

Center for Strategic and International Studies

“Press Conference Call: President Obama’s Travel to Europe and the APEC Summit”

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COLM F. QUINN: Good morning, everyone. I'm Colm Quinn. I'm the deputy director for external relations here at CSIS. If you can't hear me, please let me know. Otherwise I'm going to kick on.

We're here today with a group of our experts. We've got Heather Conley, our SVP for Europe, Eurasia, and the Arctic, Scott Miller, our Scholl chair in international trade, and we've got Mike Matera, our Americas Program director, along with Jeff Rathke as well, our deputy director for Europe Program.

We're going to start off with – Heather Conley is going to speak to us about the Greece and Germany legs of the president's trip. We'll then hear from Scott Miller, who's going to discuss the APEC angles. And Mike Matera will talk about the U.S., Peru and broader Latin America implications.

So, without further ado, I'm going to head on to Ms. Conley, who will kick us off.

HEATHER CONLEY: Thank you, Colm.

Good morning, everyone. I know this trip has sort of felt like it snuck up on everybody because of the focus on the presidential election and its outcome. But this trip was designed – and the European stop to this came very late, I think, in planning. The whole trip was designed to give Europe a boost of self-confidence because Europe was increasingly worried about the nature of the U.S. presidential campaign, the tone and tenor coming from then-candidate Donald Trump. And so this trip was really meant and designed to keep everyone – say, you know, we went through it, but we're going to be fine.

And now the president has the unenviable task of telling his counterparts and explaining what Europeans are now coining the Trump effect. And they are very worried, because the same populist, nationalist expressions, whether that's on immigration, whether that is on free trade, has certainly running very strong political currents within Europe. We also have an incredibly active European election and referendum cycle coming up in the next 12 months. So, you know, there is great worry and concern on this front.

But I would say, from the U.S. perspective, this trip is also an acknowledgement of Europe's fragility. I mean, the president has spent an enormous amount of time in Europe this year, at the end of his tenure, spending in April three days in London, convincing or trying to convince the British people not to vote to leave the European Union. We know that was unsuccessful.

He then spent some time in Hanover, Germany, in some ways as a personal request by German Chancellor Angela Merkel, to use the occasion to talk about TTIP and the transatlantic free-trade agenda. And now that looks to be not only in doubt in April of this year, but even more increasingly in doubt. And then the president was back in Europe in July for a NATO summit in Warsaw, Poland, which was successful, and a visit to Spain. So now he returns back.

I was looking at a speech or some press comments that President Obama made when he was in Hanover, Germany, and I thought in some ways it was poignant. He mentioned that it's time, when I turn over the keys to my office, my desk is clean and that the world is not completely tidy, but at least it is significantly better.

And I think, turning to his stop in Athens, I think many would argue if you were in Athens the world does not look significantly better. The European commissioner on migration reported recently that there are 60,000 illegal migrants now trapped in Greece, and conditions there are extremely challenging. You also have Greece, which is now again, according to the European Commission, will be in recession to the end of this year. Its debt-to-GDP ratios are now well above 170 percent.

Prime Minister Alexis Tsipras just recently reshuffled some cabinet members to try to get some reform – his reform agenda back on track. And what the prime minister is looking for is, I think, public support from the president to encourage the Europeans to offer Greece debt relief. And, of course, that message will not be well received when the president then travels on to Berlin and meets with Chancellor Merkel.

So the president – we're told again – I'm not entirely sure of the itinerary, and when you're briefed by the White House I'm sure they'll provide much greater detail – a part of the decision to visit Athens was to deliver a major speech on the state of liberal democracy, perhaps with the Parthenon in the background. I don't know if that is going to be the case or not. But again, I think this places the speech in the context of this in certainly more sobering light.

Just as a historical note, the president will be in Athens, Greece the 15th and the 16th of November. For those who remember their history, November 17th is quite a somber anniversary. That was the day the revolution – revolutionary organization 17 November assassinated the CIA station chief in Athens in 1975. The State Department declared 17 N no longer as a terrorist threat in 2015, but it's certainly a poignant reminder of terrorism.

The president then travels on to Berlin, where Chancellor Merkel will gather her four European colleagues, which we call the Quint, which means it's the four European countries – the United Kingdom, Germany, France, Italy – and the United States. Again, this is a meeting to review a very rich agenda. Syria and Iraq and the anti-ISIS coalition will certainly be top of the agenda, as well as looking at migration, terrorism and broader security issues. Libya will certainly fall on that table as well, particularly as the migration flows to Italy have been increasing, and the deaths in the central Mediterranean have been growing.

