether there is a possibility for a rebuilding of the European left. I mean, Celia just mentioned Pedro Sanchez in Spain. And I guess we've still got Matteo Renzi in Italy, though he's not done particularly well recently. We've got these Greek elections coming up so it's a party. Without a center left that's strong, you're not going to get Macron leading any kind of counterbalancing force to what you call this immobilist German position. What are the prospects for a rebooted, revitalized center left? I should quickly mention, not to cram too much in, that the Danish elections recently -- the far right did pretty badly partly because the social democrats stole a lot of their clothing on immigration.

MS. POLYAKOVA: I think the untold story of the rise of the right in Europe

was the collapse of the central left, which to my mind, the populist right has very much been the symptom of that collapse of the center left. Because if you look at who's been voting for the populist right, it's the traditional constituents -- not just, but a lot of the traditional constituency of the central left parties. And this trend I don't see abating any time soon. We saw clearly in the European Parliamentary elections just now, and those tend to reflect national elections, obviously. So, to answer your question, I don't see a real potential for a real rebuilding of a central left. I see more fractionalization. I see potentially more green parties which have been doing incredibly well across Europe. We haven't mentioned that. More extreme leftist parties. The populist left emerging. And frankly, I see more Italy's than Frances in Europe's futures. So, that's just to undermine my optimistic note earlier, but I do think that the broader trend lines, if we just look at elections over the last 20, 25 years or so, clearly signal a continued dissipation of the center left and a continued fragmentation with the fringes taking the air out of the center.

MR. LUCE: Either Amanda or Yascha. Oh, you've got a working mic.

MR. MOUNK: Sorry about that. Yeah, I think it's really weird to debate about the left in Europe, but we tend to tell all of these separate stories. So, on the one hand, there's the decline of the social democratic party. That's story number one. The second thing is the sort of rise of the far left who I think was actually hugely overhyped. What's really fascinating about the last year or so is the collapse of the far left. You see Tsipras likely to be blurted out at the next Parliamentary election to see Podemos stagnating in Spain and Jeremy Corbyn through the strange bizarre tease of the British political system, may still become Prime Minister. He is incredibly unpopular. It was two or three years ago, there was a real popular movement for him. A lot of young people being very excited about him. That moment has completely passed.

In a recent poll a couple of days ago, asked whether they would want the outgoing Prime Minister Theresa May, the leader of the opposition Jeremy Corbyn or don't know to be Prime Minister. Jeremy Corbyn came in third behind Theresa May and don't

know with about 20 percent of the preferences. So, that is not a rising far left. And what you have as a third story is the rise of green and to some extent liberal parties. Now, that's been hyped over the last few weeks as a counter narrative to the populist rise. Oh look, the story of a populist rise is accelerated because here are these lovely green parties rising. That's a complete misunderstanding for what's going on. What has happened is the main dividing line of European politics has moved from economy to culture. And once culture is the main dividing line of politics, you get the far right populists rising on the one hand, and the most clear, straightforward, cosmopolitan open world, open society parties on the other hand. That can take the form of somebody like Macron in France. It can take the form of something like the green party in Germany. Of something like dems over greens in the United Kingdom, but it's all of the same piece.

Now, what this leaves out is the kind of working class voters that used to vote for the center left for a lot of European history. And so therefore, the over left coalition has continued to shrink despite the wonderful success of the green party in Germany. When you add together the green party and the social democrats, all the green party and the social democrats and the left party, they did a lot less well this year round than they did five years ago at the European Parliament elections. And so the only way that the left will only win majorities again in Europe is, whether you like it or not, by following something like the Danish strategy. Where you have some parties that clearly cater to a cosmopolitan, urban, highly educated, younger electorate. But you also have the social democratic party that's actually fighting for those working class voters. But for many of the last elections had voted for the far right. That's how the Danes have been able to build a leftwing coalition that actually gains a majority, and less of the European countries follow suit on that and that doesn't seem particularly likely at the moment, I think you'll continue to see the weakness of the left and the strength of the far right.

MR. LUCE: Celia, briefly and then we'll go to audience questions. Well you don't have to be that brief.

MS. BELIN: I'll be brief. So, I disagree. I don't think the overall fragmentation of EU politics is mostly driven by a cultural aspect. I think the economic question is still at the heart of demobilization. What is true is that the typical left-right divide has permanently shifted. What is true is that center right and center left policy recipes have lost ground tremendously and that people are more and more unwilling to belong to these consensus forming sort of centrist mainstream platforms. But what we have learned, in particular in France with the Yellow Vest Movement protest is that there is a profound demand for fiscal and social justice that is still at the heart of the mobilization of a lot of Europeans. Yes there is the migration question which is partly, and I think only partly, a cultural question. A question of identity, a question of Europeans finding their place in this world. But that's hard, there is also the question of this financial globalization, which for the past 20 years has really uprooted many Europeans. Has really created competition nationally and internationally for which Europeans are very ill prepared, and for which they're seeking answers. And whoever is providing the most radical answer -- once again I think they are demanding change, or whoever is willing to just take on the system.

And that's why they push for the protest movement like the Yellow Vest, who at the end don't have any political representation, but are just asking for direct democracy, or participatory democracy, or any form of innovation that would shake up the system. It is also partly why someone as astute as Immanuel Macron, is able to understand there's a need for it. To be as (inaudible) antisystem, that's why he offered to cancel the French top administrative school which forms all the elites. He understands this anti-elite sentiment. Even though by his ideology it's very hard for him to answer any of it. But I think at the heart of it, there is still the question of social justice and fiscal justice, and it will keep coming back. I just don't think it's too fragmented. It hasn't taken hold in one camp or the other.

MR. LUCE: Interesting point. So, we've got about 12 minutes or so for questions. Please keep your questions short. State who you are. No biography or life

history please. A quick, to the point question. These two gentleman here. So, the first -- Mike?

MR. MUSEDIC: Michael Musedic. Question for Amanda. Can you talk directly about what's going to happen with the House of Commons? They voted about 20 times against various things, but they've never created a majority for anything. And one of their major against, is their against a hard Brexit. Plus as the other speakers have already alluded to, the British labor party is trying to straddle the greatest issue that's faced the United Kingdom since World War II.

MR. LUCE: No pressure.

MS. SLOAT: Yeah. Thank you for the question. I have written many pieces on the Brookings blog if you want all of the weedy details on all of this. But I think you're absolutely right. Parliament has voted three times on the deal that Theresa May negotiated with the European Union. It was voted down all three times. They have done a series of indicative votes to try and see if they could identify majority support for an alternative way forward. The only thing, as I said that has gained majority support, although it was quite narrow, is for a no deal Brexit, which as Ed said is something that Boris Johnson has said that he would be willing to consider. And there's now a discussion within the Parliament about whether or not they could introduce some sort of legislation to prevent the government from going forward with a no deal Brexit.

