



## PANELISTS DEBATE

### Steven ERLANGER

Let us try to deal with the China question since it was the question at lunch, and it seems to be on quite a lot of people's minds. Monsieur Védrine, Enrico kind of laid it out in fairly stark terms, do you think that Europe really does have to choose somehow between the US and China? Or is this a false choice do you think?

### Hubert VEDRINE

Precisely, Europe *should not* have to choose. Europe should have its position and, depending on the issue, agree or disagree with the United States, agree or disagree with China, etc. It could even play a constructive role in the new rules of globalization, which must be revised.

But this means Europe must have its own position. If it doesn't, it will be no doubt be dominated in the field of technology. It will only have the choice between various forms of dependence. It is very important for Europeans to define a common vision.

this means having the same assessment of China, which isn't easy. Is it a problem? A threat? An opportunity? Is it just a bigger partner than the others? There is no agreement yet on the assessment and diagnosis.

If we succeeded in having some common positions and priorities as Europeans, then clearly, almost overnight, we would have real power on this point, which would have to be used wisely. One last thing when we speak of Europe as a power: of course, we're talking about a reasonable, rational, etc. power. That starts with Europeans agreeing on this point.

### Steven ERLANGER

Yes, exactly.

Would others like to come in on this question? First Ana and then Volker.

### Ana PALACIO

In the ten points highlighted by Kevin at lunchtime, from Xi Jinping's perspective, the tenth is our priority as Westerners and in particular as Europeans. I would say as Europeans because our strength, and we are not any longer on the idea of soft power and the 21<sup>st</sup> century being the era or the beginning of the era of law. We are wired in legal terms. We are wired in institutional terms. I strongly agree with Kevin. The position of China is to infuse new values on the existing framework, not to shake it as Russia has sometimes tried to do, but in the end sharing the core issues and bringing concepts like harmony into a legal Western approach, rational context. We have to understand this and be very clear about what it means. It is more than putting a nice word put into it. I think that for us this idea of power, we embraced the idea of privacy and the ownership of data, fundamentally we bet on the citizens. We have millions or billions of allies who are concerned about their data. We need to get the consequences of what we mean and stand by them and on this issue of China, counter this subtle idea. When they establish other institutions, that is okay because you can see that. However, when they come, and they infuse different concepts, values and principles into the existing institutions this is not perceived.

### Steven ERLANGER



Right. Volker, please?

**Volker PERTHES**

If we were to accept this binary choice, if we were to accept that we have to choose one side or the other, we would already have lost. We would have lost whatever our aspirations were for some form, any form of strategic autonomy or European sovereignty or whatever you call it. Therefore, I think that we simply must not accept it and I think we have good reasons, arguments and instruments to lay out alternatives. Of course, China is a competitor, but the question is: how do you compete? Do you simply geopoliticize and militarize competition or do you say it may be competition over a whole range of policy issues, all the while including cooperation on some issues where you have a common interest, climate change for example, when you compete over technology or social models. I think the European Commission got it right in its strategic paper it issued earlier that year, and which probably does not have a 100% consensus in Europe, but a very wide-ranging consensus. Therein, they actually split the policy fields and said, yes, China is an economic partner. China is a partner on some global affairs like the work on climate change. China is also a technological competitor, no doubts about it, and what probably did not go down too well in Beijing: China is a systemic rival when it comes to issues of governance. I think saying that clearly and making sure that being a systemic rival would not keep us from cooperating, for instance, on climate change. I mean, why should we give up cooperating on issues of mankind because we have a competition about models of governance? That is the way Europe has to go if it wants to assert itself. My last point: we are not alone here. Go to South-East Asia, go to India or Latin America and I am sure that there are a lot of actors there, it is the young people who would like Huawei and Apple, or Apple with Chinese characteristics, as well as a lot of elites who would like American arms with Chinese financing, if that was possible. No one wants to choose so why should we be pushed into a binary choice just by the US and China.

**Steven ERLANGER**

Good, because sometimes what worries me is... A long time ago I wrote a piece called, *Needing an Enemy and Finding China*, and I think there is this great risk of creating something that does not have to be there. If you are thinking about climate change, China is now responsible for 40% of CO<sub>2</sub>. People in Europe could heat their coffee by blowing on it and it would make almost no difference to the fate of the planet. Dealing with China on these things matters terribly. Enrico, sorry, please?

**Enrico LETTA**

Just one point about the fact that this binary choice in my view is the consequence of 28 Brexit.

**Steven ERLANGER**

Interesting.

