

**CENTER FOR
STRATEGIC AND INTERNATIONAL STUDIES (CSIS)**

PRESS BRIEFING ON PRESIDENT OBAMA'S TRIP TO EUROPE

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WEDNESDAY, MAY 18, 2011

9:00 A.M.

WASHINGTON, D.C.

*Transcript by
Federal News Service
Washington, D.C.*

H. ANDREW SCHWARTZ: Good morning, and welcome to the Center for Strategic and International Studies. I'm Andrew Schwartz; I'm senior vice president for external relations here at CSIS. And I'm glad you all could make it here today, and I'm glad we could do this. For our friends who are going to be listening to this podcast later, we're going to have it up on iTunes, and we'll also have it at CSIS.org. We'll be issuing a transcript later today.

And let me just say at the outset, all of our experts will be available while you're on the trip. Then, they'll be available before you go on the trip. And you can contact me.

I'd also like to introduce my new media assistant, Ryan Sickles, who is in the back here. Ryan is the new Neal, for those of you who knew Neal. And he's the new and improved Neal, as you can see – no, just kidding; Neal got a great new job, and we're all very proud of him. But I'm very excited to bring Ryan on with me. And Ryan will be of great help to all of you going forward.

We have got an excellent briefing here today that will really touch on all the points of the trip. These are, you know, some of our best experts here at CSIS. And I would just want to go through – you have their bios, but I just wanted to introduce them real quickly.

Heather Conley to my left is the head of our Europe Program. And she's – many of you may know of her through her work with the Arctic region, which just really helped provide a lot of context for what Hillary Clinton and the Obama administration is doing with that policy. Heather is our Europe Program director, and she's also former deputy assistant secretary of state for European affairs.

To my right is Janusz Bugajski, who is our Lavrentis Lavrentiadis Chair. He is our master of all things Southern European and Central European; very, very well-published; author of some of the seminal books and seminal research in this area. And we're happy to have Janusz with us today.

Next to Heather, I have Steve Flanagan. Many of you know Dr. Flanagan, who served in many positions in government throughout the years, including as a senior director on the National Security Council for European affairs. Steve is our Kissinger Chair here at CSIS.

And to Steve's left is Meredith Broadbent, who is one of our newest scholars at CSIS. Meredith is our Scholl Chair in International Business. Meredith was a – is a trade and business expert, was on the ranking Republican staff on the trade committee in Congress. And she's a great resource for all of you on these issues.

And with that, I think we'll get started. And we're each going to give about five minutes, five to seven minutes, of opening remarks. Following that, we'll take your questions. And of course, your questions are really important to us. So we want to give you plenty of time for that.

And with that, I'd like to introduce Heather.

HEATHER A. CONLEY: Thank you, Andrew. And good morning, everyone. What I thought I would do is a brief introduction to the president's trip next week, touching very briefly on each stop, and then turning to my colleagues to provide greater depth and detail about particularly important aspects of the trip.

This is President Obama's eighth visit to Europe, if I – if my count is correct. He took five trips in 2009 to Europe, two last year, and now this trip. This is a four-country-stop visit, and a six-day trip. So I think it is a significant amount of time for the president to be spending.

Since President Obama's last trip to Europe, which was in Lisbon in November to attend the NATO and EU summits, a good deal of activity has been occurring in Europe. Since his last visit, we now have two additional bailout packages for Europe – for Ireland and for Portugal. And obviously, the Arab Spring and a great deal of attention to immigration issues have also affected the politics of Europe.

Thematically, I think the president will touch on two important messages throughout his visit to Europe. And I think the first message you can draw from President Obama's op-ed in November of last year that appeared in the International Herald Tribune – I think you're going to hear a lot about Europe being the cornerstone of our engagement, and a catalyst for global action. This is going to be, I think, reflected throughout his visit. It was something that also Vice President Biden previewed two weeks ago in a speech that he gave before the Atlantic Council.

The other main theme that you will hear actually comes from – stems from the May 2010 National Security Strategy, which notes that the burdens of a young century cannot fall on America's shoulders alone. You're going to hear a very strong message, I think, both implicitly and explicitly that if Europe can marshal the political will and the necessary financial resources, that it will be part of a broader effort to work on the complex issues that this – particularly this decade presents us.

So let me begin with Ireland. This is an extraordinary week for Ireland, if you have been following Queen Elizabeth's visit, which started yesterday – a historic visit; the first time in over a century that a British monarch has visited the Republic of Ireland. I can't begin to tell you the security that surrounds this visit: Queen Elizabeth leaves on Friday, and President Obama arrives on Monday – well in excess of 30 million euro(s) for the cost of this security; 8,000-plus police and gendarme forces. This is certainly an added expense to a government that is feeling the full impact of austerity. And so I think it's an extraordinary visit.

MR. SCHWARTZ: Will President Obama be wearing the same green suit that Queen Elizabeth wore?

MS. CONLEY: I hope he wears vibrant green the entire – (laughter) – time. She has been stunning, if you want a fashion critique – yes. (Chuckles.) The president will have, obviously, standard meetings with Irish president Mary McAleese. She is completing her tenure

as Irish president. He'll have meetings with the Taoiseach. But I think, really, the highlight for the president, quite frankly, is his visit to his ancestral homeland, the birthplace of his great-great-great-grandfather, we understand, in Moneygall, in County Offaly – am I pronouncing that correctly? Dr. Flanagan will help correct my Irish – (laughter). And I think I understand he may be having a pint and enjoying himself in Moneygall. So I think that's sort of the color commentary; that will be certainly a highlight for the president.

After he leaves Ireland he heads to London, and although this may be the eighth visit to Europe for the President this is his first European state visit. And I think we had a foretaste of the wonderful British pomp and circumstance for the royal wedding; we're about to see it again unveiled for this incredible state visit where the Obamas will – my understanding, stay at Buckingham Palace and will have state dinners and full receptions, so it will be a wonderful opportunity.

I think the focus for the visit of the U.K. is really to put the “special” back into the U.S.-U.K. special relationship. If you'll recall, last year was a very bumpy year, between the BP oil spill; the controversy surrounding the release of al-Megrahi, the Lockerbie bomber; I think you had some surprise of last year's announcement of Prime Minister Cameron of a timetable for British withdrawal from Afghanistan. I think this is, in part, a way to bring back the special bonds of this relationship.

