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Brussels Forum

The 2012 U.S. Elections

Mr. Craig Kennedy: Good morning. Grab a seat. We're just about ready to go. You know what is so great about this conference is even on a Sunday morning people look so bright, they're ready to go. Everybody looks very fresh. Thank you for remembering about the change of time. We are really pleased to finish this year's Brussels Forum with a panel discussion on the U.S. elections. And we're especially pleased--here we go, we're especially pleased that our good friend, Gideon Rachman, has agreed to moderate this session. So, Gideon, I'll turn it over to you.

Mr. Gideon Rachman: Thank you. Well, thank you very much, Craig. And I'm especially pleased to be moderating this session. I think arguably you've saved the best for last. Suddenly the U.S. presidential election is one of the most, possibly the most, important global political events of the year and

certainly one of the most entertaining. I think all the Europeans here would extend a vote of thanks to our American friends for laying on such a great show.

But obviously we'll concentrate on the serious side of the vote today and we have a fantastic panel to help us do that. In the center we have Governor Tim Pawlenty, who was one of the early runners in the Republican race, perhaps wisely dropped out before but is still spoken of as a possible vice-presidential nominee or a member of a Republican cabinet if and when they get back to the White House. On his right, or actually on his left, both literally and politically, Congresswoman Loretta Sanchez, who is a congresswoman from not only from California but from Orange County, which I had mistakenly believed was solid Republican territory, but she holds the Democrat flag in Orange County. And on the right is Laura Blumenfeld, a Senior Fellow for GMF and before that a journalist reporter. She told me that she started with the financial funds, my paper, but then worked as a foreign correspondent

and a reporter on domestic politics for *The Washington Post*.

So let's get going. There's been yet another primary over night, so Rick Santorum won handily in Louisiana and, Governor Pawlenty, I mean, there's a sense that this Republican race is going on and on and on and is actually damaging the party and the presumptive nominee, Mitt Romney, who I know you've now endorsed. How damaging is it, do you think?

The Hon. Tim Pawlenty: I don't think it's particularly damaging. Keep in mind there's a recent precedent; for example, when President Obama and Secretary State Clinton were competitors, their race went competitively into June. It was full-tilt, it was highly competitive and it turned out they turned out to be colleagues and have a successful campaign. You know, on all these things I encourage people to set aside the spin and just look at the numbers. And so, first of all, in terms of the Republican nomination I believe numerically Governor Romney's in a compelling position

and will be the nominee. The rest of it is going to be a processing that'll unfold, but I think almost certainly he's gonna be the Republican nominee.

And then in terms of the alleged damaged implied by your question, if you just look at it numerically head-to-head the measure being how is he doing versus President Obama in a recent Gallup poll and Rasmussen poll, which are well-regarded polls, Governor Romney was actually slightly ahead of the president in a head-to-head national poll, which is an improvement over polling in recent months. So this notion that he's damaged relative to the ultimate measure is not statistically accurate.

Mr. Gideon Rachman: There is a sense, though, that the Party's very divided and that Governor Romney, although as you say he's pretty solidly ahead, hasn't really ignited a sort of enormous affection among the party's base and that conservatives in particular if they'd been able to unite behind a single candidate might actually have defeated him.

The Hon. Tim Pawlenty: Well, they will unite behind a single candidate. It will take maybe a few more weeks or months to get that done. I don't want to be presumptuous. You gotta go earn every vote and still work to the finish line. But they will unite behind a single candidate. It will be Governor Romney. And the main motivation for that unifying force will be the hoped-for, from a conservative perspective, defeat of President Obama.

And there'll be other opportunities for Governor Romney to unite the party. And once they stop this intra-party competition the unity that your question implies will occur. And it'll occur for a variety of other reasons, too, including who might be the V.P. selection and a variety of other decisions. By the way, I took my name off that list. I've not--I just want to set the record straight on that.

Mr. Gideon Rachman: Okay. Thank you. Congresswoman Sanchez, certainly viewed from this side of the Atlantic, which is probably not the best vantage point,

but nonetheless there's been a sense that over the last couple of months things have been looking up for the Democrats. The economy has picked up a bit. The Republicans have had this pretty brutal primary race. Every time I see footage of President Obama, well, not every time, but I keep seeing clips of him literally singing in the White House. So, say, he seems quite confident. Are the Democrats reasonably confident?

The Hon. Loretta Sanchez: Well, first of all, he hasn't been in the White House singing because most of those have been fundraising events and you can't do that in the White House, just to let you know. But, you know, when we began this process of the Republican presidential primary, I mean, my husband and I were looking at each other and we were laughing. We were like, "It's like a reality show, you know, where it's who gets voted off the island this week type of a situation." You know, obviously to my knowledge it will probably be Romney unless something major happens.

And, you know, I don't put too much emphasis on

polls because as I always say, "The only poll that matters is the one on election day." That's the actual vote that's taken. The poll from Fox News is 46/42 in favor of Obama just this week so polls will come and go, the presidential race will tighten as we go along.

But, you know, when everything is said and done, Obama will be our president once again. That's what we believe from the Democratic side and that's what we believe as we're out campaigning. We will believe that we have a good chance to hold the Senate, especially in the last few weeks where things have happened and certainly as a member of the House of Representatives and a member in leadership of the House working hard we believe that we will take back the House. So I think this is a good presidential--this is a good election season for the Democrats.

Mr. Gideon Rachman: And is that partly to do because the economy's picking up? Would you have been more wary if the numbers weren't looking better?

The Hon. Loretta Sanchez: Well, let's give an

indication of what happened this last time. When we had Obama on the ticket four years ago in my district I won by 70 percent, in a bad year, a bad year for Democrats. Two years ago I won with 52 percent. Think about that. So there's no way that this election for Democrats is going to look like it looked in 2010. And the fact that over half of the new Republicans in the House won by less than two points, won with 52 percent or less gives an indication to me, especially after having watched them, do nothing, you know, say ridiculous things, not know, you know, anything foreign policy or anything else.

Mr. Gideon Rachman: Most of these people don't have the vote.

The Hon. Loretta Sanchez: It's pretty evident to me that, you know, half of those guys are going to lose. And because of re-districting, which everybody said was going to be bad for the House of Representatives for the Dems, the fact of the matter is, we're looking at four to five seats pick-ups in California, we're

looking at pick-up in Texas, several seats in Illinois and Florida and a big portion of that. And the Republicans have been terrible on the issues that affect Hispanic Americans, so I view this as a very, good election for Democrats.

Mr. Gideon Rachman: Okay. Well, we had--should we just go home now and--no, but, Laura, we've had strong expressions of confidence from both sides, so how do you see it as a pundit?

Ms. Laura Blumenfeld: Right. I describe myself as a recovering journalist. I'm in the 12-step program and I'm up to the step where you submit to a higher power. And after this weekend I've decided I'm submitting myself to the high representative of Lady Catherine Ashton since she seems to prevail over many things.

But, seriously, as I step back and have a chance to think about it, you know, I ask myself, "What is fresh and what's original? What are we seeing in this election?" And so we have a Mormon, who's a candidate on the one side, and we have an African American, who's

a candidate on the other side. It's the first election in American history where you don't have a white mainstream Christian as the representatives. And I thought for a minute maybe this is actually a sign of open-mindedness in the American electorate and maybe there's some kind of enlightenment happening here.

I mean, we have two men with three Harvard degrees. You know, possibly this election's going to be about real substantive issues. What are those issues, I was wondering? So I emailed a friend of mine who's been covering politics in Washington for decades, about 30 years. And he's in the thick of it right now. And I asked him, you know, what--everybody says this election's going to be about the economy. But what is it? Is there going to be a really interesting debate about the future of capitalism? Is this going to be about taxes versus spending? Okay. So this is what I got last night from the reporter in Washington about the issues.

