

March 23, 2012

Brussels Forum

Opening Address

Mr. Craig Kennedy: Could we ask everyone to please take their seats and we will begin momentarily. Thank you. So welcome to the seventh annual Brussels Forum. This is an annual conference on transatlantic relations, but with people, topics from around the world. It reflects our view that the transatlantic relationship (technical difficulty 06:44:50 - 06:45:22) Venus from 10 years ago, dealing with the new global swing states. You'll all learn what those swing states are by the end of Sunday, and ... discussing the future of hard and soft power.

Finally, it's a big election year in a number of countries, but the U.S. election may loom the largest of all, and the final panel on Sunday will deal with that.

Please be active in your participation. I say this every year, and you always are, but be respectful in discussions but not afraid to be challenging. I think it's been years since we've had real yelling at any of the sessions. Well, like, two years. And (I hope)

that you enjoy a weekend filled with thoughtful policy discussions.

Please be respectful of the confidentiality rules for each session. Sessions in this room are almost always completely on the record. Almost all of the other sessions are under Chatham House rules.

And for those Twitter addicts among you, we are using the hash tag bf7. Hash tag bf7.

You will see some younger faces around the Brussels Forum this year, especially Saturday and Sunday. They're part of the Young Professionals Summit, which will take place on Saturday as a side conference to the Brussels Forum, and later join the Forum on Sunday.

This event is a complicated one to do and an expensive one to do. And we're delighted to be joined by our major partners Daimler and the Federal Authorities of Belgium. Both have been with us from the very beginning of the Brussels Forum.

We are also very pleased to welcome as additional sponsors BP, the OCP Foundation and, finally, we'd like to recognize the support of the Ministry of Defense of the Republic of Latvia, the European Union Delegation to the United States, the European Liberal Forum, the

Center for European Studies, BNP Paribas Fortis, NATO, the Republic of Turkey Ministry for EU Affairs, and Intesa Sanpaolo.

We are always pleased to begin the Brussels Forum with a statement from a leading politician here in Belgium and it's my privilege today to introduce Didier Reynders. He's the Deputy Prime Minister and Minister of Foreign Affairs, Foreign Trade, and European Affairs for Belgium.

We are very proud that this event takes place here in Brussels and that we've had such tremendous support from the Belgian government. Belgian was a founding partner of the Brussels Forum and we want to thank the Minister and his government for continuing that support of the Brussels Forum. So if you could please open this year's Brussels Forum. Thank you.

The Hon. Didier Reynders: Thank you, Mr. Kennedy. First of all, I have listened to your first comment, so I'm sure that you referred to the French elections in the next weeks. I don't know their orders. But second point, sorry for the delay, but we had a meeting with a Turkish colleague (inaudible) and it was a good reason to prepare the next meeting about Syria, the friends of

the Syrian people in Istanbul on the 1st of April. So we try to--it has a capacity to put more pressure on Syria on the regime in the next weeks.

But the distinguished audience today and the impressive list of participants brought together by you and your team proves once again that in only a matter of years the Brussels Forum has become the world's premier meeting place for political leaders, business executives and leading academics involved in transatlantic relations.

Colleagues, ladies and gentleman, it's a great privilege, of course, and a great pleasure for me to open this 2012 edition of the Forum. The pleasure is even greater for me ... American partnership as being an important part of my initial ideological awakening and of my formative political years in the late '70s and early '80s.

Remembering that (that) period promoting stronger and closer transatlantic links was not exactly the most popular ... let alone widespread political concern among Belgium students and aspiring politicians in those years and those days, which made the vindication of the collapse of the Berlin Wall even sweeter to us a few

years later. But history did not end then and the world may sometimes appear even messier today than it was during the Cold War. There is no doubt that the new unprecedented multi-polarity in international relations is offering both challenges and opportunities. This is true for Europe and the U.S. separately. This is also true for the transatlantic relation itself.