The highlight of the visit, I am – it is our understanding, I know these things are always constantly in flux – but the set piece speech for this entire trip the president will deliver in London. My understanding, again, it may be – the venue of the speech may be Westminster Hall. If that is correct, this the first time an America president has spoken in that very important venue to both houses of parliament.

This has been a speech, I will suggest to you, that many in the think tank community have really sought: a major speech by the president about Europe and what Europe and the United States are doing together. Again, I think thematically, as I mentioned, it will pull in those two statements. Again, a very fulsome discussion, one-on-one meeting with President Obama and Prime Minister Cameron to talk about an extraordinary range of issues: Afghanistan, Pakistan, Libya, Iran, the Middle East peace process, counterterrorism – I mean – and Steve, I know, will go into the richness of all of this – the international security issues. But again, this speaks to the importance of this relationship.

After London we're off to Deauville, France for the G-8 summit. Again, I think the highlight, for me as I look at this particularly important visit, is the role that the G-8 will play in the Arab Spring. I think you'll see a strong message of political support, I'm very curious to see if there will be initiatives – economic initiatives – to help particularly Tunisia and Egypt transform. But it will be a strong message of solidarity.

We understand that there'll certainly be some significant outreach to Africa and obviously the French presidency of the G-8 – G-20 is lending itself to a very strong message on the transformation of Africa. Newly elected leaders will be present, but also focusing on some of the continuing challenges; whether that's Somalia, Sudan and elsewhere. And the French have

been working on an Internet initiative particularly focused on privacy. I think some of this may be very conducive to the rollout of the Obama administration's Internet strategy – international strategy – and I think there'll be some focus there.

Always look at the meetings on the margins of the G-8. And it's our understanding that President Obama will have a bilateral meeting with President Medvedev. This will be, of course, a very important meeting to discuss where things stand currently with Russia's accession to the WTO. I would imagine there's a fulsome discussion on missile defense; we've certainly heard public remarks coming out of a variety of Russian government officials, their very strong concern about the decision to place interceptor missiles in Romania. And as we move to the Polish part of the visit there may be some concerns about enhanced U.S. military cooperation with Poland.

Now on to Warsaw, and I'm not going to spend very much time on this. Janusz is going to provide you with a great deal of depth. This is the first – this is the president's first trip to Warsaw; he has been to Prague twice, but that was mostly on the business of dealing with President Medvedev on the New START treaty. So this is really his first focused event on Central Europe. As you recall President Obama was going to travel last year to attend the memorial service for President Kaczynski; the Icelandic ash cloud prevented that trip. So this, in part, is a very strong gesture to that tragedy.

This will be a message of reassurance to Poland and in fact, in my view, righting a relationship that got off to the wrong foot in 2009, exacerbated in some ways by the rollout of the administration's missile defense decision. This is also a significant boost to Poland as it assumes the presidency – the EU rotating presidency – on July the 1st, and will have some important responsibilities there.

Two final thoughts and then I will shush and give this to my colleagues. Again, this visit is important. The time that the president is spending, the range of issues that he's dealing with, again, speaks to the richness and the depth of the trans-Atlantic relationship. I think the speech, hopefully at Westminster Hall, will reframe the U.S.-European relationship. Some could argue, maybe resetting this relationship.

The irrational exuberance of Europe when President Obama was inaugurated has now met, two and a half years later, with a daunting list of domestic challenges, international challenges, and we have to understand how this relationship is going to work within that complexity. I think, really, quite frankly though, what's most important – what happens after the speech. Where's the implementation, and the strength and focus on this relationship?

And finally there's one thing missing, I think, from this visit. And this is the full acknowledgement of the extraordinary and profound impact that the European sovereign debt crisis is having on Europe itself politically, economically. Although the president may touch on this in Ireland, I think Washington needs to focus its energies and its attention on this dramatic crisis and hopefully this visit will provide a lot of context for the president to put more leadership and follow this crisis as it unfolds.

So with that, thank you very much. And I will pass the baton.

MEREDITH BROADBENT: You know, my sense on this is that probably the trade and economic issues won't be the highlight particularly of this meeting. You've got, you know, the Arab Spring, and the international security issues, and I think the president will be able to take credit for the Osama Bin Laden incident.

On trade, international trade, particularly Doha Round, I think it's going to be a regrouping session for leaders to talk to each other behind the scenes. I don't think you'll see anything, probably, publicly within the statement other than the old saw that that they want to conclude the Doha Round. It's sort of being landed softly in Geneva right now, and I think members are – WTO members are trying to interpret what that means for all the individual countries' strategies and will come back and look at it later. But this is a time for more domestic reflection on the way to go.

The theme with that issue that connects, I think, with some of the more governance issues related to the international financial institutions is the changing role, of course, of the emerging economies of Brazil, India and China; and whether governance balance will change in some of these international organizations to reflect their continued vibrant economic growth and increasing economic clout in world markets.

Part of that is that they are not – part of the Doha Round's problem I think at this point is that they, these countries, are not so much committed to the WTO that they want to expend a lot a capital to get the agreement going. They're willing to be somewhat constructive players but not offer huge market openings that would lend itself to a successful international agreement on trade.

They are not feeling that it's a particularly strong organization to protect their interests. I think they may be wrong about that, but right now they're willing to kind of watch others try to get the Doha Round moving again. But those I don't think will be in anyone's lead stories. It's just a backdrop that you ought to focus on and see if you can pick up anything in terms of maybe rethinking about where the Doha Round goes.

Then in terms of – I think I'll stop there and leave it for questions.

MR. SCHWARTZ: Steve, do you want –

STEVEN FLANAGAN: OK, thanks. (Off mic.) Thank you all.

As Heather indicated, the security agenda, I think, is going to focus on – and probably we'll see an amplification of the theme that was evident in President, if you recall, President Obama's op-ed in The New York Times last November right before the Lisbon Summit – the idea of Europe as an indispensable partner in dealing with many of the things that we hope to do in the world. Particularly dealing with broader instability and a number of security challenges, but also promoting global growth and dealing with the, you know, dramatic changes that have been unfolding particularly in the wider Middle East.