So, in terms of how this is going to play out, the next six weeks really are going to continue to be devoted to the conservative leadership challenge. August is traditionally a parliamentary recess in the UK. And so then they will come back in September. All of the conservative contenders have indicated that they are prepared to go back to Brussels and try to negotiate a better deal. The thing that all of them disagree with is this backstop for Northern Ireland. And the backstop really is the crux of the problem with Brexit which is that the UK at a ...

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... certain point needs to decide how closely it is going to stay aligned in economic and regulatory terms with the European Union. The more closely it stays aligned, the easier it is to maintain a frictionless border with Northern Ireland. But it's going to make it harder for them to negotiate more expansive free trade agreements with countries like the United States.

So, a lot of the wrangling we have seen over these last couple of years has been an attempt to square an impossible circle. So, it is very likely that Boris is not going to be able to negotiate a better deal. European leaders are increasingly fed up with this debate. Macron was pushed into agreeing to a much longer extension than he even wanted. So, there will be questions about whether or not the UK tries to get a longer extension in October. If they end up trying to go for a no deal Brexit, you're going to have Parliament likely continuing to push back on that. And as I mentioned earlier, even if you end up with a no deal Brexit, the UK is likely going to be forced by the European Union to accept a lot of these provisions including dealing with the border, paying its bills, and dealing with citizens' rights to be in a position to negotiate their future relationship.

So, there are questions as to whether or not the country would be forced into having a referendum, which I think is difficult, partly as you say because Jeremy Corbyn has been walking a very fine line on this. People in his party are quite supportive of it. He has remained quite skeptical. Or whether you end up having a general election. And then that of course leads to the possibility of a Corbyn government. And as we've been discussing could end up leading to quite fragmented results yet again.

MR. LUCE: So, cheerful horizon. A gentleman here was next I think.

MR. JECKO: Thank you.

MR. LUCE: Quick question, we haven't got that much time.

MR. JECKO: Larry Jecko. I think we've spoken around, but immigration and populism seems to be this -- there seems to be a strong correlation between the two, and if Europe is struggling to this point with it, what's going to happen 15 to 20 years ago

when we got -- we start seeing climate change immigration? Right now we're seeing a lot of economic movement, but it's going to be overrun. How is Europe going to handle that if it's having trouble now?

MR. MOUNK: Well, I will just say this. There's a kind of myth in European politics which virtually every mainstream politician subscribes to, by the way. Which is to say that there's no way of controlling our borders because of Europe's huge coastline, so what we should do is to send a lot of money to Africa to help African countries develop and that will give people a reason to stay at home, and that's the best thing we can do to manage migration.

I think that story is not serious. It's not serious for two reasons, the first of which is that actually when you look at what researchers in migration have found is the level of GDP per capita and which countries send most immigrants, Africa is currently below it. A lot of people in Africa who would love to escape the conditions they're facing don't have the money to go to Europe. And obviously we should be sending money to Africa and helping those countries develop. Obviously we should be helping these people escape terrible economic conditions. But the idea that that will stem the immigrant flow is illusory.

The other piece of this which is a myth is that when I was doing a rated documentary for BBC about the huge area of Europe that is now ruled by populists, you can drive along the old line that Winston Churchill talks about from Szczecin in the North to Trieste in the Adriatic, there's now a populist curtain. And when I was in the city of Trieste, I was struck by the idea that Salvini is so popular in Italy in part because he has actually delivered for Italians in one specific respect. He has barred ships from landing in Italy. He has let some people to down in the Mediterranean, but as a result Italy is no longer getting as many immigrants as it was.

And so I think the question of climate change migration is a little beside the point because a lot of people want to come to Europe anyway, and in one way or the other I think Europe will end up fortifying its borders in such a way that they can't come in and they

can't stay. And climate change is just one additional little push on that, but I think even if you take climate change out of the picture, that is in one way or another where Europe is likely to be headed.

MR. LUCE: The lady here.

MS. CANNON: My name is Lucia Cannon, and I have a question for Yascha Mounk. And you were talking about Poland and about the European elections, and how opposition was so pro-European and democratic, and they lost the election. And I wanted to say that actually the opposition party elected as their representatives to the European Parliament, the three most notorious communists in Poland. One is the son of a Soviet military intelligence colonel. The other one was involved in the Moscow Loan. The third one was involved in another scandal that he was recorded saying terrible things. And actually this party, the civic union has become a post-communist party. It's a party of communist oligarchs. So, I don't see how they will get support in Poland, or how you can sort of term them as being democrat really.

MR. LUCE: What's your question?

MS. CANNON: Well, I wanted that clarified. And another question is, you know, how is Poland a dictatorship? I mean, the fact that they lowered the retirement age from 75 to 65 for some Stalinist judges doesn't really constitute a dictatorship.

MR. MOUNK: Well here we have lovely exhibit A of the way in which European public discourse is divorcing itself from reality. The idea that civic platform which is a center right party filled with people like Alex Acortski, who whatever conspiracy theories about it runs Bilderberg. Not exactly the most famous communist organization in the history of the world, is somehow secretly beset with old Stalinists who are trying to crush the capitalist system. It's deeply unserious. But it is the precise rhetoric that the Polish law and justice government is pushing every day.

And not just for government spokesman, not just for what ministers and what Kaczynski is saying, but on for example, the state television channel that they have

completely captured, from which they have purged journalists who have appeared on it for decades. Because we don't like the ideology. When I was in Szczecin, I turned on the television, I saw four or five news reports one after the other, praising the government, talking about how wonderful it is. Saying that the opposition is trying to push LGBT ideology on our school children and it is incredibly dangerous, and it will undermine Poland.

So, when you look at the reports that the European Parliament has published on what has happened to the judiciary in Poland, to state media in Poland, to a lot of independent institutions in the country, when you look at the fact that Kaczynski has openly said that he wants to emulate the Budapest model in Poland, unfortunately they are being very successful. They are well on the way there. And these upcoming elections in the fall are likely going to determine the fate of Polish democracy. And no, communism is not returning to Poland if people like Hadik Socoski had more power there. That is simply ridiculous.

MR. LUCE: Thank you Yascha. Final -- we've got a couple of minutes left so, machine gun, staccato question.

MR. STACEY: Jeff Stacey. Keeping it brief, a lot of Western European pessimism, but seems to be some central European optimism. Eight different countries have either serious protests, or have elected non-populists. As opposed to the Danish model, how about the Slovakian model? And aren't they leading the way these days? Central Europe versus Western Europe.

MR. LUCE: Alina, would you like to take that?