**Enrico LETTA**

In case of 28 Brexit each country only has a binary choice: to be a colony of the US or a colony of China. Being together we can avoid the choice because we can be at the same level on many issues and take the leadership on some of them. We have to change our narrative on Europe on that because on some issues our narrative is still the same as it was in the sixties and seventies, the Cold War narrative about peace, stability, and so on. I think that is no longer the narrative with which you can deal with young people and the new generation. You have to tell them clearly that there are issues where we can take the leadership only if we are united, if not it is impossible to take this leadership and at the end of the day the choice for all the different member states would be to be closer to one or the other.

This is why at the end of the day I think our choice is a very political choice and it is also a political choice in terms of delivery, because if we are not able to deliver on some of these issues it is quite impossible. For instance, on many of these issues delivery also means the way in which we decide to take decisions. For instance, I know it is very difficult to say and very divisive, but we cannot continue to think that we can be at 28 on all the different issues or at 27. I am a big fan of considering a two-speed Europe was a success on many issues; the Euro and Schengen are two successes



to two-speed Europe. It is not blasphemy to talk about two-speed Europe on some subjects, but we have to be very concrete, effective and say that we need delivery. If we continue to be too orthodox and saying that we cannot have a two-speed Europe because it is heterodox, at the end of the day citizens will not be happy at the decisions and they will decide to vote for Le Pen, Salvini or whoever. It is a problem of delivery, how to be effective in our decisions. We have to take some decisions out of the treaties in some way. I know it is a sort of blasphemy, but the ESM was a decision that was taken outside the treaties, because it was necessary to take a decision in one night. The European Union needs to give citizens the idea that we can protect them, because we are able to decide, and not just wait because of treaties' difficulties, unanimous decisions, etc.

**Steven ERLANGER**

Blasphemy is good here, I think. I actually want to ask Artem a question if I may, and then I will come to you Michael. Artem, do you think that Russia's kind of new, what Kevin called the strategic condominium with China, is tactical or strategic? Is it out of a current sense of weakness? I talked to Aleksandr Dugin the other day, believe it or not, a slightly mad theorist of Eurasia and I cannot tell how seriously anyone takes this in Russia. Do you think that Russia maybe bends too far towards China? Is it tactical or is a long-term partnership do you think?

**Artem MALGIN**

Look, I guess only you, the Europeans, believe in this condominium. We do not since we are much closer to China and even us, we do not know China to be good predictors, to have a really adequate focus. If you look at you and us, the Russians, we overlooked all dramatic changes through the post-Second World War history of China. It shows how we understand. This perfect report, this perfect sketch of Prime Minister Rudd, shows to what extent we have an understanding of China. We cannot imagine a speech like that about any other country, a brilliant speech, at a lunch, just generally making the red lines of French, German, Austrian or even Russian foreign policy. It shows that our understanding of China is still tremendously superficial. We talk about a binary choice, but whether the Chinese do choose in the same way, they have India, South-East Asia, many times they have developed small relations with the United States, they have their African policy. They have been overlooked by everyone, the Europeans, the Russians, the Americans. I guess our point of view on China here from Europe or from Moscow, I guess it is still Europe for the Chinese, is inadequate. Here it is about condominium; why condominium? In Central Asia, the Caucasus, Outer Mongolia, I see no space for this condominium. In my view, relations with China are going to be much more complex, not European or Euro-Atlantic style.

Another point is that we still have to understand what the driving force is for the Chinese economic growth and because of what it can stop eventually. Since we have overlooked so many changes in Chinese developments, I guess we have probably also overlooked the margins, the barriers, let us say the constraints on this economic growth and these economic constraints ruin this whole very frightening picture of Chinese relations today to the rest of the world.

**Steven ERLANGER**

Thank you. Michael, please?

**Michael LOTHIAN**

I am a bit puzzled by this, I think you have said it twice now, what you call the binary choice of the decision on Brexit between China on the one hand and America on the other. If you came to London or anywhere in the United Kingdom and said that was your view of what Brexit was about, they would look at you with total confusion. If that was the question, the British would vote for neither. The whole point about Brexit was to give ourselves more room for manoeuvring without being tied to major blocks. So I think if you say that this is the question that Europe has got to take into account, I would say to you that it was not a valid question.

Somebody asked me why we have always appeared to be anti-European. My answer has always been that we are not anti-European we are part of Europe. We have always been part of Europe. Our history is European. We are anti-overdone bureaucracy and if you want to see in the world the best example I can think of an overdone bureaucracy you find it in Brussels. The feeling in Britain was that to be told it was a decision for Europe for you to do certain things,

eat certain things or dress in a certain way, was something that got under their skin. When you say why did they vote in the way they did, in a sense they were blaming the British politicians for not talking to them. It is only now after the referendum is over that we are discovering had we gone down and talked to them we might have discovered a lot of these things earlier.