So let me touch on that and just a little bit on some of the broader implications of Middle East instability, because that is certainly going to be a focus in London and Paris of discussion. But the security agenda, I think, in London and Paris will probably focus first on strategy for the denouement of operations in Libya.

We're obviously reaching the 60 day mark this week in the context of NATO's Operation Unified Protector. And we could go through in the discussion – you've all seen the data on the overall level of activity, the progress thus far. And of course, recent defections in the last few days from the Libyan government, moving in on closer attacks directly in Gadhafi's main instruments of command and control over his armed forces, and what impact that's having.

But there is the question of what to do post-Gadhafi too, if it is in fact – if the NATO pressure is successful. So that'll be a good part of the agenda. The other question, of course, is in the midst of all this current operations there that have been more visible, the continuation of the campaign in Afghanistan. The review here in the United States, but also in a number of other allied contributors particularly in the U.K. and France, important contributors to that effort, how will we begin the phased transition to Afghan lead in security affairs, of course, some of which began earlier this year in March.

But what is the pace and what is the scope of withdrawals that are possible; that will be something that all of the interlocutors in – certainly in London, Paris and Warsaw, will want to hear; all of them, all those countries being important contributors, but particularly the U.K. and France.

In Poland, I think – well, there will be this touch on Afghanistan. There'll be a lot more discussion about the implementation of efforts to assure Poland and other Central-East European countries – and you'll hear more I'm sure about that he's meeting with a broad range of Central European leaders there at dinner – about the commitment to Central-East European security, even as the U.S. engages Russia and deals with more pressing security issues farther afield.

So let me touch on London. I think, obviously, the immediate question will be: How are the plans for Unified Protector, the Libyan NATO operation, unfolding? The planning there – support is pretty strong in the U.K., but it's not enormous; it's about 50 percent according to some recent polls. Clearly the conduct of the operations have revealed some of the strains that the U.K. is suffering in the operations of its military having just gone through the strategic defense and security review last year. It made some decisions, including some which were shown to be somewhat flawed.

First of all, the carrier – the short takeoff and lift carrier that went out of service right before the operations began, that somewhat restricted their capacity to conduct air operations, particularly ground attack operations over Libya. The way in which some decisions were made, even about some of the other aircraft in the inventory, that were then not available. There's been shortages of pilots.

So all of this has led to the question of, how long can we keep this up? And so I think there will be a question about – you know, when can we expect a decisive blow? How are we doing in the political strategy of convincing Gadhafi that he has to go, and then what? And that's, I'm sure, going to be part of the discussion.

Prime Minister Cameron was in Afghanistan earlier this month, and there was a lot of discussion and questioning about whether or not there would be pressures to ramp up the rate of withdrawal. There was some discussion of perhaps several hundred. The UK has, what, 9,500 ground forces in – ground and air forces in Afghanistan, mostly in Helmand in the southeast.

And General Richards, the chief of defense staff, has been somewhat – maybe echoes our own debate here with General Petraeus, General Richards cautioning against any kind of precipitous or overly large withdrawal, at least according to media reports. And so the question of, you know, whether Prime Minister Cameron would like to see something more visible. Clearly, all of the NATO allies, when they adopted the statement on Afghanistan at the NATO summit in Lisbon last November – there was a great deal of emphasis on the transition phased – transition contingent upon the capabilities of the Afghan forces.

Of course, we know that a number of NATO allies have not lived up to some of their commitments in terms of providing the training forces that are essential, that, as Secretary General of NATO Rasmussen always says, that training is the ticket to transition. Well, not everybody's paid for their ticket. And so the fact is that the training is not going as well as some might have hoped.

So obviously, I think Prime Minister Cameron will want to hear, what is – where is Obama on this? How can we continue? I think as long as there's steady support – there's pretty strong support for the Afghan mission in the U.K. They're very much committed to the 2014 end of the transition process, conditions-based. They've got extra budgetary funding still earmarked, so they provide support outside the normal defense budget for this. And I think we can expect that to be a pretty rock-solid commitment.

But there will be, certainly, demands to see some signs of further transition and to an Afghan lead, as we saw in several provinces and districts beginning in March and the last month in this year.

President Sarkozy, I'm sure, will – in the bilat, there will be a great deal of discussion, and I'm sure in the G-8, of the turmoil in the greater Middle East. How does the West respond? The immediate question, of course, where – how is the Libyan campaign unfolding? Probably some desire to highlight the gains of the war is – or the campaign, I should say, in Libya, is very popular in France. 63 percent support is the highest – among the highest in NATO for this operation.

Whether – it's not clear that this helps Sarkozy in the electoral campaign, and I think that President Obama will want to steer very carefully around that, and hopefully there won't be a "Free DSK" protest while he's there. But in any event – and Sarkozy also will have to watch himself, I'm sure, on that one.

But less certain about Afghanistan, I think, in Paris, as to where they – they certainly will want to also know U.S. plans. They have about 4,000 troops there, mostly in and around Kabul. But I think that there's not – there's not any clamoring for ramping up the withdrawal there, but I think there is, also, as I said, in all the allied countries, a desire to see that the plan agreed to in November of last year is moving forward.

I think there'll be a lot of discussion, I'm sure, on instability in Syria, coming after the president's speech on Middle East strategy. If it is a Cairo II speech, as some have suggested, there'll be a great deal of interest, I'm sure, in Paris – and in London – about, what is the broader US strategy for dealing with the changes in the Middle East? What else are we doing to shore up our broader interests even as we support a very uncertain reform, a reform that we're not sure where it's going?

And of course, what to do about the crackdown in Syria, as we continue to grapple with Lebanon. And then the whole question of, with Ambassador Mitchell gone, what is the administration thinking on Middle East peace?

So that's – that'll be a – and that's a much bigger question we don't want to get into in the discussion, perhaps.

On Warsaw, as I said, I think the focus will be on the assurance about this affirmation – some people talk about in Central Europe as reassurance. I think it – I've never liked that term. I think it implies that the NATO security guarantee needed to be rewritten by another company in New York – you know, that does reinsurance, or Swiss – in Zurich – that you needed, you know, that NATO – you couldn't really rely on it.

