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TRANSCRIPT
CSIS Press Call

“Geopolitics and the Novel Coronavirus”

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Caleb Diamond:

Hi, this is Caleb Diamond with the external relations team here at CSIS. Good afternoon, everyone, and thank you, again, for calling in today. As we speak, the COVID-19 outbreak has spread across the world, so we thought we'd gather experts from across CSIS, from different programs, different regional and topical expertise, to talk about the different geopolitical and economic implications of the outbreak.

I'll briefly introduce our speakers and turn it over to them. So to start us off, Jon Alterman, director of our Middle East program. He'll give a sort of background on the broader geopolitical implications. Following him will be Stephanie Segal, senior fellow with the Simon Chair in political economy. Next it will be Heather Conley, director of our Europe program. Then we'll toss it back to Jon for more analysis of the Middle East. And then last, but not least, we'll have Mike Green, Japan Chair and senior vice president for Asia here at CSIS.

They'll each deliver brief opening remarks, and then we'll open it up for questions. And with that, I'll turn it over to Jon.

Jon B. Alterman:

Thank you, Caleb. Actually, I'm teeing off in my role as the Brzezinski Chair in Global Security and Geostrategy. And it's seemed to many of us that while there's been a lot of discussion about the public health aspects of COVID-19, there hasn't been sufficient discussion of the geopolitical consequences of the pandemic. As we look forward, we know that governments will shake as citizens judge them to have fumbled in their response. We know that economies will be disrupted, and some economies are likely to collapse. Governments' ties with and perceptions of each other will shift as a consequence of how this crisis has been handled, for the United States, this will affect allies and adversaries alike.

Partly the response is going to depend on things that haven't happened – how severe illness is, whether energy markets record, and how quickly, and things like that. It's notable, and Mike will talk about, the fact that Asia seems to be coming out the other side while the United States, Europe, and the developing world still seem to be in a stage of rising infections. But even so, this much is clear: When the dust settles in the post-COVID-19 world, we won't be in the same place that we were just a week ago. We're here to consider the most likely consequences in terms of geopolitics, global security, and economics. This is the new world we're in.

So, first, why don't we start with Stephanie talking about some of the economic consequences.

Stephanie Segal:

Sure. Thanks, Jon.

So as was just mentioned, this is first and foremost a global health crisis. We in the Simon Chair are focused specifically on the economic and financial impacts of that crisis, which is now technically and formally a pandemic. We're following closely the market reaction to developments, and I think what we're seeing is markets react profoundly to uncertainty. And it's uncertainty in three

different areas. There's uncertainty as far as the health impacts and the trajectory of the virus itself. There is uncertainty about the economic impacts and how bad that can get, and the transmission of those economic impacts to the financial sector. And then there's uncertainty around the policy response. And I think there, there's uncertainty and also frustration because it's on the policy side, where you have the potential for settling the situation and giving some sense of certainty. And that's what at least today I think we've seen has been falling short.

More specifically, on the health impacts, I'm not going to say too much, because I think that's for the experts to discuss. But I think it has to be the first priority in the response. And there's still a lot of uncertainty and still a lot of mixed messages. And I think that was maybe the upside of yesterday's declaration, and the formal and technical designation of this as a pandemic, is to spur a more comprehensive and more centralized response. We still have a patchwork of responses that I think is falling short in addressing some of the uncertainty in the health area.

On the economic impact side, I think there's certainly reluctance to give a point estimate of what the economic cost could be. And I think it's actually appropriate not to be too specific about making a point estimate of the cost here. We just don't know enough. But we do know that there will be a significant impact. We do know that it is going to be significant at the minimum in the short term. And the bigger immediate concern is really thinking about what is the response to that economic hit? And then, how is that real economic hit going to transmit to the financial sector? And what do we need to make sure that we don't have what is an economic hit turn into a financial crisis? What policies are in place to prevent that outcome?

On the policy response side, we've had a number of individual countries respond I think in the most immediate sense from the monetary side. We've had central banks take action, including our Fed, to cut rates. They have the ability to act quickly. And, for the most part, they have. What is now, I think, needed is a fiscal response. Similarly there, you have had countries take action. You had Japan pass a fiscal package. You had Korea, Australia, Hong Kong. You've seen this start to move. I think there are questions about the magnitude of the response, and whether or not it's going to be sufficient to offset the economic hit. I'm sure we'll talk a little bit more in the call about what our own response is on the fiscal side, since we don't have anything that has been passed or anything that's actually pending for the president's signature. So there's some questions there. But I guess the good news is that hopefully something will be coming out soon. And I think it would need to be significant to address the uncertainty.