The sentiment--the overarching sentiment that many people share is that this campaign is not--all caps--going to be about issues, but it will be about who can tear the other guy most effectively. It will be the ugliest campaign in history. Okay. So much for that. Each side will spend upwards of a billion dollars trying to tear down the other side. We've already seen it in the primaries. And then they--and then he goes on to say, "This year will make swift voters look like softies." So that's a lot of--that's a lot of negativity out there. And, you know, when you think about that billion dollars, I mean, what's a billion dollars going to go into? It's going to go into the image makers and the pundits and--I'm sorry, not the pundits, the ad men.

Mr. Gideon Rachman: I wish.

The Hon. Loretta Sanchez: Now, unfortunately for me, those ad men send their children to school along with my children. So my daughter comes home at age seven, and she says, "Mommy, (technical difficulty)

houses." And my son, who's 12, you know, he wants expensive sneakers, and, you know, we--we buy his shoes at Payless. So I decided that I was going to call up the pundits, one from the Republican side and one of the ad men from the Democratic side. And I said, "What is this election going to be about?" That's what we always asked ourselves and, so sort of synthesizing the three main points, they said, "Number one, if you're in, you're out." There is so much anti-incumbent fever. You know, the support for Congress is at nine percent.

Number two, in this election--I mean, it's been a 50/50 country for years now. But every voter's the potential swing voter. You saw the volatility in the Republican primaries. Independents are the fastest growing block in our country. And there's even talk of a third party candidate on the election in every state on the ballots.

The third thing is, when voters open the door and they look at the candidate, they want to see somebody who can fix things. It's the year of the problem

solver, is how they describe it. Obama gave us poetry. Bush bought us roses that he couldn't afford. They want a repairman with a tool belt, somebody who says, here's my simple fix-it plan. I think, in journalism, every four years, we write the story, who's the most likeable candidate? I don't think they want likeable. They don't want to sit down and have a beer with a candidate. They want the guy--the beer is warm. The refrigerator's broken. Let's fix the fridge.

Mr. Gideon Rachman: Well, that sounds very much like the pitch that Governor Romney is making for himself, that he is the man with the plan, the technocrats. Just before I turn to the audience, Governor Pawlenty is the one person here who's actually dipped their toe into this poisonous water described by Laura Blumenfeld. I mean, do you recognize this description of highly negative polarized electorate where the only thing that works is negative campaigning?

The Hon. Tim Pawlenty: Well, there's a reason why politicians in the United States and elsewhere use negative advertising because it has worked. And so they continue to use it. If they don't use it because it doesn't work, they use it because it does work. I'm not advocating for it. I'm just saying that explains why it gets used. And I think Laura is substantially right here for this reason. If you look at President Obama's approval ratings, depending on the poll, they hover between the low 40s and low 50s, from--depending on the week and the poll. That's his approval rating. But if you look at his re-elect number, it's somewhat below that. So he's in the danger zone for an incumbent. If he were have just a referendum on whether he should or shouldn't be re-elected, that would be something he couldn't rely on in terms of a strategy (technical difficulty).

In turn Governor Romney is going to have to convince the American people that Barack Obama should be fired. And, you know, you don't convince somebody to

be fired by telling them they did a good job. They're going to convince them to be fired by why he didn't do a good job. And so these are the dynamics that are built into the race understandably, and it will be a sharp contrast. And it will be a legitimate sharp contrast. Of course, it will be--

Mr. Gideon Rachman: But it doesn't depress you? I mean, the picture Laura painted was, well, you know, you think, my goodness, this is meant to be the greatest democracy in the world. And it sounds so kind of lowdown. But you're not worried about it?

The Hon. Tim Pawlenty: No. But, I mean, these are two very different worldviews, and a worldview broadly and a worldview in the small p, policy and political sense. So it is not untoward for two sides that have very different worldviews, in terms of economic philosophy, in terms of America's role in the world, in terms of a whole host of other important issues and policy positions. Now, they do get summarized in the form of 30-second commercials. But in the end, these

are sharply different visions for the future of America, and it's going to be sharply presented. And that's unavoidable, and, to some degree, it's probably healthy.

Mr. Gideon Rachman: Congresswoman Sanchez, when you talked about the House races and the Senate races, will the tone be taken from the presidential race? Or do they have a kind of different quality to them? And, again, one of the things I want to hear is that people like you have to spend all your time fundraising, and it comes down to a money battle.

The Hon. Loretta Sanchez: Well, certainly, money will play a very big role this year because of Citizens United, where corporations can take their operating monies, and they can throw them against candidates (technical difficulty) and our candidates are positive, and they're not about tearing people down. You don't need to tear down somebody who's done nothing, who's passed nothing. We're very optimistic that we will have the House back. And I--

The Hon. Tim Pawlenty: Well, can I just have the-- yeah, I mean, this is not really even a debatable proposition. But to give you--and the proposition is this. I mean, the congresswoman is suggesting Democrats are smart, Republicans are stupid. Now, that's a high level of discourse here, of course. And we wonder why we have problems. But she suggests, of course, that the negativity is all Republican. And I'll give you--some of you may remember, at least those of you who spent time watching television in the States, when Congressman Paul Ryan tried to address the issue of entitlement reform, which, setting aside philosophical views, you can make the mathematical case it must be done, and the answer from a left-leaning advocacy group is to depict an actor who looks a lot like Paul Ryan taking grandma in a wheelchair to the edge of a cliff and throwing her over. And, of course, only the Republicans are negative and stupid. I mean, really, Congresswoman? Please, please.

The Hon. Loretta Sanchez: No, I didn't say that.

Mr. Gideon Rachman: Good, Laura, if you want to interpose yourself (inaudible) between the two--

Ms. Laura Blumenfeld: Well, I just want to pick up on what you said. There's an interesting conflict when we talk about being negative and being positive and how to be elected. Obama was elected on hope, right? He was a platform of hope, and it was all positive. But for him to be re-elected, he's going to really have to use the emotion of fear.

Mr. Gideon Rachman: Fear.

Ms. Laura Blumenfeld: Exactly. He was elected on hope. He'll be re-elected by fear. He'll have to do kind of what Bush did in 2004, which is say, I know you don't love me, but look at the other guy. And would you really trust him with the future of American economy and national security? Because I may not be perfect, but I'm, you know, doing a reasonable job. And the question is will--if Obama's willing to be that negative, I think he does stand a good chance of being

re-elected as Bush was in '04. Will he? Obama of '08, I don't think so. Obama 2012, possibly.

Mr. Gideon Rachman: Okay. Well, let me turn to the audience and ask you some questions. Who wants to throw a question at the panel? Over here. And we'll take two, you and then the gentleman there.

Mr. Matyas Eorsi: Matyas Eorsi from Hungary. As a European, I don't need to be convinced. I have no voting ground, but my American friends, who am I talking with, it's very obvious that in the campaign so far, they see no leadership or a decreasing leadership. I wonder what this applies to domestic politics, but certainly implies to foreign politics. I understand it's still the beginning of (inaudible) anyway. I wonder what the panelists think about bringing leadership back to American politics.

Mr. Gideon Rachman: Okay.

Mr. Harlan Ullman: I'm Harlan Ullman, and I'd like to contribute to the sort of Saturday Night Live debate that's going on, which has been very amusing. I'm also

declaring myself as a radical centrist who believes that one party has lost its mind and the other party has lost its soul, and you can draw your own conclusions. It seems to me that, irrespective of whomever is elected president, how do you resolve the key issues facing the country in terms of things such as tax reform, entitlement reform? 'Cause it seems to me we have the system that is politically broken, and I don't see anybody who has an idea about how you repair it.