And there has been that undercurrent in some of the Polish debate about – well, we – you know, the more US troops we can get, the more certain we'll be about those. So there will be an expected – of course, according to news reports, that President Obama will announce the relocation of about – you know, upwards of 16 U.S. F-16s – (inaudible). So – you know, about a half a squadron – about a squadron – from their current base in Aviano in northern Italy to Laska in central Poland. And they'd be stationed there on a rotational basis beginning in 2013.

This has been a goal for a long time, of – particularly – well, I mean, a number of Polish leaders, particularly Foreign Minister Sikorski. Janusz could talk a little bit about the politics of this. But I think that this'll be another sign that the administration will want to – both in – with the meetings with President Komorowski, and with other Polish leaders – that this is a further sign that the United States is committed to defense of all allies, that there should be no doubt.

And just as the United States pushed for the enhancement of the military planning for – not only for Poland, but for the Baltic states, which had not been fully developed in previous years, the so-called contingency plans that the revamped military posture, which was announced in February – that the administration will retain three army combat brigades in Europe, but a 25 percent cut instead of the 50 percent cut that was – many had feared, and that some – that had been called for in the 2004 posture review that Secretary Rumsfeld led.

So I think that the president will be able to – and will certainly try to reassure all that this continued – you know, sizeable presence plus a realignment of that presence with perhaps some further Air Force presence in Poland will be a sign that the U.S., even as it engages Russia, it is very much committed to full defense of all allies.

And I think that he'll try to underscore that this is a prudent preparation to deal with the likely Russian complaints. Particularly, he'll hear from – I'm sure – President Medvedev and others, about this, that – you know, is this really consistent with the new partnership? And I think the parry to that will be – well, but yes, we're moving ahead; even as we also talk to the Poles about stationing missile defense interceptors, that we're moving ahead with discussions with Russia about cooperation in the development of missile defense.

And I think that will be – that is certainly seen in Moscow as much more of a touchstone of the seriousness of this idea of a new partnership with Russia in managing wider global threats.

So let me stop with that and –

MR. BUGAJSKI: Thanks very much. Steve took about a minute from my remarks. I only have five minutes, so I'm going to raise five points. I do think that there are probably about five objectives that President Obama has in his visit to Warsaw. So – but let me briefly underscore them: first of all, that Poland remains an important ally, and it's a sort of show of faith in the current government, both the Komorowski presidency and the Tusk government, which are viewed as constructive players in Europe, and more broadly.

And let me put this into context. As compared to the previous government, the Kachinsky government, Poland has certainly raised its stature within the European Union. It's established very good relations now with Germany. It's active in this – something called the Weimar Triangle, with Germany and France – Heather can go into a little bit more detail about this if you want to know. The idea is to try and develop some common policies within the European Union, amongst some of the top states.

Poland also has performed pretty well economically despite the recession. It was the only country in the European Union that actually grew. Not a lot, but at least it didn't shrink. And the economic – the economy actually is recovering pretty well.

Secondly, Poland also has very good relations – no, very good is maybe too strong – but has developed good relations with Russia. And that, again, is seen as very constructive in the United States. But whatever you do, don't tell anybody in Warsaw that this is due to the Obama reset, because the Polish reset preceded the Obama reset with Russia by about a year.

When the Tusk government came in at the end of 2007, one of their policy planks was to build good relations with Russia, at least in areas where there could be cooperation. It's also worth remembering that at the end of this year, in October, Poland faces parliamentary elections. And even though the United States does not intervene in any way in domestic politics, I think this is a sign to the Polish electorate that this government, the Tusk government, has the

confidence of the United States. And that still is important, I think, in Poland, where pro-American feelings remain pretty strong. Actually, they were very strong during the Bush administration, but they remain so today.

Secondly – and Heather mentioned this – Obama’s meeting with a number of Central-East European heads of state – again, we don’t know the final list of how many are coming, but there will be a sort of mini-summit in Poland. And I think, here, there’s going to be three messages. First of all, as Steve mentioned, this policy of reassurance regarding – I don’t know the term either, but it’s sort of been accepted now as given. A policy of reassurance regarding their security, but not just the reassurance, but there is some substance in this.

In other words, the Baltic contingency plans have been firmed up. NATO response forces planning exercises involving Poland and the three Baltic states in 2013, plus, of course, central East European inclusion in the new missile defense system. So for all those reasons, Obama can claim, see, there is substance behind our words of reassurance.

Secondly, I think there will be gratitude for the contributions of the Central European countries to the missions previously in Iraq, but also in Afghanistan. Many – not all, but many of the countries have contributed – per capita, they’ve contributed probably better, some of them, than some of the West European countries. And again, Steve has much more detail on that.

And thirdly – I think this is very important – I think Obama will want to highlight Central-East Europe as an example of a successful transition from authoritarianism to democracy, and the benefits that go along with such a transition. In other words, the message is intended not only for the rest of the post-communist world, where the progress has been uneven, but also for the Middle East and North Africa.

And it’s quite interesting that some reformers and civic society activists are now in Cairo and in Tunis, and possibly in other countries, from Poland, Romania, and so forth, to give them some idea of what the Central Europeans had to go through, the kind of reforms they had to engage in. So Obama may want to reinforce his support for such – his support for their support, for the Arab reformers in North Africa and the Middle East.

Thirdly – and I won’t go into detail – in practical terms, enhanced US-Polish military cooperation – the F-16 fighters, the Hercules transport planes as well, based in – get used to the pronunciation – Wloclawek (ph) – it’s in central Poland.

Also, Poland’s potential inclusion in the missile defense system agreement was signed with Romania, with interceptors – a couple of weeks ago – Poland, Slovakia, Czech Republic have all volunteered, if you like, to be part of this system.

Fourth – again, from what I read, actually, this morning, this may be an important point of debate – is energy. Poland has potential for a huge supply of shale gas. Some estimate that it could last the Poles 300 years, the volume that they have, over 5 billion – sorry, 5 trillion cubic meters, apparently.

Again, American expertise, companies – I think the Poles do want American presence. They do want to learn from the American experience. They also face potential environmental questions about this, and – you know, the environmental standards are very high in the European Union. There are those questions also in the United States about shale gas. But I think this would be a good subject to debate during the course of the trip.