MS. POLYAKOVA: Yeah. I'll just -- to go back to this conversation we were having about the fate of Central-Eastern Europe, one and I think Yascha and I probably disagree on this -- is I think what's happening across Europe and primarily in Central-Eastern Europe is a crisis of liberalism is now a crisis of democracy. These political movements -- political parties were elected through democratic processes, and yes once they got there including (inaudible), including law and justice, they have taken some

concerning steps to roll back some of the democratic institutions. And Brookings wrote a report on this -- and I'm seated actually with the co-author here -- looking exactly at these issues. It is troubling, but we shouldn't conflate the two, meaning liberals and the democracies meaning the same thing. And you know, have our hair up in the air burning simply because these countries are responding to what I do think a real grievance is in their population. I mean, you know, populist parties don't just come out of the blue. People vote for them. And they vote for them for a reason. And still, I think the story of Central-Eastern Europe is an incredibly positive one. If we look at the transformation of these countries from the fall of the Berlin Wall until now, yes we're in a moment of potential retrenchment. There's some concerning trends in democratic movements, but calling Poland and Hungary a dictatorship I think goes far, far too far.

MR. MOUNK: So, we do disagree on that and I want to briefly respond because it is an important point. I think that there has been some conflation of policies by Hungarian and Polish governments and a tax on institutions. I may personally not like the stance that Hungary has towards immigration, but that is a legitimate thing for the Hungarian government to pursue with the consent of some of its voters. But when you see in Hungary - - when I was in Sopron in March, and you ask people, what is your opinion of a government, and they say, look I'm willing to tell you privately, but I don't want to be quoted on air. I want you to take your microphone away. And when you do that, and you say, why? And they say, look if I tell you what I think about the government I might lost my job tomorrow. And you ask them, how come? Do you work for the government? Do you have some kind of public position? The say, no I work for a private company but it does a lot of business with the city and so on, and it's going to lose those contracts if somebody who is an employee at that company is quoted as criticizing it.

When you see Freedom House, which is just down the road here, classifying Hungary as partly free because opposition parties are being severely restricted in the kind of work they're able to do because the actual Commission has been conquered by

the ruling party in such a way that each of your position parties has to pay huge fines for spurious offenses while the governing party is not investigated for the exact same practices. When you see the way in which they keep gerrymandering the electoral system to help themselves, that goes beyond I dislike the immigration policy, I dislike whatever Mr. Orwin thinks about various things, it is an attack on any real sense of democracy. And if we blind ourselves to that, I think we blind ourselves to one of the most urgent problems in the heart of Europe right now.

MR. LUCE: Okay thank you. Yascha, I'm going to give the last word to Celia.

MS. BELIN: Well I just want to jump in on something that was mentioned earlier, which is immigration. I'm afraid I disagree again. It's not on the worrying fact of how to end all migration waves and the climate migration will be a big question out there, but I do disagree on the fact that we cannot deny that geography does play a huge role. That Europe cannot shield itself. That we cannot let people drown in the sea. That is just not okay. And we should fight back and denounce those policies.

And in a way, no politician has been creative enough and brave enough to really be forceful in just stating the -- the fact is that Europe cannot shield itself from these immigrants. That it has to find a way for a family grouping because it's just part of the civil rights of citizens to live in mobility. That it has a long history of colonization. For all of these reasons. Migration is just part of public policy. And it will happen. And the only way to push back on the populists is to have a real platform. Maybe even go to the point of having a pro-immigration platform. In the U.S. you have a presidential candidate, Beto O'Rourke, that is making that exact same point and saying pushing back on Donald Trump will not be by just going around the issue, but just facing it head on, and just recognize the value of the migration issue. So, I think it needs to be at the center of the conversation, including taking risky positions.

MR. LUCE: Thank you, Celia. And to all of you, please join me in thanking

this wonderful panel. (Applause) And if you could stay in your seats, the next panel will begin straightaway led by the redoubtable Thomas Wright.

MR. WRIGHT: Great thank you, everyone. I think we'll get straight started. Thank you to Ed and all the panelists in the previous session, it was wonderful. The one thing is I am told that all the mics are working so I don't know what happened in the last panel but the conversation made up for the technical mishaps.

But we're delighted to have a terrific second panel here for our BBTI event. We have Victoria Nuland who is a colleague here at Brookings. Constanze Stelzenmuller, also a colleague here at Brookings. Walter Russell Mead who is at the Hudson Institute and Benjamin Haddad who is at the Atlantic Council. And I will allow you all to read their bios in the handout. But just to save time, I think we'll get right into.

And what we wanted to do in this session is really to look at the U.S. Europe dimension. But to ask a question which is if we look ahead to 2021 whether there is a change in administration or a second term of President Trump. What type of Atlantic relationship can we envisage? I mean, are we likely, whoever wins, to have some recurrence of the differences and tensions over defense spending and trade and economic issues and sort of the gap between the European mindset and American mindset that may be defined not just this administration but also partly at the last administration or can we envisage a much deeper form of cooperation in an era of, you know, a clash of systems between authoritarianism and democracy and that Europe and the United States might be able to find a constructive agenda.

So, we want to try to sort of, I guess, throughout we'll get into Trump and Europe and maybe the Democrats and Europe and Europeans view of American later on. But Walter, if I could start with you if that's okay and get your sort of take on whether or not you think that these sort of tensions and problems are overcomable. Or, I think, as you sort of written, you know, that there is really a fundamental sort of problem here and that it's unlikely to go away.

MR. MEAD: Well, look I think that actually both of those points are right. There's a fundamental problem that's unlikely to go away but there are also forces driving us together. And in some ways, I think that a lot of the problem that we're seeing in Europe and in the trans-Atlantic relationship and in the functioning of other international institutions in general is that we've entered a much more fluid and rapidly moving international environment.

If you think about the Cold War era or the post-Cold War era, one of the interesting things is how slow, how fixed the international systems seemed to be. How slowly alliances changed, how incremental things were which is, you know, in some contrast to the way things were before say 1948 and again, I think now. And so, we're seeing a crises of institutions, crises of institutional functioning and sort of an ideological crisis among people who have identified successful diplomacy and successful international action with the development of institutions along a kind of preordained track.

It's interesting for me to contrast that with say the relationship among, you know, the sort of angle on Canada, United States, Australia, New Zealand which is much less institutionalized. There's no secretariat really of these countries. You know, there's no treaty that really binds them and they often disagree and they don't act unanimously. Yet over time because of kind of structural similarities in interests and culture, they end up on the same side of a lot of issues and out of that has come a certain institutional coordination and so on. And my optimistic nature, which is actually quite strong, thinks that while the trans-Atlantic relationship isn't quite as easy as that, it is still a very strong and deep one.

And that even when and, you know, that what Germany and the United States aren't seeing China in somewhat similar ways because there's an institutional coordination or a lot of ideological agreement. It's just that they're patterns of interest and culture. So, I think we're going to see both continued friction and continued sort of disfunction and discomfort as institutions try sometimes succeed and sometimes fail to adjust to new realities.