Mr. Gideon Rachman: Okay. Well, I think both those questions circle around leadership, one on domestic and entitlement reform and the other on foreign policy and whether there's any sign of leadership there. I mean, Governor, you mentioned entitlement reform and what happened to the Ryan proposals. Do you think either candidate will even dare have a serious--broach a serious debate about that in the campaign?

The Hon. Tim Pawlenty: Maybe a few observations. At one time I had a chance to visit with then-President Bush in the White House towards the end of his term,

and we were talking about foreign affairs and security issues with a small group of other governors. And he said this, he said, "I'm not sure who the next president will be." Of course, he favored Senator McCain as a candidate. But he said, "When that person knows what I know, they will do about what I'm doing." He allowed for some variance. But he said, "When they know what I know, they will do about what I'm doing."

And so you had President Obama run, promising to close Guantanamo. I don't agree with that position, by the way, but that was one of his promises. He made other various promises in this area. But he then actually knew something when he got elected because he got briefed from security and intelligence and terrorism perspectives, and he made some alterations in his views compared to the campaign.

But leadership is an important quality, and there's one person in the United States, and globally, who can serve in the role of commander-in-chief in the United States Armed Forces, serve as the lead spokesperson for

democracy, freedom, human right, rule of law, free markets, free trade and the like. And that platform of the presidency of the United States is dramatically underutilized if you don't have a strong, powerful, seasoned, mature, committed, informed leader. And so the leadership question is tremendously important. And we need somebody who is ready to be president, has all of those attributes and qualities. So I appreciate the spirit of your question.

As to your question, I'm thinking about the way you framed it still. You know, the election gets played out for--in a variety of ways. Laura mentioned this dynamic of--that you mentioned independent voters. You know, the electoral college system, you can sort of predict ahead of time, and absent a tidal wave election, how many of the states are likely to vote. And so there's going to be disproportionate attention paid to six or eight states. They're Florida, North Carolina, Virginia, New Hampshire, Ohio, Wisconsin, Iowa, Colorado, and maybe Nevada and New Mexico. That's where

a lot of the attention's going to be played out. And, within that, there's 10 or 15 percent of the vote, which will decide which way those states go. They're not entirely, but they're disproportionately suburban women, blue collar men, and, in some states, Latino voters in terms of the makeup and area of these swing votes. So that's where these candidates will be spending a great deal of their time and attention.

And in terms of Governor Romney's perspective on the race, you know, one of the questions going to be asked is, compared to what President Obama promised, did he deliver it? You know, come in, said we're going to cut the deficit in half. Well, he tripled it. He said if we don't get unemployment down below a certain rate, he doesn't deserve a second term. Well, it didn't happen. He made some progress, but it didn't happen. He's made dramatic other promises, both globally and domestically that didn't get done. And then the things that he did get done, namely Obamacare, you know, are highly controversial, in my view, misguided.

So this is not about just cynicism and laughter and comedy. There are two very different worldviews that are going to be represented by these campaigns. President Obama, on his own, yes or no, does he want to--do the people want to re-elect him? The answer's probably not. The numbers show that. So he's going to have to attack Mitt Romney if he wants to get re-elected. He's going to have to tee in the left-leaning groups. He'll take their billion, \$2 billion and spend a good chunk of it attacking Mitt Romney. The Republicans and the conservative group will take their resources and try to make the case why President Obama shouldn't be re-elected and why he's misguided and why his view for the country is dangerous or wrong. And that's why we have elections. So there's nothing, you know, untoward about that in the sense that it gets played out in comedic and commercialized and summarized and simplified ways. But it's a legitimate debate about the philosophical direction of the United States of America and it's a worthy and grand exercise.

Mr. Gideon Rachman: Congresswoman Sanchez, do you want to take on those two questions? And particularly, this issue of leadership which came up, in front of an international audience, do you think President Obama has been a strong global leader? He's been slightly haunted by this phrase that cropped up in The New Yorker of leading from behind, that he hasn't actually stepped out in front, say, on the Arab Spring. How would you defend his record, globally?

The Hon. Loretta Sanchez: Well, I would begin by saying, you know, you're looking at a centrist. I come, as the only Democrat out of Republican Orange County. You're looking at a Hispanic. You're looking at a woman and you're looking at somebody who grew up in the lower-income arena.

So when the governor speaks about who the independent voter is, I get who that is because I talk to them all day long and I am part of that class. And so, you know, if you're looking for leadership, and I believe there is leadership, you know, but I see it

from a congressional standpoint because that's where I work every day. You, as people overseas and as leaders from around the world, what you get to see is what the president is doing. What the American public really gets to see is what the Congress is doing or not doing.

And so when you talk about leadership, there is leadership going on in our country and I'll give you a prime example of what's been played out in the American public in this election cycle. So for, I think it was, like, 114 times or so, America had always raised its debt limit so that it could pay what it said ahead of time it would pay. When it made a contract and it said it would pay, we always raised the debt limit regardless of who controlled the Congress. So a year ago, we weren't able to do that because we had 89 new mostly tea-party kind of Republican freshmen in the House of Representatives. So the compromise was to do this whole issue of the Super Committee and sequestration.

Now, we get to the point where sequestration comes October 1 and its 600 billion cuts to domestic programs and its 600 billion cuts over the 10 years to defense. And all of a sudden, Republicans are throwing up their hands, the very people who voted for this, and they're saying, "Oh, my god. We can't cut defense. This would be the most terrible thing, the worst thing." And the Democrats, who want to do this, are bad on defense (technical difficulty) election when Americans have to know that the (technical difficulty) that situation.

Now, we have come to the table as leaders. We have come to the table as centrists. We have come to the table and said we don't have to cut defense, but in order to hold onto the defense that we believe we need, we need to raise revenues. Well, guess what? That's a non-starter on the Republican side.

So leadership has to come from both sides. It can't just come from one place (technical difficulty 01:33:40 - 01:33:48) governor of no more taxes, then you can't get to where you have to get as a country.

So, you know, this is going to be a very straightforward fight as we go into November. And I believe that the Democrats not only have the high ground and the moral ground, but that you're going to see our leadership step up and you're going to see each and every Democrat step up and push back on those 30-second commercials that we expect will try to hit us.

Mr. Gideon Rachman: Okay. Laura, brief comment before I take the next round of questions. What chances do you see of a more elevated debate between, let us say, Romney and Obama? Do you think they dare engage, say, on a really difficult issue like entitlement reform in an honest way?

The Hon. Loretta Sanchez: I think it's going to be really hard for them to talk about what's actually happening. Because you asked the question about leadership. I think Americans and American leaders are struggling with their own impotence. That's why we're talking about contraception so much. I think that--

Mr. Gideon Rachman: I would have thought contraception doesn't arise in that question, but anyway.

The Hon. Loretta Sanchez: We're so virile. I really think--as an American, I actually feel like it's kind of poignant and sad. You know, the leader of the Republican party, President Bush, was forced to basically (technical difficulty) no government intervention because the economy crashed and we were forced to engage in massive bailouts.

President Obama, he ran on a campaign of engagement with the world of embracing of dialog, diplomacy. You know, he gave a speech in Cairo reaching out to Muslims, but because of national security realities, right, this is all about the economic reality and national security reality. He's talking to them by day, but he's killing them by night, right? I mean, we are five times the drone strikes today as there were under President Bush.

So in a way, the Republicans aren't acting the way the Republicans wish they could be. There's a grand fantasy and the reality. And neither are the Democrats. So it's very hard to have an honest conversation about that. You know, the land of the free and the home of the brave. We've become socialist hit men. Nobody wants to say that in public except for me.

Mr. Gideon Rachman: Well, thank you. Right. Socialist hit men. That's, yeah, not a description I've heard of the United States before. But anyway, let me take the next round of questions. Over there.