And then on the global side, I think here we're still left wanting a little bit. The G-20 and the G-7 have both had opportunities to say a bit more than simply watching the situation and aware of the risks. I think there is some hunger for more in the way of policy coordination. We have had both the World Bank and the IMF step up with specific numbers of what they can make available in rapid disbursements, and that's good news. But I think we also need to be planning

for worst-case scenarios, hoping that those worst-case scenarios don't materialize but recognizing that there's real concern about outflows from emerging markets and low-income countries, and it's very likely that there are going to be some very large financing needs. So there need to be assurances given that resources are available for those countries.

Heather A. Conley:

Well, thank you so much. Good afternoon. Heather Conley here.

If the medical profession must take an oath to do no harm, the political class needs to take an equal oath to do no harm, because President Trump in his decision, and very unexpectedly and unilaterally, placing a travel ban against Europe, has created a greater sense of chaos and uncertainty and economic hardship. And this lack of coordination and quite frankly antagonism towards Europe, it will do nothing to help the situation, but it will certainly continue to harm the situation.

Where we stood three weeks ago, getting back to Jon's sort of the new normal, three weeks ago there were three cases in Italy. Today there's over 12,000 cases and 827 deaths. The epicenter of this crisis is certainly Northern Italy. And what we are watching, there's sort of a twin crises of both an economic crisis and then potentially a political crisis.

I think before we sort of go into the geopolitics of this, we just really do need to pause and talk about the human dimension of this. And the stories that are coming out of Lombardi of brave health professionals that are having to make literal life and death decisions between putting a very ill person on a ventilator and the fact that there have been so many deaths, it speaks to the extraordinary humanitarian and heart wrenching challenge that the coronavirus places. But like well over a decade ago when Europe faced an economic crisis where an incredible stress from the outside showed the weakness of its then weakest link Greece in the eurozone, in some ways the coronavirus is repeating that. And this external stress has found its weakest and most vulnerable link, and that is Italy.

We are seeing in the European Union context that solidarity is a noun and it's not a verb, and it's been very difficult for the European Union and member states to be able to support Italy, and now increasingly Spain, France, and Germany, as they are confronting this crisis. They have created greater fiscal space, and we are seeing Italy two days ago announce a 25 billion-euro stimulus. You saw the U.K. yesterday in a 12 billion-pound sterling fiscal stimulus to try to manage the immediate economic impacts, the European Central Bank making some announcements today. But you're really seeing individual member states having to manage this crisis the best they can.

And again, what we are watching is, I think, where Italian banks and the Italian economy, which had been almost near a technical recession at the end of last year, we can't calculate the impact, but we know it's devastating. It's also creating greater tensions between Northern Italy and Southern Italy as the cases begin to spread, and that is something to watch out. There's enormous stress on a very fragile Italian coalition government that has just only recently

come into being, and you're starting to now see that strain. So certainly Italy is to watch.

We're continuing to follow events in Spain as the cases increase and spread. And you're seeing a variety of, again, responses, but most, again, strong border checks as well as closing off schools.

Different leaders are taking different approaches, and I'll close with this. Prime Minister Viktor Orbán of Hungary has linked the virus to migrants and has posited that as a theory – again, growing a very strong ideological framing of this and bringing those two issues together incorrectly, but using that as the basis of support for the policies that Hungary is showing.

We're also seeing where great-power competition is coming into this. Because the European Union has been slow to respond to the crisis in Italy, China has provided Italy with masks, equipment, and this has certainly been commented upon by the Italian government that the Chinese government is responding to needs perhaps in a different way than the European Union. And again, the spread of disinformation, misinformation, malign influence is also going to play a role in here to weaken governments, weaken democracies, and to demonstrate that perhaps authoritarian governments have a better response to this. And so, again, we find ourselves in – seeing this crisis even though a great-power lens.

And with that, I will turn it back to Jon. Thank you.

Jon B. Alterman:

Thank you, Heather.

You know, the stuff you described in Italy in many ways is a microcosm of what's happening in country after country in the Middle East. You start off in a region that already has a series of serious political crises. There have been protests in Algeria for more than a year. Lebanon and Iraq have had protests since the fall. The governments of Iran and Egypt put down protests in the fall. And you have ongoing civil wars in Syria, Yemen, and Libya.