But also continuing ways in which our common interest and values. You know, we

look at something like what's been going on in Hong Kong in the last couple of days and we all sort of spontaneously think very similar thoughts about it. So, a mix.

MR. WRIGTH: Thank you. Toria, if we could turn to you next. I mean, what will be the challenges in trying to build on those common interests? I mean, we all say that there are these shared interests and shared values. But, you know, there have been, you know, if you look back over the last 20 years, we maybe never really quite sort of achieved the heights of cooperation that experts on the outside say should be sort of natural. And so, if there say a different president or if President Trump has an epiphany and all of the sudden wants to work with the European Union, how hard would it be to sort of operationalize a very different sort of deeper agenda of cooperation to deal with these new problems that we face.

MS. NULAND: Well, I think we do best always as a liberal democratic family and I don't just mean the trans-Atlantic family I also mean with Asian allies and with our oceanic allies, et cetera when we focus on common problems. And frankly, the problems that challenge all of us on both sides of the Atlantic, on both sides of the channel, on the other side of the Pacific are common. It is just that we are not addressing them in common, we are fracturing our own family even as we articulate common problems.

So, take China, for example. You've got a very ambitious China, potentially aggressive China across the board. It makes absolute sense that rather than the United States trying to deal with the trade challenges with China by itself it should be aligning with other democracies, first and foremost in Europe but also in Asia in making the same kinds of open market WTO compliant request demands of China using our own markets. But also protecting ourselves and setting left right limits on Chinese investments so that we're not losing strategic heights, losing strategic assets.

So, that is an example where the logic of not simply common values but common interests ought to put us together. Then you can leverage the various structures, the bilateral relationships, the multilateral institutions, everything from USEU to NATO to

NATO EU to UN to the WTO in service of a set of objectives.

Similarly, we fail to deal with the disruptive Russia in its effort to undermine democracy which is something that all of us are facing. It ought to be relatively straightforward but I don't think it happens without U.S. leadership and without the U.S. asking the democratic family to work together in using the various institutions hub and spoke et cetera to create common policy. But it ought to be relatively straightforward to expose what Russia is doing to protect and educate our citizens against it, to set up countermeasures et cetera.

But we have failed to do that because on our side, we're either not going at all or we're going it alone or we're somehow believing that we are constrained when we work with others. Yes, there's always an element of constraint when you work with others but there's also a force multiplying effect and a legitimizing effect to U.S. policy.

I hope we've hit a nadir in terms in of trying to address our own problems whether it is Iran or China or as I said, we're not addressing China at all. Trade, growing our own economy so that we can address demands of the middle class. Dealing with artificial intelligence by ourselves and we will come back, however you define, whether it's nation state to nation state and then using the institutions or institutions the other way around to working more together. And if we don't I think we're not going to, as the previous panel made clear, we're going to provide space for illiberals to take a route on us and change the rules of the game and we're also not going to address the demands of our citizens to live better, live more securely, live with more justice, live with more unity.

MR. WRIGHT: Thank you. Ben, if we could turn to you. You and Celina, my colleague here in foreign affairs on Europe alone. But you argue that Europe should pursue more autonomous capabilities, that European autonomies and American interests. But you also argue that Europe is sort of weaker than the U.S. and that ultimately the trans-Atlantic relationship won't be as central to U.S. strategy. So, as you hear this that, you know, the U.S. should sort of focus more on Europe and build up sort of this, you know,

deep partnership are you skeptical? I mean, do you think basically that's, you know, really not going to happen and Europe has to sort of focus on its own sort of region or where do you see this sort of headed over the medium to long term?

MR. HADDAD: You know, last week we celebrated in France the 75th anniversary of D Day and President Trump was in France. And a lot of the media coverage on both sides of the Atlantic was how, you know, we've lost these great bonds, this great trans-Atlantic moment and it was a lot of nostalgia for it. But, you know, we should also celebrate that. We should celebrate the fact that D Day is our past. And what Europe is today, Europe free reconciled that is not the decentrality of U.S. interest and should be celebrated. It's a testament to American victory. It's a testament to the success of the trans-Atlantic relationship.

And so, I think nostalgia is a poor guide. The truth is yes, Europe is not as central to American world view as it was in the 1940's and as it was in the years it followed. And once again, that's good news and it's certainly good news for a French citizen. The question is, where do we go from there. So, I'm not necessarily skeptical but I think if you think is Europe the theater of U.S. foreign policy? I think the last two presidents with very different world views have signaled that in very explicit ways. President Obama with the pivot to Asia and President Trump by also focusing on China.

Then the other question is then Europe is your partner for the United States. And then the question is for Europeans to prove that they can be a partner. I think for American elites to understand as well that, for example, in the rivalry to come with China if it's about shaping norms of globalization, of trade, of privacy, artificial intelligence. Yes, you're much stronger with the largest single integrated market on your side with the main norm setter of trade. But it's also for Europeans to make that case.

And, you know, one of the things that we wrote with Lena and we've written various articles about this is that there's been so much focus for very obvious reasons here in Washington and in European capital zone. The President, his personality, his rhetoric, his

tweets. And it's true that a lot of the things that, you know, he's pushing, calling the European Union a foe or imposing tariffs, I think we won't see this in a future administration. This is really linked to his personality and some of his obsessions in the last few decades.

But that's not what's interesting. What's interesting is to look at structural trends and things that are deeper. If you look at the previous President, the focus on burden sharing was already there. And the demands for Europeans to invest more in their own defense was there. Once again, the focus on Asia was already there.

So, when I hear that we face common challenges and have common interests it is true but to a certain extent. I'll give you a very specific example, Syria. This crisis has been treated by the last two administrations as a far away humanitarian tragedy on which the United States has very little leverage and clearly the American public did not want to get more involved, is still traumatized by Iraq. When President Obama decided not to strike after the famous red line, I think he was criticized by a lot of people including myself and D.C. think tanks but he was supported by 60 percent of American public opinion and we have to respect that.

But this crisis was not a faraway tragedy for Europeans. The fact though it was an existential crisis for the institutions of Europe from the refugee crisis of 2015 to the rise of ISIS and terrorists' attacks all over Europe. Salvini would not be where he is without Syria. These foreign policy crises had a major impact on shaping European societies.

And so, as Europeans, we have two ways. Either we can just say oh, you know, the last two American presidents were not (inaudible) were not interventionists enough and if only we had someone who was a little more committed to our own security or we can decide to take matters into our own hands. I do not think at all this is the detrimental to trans-Atlantic relationship.

I actually think America should embrace and welcome and encourage a more assertive, more autonomous European partner. I'm very aware that this is a generational effort and we're long away from it and we're very divided right now. But this is in America's

interest and this will mean and this is what we write probably a more difficult relationship to navigate on both sides.