I'm sure there will be a fulsome discussion on Russia and the sanctions regime vis-à-vis the crisis in Ukraine. I'm sure there will also be some discussions about cybersecurity when it comes to Russia. Germany just released its cybersecurity strategy yesterday, and it speaks very clearly about Russian influence in the cyber world, something the U.S. is very familiar with and certainly will need to be addressed as Germany heads to parliamentary elections next fall.

I'm sure there will be a broader conversation on the economy, getting growth back to the European Union. Brexit implications, I'm sure, will be discussed. And I'm not entirely sure how TTIP will be addressed, but I think there is concern about the future of the trade agenda transatlantically.

So, with that, I'll stop and pass it to Scott.

SCOTT MILLER: Good morning, and thanks for the invitation.

The president's next stop will be in Lima, Peru, with the APEC meetings. They'll be November 19th and 20th.

It's an unusual year for Asia-Pacific policy in that the East Asia Summit and the APEC meetings are disconnected. The East Asia Summit happened during the summer. For the past several years, they've been close-coupled – they've been essentially the same trip. And so this leaves, I think, a little less on the agenda for APEC.

But by and large APEC is a useful organization where most of the work is out of the spotlight. It happens during the year, through the senior officials and the business advisory groups. APEC is a useful forum over the years for supporting open rules-based regionalism. It's primarily voluntary, but it has been an incubator for many new ideas in trade policy and new advances going back as far as the regional Information Technology Agreement in the late '90s.

So, while most of the work of APEC happens out of the – out of the spotlight, the leaders meeting usually focuses on the – whatever the key issues of the day are. That's varied from year to year. In 1997, it was clearly the Asian financial crisis. 2001, obviously, after the events of September 11, 2001 here, the China meetings that year – that November focused on matters of essential security and terrorism. In 2008-2009, the APEC meetings, the leaders' discussions focused on financial resilience. So there's been a somewhat varied leaders' agenda.

This year, actually, the agenda appears somewhat limited. There's, relatively speaking, calm in the region. There aren't any major issues that would dominate the agenda.

The one thing that will be – I've often made the note that leaders meetings are an opportunity to advance policies, if only to avoid uncomfortable conversations with other foreign leaders. Sometimes a lot of things happen. This year, the uncomfortable conversations are likely to be about TPP. Five years ago, at the APEC meetings in Honolulu where the U.S. was host, the 11 – 10 of the 11 partners with the United States of TPP made a – made a very energized launch of broadening deeper negotiations. Japan later joined to form the 12 parties. So APEC – it was really the rim of APEC that became TPP, and unfortunately now the Trans-Pacific Partnership appears to have no future in the current Congress and a questionable future next year. So President Obama will have to – have to deal with that message with the 11 TPP parties who will be in place at the APEC.

But beyond that, it's likely to be a less fulsome agenda than the European stops.

Now Mike –

MICHAEL A. MATERA: I'm Mike Matera, the director of the Americas Program.

Just on the APEC Summit, this is the second APEC Summit taking place in Lima. The first one took place in September of 2001. In fact, it was at that point that the attacks took place here in the States, so I just wanted to point that out.

Just very briefly on the bilateral element of the Lima visit, the president is going to be having his first bilateral meeting with Pedro Pablo Kuczynski, who was elected earlier this year. He's meeting with him and members of his Cabinet. This is the first visit of the president to Peru since the election of Kuczynski.

The bilateral agenda is a rather full one. Obama will be talking about Peru's promotion of democracy in the hemisphere. Peru has played a particularly active role on Venezuela, cooperating with Chile and Colombia. They'll be talking about Peru's role in the Pacific Alliance, the alliance of

Peru, Colombia, Chile and Mexico. That is one of the best examples of regional – of real regional economic integration in Latin America. As Scott mentioned, TPP is going to be a major issue with them. And then other issues of bilateral cooperation include transnational organized crime, drug trafficking, illegal logging and mining, human trafficking and climate change issues. That's pretty much the bilateral – the bilateral agenda in Lima.

MR. QUINN: OK, folks, so at that I'm going to turn it over to questions. Roxanne, would you be able to explain the process there for our assembled – our assembled colleagues?

OPERATOR: Certainly.

(Gives queuing instructions.)

Our first question comes from the line of George Condon with National Journal. Please go ahead.

Q: Great. Thanks a lot for doing this.