**Steven ERLANGER**

Precisely. Enrico, do you want to answer quickly?

**Enrico LETTA**

I just want to say that my point is not that this is a discussion about the referendum. My point is that will be the consequence in 10 years' time. In 10 years' time with separation, the split of Europe, each country – in 10 years' time, not today - will only have to decide whether to be an American colony or a Chinese colony, with the split of the European Union.

**Steven ERLANGER**

Well, who knows. I mean, fair enough but...

**Enrico LETTA**

That is my point. Maybe I am wrong, but I cannot see with the demographic evolution and in terms of economic power, the possibility of any of the European countries being able to deal alone with China or the US. The only possibility is to stand all together and this is why I think it will be a problem for the UK, but not today. I know very well that the debate was on other issues.

**Steven ERLANGER**

That is fine. This is all understood. Ana? Very quickly.

**Ana PALACIO**

One sentence. Honestly, you have explained the divide between the elite and the people. What you are saying about Brussels being the big bureaucracy, is what the elite in your country has been. This has been the anthem of your elite. I think that you as an elite should revise what you have been saying and this idea of being forbidden to have teabags or this kind of thing. This is not the reality. We are not going to discuss bureaucracy in Brussels and its successes, but I think honestly that you as elites have to look at yourselves. It is not that we do not have to do it in other countries, but frankly I have to say that on the Brexit issue.

**Steven ERLANGER**

Okay. Well done. Let us actually not keep going too much on Brexit. We are in an interesting moment where things might be resolved nicely. My own guess is that there will be a technical extension for not very long, because one of the things that is quite clear to me is that Boris Johnson would like it done before he has an election, which he also needs. Everybody has got their own views. Minister Védrine makes his apologies; he had an appointment he could not avoid and we got started a bit late. I just wanted to express to you from him his deep regrets for having to leave early.

We still have about half an hour. Given Poland, I would love to talk a bit about Hungary, Poland and rule of law. This could be tied to the migration issue, the identity issue, it is tied to lots of things, but can Europe at 28, 27, deal with this question? What are the instruments? Can it do better? Or, is it better to somehow rethink the idea of what European federalism is to allow for more sovereignty, which might have kept Britain in the European Union had it been done earlier? Would anyone like to deal with this question?

**Michael LOTHIAN**

I can only speak for myself, but I voted to leave because after 40 years of being told that Europe was going to reform, I got fed up with waiting for it. Had somebody come along with a proper reform proposed, which would have given less power to Brussels and more power to the individual nations and their peoples, I would probably have supported that. De Gaulle used to speak about the *Europe des patries*, the *Europe des nations*; I was a fervent European in those days.

**Enrico LETTA**

I am a fan of Jacques Delors' brand of *fédération d'Etats-Nations*, because I think it was a good synthesis. My point and I continue in blasphemous mood, is that for instance on migration and the relationship with Visegrad countries, frankly speaking we cannot think we will have any positive and concrete effective solutions with Orban at the table with veto rights. This is my point. I would be more than happy if someone can be convincing on this point, but I think it is very complicated. For instance, on these topics we need to have another treaty outside EU treaties, signed by willing countries, without Hungary or Poland; I do not know the position of the other Visegrad countries. The idea would be to have a treaty with tools, a relocation framework, meanings and rules, with decision by the majority. Until now we have had evolutions on this topic and at the end of the day, they are ineffective, they are not working. My point is that if we continue to allow those countries to stop the decisions of the others, it will be a problem for us, and it will make the European Union ineffective. It is just one example and at the end of the day, I think it is the only way to be very assertive and clear with them. I know that there is a big difference between the founding members of the European Union and the Visegrad countries in terms of demographics. The founding members of the European Union used to have about 10% of their populations from immigrant origins, less or more but around that. If I am not wrong, in Poland and Hungary the figures is 99% versus 1% and the 1% does not come from Africa or Latin America, it comes from the rest of Central Europe. At the end of the day, their starting points are very different. This is why I say we cannot wait; we have to have new tools and we have to decide. For me, this new treaty is one of the urgencies of this new political vision.

**Steven ERLANGER**

It is worth saying, by the way, that Poland has many more immigrants than you imagine, but most of them are Ukrainian. Ana and then Volker.