Exactly as I did 35 years ago, I remain more than ever convinced that Europe and the U.S. can only make a real difference by collaborating. It's sometimes sad that the secret of a great relationship is not staring at each other, but looking in the same direction. In that sense, the commonality of whereby the United States would be focusing on transpacific challenges and opportunities, and Europe, on its eastern and Mediterranean neighborhood policies may appear less than auspicious.

But beyond the headlines, the past years have told a very different story of the recent AU-US cooperation and of the matter we have worked together to save God and promote all common values of democracy, economic freedom, and social justice and the rejection of racism

and violence.

But though we were naturalizing banks or car manufacturers, correcting major failures in financial regulation, organizing global currency swaps all taking painful fiscal measures to prevent a global economic meltdown. The large (inaudible) and the level of economic cooperation between the two sides of the Atlantic has been impressive. I've seen that during so many years. (I) was in charge of finance in my country and during two years, I had the opportunity to be at the head of the ECOFIN meeting in Europe. In 2001 (inaudible) in Europe to introduce the Euro, but we have (inaudible) to give some help to the U.S. market just after the September the 11th.

It was normal to try to have a very good collaboration at that time. It was the same 10 years later and for the second time, the presidency of such (an) ECOFIN meeting in Europe in 2010 and we have tried (inaudible) to exchange our best practices about the bank crisis and the new regulation in the world. And I'm sure that we have to make more progress in the next months and years in this field.

And the cooperation has not been less real as far as

foreign policy and security are concerned. Fighting terrorism, preventing Iran's accusation of nuclear and ballistic missile, ending the repression in Libya, working for security and (inaudible) in Afghanistan. This is not the record of two partners looking in opposite directions. And I take great pride in the fact that Belgium, despite a period of political limbo that only ended in December, has been deeply involved in all those efforts.

We have tried to put into force a new definition of current affairs. In Belgium, it's now possible in current affairs to declare war, to organize the nationalization of one bank and (inaudible), so there are some limits, but not too much.

As has been made possible by America becoming less (inaudible) and Europe less (inaudible). By America becoming less maybe Martian and Europe less Venusian. I don't know. I will let the think tankers, and there are lot of in this room, answer those questions.

But whatever the possible shifts in power and ideology, the only question that really matters to me at this juncture is whether the transatlantic relation(ship) has become more, not less, relevant in a multi-polar

world. And my answer is that it has become even more relevant in the last months and years, ensuring the future of NATO and it will be (inaudible) during the next NATO Summit in Chicago in May preserving Africa from a new scramble for natural resources, preventing the Middle East from slipping into war and (inaudible) putting in place an international economic trend and financial framework that can support global growth and economic development. Those are challenges where we could make a difference together.

The social trauma, the human toll on millions of workers, home-buyers, retirees and on their families, is such that it will be impossible to find any silver lining to the recession in the Euro area. But I can only agree with Professor Slaughter when she says that it will at least have reminded America of how important Europe is and maybe not only China.

As a frequent visitor to Washington during such a long period of time in finance, I have had countless occasions to witness a seeming complacency concerning the relevance for the European Union, in particular, and of Europe, in general. I'm well aware that Europe's handling of the crisis has not always been (inaudible)

along Massachusetts Avenue. I have sometimes listened to the same comment, a dollar short and all late.

But having aided the Belgium Treasury Department, I sat for 12 years, and twice shared the ECOFIN (inaudible) over the same period of time, I can assure you that I have heard so very different (a) tale to tell ... than the European Union only able to agree on acronyms.

It has not been easy. It has not necessarily been very pretty either. But what European Heads of State and government and finance ministers have achieved (technical difficulty) two years has been defying the oath. Needless to say, however, that the Wall Street meltdown and the Euro panics have not necessarily enhanced our respective standings in the world, or strengthen it, our moral, our financial capacity to act globally. And it would be (inaudible) to look for solace in the economic worlds and political struggles that some of the many emerging nations are currently facing.