Heather mentioned at the beginning curiosity on the other leaders on the part of – about the U.S. election. In all of the trips that the president took in the last year, we talked about he was reassuring them. Are we past the point of reassurance? What in the – how worried are the foreign leaders? And what can he possibly say?

MS. CONLEY: Hi, George. Thank you. Great question.

You know, in some ways there's nothing to say. I think the president's public message will be exactly what he said yesterday, and this will continue to be reaffirmed. Yet, privately, I'm sure the president will message the strength of our institutions, that there is now a process. I'm sure he will convey what he feels comfortable conveying of his own exchanges today with President-elect Trump, how he views this as going to take place. But to be honest with you, the only reassurance that can be given to leaders that now they're seeing one agenda that they thought they understood is now being, you know, pretty dramatically changed, or at least suggested that it will be changed, there is really nothing President Obama can do on that front. This is going to have to wait for this transition to happen; the, you know, key individuals put in and announced; and then some of the granularity of the policies put into place.

You heard in yesterday's – both the congratulatory letters and messages – I would say Europe's official governmental response was calm and fairly muted. You certainly heard very clear underscoring of the importance transatlantically of our values. And, in fact, Chancellor Merkel detailed those values in the – in the basket of sort of human dignity values. The French foreign minister was speaking very much on the clarity on issues – on Iran, on Syria, the Paris Agreement on climate change. So, you know, that clarity President Obama cannot give. That will take the next – the next step.

I think, George, for me the concern is how European leaders are going to manage this. Because they have – many of them have the same effect in their own countries, there will be a desire – I think particularly French President Francois Hollande has in some ways the greatest instinct because he has very powerful – similar and powerful forces in his own country. He's going to feel the need to speak out very clearly on this, and it may – it may cause for a very rough – as we like to say, rough scheme

before we even begin. I think it's interesting, again, the congratulatory messages that were coming very furiously were from those political parties that share very similar views that Mr. Trump has expressed during the election. And of course, Marine Le Pen, the leader of the National Front in France, was first and foremost there.

So this is going to be very tricky to navigate because this is about domestic politics, the power and the passion of that. And incredibly important French presidential elections coming up in April that will also be – shape and very impactful on the future of Europe next year.

Q: Well, how concerned are they, though? Is it a worry about the basic alliance, since Trump said things about NATO and things? Is it trade? I mean, how concerned are they?

MS. CONLEY: They're very concerned. They're very concerned. I think, like many of us here in the think-tank community, we're trying to understand statement versus policy and trying to understand what that means.

But, yes, I mean, President-elect Trump very much questioned the U.S. role in NATO, and that has to be addressed very quickly. But you know, again, unfortunately, that can only happen from the next administration. President Obama can give those assurances, but they know that this is going to be the next president's decision. They are very concerned. I think we just all have to – all of us need to be incredibly patient to see how this will evolve over time.

OPERATOR: Question then is from the line of Wei Chen with China Daily. Please go ahead.

Q: Hi. Thank you for doing this.

I have a question Michael Matera. I mean, Chinese President Xi Jinping is also going to APEC and also going to pay a – stage a visit to Peru, Ecuador and Chile, I mean, during the process. So Obama is not really touring the countries in the region, so do you think – I mean, China is now paying more attention to Latin America than actually U.S. leaders. I mean, what do you think the prospect of, you know, China-Latin America cooperation? Thank you.

MR. MATERA: Sure. Could you repeat the past part of the question? I'm sorry.

Q: What do you see the future, I mean, prospect of China-Latin America cooperation?

MR. MATERA: Certainly. I mean, we're all very aware of the developing relations with between China and many countries in Latin America, and that's something that is good for Latin America and certainly good for China. The president and the United States have no issues with that, I think. I'm not sure that that's going to be an issue on the bilateral agenda, but I don't – I'm not quite sure I exactly see your question, but I hope that answers it.

Q: No, I mean, do you think China is now paying more – so much more attention to Latin America compared to U.S. leaders, Chinese leaders? I mean, they may – Chinese leaders are going to Latin America almost every year now. So since it's, you know, such a far-away distance than the U.S. leader; I mean, it's just your backyard.

MR. MATERA: Yeah, I wouldn't say that we feel we're paying less attention. Vice President Biden has been to Latin America quite a number of times over the last two years. Certainly there are –

there are people who believe that the United States does not pay enough attention to Latin America, but I think those perceptions are somewhat mistaken. I think there is an active relation. And we're not – we're not really trying to compare the U.S. engagement with Latin America with that – with that of China. So I'll leave it at that.

OPERATOR: Our next question comes from the line of James Gibney, Bloomberg View. Please go ahead.