The Poles, of course – it's not just an energy question, it's a security question. At the moment, Poland is dependent on gas exported from Russia for about 70 percent of its supplies. If it manages to wean itself away from that dependence, it will strengthen its own sovereignty and stature within Central Europe.

Last – very last point, and this is very paradoxical – in this meeting with Medvedev, I think Obama may want to reassure Russia. In other words, that positioning NATO in the US infrastructure in central Europe does not threaten Russia's national interests or Russian security. So it's, in a way, a reversal of the reassurances that have been given to the Central Europeans.

And also, this whole debate, which I think is only beginning, on the future of the new missile defense system, where Russia's going to try and extract as much as possible from that process. But in Poland, I think Obama's going to stress that the good relationship with Central Europe does not mean a bad relationship or poor relationship with Russia. And I think I'll stop there.

MR. SCHWARTZ: You can see why I'm such a big fan of my colleagues. That was excellent. Thank you for all of that. We'll open up this and take your questions. If you could identify yourself. And if there's a microphone in front of you, speak into it. It'll help for the transcript. Questions?

Julie?

Q: Hi, I'm Julie Pace from the AP. I think Heather mentioned a little bit about Obama having to go to Europe and sort of reassure the Europeans that he understands the austerity measures they've taken. I was wondering if you could, one, expand a little bit on how those programs have affected just the general mood and political climate in Europe. And then, two, how the debate in the US over debt and deficit right now is playing in Europe, given that they – a lot of countries there have taken some really strong austerity measures, and the US is having a little bit of a difficult time doing even a small version of that.

MS. CONLEY: Julie, thank you so much. Great question. You know, clearly, there's great disquiet in Europe about the ongoing crisis. In fact, I don't want to take too much time on this, but I could spend quite a bit of time about, really, the impact of the sovereign debt crisis.

What you're seeing now is, there's just increasing uncertainty about where this is going. Europe's traditional approach to addressing these types of complex, knotty problems is sort of that muddle-through strategy, where it's – you know, sort of get the least common denominator decision, you push, and you just – you keep the process going.

That muddle-through option is really becoming a much reduced option. I think we're at a pivot moment for Europe, whether the crisis is going to mean a quantum leap of European integration both fiscally and economically, or we're going to start to see the fraying of the European integration project. And it's just not manifesting itself through the Euro, it's also manifesting itself through – you know, Schengen is now under its most significant stress, not only from the French and Italian reaction to the immigration flows from North Africa, but now you see the Danish government placing internal border controls.

The essence of the European project is the free movement of peoples and goods and services, and now that's under threat in addition to the ongoing economic crisis.

I hope when the president is both in Ireland as well as the UK that there is a moment of reflection to see the personal impact and toll. We don't understand, I think, how significant these austerity measures are, what measures they're having to take in Greece, in Ireland, and will be in Portugal soon. This is – in my view, this is where democracy is going to be potentially in direct conflict with austerity, because as governments have to undertake these draconian measures – and if you appreciate how much of their – of the economies are based on government spending – to reduce this so severely, there has to be, naturally, a very strong public reaction.

We saw that in rioting in London after the university fees were hiked. We're just getting started here on the impact. And we don't know, quite frankly, how this is going to react. So, as I said, Washington needs to understand that the Europe that comes out of this crisis may be a very different Europe. And we have to really – it's not just what we can do with Europe globally, which is very critical; it's also what's going on in Europe. And we need to understand that European stability still remains a vital US national interest.

I don't think, quite frankly, as much as we like to think it is all about us – I'm not sure the – sort of the debt ceiling debate is really playing into the European minds right now. Again, they're pretty absorbed with their own challenges here and trying to think about what comes next with Greece. They're going to end up, I believe, playing for a little more time, but they're running out of it.

But I think it's been very interesting that Europeans – the European debt crisis has actually had this very strange political context here, where you have some economists that are – Paul Krugman – you know, Larry Summers while he was in government – pointing to what Europe is doing and damning that policy, saying, listen, you're doing – you're cutting at the very time when you should be stimulating. And, look, you're condemning yourselves to years and years of either anemic or in some cases negative economic growth. This is the wrong prescription.

And they see on the other side of our political spectrum saying, look what Europe is doing, and we can't seem to do that. And we're going to be in the same situation, a la Greece, if we don't take these measures. And I think, quite frankly, that political pull has not allowed Washington to fully understand what's going on in Europe and to understand its policies, prescriptions, because it's getting caught up in our own political debates.

Sorry, that was a very long answer to a very short and important question.

Q: Hi, Greg Robb from marketwatch.com. Just to follow up on that question – you said something about – the U.S. should show more leadership on the debt crisis. So far it seems like Treasury Secretary Geithner has just said that he’s confident that Europe can kind of solve their problem. What is – what do you want to see from the U.S.?

MS. CONELY: Well, first and foremost a much more active and engaged interest in the process. I think what we saw last May – President Obama called Chancellor Merkel on the eve of the May 9th E.U. summit which approved the Greek bailout crisis. This is going to be something you just can’t call at the last minute and say, you know what, I know this is really politically unpalatable – you got to do it.

This has got to be something that I think the United States – not maybe a publically visible role – but I think we have to be in lockstep with what’s going on. And, again, I look at the fundamentals, 25 percent of American exports are purchased by Europe. If our economic plan is to grow our exports, and that market starts to really significantly deteriorate, that has an impact here. Europe holds \$3 trillion of our debt; we have an extraordinary economic relationship with Europe. If we just look it at a self-centered interest, our own economic interest, we really have a strong interest in making sure Europe gets out of this very quickly.

Clearly we’re in a significant leadership shift. The selection of the new European Central Bank head, obviously the turmoil within the IMF is playing a role here. Now, more than ever, the United States needs to have a very close and strong goal here. It’s not just a, you know, you guys will solve it and we have confidence in that you’re solving it. How are we supporting it? Are we looking at liquidity issues?

Next month when the European – the result of the European Bank stress test come out, I think that’s an important moment for the United States to continue to look at ways to strengthen and make sure our policies are not working against one another. Sometimes as we’re implementing our own regulatory framework, that has unintended consequences in other markets; how are we making sure that we’re in constant communication, not making the challenges more difficult?