Xenia Dormandy: Thanks very much. Xenia Dormandy, Chatham House. I find this conversation a little disturbing, frankly. It's fun and it's interesting, but it emphasizes, for an international audience no less, why so many people talk about a dysfunctional America today. If you're going to achieve--get many of the challenges that everybody has decided we face, if we're going to actually respond to them, we have to respond in a non-partisan way. And there's been a very partisan

conversation and the next eight months is going to be nothing if not partisan.

And so I'd actually quite like to ask the panel, how do we get beyond this partisan debate of bringing the other guy down so you can get on top? And I think one of the remarkable things that President Obama did do in the first couple of years was really reach out, try to compromise, and that didn't work and so a different strategy has been taken. But how do we get back that idea of actually reaching across the aisle and working between the two sides to get something done?

Mr. Gideon Rachman: And you speak of somebody who worked in the Bush White House, correct?

Xenia Dormandy: And I speak as a very non-partisan, apolitical American.

Mr. Gideon Rachman: Right. Okay. Questions over here, gentleman here and then just behind him, yeah.

Jim McDermott: Jim McDermott, Congress from Washington State. First of all, Winston Churchill, for

you Europeans, said, "You can always trust the Americans to do the right thing but only after they've tried everything else." And we're in the midst of that.

But we had a unique, in my experience--I've been doing this 40 years and I never have every seen happen what happened at the beginning of Mr. Obama's session in this White House. Mitch McConnell came and said, "My one goal is to prevent Barack Obama from getting a second term." Now, that's usually what people are up to but people never say it. And he said it and he has tied the Senate so that we don't have majority rule in the United States. Things are decided by 40 percent of the vote in the U.S. Senate. We've passed--when you talk about leadership, we have passed, out of the House, hundreds of bills. Both the Republicans and the Democrats. I mean, in the two years we had it, we passed a lot. The Republicans, since they've had it, they've passed a lot and they'd die in the Senate because the whole point is to never give the president anything he can go out and talk about.

So what Ms. Sanchez talks about, the fact that--the do-nothing Congress, well, it really is the do-nothing Senate. Because we, in the House, have made proposals. The president has reached out on both sides, and maybe Senator Shaheen will talk about this, but my view is that--one of the women senators said to me, "I hope we talk about nothing but family planning until election. We will have every woman's vote in the United States of America," because the Republican candidates have been attacking women on every, single level.

And then you get the kind of thing that Mr. Santorum says where you attack directly people who speak Spanish. He goes to Puerto Rico where they have two official languages, English and Spanish, and says, "Well, you folks ought to be a state, but first you got to learn to speak English." Well, you are slapping the largest growing part of our population. And really, what this--the reason this is going to be the dirtiest campaign--I agree with you. It is going to be the

dirtiest and most expensive campaign we have ever seen and it really is hanging around one issue.

And I agree with Governor Pawlenty. There is a view of how the world's going to be. The United States is moving toward a country that is made up largely, majority-wise, people of color. And that issue is fundamentally making a lot of people really, really upset. Barack Obama sitting in the White House and the fact that the Spanish-Americans are growing in large numbers and the voting population is changing in a way that's going to bring about different kind of candidates to come to the Congress.

I would ask the question of the panel, the one thing that is tying up the Senate is the filibuster rule. As long as 100 senators all want the ability to tie the country in knots, we can't do anything. So I want to know if you think that the Senate, in 2013, will change that filibuster rule so that the government can get back to dealing with things? Because we have

not dealt with the big issues. The world ought to be scared to death of watching us operate.

Mr. Gideon Rachman: Okay. I will give the panel a chance to comment on that in a second. But we have a senator here from the Senate that was just a cry for not doing anything. Senator Shaheen.

The Hon. Jeanne Shaheen: Well, let me just respond to that concern very quickly. The Senate has what's called a Unanimous Consent Rule, for all of you Europeans and a lot of Americans who don't understand how this works. And that means that, in fact, any one person who disagrees with anything that the Senate is trying to do can hold up legislation, can hold up nominations, can keep anything from moving in the Senate. I believe that needs to change.

There are a group of us reformers who tried to change it at the beginning of the current session of Congress in 2011. We were not successful, but I think we will keep on trying because I think that and many of the traditions of the Senate that may have worked very

well for the first 200 years are not working well now and we need to change them.

But I really want to go back to the discussion earlier because I think, as you've heard, there are two very different visions for what we would like to see from America in the future. The governor was correct in talking about that. I share Xenia's concern that we're not talking about those visions and what we really need to do in America. Because money is corrupting politics in America.

And when we have a court decision that says anybody can spend whatever they want with no accountability, then that means the system is not working right.

So just to be clear, in this presidential race, it's expected that the Super PACs on the Republican side will spend \$800 million in addition to what the campaigns spend. It's not clear to me how much the Democrats can raise to counter that. But that corrupts the discussion and that needs to change.

And I don't know how the panelists feel about that but I think the longer I'm in Washington, the more concerned I am about that and convinced that we've got to do something about it.

Mr. Gideon Rachman: Okay. Let me turn back to the panel now. All those questions seem to me to circulate in some way around the idea that the system's broken, the part that you can't get beyond this highly partisan debate. I mean, Governor Pawlenty, do you want to respond?

The Hon. Tim Pawlenty: Sure. Well, just as a starting point, we should remember the system was designed to temper a dramatic or precipitous change by the founding fathers. And so there's an element of that, that needs to be factored into the discussion, just as a starting point.

Number two, everybody in the room is making a comment about, well, we need certain things to happen and they're not happening, whether you're from a right or left perspective. So people are yearning for change,

the change isn't occurring, and so we ask, well, why isn't it occurring? And I think a good question is, you know, what is your theory of change? Under what circumstance does quantum change occur? And I think if you study change historically, it primarily occurs in one of three circumstances or a combination of one of these three circumstances. One is crisis, another is consensus and the third is particularly gifted leadership.

So in the United States, we don't have consensus. It's an evenly divided or, you know, very divided country on most major issues. So it's hard on that split to find consensus on some of the more charged issues of the day.

So if we don't have consensus, do we have crisis? Well, yes, we do. We have crisis as we think about what we're going to do relative to Iran. We have crisis regardless of your political perspective. You can make a mathematical determination using eighth grade

mathematical competencies that we have an entitlement crisis and others.

So these are undeniably mathematically moving in at a rate and pace where, regardless of who's in these positions, they will be forced very soon mathematically to deal with these issues. So crisis is upon us and that will drive change.

And then you need particularly gifted leadership. And if I might jump to your point, if you're going to be the president of the United States, I think it's helpful to actually have run something as an executive. There are certain competencies as a person that you need in terms of maturity, judgment, experience and the like. I was a legislator. I was a majority leader. And with all due respect to the Congress and state legislators, they tend to be lagging indicators of things. In other words, we don't look to the Congress for visionary leadership or the execution of the deal. What they generally are, are indicators of a sentiment that's already crystallized, that's already developed

and then they react to it. So Congress is usually chasing some sentiment that's emerged as a result of a series of events either domestically or internationally to try to catch up to it to say we're doing something about that, we're doing something about that. There is one person who has the primary visionary role of leader, of executive, and that's the president of the United States.

Now, in Mitt Romney's case, he has a tremendous advantage. He was an executive of the private sector. He's not a creature of Washington, DC. He is someone that governed in a blue state as a Republican. I have a particular sympathy for that. I was a conservative Republican in Minnesota. Some of you are old enough to remember Eugene McCarthy, Walter Mondale, Hubert Humphrey, Paul Wellstone, Jesse Ventura, and now United States Senator Al Franken from my state. And I governed there as a Republican and, you know, without being immodest, we did a lot of good things. So being an executive in an environment that's politically

difficult is a very good experience, I think, for somebody who would be an effective president of the United States.