Q: Thanks very much.

This is a question for Heather, which is, given what you were just talking about with the impact of the election on European political fortunes, I wonder if you could just answer whether or not this is a good thing for Angela Merkel going into the elections next year. Does this make her loom larger as kind of a stabilizing force, or does it kind of undermine her?

MS. CONLEY: Well, I think in some ways this visit to Berlin speaks to the – to the president's close relationship with Chancellor Merkel. I mean, this is his sixth visit to Germany in his presidency. And I think, quite frankly, this is also a recognition that the U.S. has really relied on Germany to manage a series of issues, whether that's vis-à-vis the Ukraine crisis and Russia, managing sort of European response, and then how the Germans have managed the economic crisis. So in some ways it's just underscoring the reality of that.

So, you know, a question that I would sort of bandy about as well is, is the president's intervention of support for European issues – like Brexit, like the – during the recent Italian state visit with Prime Minister Renzi's visit, where, you know, the president was, you know, speaking very encouragingly and looking towards this December for its referendum, which is extremely important – does this U.S. support help, or does it in fact hinder European leaders in what they're trying to do? And clearly the White House and these leaders believe this is helpful to them for this type of consultation, and we'll just have to see if the results bear that out.

As I said, I think the design of the trip was meant to just give everybody some reassurance that we made it through this campaign and we're going to come out on all right. We just have a different scenario now. And this is just – German Finance Minister Wolfgang Schauble came out today saying, you know, leaders have got to recognize that this is a force that we have to deal with. And so they're coming to grips that this incredible change is coming. I think all of these leaders is grappling with how they translate that into doing their business very differently. So I think that's really the sober reflection that will be occurring around the table outside of Berlin.

MR. RATHKE: This is Jeff Rathke. If I could just add one thought to that.

I agree with that. You know, Merkel certainly does loom larger. And she's in a fundamentally different position than many of her European counterparts. You know, she is ahead in the national polls in Germany, with about a 10-point lead over the rival Social Democrats, who are her coalition partners right now. And that's quite different than, you know, what you see if you look at polls in France, for example, where President Hollande trails, you know, by leaps from behind his, you know, challengers. So I think, you know, she operates from a position of greater comfort.

And even after the election, you know, you have the rise of the – of the far-right Alternative for Germany Party. But they are – they're not likely to come anywhere near a level where they, you know,

have to be included in government. So instead, in some ways, that strengthens her as the centrist option. And so I think she can approach that with perhaps greater, you know, confidence than some other leaders around the table.

OPERATOR: Our next question then comes from the line of Josh Lederman, Associated Press. Please go ahead.

Q: Hey, thanks for doing the call.

I was wondering, Trump aside, whether you could talk about Obama's status as a lame duck; just whether, you know, at this point in the presidency foreign leaders are even looking to America's president to be, you know, showing leadership about which direction things are going or whether, you know, this was more of a farewell tour, where he's reflecting on what happened, you know, in past years.

MS. CONLEY: This is Heather. I'll put my two cents in, and then let Scott and others chime in.

Well, I mean, I think there is – well, I should say there was a thought that there could be some productivity during the lame-duck session, particularly on the Trans-Pacific Partnership, some other issues; that there could be some – a little burst of activity here towards the end of the year. I think that, very unclear. Yes, I mean, in some ways there is sort of a final legacy/reflective period to this.

But that's why I was so surprised about the president's return to Europe, because I thought that was accomplished in some ways in July at the NATO Summit, where he saw all the leaders. It was, you know, concluded; a strong – a strong message that he had been in April, he had sort of managed through that. So it is interesting that this has been added to the – to the agenda. And I think – again, I'll let others describe this. I think the reflection now of the legacy as we look towards the future and the next administration is certainly going to be something that we're all going to be thinking long and hard about.

And I'll turn to Scott. Do you want to add any –

MR. MILLER: Well, our politics always play fairly large outside the United States, so that's going to be a reality. But that means that foreign leaders and foreign diplomats follow our politics very closely. I mean, I'm always shocked when I travel outside of the United States: more people in Switzerland know who Mitch McConnell is than people in Maryland. (Laughs.) It's one of those things. And so I think that leaders and their staff will be fairly aware of what's going on here.

In terms of the APEC meetings and the Trans-Pacific Partnership, Congress returns to session on November 14th late in the day. But, by the time the president is in Lima, it'll be pretty clear what the Congress is going to do and not do before they adjourn. And so that will have an – that will have an effect and affect the conversations. But none of it will be a surprise, I think, to foreign leaders, who are following.