Q: Hi, Steve Thomma with McClatchy Newspapers. Can you talk a little bit – compare President Obama’s standing as he heads to Europe with when he first went in the spring of ’09, started in London, and I think you used the phrase “irrational exuberance.” Can you compare a little bit his standing as he heads into these meetings?

MS. CONLEY: Publically President Obama continues to be a very popular president. In fact, he’s much more popular than most European leaders, at the moment, with whom he will be meeting on this trip. I think initially there was wild enthusiasm on both the side of European leaders and public opinion, right after President Obama’s historic inauguration. And I think that, you know, that the crowds with this first trip in April of 2009, and the extraordinary celebration of that. I think, again, public opinion is fairly still very strong.

I think it's the leadership that's sobering to the great continuity that is American foreign policy. I think they had expectations that could not be met, and changes that they had anticipated that President Obama would make. And, yes, you know, obviously disappointment on Guantanamo, disappointment in some quarters that, you know, the surge in Afghanistan, we're adding more troops to that – but again, on the whole he remains very popular.

It's getting to that leadership model. And I think it's – I think President Obama has a lot of, obviously the last several weeks, great communication with Prime Minister Cameron and President Sarkozy on Libya, constant communication. You know, it's a very pragmatic, workmanlike approach, that's sort of the leadership style.

You know, a lot was made in the very early days of the administration was the president sort of having these very close backslapping sort of interpersonal relationship with leaders. I think, again, Europe is sort of settled down to this pragmatic approach. It may not be the style of a relationship that they were used to, but they're getting the work done.

And I think they're continuing to be increasingly concerned about our domestic situation. You see where European leaders when they come to Washington, they make a beeline for Capitol Hill. They understand that so much of the policy now that impacts American foreign policy is influenced so strongly by Capitol Hill. So it's understanding what the president can achieve. They were very surprised how long just ratifying the New START treaty took; that seemed very straightforward, and they didn't understand why it took us so long to do that.

So there are some concern, I think, about the ability to get the domestic agenda seen through and its implications for foreign policy.

Q: NHK, Takao (ph). I have a question about security issue. Recently, Bin Laden is just killed and 10 years, sort of, anniversary of 9/11 is coming pretty soon. And I'm sure that kind of issue would be discussed among the, you know, the biggest allies, I mean England and also NATO countries. So, the president – is president going to say something, sort of, the new strategy of the counterterrorism after, you know, 10 years from 9/11 or the killing of Osama – Bin Laden, I'm sorry.

MR. FLANAGAN: Thank you. There's sort of a number of questions embedded in that, I'll try to address some of them quickly. I think that we, first of all, there is certainly, as I mentioned, there's going to be a dialogue with all of the countries, all of the leaders that President Obama sees, and he has been engaged, as Heather alluded to, on the question of, what is the strategy in Afghanistan? What is the phasing, how quickly can we turn over the Afghan lead in key provinces that have shown signs of progress?

And I think that one of the things that the President Obama will also emphasize is that you have seen the strategy, as it was revamped in two different reviews in 2009, is beginning to show signs of working. We've had a number of commanders here recently talking, both British and American commanders, talking about how in Helmand, in Kandahar, that the strategy of clear, hold and build is in fact working quite effectively as the presence in the cities, in some key cities, is allowing commerce to return, et cetera, et cetera.

And that we are beginning to see the ratios change in terms of how many Afghans are – when NATO forces are – when ISAF forces are out patrolling there is a growing Afghan presence and a higher ratio of Afghan to ISAF forces when they get out and conduct operations to enhance the security envelope that will allow some return to normalcy.

Of course, we're now entering the height of the fighting season; a lot of the Taliban did retreat into the hills across the border into Pakistan during some of these operations in and around some of the key cities in the southeast, around Arghandab and Helmand and in Kandahar city. Now, the question is, how will this hold up?

But I think the president will try to emphasize that we are committed to this phase transition, that it has to be conditions-based. He can't say, you know, given that the U.S. review, as far as I know, is not fully developed, he won't be able to say too much.

But there will be an effort to say that we are moving forward on the plan, rest assured that we do see this as a transition, we want to see some benchmarks and we do want to realize the 2014 goal. That said, we can expect that there will be a need for long-term presence to help the Afghans even after that, which was part of the NATO decision. So I think the president will steer that clear.

Now, on the broader strategy of terrorism, and this may come up in the speech on – you know, directed to the wider Islamic world and the Middle East in particular. I think the president has emphasized – John Brennan's spoken here, and – (inaudible) – special assistant for counterterrorism has spoken here on a number of occasions about the change in the strategy. Where the war on terrorism – or even the Obama administration has skewed that term at the beginning – it's not the focal point; it's not the overarching element of the United States foreign policy and national security strategy any longer. It's an important part, and certainly having achieved the goal of getting Bin Laden, the president has established a great deal of credibility in terms of, is this strategy working.

That there is both a dimension of it's no longer an overarching dominant element of the strategy, but on the other hand there is still a very robust effort to target, capture or kill some of the key operatives in al-Qaida and other extremist groups. And it is, you know, the kind of patient, steady work of a combination of intelligence work and direct military action is paying some benefits.

So I think the president will – I don't think this will be a prominent part of this particular visit but I think the administration certainly feels it has adjusted its strategy on terrorism; it is making – it is implementing in a fuller way, the way the strategy really was, you know, going back to 2002. I mean the national strategy of combating terrorism always talked about a robust array of financial, diplomatic, other pressures. It perhaps was overly militarized in the early phases, but I think at the end of the Bush administration, now, certainly into this Obama administration, you're seeing a much broader array of these tools being used.

But, that said, clearly, you know, the problem is still out there. And there are other groups – and the whole question of where else does the locus move, how do we conduct this mission in Pakistan in the long-term, particularly if relations with Pakistan are beginning to deteriorate. What about operations elsewhere in the gulf that we're concerned about in Yemen and what should be the priority?