**Ana PALACIO**

Honestly, I agree with Enrico and I think that the only way forward is a *géographie variable*, that is distinct groupings on distinct issues. The problem we have here is not migration, I think you were referring more to the principles and values that are enshrined in Article 2 of the Treaty, and in particular, may I say, the independence of the judicial system. This is something that we have to rethink and maybe, you know what, diminish the area where we have judicial cooperation. We will have to address this with open eyes. I think that the pace of change and you know what, it could be done, we could shrink and it should not be perceived, and I think we can explain it to our populations. It is absolutely clear in new areas, we can adjust the 28. Schengen and the euro are good examples of things where this could apply. Schengen was thought about outside and then incorporated and it should probably be revisited. From my perspective, this is something we have to do because the rule of law is also changing because the law is changing. We have to defend in the context of China, just weakening the law of other instruments. International treaties, Paris is not legally binding, so this is a new system. We need to understand that incorporation another dyed-in-the-wool continental European lawyer. We have to be realistic and in terms of the European Union, let us rethink certain sensitive areas. If Poland does not want to, then it is not in the Schengen area or not part of judicial cooperation and we negotiate, and we decide. The alternative is to do these reforms to have an independent judicial system.

**Steven ERLANGER**

OK. Volker, please?

**Volker PERTHES**



Three short points. When I think about Europe being so unreformable: that is a bit of a myth that probably helped to win the Brexit referendum in Britain. However, I think that the British Prime Minister at that time, David Cameron, was the one who proved that you can renegotiate some important issues. For example, there was the question of social benefits to immigrants and their children who live in other countries. Cameron had a sound argument and he reached consensus with the others so that things could be changed and that is what happens. It is a living body and the European Union is always a work in progress and things do change. The bureaucracy in Brussels is not much bigger than that of a big city in Europe actually. I remember a Canadian friend once saying that they were so envious that we had something like Brussels, because it means that our nation states do not have to have all this trade bureaucracy 27 or 28 times. I guess you will have a bit more bureaucracy in Britain after Brexit because you will need your own trade negotiators now, rather than sourcing that out to Brussels, which does it in the common interest of Europe.

More importantly, on the other issues either we actually have, as Sir Letta and Ana said, a sort of flexible geography or we have qualified majority voting on more things, including foreign policy. I think that both would be a way to overcome this embarrassing situation that in the UN or the Human Rights Council we have a statement read by one European Council for 26 or 27 out of 28, and the UK is always with the majority here, and then Hungary or Greece saying that they cannot share it because it is against China. Why not have qualitative majority voting also on foreign policy issues? I think that would be the way forward. The dialectic conclusion is, we complain so much about people saying that the elites do not listen to them. However, here we have something where if we went forward with a stronger foreign policy, we know from opinion polls that the majority of the people in Europe would be with us. The one thing where people want more integration is foreign policy and security policy. They do not want it in cultural policies or social policies necessarily, but foreign policy and security are areas where they want a more integrated Europe.

**Steven ERLANGER**

I have one more question and then I would like to go to the audience, so please think of some questions you might have for our panel. Artem?

**Artem MALGIN**

I would just like to comment on Poland. I'll tell you a short anecdote. It was before 2004, a friend of mine from Italy said - it was a talk between two Italians - 'look, the Poles are going to join the EU'. The other commented "yes, the Poles are such Russians they still write in the Latin alphabet". You should understand the difference between these parts of Europe. They do not feel a responsibility for migrants who are not theirs. They do not feel responsibility for these regions. They have never had anything in common with the Middle East and Africa. It is as simple as that. I can say this because my children are 50% Polish. Inside the country they say, 'in the West', meaning just like the Russians, in your part of Europe, the Western part of Europe. That is why they need much more time to get used to this solidarity. Germany probably has not as much in common with Vilnius, as with France, Italy or Britain, but you have already got used to this kind of solidarity and joint common responsibility. The Poles have not, but at the same time they consider as theirs those who come, even from the Caucasus, from Central Asia, since it is not something alien. They simply have their family histories and memories that there was a governor of Polish origin in Georgia; by the way, his great grandson is a professor at our university, Professor Baranowski. It is another history and you cannot force them. I am not a social [inaudible] specialist.

**Steven ERLANGER**

It is good and let me just add one sentence. One forgets, and you do not mind if I say this, under the Soviet Union they were under a bell jar for 70 years. There was no immigration and emigration under the Soviet Union from Poland, you could possibly emigrate but there was no immigration, so I think it is all a bit of shock. It does feed the people who want to play on fears of identity and what is happening to the family, and all the rest of it. I think given time - we have got about 17 minutes - I am just going to you, Elisabeth Guigou and then Jean-Louis and then Stuart. So let's take at least three questions.