We do have sometimes different world views, we have different values. The previous panel talked about how the environment is becoming more and more a concern in European public opinions and clearly, you know, disagreements over the Paris Agreement are something that is taken seriously by Europeans. But America should welcome a partner that can act on its own. That is the value of an ally and that is, I think, the definition of a more mature relationship in the long run.

MR. WRIGHT: Thank you. Constanze, you know, the President has a let's say a skeptical attitude toward the EU but it's really nothing compared to his attitude toward Germany that seems to be rooted in, I don't know, there's some psychological thing there. But there's also a trade thing there and there's a personality thing with Merkel and you know it is sort of make Germany bad again seems to be the message. So, you know, you've been advocating sort of very passionately for trans-Atlantic cooperation for European autonomy, Europe to do more over the last sort of five years here and before.

But I'm just wondering, your reflections, just engage I guess what's been raised so far but also your reflections on the trajectory of this. I mean, President Obama had a good relationship with Merkel, a good relationship with Germany, seems really to have changed. How worried are you that it can't be sort of put back on a constructive track?

MS. STELZENMULLER: I tempted to ask where I can throw the question to the audience but I guess not. All right, America Germany. Look, I think we saw both in Merkel's appearance at the Munich Security Conference in February and at the Harvard commencement speech that she has decided to accept the fact that neither she nor Germany are popular with this administration and we're just going to have to roll with it. I think that that's a fairly sane attitude to take.

The larger problem I have with both her appearances and with, and I think this ties into what Benjamin was just saying, is that I think that while it's okay to say look, you

know, if you don't like us that's tough we're going to have to cooperation anyway, you realize that and now let's talk about the stuff that really matters. I think that and I worry that the European approach so far is a little bit short on prescription.

Let me sort of give a somewhat larger strategic framework to what I'm attempting to say here which is the following. We are confronted for the first time post 1945 with an American administration that seems hell bent on restating the framing of the International Order as an order that ideally ought to be composed of strong sovereign nations who cooperate with each other but which is going to be deinstitutionalized, denormitavized. And it's clear that neither the United Nations nor NATO nor the EU are particularly popular in this context.

I think that is a genuine problem for Europe. Because all of these institutions have been good for peace, prosperity, stability and democratic transformation, not just in Europe but elsewhere. And I think the time of liberal hubris where we thought, you know, the trajectory of the west and of the world was going to be one of linear progress. That time is long over. I mean, we've been engaging in beating our chests for quite a while now and admitting that mistakes were made. But, I think, for most of us the notion of throwing all that and replacing it with a notional and to my mind fantastical order composed of strong sovereign states at a time when globalization is still doing to us what it does is just fantastical.

And so, I think what we have to do really is to, as Europeans, and here I agree completely with Ben. We have to be much, much stronger in proposing alternatives and in making our case why we think that these norms, these institutions, these arrangements are still good and not just for us but also for America. And that America ultimately is engaging in an act of self-harm if it tries to denigrate and disassemble all this.

MR. WRIGHT: Thank you. Torrie, yeah.

MS. NULAND: Just to jump into that. You know, for those of us on the U.S. side who watched with concern and in some cases horror as our own nation turned on the

system that we built, the alliances that we built, the free market traditions that undergirded the shared the security spaced that undergirds it. I think there was a hope that there would be a least one Vaclav Havel, Margaret Thatcher European champion who would stand up. And make, first and foremost to Europeans but also globally, the case for liberal open systems to produce the best economic and security and values results for their individual populations. But then the pooling of that effort multilaterally to lift all boats including those for citizens who don't necessarily live in liberal countries and we just haven't seen it.

You know, my disappointment with Merkel's Munich speech and her Harvard speech were that she had an opportunity to remind everybody why we built what we built after 1949. What it has brought us in terms of prosperity and security and what is at risk. You don't have to love the EU as an institution to understand that when 28 sovereign nations can come to a common way to address a problem that keeps the world open, that keeps security pooled, we all do better.

And when they fail at that as they have on immigration, as they have in filling the gaps in the Euro zone system, we all suffer. So, you know, my biggest worry now is not too much Europe it's too little Europe and it's the centrifugal forces that we are encouraging within Europe itself resulting in no good solutions to any of these problems either individually or collectively.

MR. WRIGHT: Thank you. Walter, if we could turn to you just reflect on that Toria just said. But also, you had an article in the *Wall Street Journal* recently in which you, I think, tried to tap into what the Trump administration was thinking about the EU. Maybe not the President himself but, you know, people around him in terms of their critique. And you sort of laid out, I thought very interestingly, a series of arguments that they would make as to why the EU is not in America's interest.

I'd love to just get your take on what reaction you got to that and what you think is going on in the administration, is this a long term thing. But also, you know, do they sort of understand I guess that, you know, a lot of these forces that are empowering in Europe are

not actually pro-American. You know, they tend to be sort of close to Putin, close to the Russians, you know, will want to work with the Chinese. They have sort of a history that is not sort of, you know, the center right conservatism here or even in Europe. It's not Thatcher, it's something remarkably different. And what's their answer when you talk to them about this about sort of the end game?

MR. MEAD: Well, I do think that, I mean, you know, first of all their view of some of these regimes is, I think, short sighted. You know, you try to describe what people think, that's not the same thing as agreeing with it. And, you know, I think the real concern from an American point of view is that the EU is decohering enough on its own it doesn't really need any help from us.

But I think the sense of inevitability of the decline of this institutional framework for international politics is probably the force that binds a lot of these folks together. That they look and, you know, does China have any interest whatever in going a sort of path that the EU or American allantiasis is good enough. Does Russia, no. Does India, not really. Does Turkey, no.

And is it realistic to think that you can impose or even nudge that? They would probably not only say no but say that they thought that actually America can live with this better than Europe can. And that it's better for America to role with these punches. And that, I think, you know, I mean these are statements about the future. One doesn't know if they're true or not but it's certainly, it's a very high risk approach. And one of the things that is clear about this administration is that there are a lot of things that all of us took for granted as sort of taboos and barriers that can't be broken and they just don't care about them.

They think that, in a sense, again I think they think if this were 1975 or 1985, many of the people would continue to roll along in the old environment. But they just don't think it's possible. So, for that reason they're trying to sort of not be limited in their own imagination. Will it work, I think the reality is that if they're right, if this is the way the world is going, we are headed for a much more tumultuous and dangerous era of world politics for all

the reasons that Constanze. You know, these institutions, if we're going to say these institutions once worked and no longer work, we're saying there's a terrible historical tragedy taking place.

MS. STELZENMULLER: I'm not saying that.