So I think some of that debate will continue, but I don't think – I don't see any major announcement of a refocusing – OK, mission – you know, some have asked in Europe will this mean mission accomplished in Afghanistan or Af-Pak? We've got Bin Laden, we can now begin a more rapid withdrawal. I don't think you'll see that kind of discussion. I think the sense will be no, we've got to stay the course, there's still much to be done. Many of the various elements of al-Qaida and affiliated elements are still operating. Not as robustly, the direct action against them through drone strikes and other things has been – and direct special operations force activities have been quite effective – but they're not – they're far from out of action.

And so since – let's complete that mission even as we look more broadly at the threat posed by other extremist groups.

MR. BUGAJSKI: Yeah, if I could add a small caveat. I think it's useful to distinguish between counterterrorism and counterinsurgency. I think Steve's absolutely right in terms of counterterrorism, it's a much more low-level international cooperative mission, many times successful but, you know, you can't be 100 percent sure in free societies where terrorists can actually get through.

The counterterrorism question in Afghanistan is I think a much more significant in these sense that there are some participants in the Afghani mission, particularly from Central-Eastern Europe who wonder whether this mission will be successful. In other words, are we going to have a stable non-Taliban government in place in Afghanistan and what that will mean for the broader region, including Central Asian and of course Pakistan. I think there will be discussion with the British on Pakistan, the future of the country, because that, as you know, is part of the British Commonwealth, was a British colony, British have greater expertise in tracking the internal developments in the country.

So, the other part of it, if the mission in Afghanistan were not to be as successful as we wish, what does it mean for the future of NATO? I think that's very important question for many Central European countries as well as West European countries, where there's the older allies. If NATO is seen have failed in Afghanistan, who will be blamed? Will it mean lesser focus on the European alliance, will it mean, let's say, more finger pointing, more discussion about where is the alliance heading? I think that's an important thing to remember for the future. It's not necessarily going to come up greatly in this trip, but it's worth bearing at the back of your mind.

Q: All right. George Condon, National Journal. Two questions, if I can. It was only a year ago that Poland had a real body blow with the plane crash, wiped out so much of the military and civilian leadership. Is Poland today, has it regained its footing and stability? And to Heather, this Deauville starts the sixth round of these summits that began as the economic

summits in 1975. President Obama clearly doesn't think they serve an important role anymore, and prefers the G-20. Is that view shared by the other leaders, are we seeing the end of these –

(Audio break.)

MR. BUGAJSKI: – end with a bang, yeah. (Laughter.) In the Polish case, I think despite the fact that over 90 – I mean there were many senior leaders, as you said, from the intelligence and military community in Poland and many politicians – I think it showed the resilience of the Polish political system, that there is a broader elite that these people were replaced, very competent people came in. That there was not, let's say, disturbances undermining of the progress that's been, no reverses in democracy. And Poland basically got on with government. I mean, there was a presidential election shortly after, Komorowski was elected, the results were accepted.

There have, of course, been some conflicts between the other twin and the new president, but that's more of an internal political battle. But it's done within a democratic framework. So I think one of the, probably, one of the things that Obama's going to signal is despite the fact that Poland bore such a huge tragedy, it managed to maintain its political stability, and actually raised its stature in Europe. As I said, it's developed closer relations with Germany, Komorowski-Merkel, Tusk and Merkel, have a very good relations now, as well as with Sarkozy and of course its traditional good relations with the British and the Scandinavians and others.

MS. CONLEY: I think you're absolutely right. I feel for, I'm sure, many in the NSC staff that were convincing President Obama that he needed to attend this summit. I think working it into a broader trip helped that. But, you know, it's exactly this question that has come up over the last two years and is what I hope this major speech on Europe helps – where does Europe fit anymore? Where does it fit into U.S. strategy when it comes to tackling the new economic and the new security challenges?

And we're sort of in this – and I fear, this prolonged transition period, where the G-8 doesn't feel like it's got the right combination but the G-20 has not matured into a coherent body that has an agenda that can carry long-term issues through. The G-20 has certainly proved itself in crisis moment, but it's having a more difficult time sustaining itself. So we're falling right in the middle between the two and Europe is really perplexed because it doesn't feel, even though it's very well represented at the G-20, it doesn't feel that that's the right fit. But it understands that the G-8 is not the right fit either. So we're in this moment; it's very, very difficult.

I was, quite frankly, surprised that the President did agree to two visits to France this year, obviously the G-20 and Cannes in November, so he'll be returning back to that. But I think you'll see perhaps the same very difficult decision next year, should we do a formal G-8 summit.

Q: (Inaudible) – we host it next year.

MS. CONLEY: Well, that's – and we also obviously host the NATO summit. There is a lot of visibility back here in the U.S. for these major events. But I think it is the question of, where does, you know, like-minded allies, Europe, Japan, Canada, where does this established

group that helps financially support many important activities, politically legitimizes U.S. interests, where do they fit as we tackle these larger challenges. And I don't think anyone right now has a very good answer, and hopefully your analysis will help shape some of those very good answers.

Q: Huli Gapala (ph), German radio. Do you think the Fukushima incident will play a role at the G-8 meeting? The Germans are eager to get rid of everything, as you probably know. Do you think this will be a matter on the G-8 meeting?

MS. CONLEY: Very briefly, my understanding, again, there will be a bilateral meeting with President Obama and Prime Minister Kan. I think there will be a message of solidarity that comes from the G-8 over the entire crisis and the human – extraordinary human toll. I doubt that it will get into a whether nuclear energy debate.

But it does, and something that Janusz also touched on, there is a broader energy security question here, as Germany does a very dramatic pivot in its energy mix, does this mean that now Germany is going to grow even more reliant on Russian natural gas, and what does that do to the security picture, and as well, sort of as a pan-European energy policy, where you obviously have France in a very, very different position on nuclear energy. But the G-8 will, of course, express extraordinary solidarity and support with the Japanese people as well as the Japanese government during the summit.

(Audio break.)

MR. FLANAGAN: Start on Libya?

MS. : Please.

MR. FLANAGAN: I think – I think there's no doubt that a number of the European – well the U.S., I think, feels that it did all that it needed to do in the – it completely decimated the Libya air defenses through some of the unique capabilities that it had. And it's emphasized, since the early days of the campaign, and it has continued to provide some of the unique capabilities that other allies can't undertake – refueling, certain aspects of reconnaissance and other – and then some of these strike assets that remain available when needed.