But don't look to Congress. I mean, my goodness. With all due respect, these are wonderful people and they serve hard and do well, but they are not the bellwethers of the future vision of our country. They're chasing existing sentiments. The person who can vision cast, has the bully pulpit, has the executive authority in crystallizing opportunity to cast a vision for the country and drive change and enforce and take the hit needed to actually get the deal done a la Ronald Reagan, it's the president of the United States. And that's why this election is 20 times more important, I think, than, you know, what happens in the particular backroom amendments of Congress. I, you know, I was a legislator and, like I said, I've done both, and your question is important. But I think the person who fills that role has to have the capacity.

There's no mystery--I'll just close with this. There's no mystery as to what the options are to solve the entitlement crisis. It has been think-tanked, white papered, researched, debated, studied to death. There are--Washington, DC is filled with shelves of reports over decades, and the ideas are so old that they come back as new now. And so there's no question what the options are. The only question is do you have the will to do it? Do you have the leadership and will to do any of it? And that's part of the referendum of what's coming up.

And I would suggest to you if you look at the life experience, maturity, judgment and effectiveness of Governor Romney as a governor and as a leader outside of Washington, DC, you'll see those characteristics. With all due respect, I don't think you saw that in President Obama pre or during his presidency.

Mr. Gideon Rachman: Congresswoman, I know you'll want to slug back at that. But as well as doing that, can I ask you to, well, pick up on any of the comments

you've heard, but one that I think interested me was the suggestion we heard from the congressman just here that part of the Republican discomfort is a sense that the country's changing underneath them, that this isn't going to be a majority white country in 30, 40 years' time and that accounts for a lot of the anger in the electorate. As a Hispanic congresswoman, is that something you feel?

The Hon. Loretta Sanchez: Well, I will certainly say that those in power rarely want to give up power. And that power is generally not shared or given, it's usually taken. And when I look at my own state of California, where 50 percent of the population is Hispanic, and I look at the fact that we sent 53 members to the House of Representatives, yet we only have 6 Hispanics among that 53. And when I look at the fact that we redistricted, and we should have picked up a lot of Hispanic seats, if you believe that numbers sort of play out, then I would say--and we didn't, then

I would say that power is never really shared and it's rarely given, that most of the time it has to be taken.

And so when you see people who have been out of power make the numbers that it takes to begin to realize some of that power, that those in power have a problem with it. And so I would agree with my colleague from Washington that America is changing. And I would say that there are some who are trying to figure out ways in which that power could not be shared.

I'll give you some examples. There are proposals in the House to stop giving people who are born in the United States automatic citizenship because the numbers play out and the power will change. There are people who are wondering what we do with the five or eight or ten million people who don't have status in our country. They don't have legal document to be in our country, yet they're part of our country. Their children are born in our country and are citizens. We have mixed families, and those who don't want them, who want to keep them out, call them illegal, as if there

could be an illegal person. And so they make all sorts of attempts to push them. And there are those who say they're part of our communities, they're part of our country, let's give them status in this country. But, God, that would be terrible to do because then these would mostly have darker faces, like my own.

So the power play of the demographics of the United States is a very important thing to watch. There are some who say, you know, as long as the person has the values and the beliefs of an American, let's work with them. And there are others who say, well, that would diminish my power or it would dilute my power and I'm going to try to do everything possible to stop that from happening. These are discussions, by the way, that I hear in back rooms, never in front of the TV, but there is a change going on in the United States.

And, you know, as a Latino, as a Latina, I would say to you my community, my community is the future of America. My community needs to be educated. My community is the workforce of America. My community is

the innovation for America. My community has such a radical agenda for America. It's educate ourselves, work hard, become something, own a home. I don't know that that's any different than what has made America traditionally strong.

So people have to stop fearing and begin to learn how to work not just across party lines but across all groups in America. That's what makes us a country of immigrants. It's what makes us strong. It's that innovation and drive and desire to succeed. And I still believe that plenty of people want to come to America for that reason. And there are plenty of people in America who believe in the America that I believe in. I'm a daughter of two people who came to the United States in that way.

By the way, they're the only parents--my parents grew up telling me America is the best place to live and you're going to be part of it, and they're the only mom and dad who have ever had two women, daughters, in the United States Congress in one generation. America

is a great place. There's plenty of leadership. There are plenty of people who want to work across the line. There are plenty of people who want to move our country forward. We just got to break down some of those barriers.

Mr. Gideon Rachman: Laura, do you want to comment on these issues, the sort of deeper structural issues, and particularly the demographics, the racial undertones of this election beyond the immediate debates?

Ms. Laura Blumenfeld: Well, I think that American voters are going to listen to both sides, and then at the end of the day they're going to say, no, wait a minute, who's going to get us back on the right track? And, I mean, that's what it comes down to. There's this restless nature of the American voter. They haven't had the feeling, if they're Democrats, maybe since Clinton, that they've been on the right track, the country's been on the right track, and Republicans, arguably, since Reagan.

Just one more point back. I don't think we can just glance over this money issue, which I do think is grotesque that here we have an election that's basically being fought and considered over the economy as the central issue, yet it's going to have the most money injected into it. I brought up this point to my ad man friend, a Democrat who has worked on several presidential races, including the last one and this one, and I said, "A billion dollars, you know, isn't that just grotesque?" That's the word I used. And he said, "No." He said, "You know, Coca-Cola might spend a billion dollars on their ad campaign, so why can't the president? Why can't the president?"

Mr. Gideon Rachman: (Technical difficulty) I mean, you think it's grotesque, but if that's what it takes, what's wrong with it?

Ms. Laura Blumenfeld: And, you know, that was my-- that's the question I guess I put to you. What do you think?

The Hon. Tim Pawlenty: Well--

The Hon. Loretta Sanchez: I think it's outrageous.

Mr. Gideon Rachman: Do you think it's outrageous?
Do you think it's money politics?

The Hon. Tim Pawlenty: Well, I mean, you can debate it, but the fact of the matter is the United States Supreme Court has said that using money, yours or someone else's, is an expression of free speech that's protected by the United States Constitution.

And so it used to be that businesses could, unions could, individuals couldn't if you were poor, but you could if you were rich. And, you know, there's been all these attempts to try to limit campaign finance in some form or the other and almost every one of them has flopped because every time they've tried to limit it over here, it just bulges out over here. Like Jell-O, you push it here, it bulges out over there. So this notion that you're going to ultimately contain this through government regulation, oversight, suppression of speech and spending is like chasing the wind, and probably foolish and unconstitutional.

So we can bemoan it and pretend that that's somehow going to be addressed and changed in the near and intermediate term. The truth of the matter is it's not. And by the way, it's first amendment free speech. So let's just get on with the real debate. That's a red herring.

Mr. Gideon Rachman: All right. Let me take another round of questions. Michael Ignatieff here.

Mr. Michael Ignatieff: Just very briefly on that. Mike Ignatieff from Canada. Money isn't speech; money is money. And there are countless democracies, vigorous, competitive, aggressive, nasty, negative democracies that do regulate money and keep money from destroying democracy. I just really, with the greatest respect, I just think Citizens United is the worst decision made by the Supreme Court of the United States since, well, (inaudible). Okay.

But that wasn't where I was going. Just, can I just ask what changes in a Romney administration in terms of the foreign policy of the United States in three areas,

Syria, Iran, and China, I'm wondering whether the governor can give us the sense of what is different in a Republican White House under Governor Romney in those three areas?

Mr. Gideon Rachman: You want to just take out and then I'll (inaudible)?