MR. MEAD: But I know you're not saying they're not working but I'm saying the things that you say, I agree with you 100 percent about the value that these institutions at one point contributed and one would hope would continue to be able to contribute. The question is whether they can.

MR. WRIGHT: So, I want to bring both of you in and Ben next. I mean, just one reflection on what Walter just said. I mean, I'm sort of struck sometimes that, you know, I've written as well that the EU has these weaknesses and is sort of exposed. But one of the interesting stories over the last five years is European Union strength. You know, like they basically, you know, won the Brexit negotiation, I think that was obvious at the beginning. It revealed greater EU power. The trade negotiations with the U.S. sort of became, there was a cease fire in place partly because they were deterred.

So, it's an interesting sort of case where there's weakness and strength. But Ben, I wanted to sort of ask you, I mean, I think it's fair to say you've engaged quite a lot here with, you know, with both sides of the spectrum but also with, you know, conservatives on Europe and you've been writing about that. And I just would love to get your assessment of Walter talked about the discussion inside the White House and inside the administration.

What are you sort of seeing in the, you know, conservative sort of foreign policy community more generally? Is there a sea change on the EU when you sort of make your argument that the EU is in America's interest and the EU should have this autonomous capability? What sort of reaction do you get and where do you think it's headed? I mean are we likely to see the partisanship of U.S. policy towards Europe with Democrats basically saying, you know, EU integration is good and Republicans saying it's bad. Or will it be more traditional, you know, more of a consensus with some decenterers.

MR. HADDAD: It's an interesting question because I do think there's a form of schizophrenia on the conservative side. If the President tomorrow wanted to withdraw from NATO, he would have 99 senators opposing it. Maybe only Rand Paul would support it. But Brexit was supported by many Republican senators. Because they felt the question that was being asked is would you want the United States to be part of the European Union. That's not the question. The question is, is Brexit in America's interest and it's not.

It's a direct win for Russia. It's a direct hit to American interest in Europe. Britain was the key ally and partner of the United States within the European Union to the great distress of the French. But they see, you know, a bureaucracy regulation transnational norms, all the things that basically conservatives stand against. But, you know, it's a foreign policy question. It shouldn't be about ideology it should be about are we better off with a united and strong European Union as a partner. So, and I think previous American presidents, including republicans have understood this. And clearly there is something amongst certain people in the administration and Constanze also has written about this, there is a more ideological approach.

I'd like to go back to what Walter said about whether, you know, if the world of institution is really in decline it's a historical tragedy. And it's a historical tragedy for no one more than Europeans. Because this liberal hubris that Constanze talked about, this (inaudible) moment in the 90's, the end of history. No region and no political power has built itself in its identity on this more than the European Union.

Remember this was, you know, why Europe will rule the 21st century because basically we're ahead of everyone else, we're a post-modern power, everyone is going to catch up on us and it's all going to be about norms, multilateralism and cooperation. And now we're basically stuck between Trump and Xi Jinping and it's a very difficult moment for us. Because how do we keep what makes our model original and at the same time, make ourselves able to compete in this world.

I do agree with you that you have some good news. You can sense with

Brexit or even with Trump or even with some of the vocabulary that's used by Europeans right now in China, systemic rival by the European Commission, the investment screening scheme. There is a sort of slow wakening to the reality of power and politics. And it is necessary, it is going to be a very difficult moment for Europeans because you need to be able, you know, the European Union was basically built on this idea that we want to replace conflict by norms, technical cooperation, economists.

This is what it has led to, you know moments of tensions like Ukraine where we're negotiating a free trade association with Ukrainians which we saw as economically beneficial for everyone. Whereas, Ukrainians saw it as a great opportunity to anchor their country to the west as something strategic and political. Russians saw it as a threat and no one was thinking strategically about this in Europe. And I think, you know, the last few years are basically forcing Europeans now to think strategically. And as much as I've been very critical of Europeans for their inability to do this, it is very important for us to keep this model, for two reasons.

I mean, the first one is because cooperation in our globalized world exactly as Constanze said is necessary to tackle the challenges that we're facing from the environment to migration to financial crisis. The migration crisis of 2015 has proven that the Mediterranean is the border of Germany and Sweden. We need cooperation on this. And the second reason is what can France, Germany or Hungary do on its own today between the United States and China.

It's absolutely obvious that in the 21st century you do need to be united. It's going to be much harder to navigate but, you know, the Belgium Prime Minister Paul-Henri Spaak used to say every European country is small only some of them don't know it yet. And it's still the case. So, we do need this but it's going to be a much harder path to navigate for Europeans than it is, I think, for the United States.

MR. WRIGHT: Thanks. Constanze.

MS. STELZENMULLER: Well, I'll come in right on the back of that. I think

that a lot of this obsession with sovereignty and control, I think to me as a friend of America, a really warm, close, affectionate friend of America looks like an extended nervous breakdown. Over the fact that America too has become less powerful in a world of deep economic integration.

And, of course, there is not economic area with which America is more deeply integrated than with Europe. And so, ultimately threats of a trade war with Europe, acting on those threats, simultaneous security brinkmanship in regions around Europe. All are things and never mind enabling the Oban's of this world or the Salvini's. All these are things that increase risk levels for Europe enormously but also are an act of self-harm for America.

And I think that this obsession with sovereignty and control and, you know, getting rid of norms and institutions and so on. It risks obscuring that fundamental fact that America needs to have a foreign insecurity policy that is based on the existence of globalization. Rather than suggesting it's all some kind of a fever dream that we just need to wake up from.

MR. WRIGHT: Thank you. Torie, let's turn to Britain for a second because, you know, Brexit may be one of the biggest events to happen in Europe in decades. You know we've seen a lot and Amanda in the previous panel discussed what has happened to date and what might happen in October. But by 2021, you know, there will be some sort of clarity that there probably will be a Brexit of some description, I think.

MS. NULAND: You don't think we kick the can to 2030 or 2045.

MR. WRIGHT: I think the success of Forage, I think, has reminded, Torie said, it's an existential threat to them if they don't deliver some form of Brexit. Now, it may be, you know, a form of Brexit that, you know, is not very advantageous for them and maybe they rethink later on. But I guess my base case is they are out of the EU formally by 2021. Maybe that won't happen. But let's just say for the sake of argument that it did happen. What should the United States do to, you know, to mitigate the negative effects of that for

Britain for the EU and for the trans-Atlantic relationship as a whole. Or, you know, is this really just an interim matter for Britain and the EU that the U.S. has had very little role on.

MS. NULAND: Well, first of all just to say that to remind with as little arrogance as I can muster here. That the United States has throughout the post-war period played a mediating role among European states whenever they've had difficulties. And what we've should have done and helped glue Germany and France and help convince western Europe that eastern Europe was worth having and all of those kinds of things. And also helped set a common policy towards Russia, a common policy towards Middle East, et cetera.