The emergence of new global economic powerhouses has helped, lifting millions out of poverty. It also represents an unprecedented opportunity for trade, development, and welfare. But the way the emerging

powers will translate the newly acquired economic mind into global engagement, cooperation, and shared responsibility against violence and oppression remains to be seen.

So far, the international mobilization against the Assad Regime has certainly shown room for improvement and that ... account among most great countries. We try and we will try in the next days and weeks to put, as I said more pressure, maybe on China, but more than that on Russia, to try to see the same mobilization in all the most important countries against such a regime.

(Inaudible) has yet to deliver on its commitment to become a stronger, more (inaudible) and more conspicuous actor in international relations, just as the way European finance ministers have helped President Van Rompuy design a new financial and fiscal framework. European foreign ministers need to work together with High Representative Baroness Ashton to give Europe an external action service ... the political power. And, if it's possible, independence in keeping with its mission and its ambitions.

Sometimes it's useful to repeat what was said many years ago by the Foreign Minister of Belgium

(inaudible) for the first general assembly of the United Nations. I'm sure that we try to give more and more capacity for a high representative in Europe, but there are maybe in Europe only one category of country. We have all small countries in regarding the world, but there are still two categories in this too small country. There are some who are knowing that and some are not yet.

So we try to convince that it's maybe useful to have a better collaboration among all the European countries to be sure that it's possible to have only one voice in the world coming from Europe. And (the) EU still has some way to go in enhancing the (commonalities) of challenges before us in expressing its positions in a more (inaudible) and unified way or in taking decisions more rapidly and more efficiently when needed.

Special attention should of course remain on the open neighborhood, be it south or east, because this is where the local populations, our own citizens, and our strategic partners expect us to play a significant and constructive role. But Europe's diplomacy must cover the whole world, all geographic areas and all teams (inaudible) the first and foreign policy should be a

potential subject of our analyses, attention, and potential score of perfection.

This is especially true for the (inaudible). All upcoming nations that by the rate of their population of economic potential will be the key players in the future. We have to engage them personally, discuss with them the global challenges, explain their core responsibility for the governance of world affairs.

Looking back at the opening address by my fellow budget ministers at previous Brussels Forums, (inaudible) of impressive intellectual reference: Adam Smith and David Ricardo (inaudible) and Hagen. But if I may say, comic strips are not an important export commodity for Belgium, and part and parcel of our cultural identity. So I hope you will not find it in any way degrading for this assembly me quoting from another famous pair of thinkers, namely Calvin and Hobbes.

But I found that this description of life by young Calvin was quite relevant for our political nation. There are summits of happiness and success, flood stretches of boring routine, and valleys of frustration and failure. The past decade has brought its fair share of material frustrations in the relationship and

the past few years have witnessed several successes. The flood stretches of boring routine have been somehow missing lately and I know that some of our diplomats are secretly longing for a few of those.

I want just to conclude in saying that in the near future we will listen to your commands, to your analyses, to your debates in the next hours maybe to see if it's possible to use some of your proposals to go further in our collaboration on both sides of the Atlantic Ocean, but I'm sure ... we need at the political level to do more in some different area and in the next weeks and months, Mr. Kennedy, we will have many discussions, I said, about Syria, I'm sure about Iran.

And I'm hoping that after the next presidential election in the U.S., it will be possible to restart some dialogue about, to give you an example, the Middle East and to have maybe new proposals and new solutions on the table. It will be also the case for the situation in Afghanistan after 2014. Before that, I said, we need to have maybe (a) first discussion in the NATO Summit in Chicago in May.

But, after all, I want to thank you for your presence today in Brussels. I'm sure that it's very important

to exchange views and to try to solve or to make some proposal to solve some problems. And I wish you a very fruitful discussion, not only just after the speech, but maybe during the whole (technical difficulty).

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