On top of that unsettled environment you add a public-health crisis to governments that really can't deal with public-health crises. Don't forget that about 10 percent of the population of Egypt got hepatitis C from the way the government of Egypt was responding to a bilharzia epidemic. So they tried to immunize people against bilharzia and in the process gave people hepatitis C. Many governments simply don't have the ability to control an epidemic like this. Look at what's happened in Iran, where you have dozens of senior government officials who have come down with the virus.

On top of that you add a whole series of economic crises brought on by COVID-19. You have an oil price crash. The oil price was going to be under pressure before you had a price war between Russia and Saudi Arabia. The price war has created huge financial pressures on not only oil-exporting governments, but also on labor-exporting governments. The countries of Egypt and Jordan and Lebanon all have about 10 percent of their GDP coming from remittances

of workers overseas. Those remittances will be constrained. Some of those workers are likely to have to come home, joining already-oversupplied labor markets.

You have COVID-19 affecting tourism, and there are lots of kinds of tourism in the Middle East. You have the leisure tourism in countries like Tunisia, Egypt, and Lebanon. You have religious tourism – people making pilgrimage – in Saudi Arabia, Iran, and Iraq. You have countries that have grown reliant on transit tourism – people flying through the UAE, people flying through Qatar on their way to other places in the world.

So a lot of these countries are dealing with multiple levels of this, multiple levels of dislocation with no end in sight. These are cascading crises that will feed into each other. It will seriously pressure Iran, which was already under tremendous pressure because of U.S. sanctions. The longer-term consequences on the survival of the government of the Islamic Republic itself and serious questions about what comes next are totally unclear. Countries like Lebanon, Jordan, and Egypt, that are very close to the United States, could face political earthquakes. It could provoke across the region another set of political explosions like the Arab Spring, but at a time when governments – especially the wealthier Gulf Arab governments which had tried to buttress political stability by funneling money to governments that were shaking – those governments won't have the resources to do it.

The Arab Spring itself provoked three civil wars that remain ongoing to this day. And the question we have to examine is, will the current dislocations lead to even more?

Mike.

Michael J. Green: Can you hear me? I was briefly disconnected.

Jon B. Alterman: Yes.

Michael J. Green: OK, good. It's Mike Green. I will now briefly touch on what we are seeing and may see in Asia.

Let me start with what we've seen, in terms of the geopolitics and politics flowing from this virus. I'll tell you what we have not seen, which is what we saw in the earlier cases in 2003 with SARS and in 2005 with avian influenza. I was in the White House at the time running Asia policy. And when SARS struck in 2003, Hu Jintao, the Chinese leader, was not surefooted. But then when avian influenza came there was a significant uptick in cooperation, not only between the U.S. and China, but Japan and China, Singapore and China. We're not seeing that this time. What we're seeing this time is that the virus is exacerbating tense geopolitical relations in the region, particularly between U.S. and China. And responding to the virus is, in turn, being hampered by that geopolitical dynamic.

We saw it first in China. The Chinese sat on top of what they were calling the Wuhan virus for months. The minister of state security arrested doctors who reported it to higher authorities. The Chinese authorities refused to meet with U.S. experts from the Center for Disease Control and the NIH. They eventually allowed the World Health Organization to visit with some U.S. experts in the delegation. And just in the past few days, they've started direct bilateral coordination with CDC and NIH. But it was months that this thing was born and then grew in Wuhan before the Chinese were forthcoming, which is quite different from SARS or avian influenza. Where there was incompetence and then cooperation, this is – this was deliberate for a long time.

The Chinese government has also threatened to cut off the vaccine elements they produce to governments that criticize their performance. We've not seen that before. There is a social media propaganda campaign on WeChat and other social media platforms in China to blame the West, to blame the CIA. And there is a very deliberate propaganda line from the Chinese government that their response to the virus demonstrates that Chinese governance is superior to the West. I even had senior Chinese officials contact me, clearly on instructions, to tell me that Japan and Korea's democracies would make this disaster for the whole region because they don't have an authoritarian system like China. They didn't use the word authoritarian, but that's what they meant. I asked about Taiwan, by the way, which is doing quite well, and they didn't respond.

You can see some of the reason for this in Xi Jinping's visit to Wuhan yesterday. The local Communist Party officials tried to turn it into a thank Chairman Xi tour, but he was, and senior officials were, booed. Online they were attacked in ways that you do not see in China. So you can understand where the insecurity comes from. But that internal insecurity is a source of obvious nationalism and tension with the U.S. and others in the region. This nationalism and failure to cooperate and geopolitical context is not entirely inside China.