So, you know, I think part of this centrifugal stuff that we see coming is that we are not having this permanent conversation that we've been having since 1948. At least about how the liberal family holds together what we believe in, how we take good care of each other, how we avoid crashing. You remember that when the economic crisis hit, we would have lost Italy, we would have lost Greece, we would have Spain, potentially others if we hadn't had a very aggressive conversation not only within Europe but between the United States and Europe and the international financial institutions.

So, that takes you to the fact that I think we could have played a moderating mediating role across the channel in this period and that was what we were trying to set up to do. I am not among those, much as it is a tragedy to lose the UK's voice inside the EU for the United States, for the EU for openness, for all of those things. I am not among those who think it needs to be an existential global crisis to have the UK outside of the EU. You could end up with an affirmative three legged stool between the U.S., the UK and the EU that achieves a lot of the same effect of keeping markets open, addressing problems from tech and digital to China, to Russia to, you know, a fracturing Middle East.

But it would have, it required and it still requires that the open market system both across the channel and across the Atlantic be perpetuated. And that free movement be perpetuated and that you have a dispute resolution mechanism that

everybody can live with. So, those are the three pieces.

So, I am still hopeful that we won't have a crash out, we'll have a way to deal with this. If we had succeeded and I hope we get back to it with the trans-Atlantic trade and investment partnership, you would have set the ground rules of open trade among us and then presumably the divorce would have happened within that envelop. So, we need a velvet divorce, we need a divorce with as little economic turbulent impact as possible.

So, what I'm worried about most now is an economic slowing in Europe where you have Italy already in recession, you have Germany not growing, you have a lot of the south teetering. The UK, who knows, could precipitate a larger global challenge, including for the United States and we don't have the trust and goodwill among ourselves to deal with it collectively.

But I'm also worried that out of a more violent Brexit or a less consensual Brexit or a less open market Brexit, you end up with a much smaller UK. You end up not with Great Britain but with little England having to deal with a shrinking economy, with a shrinking global role with challenges to maintaining its traditional rule setting role on both sides of the channel. On the other side of the channel and with us and globally and they'll be obsessed with survival. And that's not good for us either.

MR. WRIGHT: Thank you. Anyone else want to come in on Brexit just in response or should we go to the audience.

MR. MEAD: I'll just quickly, I think, say that I would agree with Toria. That, you know, traditionally in any U.S. presidency certainly before 2001 that the idea that the prime minister of the UK was going to try to negotiation with the EU and then take the result of that to a referendum in the UK over membership in the EU would have been treated as a major national security issue. One that demanded the absolute highest sort of engagement of the United States. And it didn't. I mean, not out of any -- at this point because we were really talking about the Obama administration. Not out of ideological hostility.

And it was clear that President Obama, he did go to the UK and make a

speech urging them to vote yes which is probably not the wisest way to get foreign citizens to do something is to tell them that you think they should do it. But in any case, it just didn't register and I think this powerfully backs up Ben's point. And the Syria discussions, the idea that a massive dislocation of millions of people who were close to Europe could create a political crisis that would shake Europe to its core. Wound Angela Merkel and really reduce her opportunities to lead indefinitely further polarize north and south. Fuel populism.

It didn't register in the United States government that this was a major thing. And during the Cold War often when Americans looked around the world, when anything happened anywhere in the world, we thought okay, what does this mean for Europe. You know, that's no longer, that link has been broken in the sort of community of American foreign policy thinkers whether on the left or on the right.

Now, there are still some people in both parties who are trying to maintain that kind of high engagement. But in neither party are they consistently or even frequently able to win policy victories. And I think that's, you know, that is a fact about U.S. European relations. Maybe it can change but right now it is a fact and we all have to be thinking about what does that fact mean and it does and, I think, Ben is right here. That it means among other things that Europeans have to think much harder about what it is they want to achieve and what they're vital interests are.

MR. WRIGHT: Constanze, do you want to comment quickly?

MS. STELZENMULLER: I just want sort of add one point, I think, to illuminate a little more starkly the divides that we're talking about. This is the first American government that has in which significant players espouse a faith based ethnonationalism as the framing for global affairs. That is just a completely new world for trans-Atlantic relations and I don't think any of us have completely factored that in yet.

But it is, I think at least as divisive as the security brinkmanship and as the weaponization of economic interdependence that's going on right now. And I think we're only about to see those three things play out but I would urge you to not underestimate the

ideological point that I've just describe.

MR. WRIGHT: Great. We will go to the audience. Let's take three questions at a time, maybe. So, this gentleman here and then Jeff, yeah. So, just say your name and be sure to ask a question.

MR. BARNETTE: Hi, I'm Gabriel Barnette, I'm a student that the University of Pennsylvania. I was just wondering if you think the backsliding of democracy in Poland and Hungary if that's registering. If anyone in the policy community is really talking about that as a major issue of U.S. national security interests, things like that.

MR. STACY: Just on the question of, Jeff Stacy, one of the many people on the Russia group of the Clinton campaign who was hacked by the Russians. And that relates to the question that I have about your search for a new cost live for U.S. western grand strategy. It seems like not just normal people but even all the elites, former top officials and previous administrations on both sides of the aisle. All of us, have missed what Mueller described as the systematic across the board takedown that the Russians in their cyber warfare against the U.S. and others have achieved.

Aren't we missing something in central Europe, something new that the populous are on their heels in some key places? There are protests everywhere in central Europe right now, even in Hungary, even in Poland. The Romanians just threw their guy in jail. Bulgaria started this. Slovakia, this woman, this extraordinary new prime minister of Slovakia beat all the loud, as she put it, the loud populous. So, populous are bad governors but all of them are doing this, including the EU elections.

This extraordinary turnout for the European parliament in the face of massive systematic Russian interference. Isn't that the new cost live that we're looking for to really put our finger on and show the extent of the interference which is really cyber warfare against all of us. And even in the face of that, the central Europeans are starting to win. Maybe that's where we need to be looking. Is there something possibly to that?

MR. WRIGHT: Great question, thank you. And we'll take, we've only got a

couple of hands up so why don't we take the remainder and then we can go to our panel. So, I think there were two people down the back so this gentleman here, yeah.

MR. CONSECO: Hi, my name's Nicholas Conesco. I just recently graduated from American University. My question was about whether about European autonomy and whether the European Commission is allowed to or should be allowed to allow companies to merge so that they can better compete with state sponsored corporations in China or large corporations in the U.S. Even though that might actually, those companies would be better able to compete with foreign companies but that might actually hurt free market competition, it might hurt European consumers.

One interesting case study was when earlier this year when the company in the railway industry Siemens was trying to acquire Allston but that was prevented by the European Commission. So, I guess my question is, is that what the European Union is -- is that the dilemma the European Union is faced with or is there any other option. Thank you.