But there has been a sense that the administration has been trying to challenge, and I'd like to weave in a little bit of response to – part of this has also been a message to challenge the Europeans that – and here I disagree a little bit with Heather, I think the administration has made clear what it wants from Europe. It wants Europe as a partner in managing global instability and promoting global growth. But Europe's got to deliver, and I think that's where some of the frustration has been on the part of the administration, while the Europeans have felt that Obama hasn't been as warm and fuzzy, perhaps, as they had hoped for, that maybe he hasn't delivered as much as they sometimes wanted.

I think there's also a sense in the Obama administration that Europe hasn't delivered and is not moving in a position where it's likely to be able to deliver more. In fact, as you'll see in

the recent report we've just put out here, we're expecting that Europe will be delivering less in these areas.

So how are we going to deal, how are we going to maintain this partnership at a time when Europe seems so focused on dealing with its – and has to deal with, rightly so, some of its internal economic and other problems, at a time when the world is even more turbulent? So I think this is part of the question.

But there's no doubt about it, I mean, the NATO planning in Libya can assume the 90 day – I think, as far as I know – assumed a 90-day campaign, at least that was the going-in effort. But clearly those stockpiles of precision-guided munitions and some other capabilities that the allies have are being stretched. I mentioned some of the strain on the British and other allied forces.

But I don't think – I don't think we're yet in that second guessing phase. Certainly there was a hope that Gadhafi, the regime, would prove more brittle and when Moussa Koussa and other senior Libyan officials defected early on there was a sense that the, you know, some of his close associations were bailing and ready to strike deals. And certainly some of the attacks in recent weeks and the further defections now are adding to that hope.

But, you know, Kosovo was 78 days; this campaign I think, if it goes beyond three months, I think, then you'll see more concern about how does it end. But at this point, I think the steady slow tempo – some of the early – the weather disrupted the pace at some of the early phases but I think right now there's not any great anxiety but obviously there's a sense of, this can't go on indefinitely. And then also the key question that hasn't really been on the table much, who leads the post-Gadhafi stability operation? Because we don't have a situation such as existed in Egypt where we can rely on the military in Libya, and the police, to be the stabilizing agents.

MS. CONLEY: But you asked a really tough question. I'm not sure I have a terrific answer for it. Pulling on some of Steve's threads, I think the message that the president will give in Europe will resonate well on the burden-sharing element and it's to Steve's point. We need to have Europe provide more resources, and what austerity has accelerated an existing trend as they've been reducing defense spending and we now have a dramatic disequilibrium in NATO itself where a decade ago 50 percent of U.S. defense spending was the total of NATO's defense spending. Today it represents 75 percent. This has got to return back to a more balanced relationship.

I think the exceptionalism part, I would draw sort of a line to American exceptionalism and what American leadership looks like. And we've had sort of two variations. I mean, obviously, we're seeing American leadership in sense of Afghanistan where it is, you know, it's settling a policy, it's setting the pace, and marshaling extraordinary coalition of resources sustained over an extended period of time.

Libya is a different model. It's American leadership, so-called leading from behind model, which is saying, Europe, please take the lead; we're obviously providing strong support.

Is that going to work out? And we're even now looking at now coming to the 60-day mark where, whoa, you know, does this feel comfortable? I think we're all feeling our way through this model. So I would link the – what American leadership looks like it goes to that American exceptionalism, that we are the unique nation to help lead.

That's a – I think it's a more difficult message in that different leadership model where we are seeing, where President Sarkozy or Prime Minister Cameron, they're leading and we're following behind. But I will say – it's interesting to me whether it's American exceptionalism or, you know, seeing nationalism, European nationalism, come to the fore – the economic crisis is driving, I think, a stronger nationalistic – a return more to what's best for us, what are the policies that are taking care of our best interests, I think that's also a dynamic that we need to watch both in the United States as well as in Europe.

Q: Carrie Budoff Brown with Politico. Just to tie it back to domestic politics a bit – can you talk about how important it is for a U.S. president to visit Ireland and Poland in the first term, ahead of a domestic election? I mean, does this normally happen, where they have to visit Ireland, given the, you know, the constituencies here, or is that not part of the consideration for this trip?

MS. CONLEY: Well, certainly American presidents have frequently visited Ireland, President Bush certainly did; not, in the later years, to the popularity, obviously, President Clinton before him and President Obama will experience. Certainly, there are significant domestic constituencies that and certainly the president would be aware of the strong Polish-American communities in Chicago, Illinois; he's well acquainted with those domestic constituencies, Ohio.

But no, I mean, I think to be honest with you this is about cementing strong relationships with these partners. Quite frankly, I think, again, the Ireland stop is as much to, you know, strengthen the relationship as for the president to do something I think he's wanted to do for a while, which is to visit Moneygall and to do that. And it's a nice – it's a nice – not an easy stop, but it's a nice stop on the way to a pretty robust and long trip. So I put it in those – that framework for Ireland.

And for Poland, it's an important, and growing important regional player and they have been a stalwart ally and I think this is full recognition of their important role, and I'm really delighted that the president is taking the time to visit Warsaw.

MR. BUGAJSKI: No, I fully agree with Heather. I don't think that's a calculation, but it certainly doesn't hurt – (chuckles) – in terms of the Polish-American vote that he's visiting Warsaw.

MR. FLANAGAN: Just one other thing, I think in Ireland to the extent at which the Celtic Tiger is bouncing back at all, the – it's a lot of American investment there, still, so it's not – certainly something he can point to.

MS. CONLEY: He's going to walk very carefully around that corporate tax issue which, as you know, is certainly the Europeans, particularly the Germans, would very much like to see Ireland increase its corporate tax rate and that's obviously the real challenge here, to renegotiate their – or reduce the interest rates that the Irish are paying on their bailout package. So he does have a bit of a light walk between – on the economic front in Ireland.

MR. SCHWARTZ: Thank you for being here at CSIS. Our experts will be available today, tomorrow, throughout the trip next week. Please give us a call and let us know if we can help. This will be posted at CSIS.org and I will also be mailing out transcripts later today. Thank you very much for coming.

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