The Hon. Tim Pawlenty: Well, let me touch on a few of those and then we'll go through it in detail, just in the interest of time. By way of example, as it relates to China, for example, Governor Romney has been extremely forward leaning and bold about how he would manage the future relationship with China, starting with saying once he got into office very early he would label them as a currency manipulator unless they appreciated the one with some dispatch.

And, number two, he said that if they didn't rectify their trade practices, namely how they disregard certain rules of the road in terms of international trade, that there would be other sanctions and consequences. As you know, and I've been

to China numerous times myself, if you are doing business--I mean, I'm speaking for myself now on this part. In China, in the business area that's of strategic interest to the Chinese government, they have some very unusual practices and are unfair. And so Governor Romney said he would call that out specifically and aggressively and impose sanctions. So that's just as bold and dramatic as a set of statements as any modern day American politician with specificity has made relative to China way beyond anything that's been said by this administration or done by this administration.

With respect to Iran, Governor Romney said early on that if President Obama is president, Iran will get a nuclear weapon, if he's President, they won't. Now, again there's a lot underneath the hood of that statement, but in the interest of time I won't go into it, but he's been extraordinarily clear, aggressive and drew the red line with Iran early on, well before the iterations of the debate that you now see playing out.

Mr. Gideon Rachman: Okay. This gentleman here has been eager to get in.

Mr. Marcus Freitas: Yeah, I'm Marcus Freitas. I'm from Brazil. And I've been tracking the campaign and one of the things that we always still don't understand well is why Newt Gingrich still remains on the race and sometimes why Mormons are not characterized as Christians. But I wanted to--going back to the foreign policy issues, in what ways, Governor Pawlenty, do you think that we are worse off with Obama in power? In what ways are we better off when it comes to foreign policy with Obama in power?

Mr. Gideon Rachman: With Romney in power, you mean?

Mr. Marcus Freitas: With--no, no

Mr. Gideon Rachman: We'll wait there.

Mr. Marcus Freitas: In which ways are we worse off with Obama, Governor Pawlenty, and in what ways are we better off with Obama in the next four years when it comes to foreign policy? And not in the negative side but in a positive agenda, what will happen in the world

and what is the vision that America has on both sides for the world?

Mr. Gideon Rachman: Yeah, I'll take a guess there's part of that question that you might not answer, but anyway the lady at the back there.

Ms. Terri Schultz: I'm Terri Schultz. I'm a journalist here in Brussels. And I wanted to ask the panel and I probably don't see everything in the campaign, but it seemed to me that there's been a significant increase in anti-European rhetoric on the campaign trail compared with four years ago and I was hoping a European would ask that, but nobody has yet, so I really have to.

It seems to me there are lots of enemies out there and Europe isn't really one of them. I don't know. When one of the Republican candidates says that the Dutch euthanize their elderly and they're afraid to go the hospital, I mean, everybody over here just kind of winces. And I'm wondering if you agree that this has increased and why and if this will then have any

impact, which I suspect it won't, on the U.S./European relationship should one of the Republican candidates who's been so negative get in the White House. And what's so bad about speaking a foreign language? The idea that, you know, Romney would be criticized for speaking French is just ludicrous to me.

Mr. Gideon Rachman: Okay. Two more, the gentleman there and the gentleman here.

Mr. Andrew Cahn: Andrew Cahn. I'm married to an American, so I absolutely love America, but we--

Mr. Gideon Rachman: Well, I'm glad to hear so.

Mr. Andrew Cahn: --we've been talking about leadership. If you're sitting in Beijing you think you have a better form of governance than America does. Even, goodness knows, if you're sitting in Delhi you think you have a better form of governance or even if you're Vladimir Putin you do. What worries me about the discussion we've heard is that you begin to give some credence to those peoples' beliefs. Are you worried that America cannot go on leading the world if it

cannot govern itself a bit more effectively, first question?

Second question, America faces some really very grave problems and you've alluded to some of them, most notably the deficit. How is America with the governments you've been describing and the politicians you've been describing and actually showing, how is America going to address its own problems? Do you have any confidence that somehow or other Winston Churchill will be proved right and that you will in the end do the right thing?

Mr. Gideon Rachman: Okay. And the last question just here in front.

Mr. Andrew Michta: Thank you. Andrew Michta, GMF. Just to add to the foreign policy questions here, throughout this forum we've discussed, we even had a session on the strategic pivot, we discussed a lot about refocusing of American attention, could the panelists address the question in what way security policy is or is not likely to figure in this

presidential debate.

And, secondly, if so, the Governor I think quite correctly pointed out there's always more continuity than change when the president comes into office. But where do you see the possible changes on national security because we are in this resource constrained environment like never before? So since the end of the Cold War we are for the first time actually looking at the very harsh reality of dollars and cents driving the conversation. Where's the transatlantic relationship likely to be following the election when the new president, whether it's President Romney or Obama, having been elected? Thank you.

Mr. Gideon Rachman: Okay. Thank you very much. Okay. Back to the panel, a lot of questions there circling around foreign policy, Europe-bashing, does it exist, is it justified, austerity, what changes will we see if President Romney replaces President Obama? Governor Pawlenty do you want to kick us off?

The Hon. Tim Pawlenty: Sure. And as it relates to a

couple of the miscellaneous comments relating to the Dutch and to contraceptives, please, remember who said what. Those weren't Governor Romney's comments so as you talk about these comments Governor Romney, in fact, said in more than one debate contraceptives are working fine, leave them alone, so--

Mr. Gideon Rachman: He has been quite tough on Europe, though. I mean, he seems to be--yeah.

The Hon. Tim Pawlenty: Yes. Well, I'm switching to that, switching to that. So it should come as no surprise as we talk about economic models that American conservatives and conservatives generally are concerned about the economic approach to certain European countries.

Greece dominates the news, not that Greece is the bell weather for all of Europe obviously, but it dominates the news in recent months. And so, of course, some of the debate and comments focus on events related to Greece or the fallout from Greece. And so as American conservatives think of incremental movements

towards a more government intervention approach, ala Europe or ala the Democratic party, we don't like that. And so as a reference point for conservatives to say, "Let's not use the economic model of Greece or Spain or Italy," is not irrational. It's reflective of the fact that we don't like government excess or government meddling in the markets to the degree that we've seen in those states.

So those are legitimate examples of government excess. That's not irrational. And it's not intended to be offensive and I hope it's not taken that way. Now, of course, it gets reduced into sound bytes and the like, but underneath it there is a rational reason why it gets referenced. Those are economic models in distress and of great concern and contrary to what conservatives believe.

On the defense and security in foreign affairs there are major differences, major differences. And I won't go through them all but I'll give you a few examples. During President Obama's time, at the end of

the Bush administration they negotiated and began to implement a missile defense system that the Czech Republic and Poland stuck their necks way out for even in the politics of those countries. That was a very difficult thing for them to do and they did it.

In the case of the Czech Republic radar installations, in the case of Poland, you know, hosting the actual installations themselves at great risk, great political risk, great risk to the leaders who effectuated those agreements and President Obama came in and reversed them. I didn't like the politics of that and I certainly didn't like the substance of it and it was very corrosive. I mean, you had, I believe, it was (inaudible) quoted in the newspaper in the United States saying, "You can't trust the United States of America anymore," in the wake of that decision (inaudible).

Another example would be the future of the defense budgets. The Congresswoman foreshadowed the effects of sequestration and then there's another, you know,

installment number two of that. And if one or both of those go forward in whole or in part it will have dramatic negative effects on the defense budget. Mitt Romney has called for that to be stopped, reversed and increased defense spending and as it relates to the Navy and a variety of other strategic assets, expand them in direct contrast to the budget proposal President Obama has put on the table.