The Trump administration significantly cut back the U.S. dialogue and presence in Beijing on global infectious diseases as part of its strategic competition with China. There were 10 U.S. experts and about 30 or 40 Chinese expats in China working on global disease detection. The Trump administration cut them back to three Americans and a handful of Chinese, cut off dialogue between the U.S. and China on science and technology, and in some ways you're seeing the consequences as well.

In Korea, in Japan, in Australia you can see on social media and opinion polls a pretty severe anti-China backlash. It is quite possible that will be turned against Moon Jae-in, the president of Korea, when there are local elections – National Assembly elections next month. And Abe in Japan has lost 10 points. A lot of the economy, but both Abe and Moon are a bit vulnerable because they were very slow to ban travel from China, because they were looking for and expecting a visit by Xi Jinping to both Seoul and Tokyo. And there are stories emerging in both countries about how they put people's lives at risk essentially to kowtow to China.

Interestingly, the ban on European travel did not apply to Japan. And in part that's because the Japanese government has been working overtime to make sure Japan did not get banned. More than European leaders, Shinzo Abe has invested in his relationship with Donald Trump. And senior people in Tokyo told me that if he had banned travel from Japan it would have been catastrophic for Abe politically.

I guess the only silver lining is that the U.S.-China trade friction, which was temporarily halted because of a phase – a so-called phase one deal – is kind of on hold. The phase one deal, and you can read Scott Kennedy's analysis on our website, was really not very impressive. And the Chinese were very unlikely to actually fulfill their commitments. The administration has given them a pass because of this. So I saw that as one silver lining.

Overall, we know about the world we're in from this than the world we might be in, but let me briefly end by saying if we have the worst model for financial contagion following the viral contagion, you know, we're going to have a – we're going to have a different geopolitical equation, possibly. Usually natural disasters, and this would count, end up in a rapid recovery economically a year or so later, as pent-up demand and supply come back into play, usually. Not clear if that will happen this time. If there is a significant financial crisis – and this is an if, a big if, as Stephanie pointed out, you can expect some serious questioning about Xi Jinping's legitimacy.

When the 2008 financial crisis struck I did an academic paper comparing how financial crises impact geopolitics. And in 2008, the precedents were post-war Brazil, Korea, Indonesia, which democratized and opened their markets because of a financial crisis. But then again, you had the 1930s examples of Germany and Japan radicalizing, militarizing, introducing national socialism because of a financial crisis. That is very speculative and quite a bit out there. We're not anywhere near any of those scenarios, but I'd just end with that very speculative look at how, in the more extreme scenarios, particularly on the financial side, it might impact geopolitics. But what we have for now is a lot of scratchiness, a lot of ugliness, and less cooperation than we had in prior crises because of the geopolitical dynamics that we see in Asia today.

Caleb Diamond:

Great. Thank you, all. We'll now open it up for questions.

Operator:

(Gives queuing instructions.)

And one moment for our first question.

Our first question from the line of Shaun Tandon with AFP. The line is open.

Q:

Thank you. Thanks for doing this call.

Wanted to follow up on some of the comments from Heather and Mike talking about the idea of great-power competition and how this relates to it. China's efforts – you know, China, for example, has offered aid to Italy. How successful

do you think they could be in the medium to long term in terms of increasing Chinese leverage? Or do you think people are seeing more the situation in China and how it took place there? And with – in the case of the United States, you see the U.S. as quite abruptly having this travel ban on Europe, what do you think the impact will be for the United States' role and its relationships with its European allies going forward from this? Thanks.

Heather A. Conley:

Thank you so much. I'll start, and then turn to Mike. You know, I think right now the Chinese assistance to Italy – face masks, some medical equipment – is symbolic. But I think it in the near term has a little bit more significance because there has been frustration that other members – the EU other members have not been as giving in providing masks. For instance, Germany has not transferred. Again, this speaks to, I think, the members – individual countries keeping their own supplies, uncertain for their future, and not willing to help.

And I think this is part, as Mike mentioned, of China's campaign to turn this into a larger gratitude campaign that countries reinforce China's successful handling of this, and now they're turning around and saying: Follow our leadership, how we did this. So I think in the near term, I don't want to overstate it, I think it has been successful in compare/contrast. I think it's important that Italy is the only G-7, you know, member that has recently signed the Belt and Road Initiative. So this was already happening before the coronavirus. But again, all of these symbolic measures and the political influence that they are designed to hold I think, you know, does have – merits continued focus particularly as, you know, the EU and China, if they hold their summit in Leipzig in September to see if some of this investment pays off down the road.