MR. WRIGHT: Thank you is there one more? No, I think that's it. So, why don't we go back. We'll add maybe one as well and if everyone could just react to one of those. But we haven't really talked about Russia, obviously, with the President last night basically say bring it on in terms of election interference in 2020.

But I guess the Russia question we too on central and eastern Europe that I think are very important as well. But the Russia question is, you know, a new president comes in generally trying to find some grounds for cooperation. That seems very unlikely to happen on this occasion because of if it is Democrat because of Putin. So, what is sort of the long term future for the U.S. Russian relationship? Is it just sort of managing this rivalry or is there any sort of longer term objective? But Torie, I'm not necessarily posing that Russia question to you, I think, but maybe central and eastern Europe, I think, in particular, I think two very important questions on that. But what should we make of what's going on in central and eastern Europe?

MS. NULAND: Well just to say I think one of the distressing aspects of this

period is that the administration has found a lot to admire in the strong men of Hungary and Poland. And has largely exacted no cost for the rolling back of judiciary's free media dissent, et cetera. Interestingly as was stated here in Poland, the opposition is doing better at pulling itself together. It didn't do as well in the European elections as it might have.

But the other point that's important here when you look at the gains that have been made and I think they're modest but not insignificant in Slovakia, Romania et cetera. You're looking less at this rollback of democracy and you're looking more at the oligarchization of politics. So, what populations are objecting to is taking a different page from Putin's playbook which is that the key leaders get to own the economy, get to put their friends in the media companies. Get to squeeze out private enterprise and get to be as corrupt as possible.

And that speaks to bad governance, it speaks to the elites scraping the cream from economies that ought to be growing. And I think you could have that kind of a reaction here and in other parts of Europe as well. But the key aspect of democracy that the pie grows for everybody and that the government is by the governed needs to be reestablished and needs to be fought for. So, you know, I think that's a whole aspect of this thing that needs to be highlighted that these folks often are making themselves great again rather than making their nations and their populations great again.

MR. WRIGHT: Thanks. So, let's maybe just go down the panel. So, Walter.

MR. MEAD: Well, on the question of Russia, you know, I think what we're seeing is Putin who is really trying to rebuild the ruins on the ruins of Soviet power and reconstitute Russia as a great power. One of the assets that the Soviets had developed was intelligence, disinformation. They had a lot of links in a lot of places and Putin very quietly and very successfully began to reactivate them. Everyone laughed at Russia today when it began to start. You know, they weren't afraid to fail as they tried to push forward.

And in lots of ways, largely because Putin is very good, Putin and the

people around him are very good at reading our illusions about ourselves and our hubris and ways in which we've made rhetorical commitments which in reality we're not really to live up to. Was able to exploit the space between the west image of its power and strength and the actual facts. And in that, a weaker poorer power was able to inflict one humiliation and defeat after another on much stronger powers.

And this continues to be a technique that he is very good at using. And again, our lack of self-knowledge is often his greatest asset. However, it's also true that nothing works forever. That pendulums swing and you develop a set of successful ways of manipulating politics. And so, they don't work as well when they've been exposed or the third effort doesn't work as well as the first.

So, I think it's a mistake to think that Putin is, you know, is stronger than he is or more capable than he is. There are severe limits for him too. And there are ways in which he can be countered. But I do think that the idea that everything was just great in the United States and then this horrible Putin came in. And now we have Trump and everything stinks is a way of avoiding the fact that things could not have been in good shape for there to be a place where even potentially his intervention could make a difference.

Something was wrong and it's more important to think about that, I think, in terms of strengthening here and in Europe for the long term then in sort of saying ah, well Putin is the reason everything is bad, let's just fight Putin. Yes, let's but let's also think much harder about what makes our societies strong and where our illusions do give him an opening.

MR. WRIGHT: Thank you. Constanze.

MS. STELZENMULLER: I think that's the lesson of Putin or is two lessons really. One, far away powers can with ease become actors in our own spheres and not just in Venezuela but within the American domestic polity. And secondly, they exploit preexisting vulnerabilities. And in so doing, they hold up a mirror to us. In the same way that I would say Trump also holds up a mirror to Europe.

And I think it behooves all of us, forgive me for using this very old-fashioned

verb, it would be a good idea if all of us were to consider very seriously those vulnerabilities and do something about them. And, in fact, that is something we could and should have a trans-Atlantic conversation about.

I am frankly terrified by the casual disregard for representative democracy that appears to have become the fashionable undertone of some of our current political debates. Whether it's about climate change in Germany or in this country or the conversation that some of you may have noticed, the new office in the State Department that is supposed to make sure that human rights are based on natural law. I'm a lawyer and I know exactly what that means. It's an attempt, yet another attempt to rollback human rights in the way that we understand them by suggesting that the current understanding of human rights is somehow secular progressive and thereby sort of against the values of sovereign and strong states. That is ridiculous.

And I think we need to recognize these things for what they are and make sure that we protect the achievement that our domestic constitutional orders constitute. We have never been so free. We have never been so prosperous and so stable. But if we have become destabilized, it is because we have failed to invest in the maintenance and upkeep of these orders.

MR. WRIGHT: Thank you. Ben.

MR. HADDAD: Yeah, I want to react to Nicholas's question on new competition. Because I think it's a very interesting example of whether the European Union is able to go from being a market to a political power. That merger was prevented because currently EU law protects consumers, it's all about ensuring competition and not about competing in great power competition and having industrial giants that could be, you know, protect European sovereignty.

So, we are seeing a little shift in a conversation about this. I mean, at the same time, it seems that the front runner to head the European Commission is Margarethe Vestager who is the person that prevented that merger. But I think it's really key so that's a

good example. In the same respect, there's been a lot of backlash here in coming from the administration about PESCO and the European defense fund and some of the, let's use the word, protectionist measures that are taken right now by Europeans to promote their own European defense industry.

And, I think it's necessary. There's no other way for Europeans to invest in their own security and defense as the last two American presidents have so forcefully asked them to do. If they can't, at the same time, do it by promoting their own industrial base which means restricting third party access. So, these are things that are (inaudible) traditional European liberal open society consumer driven DNA but they're necessary, I think, to emerge as a political entity.

MR. WRIGHT: Ben, thank you. I'd like to thank all of the panel. Ben, Constanze, Walter and Toria. I'd also once again like to thank (inaudible) for being here today and for all of those who have viewed us on webcast and for the previous panel as well for their contribution. We will actually have an event from CUSC tomorrow as well. If you haven't gotten enough punishment yet on European affairs and you'd like to learn about the rise of Jeremy Corbin. We have David Kogan who is an author of a new book called protest and power. And Amanda Sloat and I will be talking with him about that book at 9 a.m. tomorrow in this auditorium. But thank you once again and with that we're adjourned.

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