Now, I must say, if you look at the American budget and the federal outlays of money, and I'll close on this, and you had a circular pie chart colored red and blue, and this is total federal outlays, and you colored the blue part, "Medicaid, Medicare, Social Security and interest on the national debt," the blue part is at the halfway mark currently and at the rate at which its growing it'll be over the three-quarters line or so within 15 years. Almost all the rest is defense. There's a little sliver in there for parks, prisons and the other things.

So the truth of the matter is, if you don't tackle

entitlements and reform them, it will suffocate financially the--you know, it will extract all of the oxygen out of the pie chart I just described. I don't believe defense should be cut. I think it should be increased in a reasonable manner. Now, it can be, you know, made more strategic and improved in that regard but that's a very different, the defense budget as one example of many, is a very different view between Governor Romney and President Obama, very different.

Mr. Gideon Rachman: Congresswoman Sanchez, do you want to respond? I mean do you see this stark difference?

The Hon. Loretta Sanchez: Well, first to Europeans and, you know, how they're treated and the rhetoric in the United States, I mean, it wasn't a Democrat who put forward a bill in the House of Representatives that changed the name of French Fries to Freedom Fries in the United States, that was a Republican. It wasn't a Democratic senator who poured out all his expensive French wines onto the gutters during, you know, and

this all happened during Iraq when the French refused to go into Iraq with us.

I remember debating George Allan, who, by the way, lost an election, now is coming back as a Republican to try to win a seat in the Senate. When Frank Lotts, a big Republican pollster had us live on television debating back and forth during the Iraq/French thing going on where the question was, "Are the French our enemies or are they our friends?" And George Allan went first and talked about how terrible they were and of course they were our enemies. And then it was my turn, I said, "What are you talking about? They've been with us. They've been with us almost through every war, they have the same value systems, they're Judeo-Christian based," to which point George Allan rips the microphone out of my hand and says, "Oh, I want to change my answer." Okay. So the Europeans are our friends. Let's just put it that way and, you know, anything that's used to push buttons in America I think is just incorrect.

Now, let's go to defense. I alluded to the fact that once again the defense issue will be what plays out in the coming months. Democrats are strong on defense. For 16 years I've sat on the Armed Services Committee and I've sat on Homeland Security since its inception after 9/11. Those are the two committees that I'm on. In 16 years, America's defense budget has gone from \$283 billion to over \$700 billion a year. A lot of that was in the last ten years when we found ourselves in two wars, two wars which I didn't vote for by the way, but put money in because when you have people at war, when you have your troops out there you're not going to say, "Don't buy them bullets." But we're getting out of those wars and we need to scale back.

We don't need the numbers. We increased by 100,000 people to send out there. We can scale them back and all of their expenses that go along with them and we've got tons of different forward systems for the future, not all that we can afford. So we have to scale back some of that.

And, Governor, as to missile defense, that is the sub-committee that I'm the ranking member of and I've chaired before. And let me tell you about missile defense. The phased adaptive approach hits to the real issues of the threats that are today and for the foreseeable future in particular to our allies called the Europeans. And that phased adaptive approach is an important change and a good change for America to do especially when we have a grown-based missile defense system that quite frankly doesn't work very well. And we're trying to get the bugs out of it. And Bush was the one who forwarded it and put it in place even though it wasn't really working well. And I don't want to put the same system in Poland. I want to make sure that the system works before we put it somewhere to defend something that's very, very important. So (technical difficulty 02:13:16 - 02:14:34).

Mr. Gideon Rachman: Sorry if it's a bit arbitrary. There are a lot of hands so I just have to do my best.

Mr. Quadif Trategi: Governor Pawlenty and

Congresswoman Sanchez--

Mr. Gideon Rachman: Sorry, could you just say you are for the--

Mr. Quadif Trategi: Yes, I'm Quadif Trategi from the European (inaudible) Forum here with my colleague, Nicholas. And we've been hearing this debate with a lot of interest. We've been Tweeting about it. There's one aspect that I thought wasn't addressed 'til now and I'd like to hear your views. What do you--how much of this election do you think is about the generational change in the U.S. as compared to the demographic change and the makeup of society? How much of it is a reaction of one generation to the world and the way it was and the way they perceive it to be and another generation, which doesn't--in fact, it doesn't have that baggage and doesn't look at it that way and, you know, is looking very differently at it?

Mr. Gideon Rachman: Okay. Generational politics, any bit--any other points? Here, the lady here wants to intervene.

Ms. Amy Kellogg: Thanks. Amy Kellogg from Fox. I'm just wondering, when we talk about the money that's spent in campaigns, if any studies have been done which show that the money, okay, you may say that it's disgusting that so much money has been spent, but, in fact, it's created X number of jobs or it's done some good for the economy other than just putting one candidate or another into office. I mean, is there more to the story than just these--

Mr. Gideon Rachman: Like the original stimulus program, the presidential election?

Ms. Amy Kellogg: Sort of, yes. That's my question.

Mr. Gideon Rachman: Okay. Okay. Fine. And last question from the gentleman, just here.

Mr. Joshua Walker: Josh Walker, German Marshall Fund. I just want to give the panel a little bit of credit. I think that the fact that you have passports, the fact that you're all here at the Brussels Forum, all of our leaders are here, demonstrates something as an American. What I'm worried about is the question of

the global issue, in terms of in the U.S. the number of Americans who are basically saying, look, the world's a dangerous place, leave us out of it, going back in isolationist America, return to history of a 1918 America.

And so I want to ask the panel how you think about that next election. Whether it's, you know, Governor Romney or President Obama, how do we continue to keep American's engaged in the world and make sure that America continues to lead with Europe in the Transatlantic future?

Mr. Gideon Rachman: Okay. Great. Those are questions we'll have to end on. And it'll also give you an opportunity to sort of round up and give a view of the debate in general. So generational politics, spending's actually really a good thing, and the threat to isolationism, which we seem to debate every presidential election. But I guess, with America pulling out of Afghanistan, pulling back from Iran, maybe it is a bit more real this time. And, of course,

the austerity crisis at home. Actually, since I started with Governor Pawlenty, I'll end with you this time. But we'll go to Laura first.

Ms. Laura Blumenfeld: Well, just on your question about (inaudible) America (inaudible) power we can become isolationists, I think we're going to see it in a very different way. I mean, there are conversations about hard power and soft power. I think what Obama found, a sweet spot, which is stealth power. I mean, when you think about his foreign policy and how he's pursued his counterterrorism policy, he's a President Jekyll and Mr. Hyde. I mean, you know, by day, you know, he says the things we want to hear. And by night, he keeps us safe while we're sleeping. And it's very different from the Obama who came into office in '08. And I think that that's the future.

Mr. Gideon Rachman: Now, some people have been rather shocked by it, perhaps just the liberal Europeans. But, I mean, they were a bit surprised that this president who came in, saying, you know, he was

going to bring peace to the world, made all these great speeches in Cairo, in fact, as you say, has been, you know, hugely upped drone strikes and has pursued a pretty military--you know, have the surge in Afghanistan. So is Governor Pawlenty right that, more or less, whichever president comes in, presented with the same facts will come up with the same foreign policy?

Ms. Laura Blumenfeld: I think there isn't a lot of room to maneuver. I mean, only 54 percent of Americans believe that America is a preeminent military power in the world today. And whether that's true or not, that's the perception. And the reality is, you know, there aren't that many options. So Obama's become the king of covert.

Mr. Gideon Rachman: Right. Lastly, on the generational question, I mean, one explanation I've read, seemed quite plausible to me about the Tea Party, is that it's the older people who have a certain entitlements who are worried about, you know, say,

Obamacare and what that would do to the distribution of tax revenues. Is there a kind of generational conflict stoking up in America? There certainly is in Europe.