MR. MATERA: Just very briefly, President Obama's legacy in Latin America is a very positive one. The perceptions of him are very, very good – his less-interventionist approach, his initiative in opening relations with Cuba in December of 2014. I think there is a lot of apprehension over what is coming up with the new president, what his views will be on trade – trade with the

hemisphere and trade more generally. So there – but these are primarily questions that are simply going to have to wait until the new president defines his policies, defines his new approaches.

MR. RATHKE: This is Jeff Rathke.

One additional – one specific thing, if you – if you think about the time remaining in office for the president, in particular with the four other European leaders – you know, Germany, France, the United Kingdom and Italy – I think the topic of Russia's intervention in our election campaign is going to be a topic of discussion. And I think, especially given that you have major European elections coming up in the next 12 months, I think it's an opportunity for the – for the president, and then following up after him U.S. officials in the remaining weeks, to share intelligence and other information with their European counterparts about what we know, how it happened, and how they can identify if similar attempts take place with respect to some of our European allies. Because that's, I think, one of the great fears. And when Chancellor Merkel just a couple of days ago was asked about this, whether she was worried about the possibility of Russian interference in the German election campaign, she did not dismiss the possibility and she – you know, she acknowledged that there have been attempts from Russia to hack into the German Bundestag and other organizations. So I think this is an opportunity for the U.S. to – you know, to lay – you know, to cooperate in the short term, and then see, you know, how beneficial that might be as other elections come up in Europe in the coming months and next year.

OPERATOR: (Gives queuing instructions.)

And at this time, there are no more questions. Oh, I'm sorry, there is a question that just popped in from Darlene Superville, Associated Press. Please go ahead.

Q: Hi. Thanks for doing the call. I have two quick questions.

One is about TPP. And I was wondering if, given that from the U.S. perspective TPP looks to be dead, can it – is it – is it dependent on the U.S. participating? Or, in other words, can these other countries go ahead and, you know, put this into effect?

And the second question I had, I was wondering if somebody could just talk a little bit about the president's relationship with Latin America or characterize his approach to Latin America, the administration's level of involvement with Latin America.

MR. MILLER: Yeah. This is Scott Miller.

With regard to the first question, the terms under which the Trans-Pacific Partnership would enter into force are described in the agreement, and based on – and it's based on sort of the sort of economic weight of the parties. The simplified version of the rules is, if either the U.S. or Japan fails to ratify, the agreement as written will not enter into force, OK? So if – but if Japan and the U.S. ratify, then if one or two of the other parties don't ratify, it doesn't matter. So that economic weight component of the entry into force criteria that's in the agreement as negotiated would prevent the existing agreement from entering into force without the United States.

That does not mean the remaining 11 parties could not get together, revise that condition, and implement it because it's in their interest to do so. But that would actually take a separate step. It would – it would require the parties other than the United States getting together and deciding that this

is of sufficient interest to their economies that they want to move forward and essentially renegotiate that section of the agreement. So that's where it stands today. It would take a separate step, but the separate step is by no means prohibited – much as when the Free Trade Area of the Americas, which was a commitment hemisphere-wide made in 1994, began to fall apart, the U.S. administration chose a series of bilateral free trade agreements as a substitute. So these kinds of things do happen, and it may happen here.

Q: OK. Thank you.

MR. MATERA: Just very briefly, on the question on Latin America, I mean, I think the general perception is very much that Obama's approach to Latin America over these last two administrations has been much more sort of realistic and pragmatic than was the case in the past. There's been much less emphasis on democracy promotion, less emphasis on intervention in internal political issues. The pragmatism is also, obviously, reflected with what happened with the Cuba policy in December of 2014.

So that, I think, has been an approach that has been appreciated by most leaders in Latin America. It has been criticized by the Republicans here as taking the emphasis off of democracy in a way that has – that has brought about negative developments, particularly in places like Venezuela.

Q: OK. Thank you,

OPERATOR: (Gives queuing instructions.)

And at this time, there are no other questions in queue.

MR. QUINN: OK, folks. This is Colm Quinn back again. We've recorded this. We'll be posting the audio, as well as a transcript, today. We'll be sending that to you directly as well, so please check your inbox for that.

I want to thank all of our participants today for joining us. If there is anything you want to follow up on, please get in touch with our External Relations Office – myself, Colm Quinn, Andrew Schwartz, and Brandon Schwartz.

So thank you very much for joining us today, and look out for that in your inbox. Thank you.

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