Ms. Laura Blumenfeld: I don't see one in this election. '08 was definitely where the young people came out. So far, I haven't seen it. But, you know, seven months out, they're like dog years in election years. So, in seven months, a lot can change.

Mr. Gideon Rachman: Okay. Congresswoman Sanchez, some closing remarks.

The Hon. Loretta Sanchez: Well, if it's generational, I think that--I believe that Obama will win the young vote if the young vote comes out. He was very successful in 2010. And one of the reasons why he surged so much was that--I'm sorry, 2008, was that he did inspire and bring a whole young generation to vote in America. And so we wonder, will that happen again in this election? And some say not. And, actually, I have begun to see young people engaged again and understanding that they want to be voting for Obama. So

I think we'll see some of it. I don't know whether we'll see as much of it. I would hope that we would because, of course, in the United States, age 18 to 24 is the least likely to vote. So we hope, and I hope, that we will see the young people engaged.

With respect to where our president will lead, again, I think--I believe that President Obama will continue to be our president. I think that, in the last three-and-a-half years, he's learned quite a bit. I believe that the world is a tough place to be in and that he has had to transform his ideas from where he began as a candidate to now that he is president where he is.

But I don't believe, as you see the change from Bush to Obama, for example, that the bottom line, in a lot of ways, have changed, certainly how we got into wars. There's a big difference between how the world perceived us under Bush and how Europeans perceived us in particular, and how--and the driving force that was Bush and more likely, for example, to go to war, in my

opinion. And I believe that President Obama has been more thoughtful about where he goes. The last thing I would say, as someone who has watched the transformation and continues to look at the transformation of the military power, whether it be our or anybody else's around the world, we have, in the United States, the best trained, the best educated, and the best equipped military the world has ever seen.

But it is a tool. It is a resource. And like any other resource, it is limited. And by going into Iraq and Afghanistan, we have stretched what is a limited resource. And it--now, we have to bring it back. We have to transform it for the future conflicts. And that's what we're trying to do.

And a future conflict, in my opinion, in the world and a future address to that type of a conflict will look more like what you saw with Osama bin Laden than to put a conventional army across the sands of Iraq. And I believe that President Obama understands that. And I believe that there are many in the Congress, both

Republicans and Democrats who understand that. And so transformation will occur with respect to our military. It will occur regardless of what president is in the White House, but I think, in particular, it will occur much faster when Obama continues to lead our country.

Mr. Gideon Rachman: Okay. Governor Pawlenty, some closing remarks. There's been a lot you could pick up on. I would be interested to hear what you have to say about this whole question of isolationism. And it struck me, listening to the debate, really, Europeans, we can understand why, in domestic American terms, the choice has to be posed as heaven or hell, you know. If you're a Republican, you know, it would be a disaster if Obama wins, and things can only improve if Romney wins. But, I guess, from our point of view, we want to believe that whoever wins, it'll be more or less okay. And is it really such a consequential election for the rest of the world?

The Hon. Tim Pawlenty: Yes. And in the view that, you know, it could go this way, it could go that way,

what difference does it make, is false and, I think, naïve and misguided. With respect to a few of the anti-terror activities, namely the keeping open of Guantanamo and drone strikes, there are some commonalities. But beyond that, there are striking differences as to approaches, depending on who the next president is.

President Obama chose to engage with Russia in a way different than President Bush and I think different than Governor Romney has proposed. I would submit to you, how has that gone in terms of results? President Obama wanted to engage rhetorically with Iran early on. How did that work? He wanted to engage with Syria by bestowing upon them the reopening of our embassy and other courtesies. How'd that go? He wants to significantly cut the defense budget relative to where Governor Romney would be. That's very ill-advised. He's been criticized, I think, appropriately so for his positions relative to Israel, criticized within the United States. He's, in my view, been appropriately

criticized for an arms control treaty that is flawed. And Governor Romney directly and specifically criticized him for that. And now he wants to engage in what might be a second rounds of arms control based on that framework, and it's, in part, a flawed framework. And the list goes on.

So to say, in light of those facts and different approaches on those most important issues--and, by the way, significant differences on the drawdown in Afghanistan, significant differences on what was the drawdown in Iraq between Governor Romney and President Obama, and to look at all of that and much more, if I had time, I could continue (inaudible) in particulars and to say, yeah, what difference does it make? It makes a hell of a lot of difference.

Mr. Gideon Rachman: Okay. Well, just--

The Hon. Tim Pawlenty: Now, let me just finish with one last thing. On the issue of isolationism, within the Republican party, within the United States more broadly, and certainly within Europe, there is a strain

of that. You see in the Republican debates, Ron Paul expressed what many would consider to be an isolationist view or a more isolationist view. My personal view, and I think Governor Romney's view on this, is that's not the correct course for America, that America's role in the world is to be the world leader in all respects, including in security matters and military matters and economic matters and the like. Our goal is not to be one of equals. Our goal is to lead.

And, now, there's lots under the hood of that. And (inaudible) finally, it's not just a concern about the examples of government excess in Greece or Spain or Italy that get referenced, as we said earlier. There's also a concern, a legitimate concern, about how Europe perceives threats outside of Europe, to Europe or the rest of the world and their willingness to invest in identifying and, if need be, confronting those threats.

And so you saw Secretary Gates, for example, at the end of his time, serving under both President Bush and

President Obama, give a very blunt expression of concern about Europe's willingness and capacity to engage with those goals in mind. There have been speakers at this conference who have said, as Europe looks around the world, they see no enemies, a startling statement, I mean, a stunning statement, a unbelievable statement, from my perspective.

And so we view the world in that regard very differently. And so we share many common values, but there are some developing and striking differences that need to be put on the table. And friends need to be candid with each other, and those are raw and important matters. And if Europe's view is going to be, you know, we don't see any problem, and we're not prepared to invest in the capacity to identify and confront them, you know, we're going to have some issues.

Mr. Gideon Rachman: Okay. Well, I think that's a very interesting and appropriate note on which then this section and entire conference devoted to Transatlantic dialogue and a call with frankness with

each other, and I think it's really what this conference is all about. So thank you very much to all of the panel and Craig Kennedy.

Mr. Craig Kennedy: That was an excellent way to end. We have two last things that we're going to do. One of the things that we've been putting an emphasis on is how do you bring new people into the transatlantic policy community? We have our young professional summit that was meeting downstairs yesterday. And I know a number of you were very generous with your time and spoke to them. We have the Asmus Policy Entrepreneurs, and I hope you've all had a chance to talk to some of them--or the three of them.

We also, with administrative foreign affairs here in Belgium, do an essay contest each year for young writers who are--do creative pieces on the future of the Transatlantic relationship. And I just want to quickly hand those out. The first award goes to Thomas Gietzen. Thomas, are you here? Thank you so much. And the second goes to John Schellhase. Thank you so much.

Hang on a second 'cause we'll get some pictures afterward. But we're really, really pleased that we can find these opportunities to bring young people into it.

That is the end of Brussels Forum Seven. I want to thank all of you for really making this, I think, intellectually, one of the most interesting we've ever done. For those of you that have been tweeting, we kind of drove the social media numbers off the charts this time. I know Amb. (unintelligible) has been tweeting through the whole thing, so it's excellent to have this kind of support and help. If you have ideas on how to make things better, if there's something you really liked or didn't like, talk to me. It's one of the ways that we improve Brussels Forum.

I--those of you that were here three years ago remember that the temperature in this room was about 110 degrees. You notice it's not 110 degrees anymore, and that's because we've got a very big air conditioner out in the back street. No. We listen to your ideas. So, please, share them with us. Give them--give us your

ideas. And we look forward to seeing you all next year at Brussels Forum. Thank you. And thank you. That was really a fine panel. You did a really great job.