You know, I think, again, we are just seeing, you know, barely – not even 24 hours after the surprise announcement by President Trump you are seeing across the board – the Europeans had no prior notice to this. This announcement happened in the middle of the night. There's absolute chaos at European airports for Americans and Europeans, as well as here in U.S. airports, the people that are trapped and are trying to get back. This is not how a great country manages its relations with its closest allies. There has to be coordination. There has to be consistent messaging.

And it's absolutely unclear to me whether President Trump was aware that the European Union is a different set of memberships than the Schengen Agreement, that in fact the United Kingdom had been accepting planes from Milan as recently as Monday without, I mean, anecdotally, doing some checks. So to be honest with you, I didn't even understand the benefits of the ban, to allow the U.K. and Ireland and countries that are not in the Schengen accord in the Western Balkans, to allow that travel. It doesn't make sense to me.

But we needed to do this in a coordinated way jointly with our European partners. We all share the goal in not spreading this virus, to contain it, and to treat it as humanitarily responsibly as we can. And what the president announced last night did none of those. It just created confusion. And the

antagonism in Europe right now is very, very high, and this is going to impact other policy objectives down the road for sure.

Mike, over to you.

Michael J. Green:

It's tempting to conclude – in fact, I would suggest that this also shows that the Japanese understand Donald Trump better than our European allies because they were working overtime to make sure they were not on a ban and our European friends appear to have been surprised and caught flat-footed.

The impact, you know, it's – this is likely to accelerate decoupling that was already happening because of high tariffs on China placed by the Trump administration, because of the ban on Huawei, and export-control bans on U.S. and other affiliated companies to Huawei and Chinese firms. So there was already a bit of a decoupling. Some estimates are up to a third of supply chains were decoupling between the U.S. and China. This probably will accelerate that to some extent.

In terms of the propaganda war, I think China will have some success with countries that feel aggrieved, and Italy may be one of them. Those were already the countries, as Heather just said, that were attracted to the Belt and Road, that were getting bailouts – unconditional bailouts from China that they were not getting from the European Union or the U.S. or Japan. So I suspect China will find some customers for its argument about the failures of democracy, but it's not going to be the big countries. It's not going to be Japan or Australia or Korea, and it's not going to be in Indonesia.

And on the whole I think the Chinese propaganda line, which is – which is essentially a cult of personality around Xi Jinping we have not seen in China since the Mao era, I think it's going to backfire. I think it is a great big giant turnoff for open societies and democracies. That does not mean the U.S. will win in this information battle, because while the Japanese and others in Asia are not getting the shock treatment that the Europeans got overnight, there is a very strong sense of questioning American leadership right now.

And so in Korea, for example, we have very, very difficult demands from the Trump administration for an increase in host-nation support. You know, some of the nationalism in Korea is going to be directed against us, too, because the administration is not dropping those demands for a 500 percent increase in what Korea pays. In opinion polls, 3 percent of Koreans think that they ought to work with us on this. So you know, there's going to be some backlash against the U.S. in Asia as well because we're not treating friends the way they are used to or think they should be treated.

And if for some reason Japan does get on the travel ban, it's going to be – it would be devastating for Abe politically and the backlash against the U.S. would really occur there as well.

Q:

Thank you.

Operator: Thank you.

(Gives queuing instructions.)

Caleb Diamond: Well, it looks like there are no more questions at this time. So I think we'll end it here.

Operator: I believe there is an additional question.

Caleb Diamond: Yes.

Operator: OK, we'll go to Tracy Wilkinson with L.A. Times. The line is open.

Q: Hi, thank you. Sorry, I was late pressing my keys there.

Jon and Heather, you both talked about kind of the new normal, the new world we're in. I'm wondering what diplomacy is going to look like in that new world. The Trump administration sort of America First has often been criticized for becoming America alone. And so I'm wondering, you know, already the G-7 ministerial for next week is going to be virtual. You know, how is that going to work? How is diplomacy going to work in this new world? Thanks.

Jon B. Alterman: Tracy, another – why do you always ask the tough questions?

Q: (Laughs.) It's my job. That's why they pay me the big bucks. (Laughs.)

Jon B. Alterman: Look, I think on the one hand, diplomacy is getting more complicated because there's so many more actors and so many more moving parts that people are trying to manage. They have nonstate actors. You certainly don't have a world that's led by two or three superpowers. There's a lot more going on. But at the same time, I think what the coronavirus crisis reinforces is that governments really do matter. For as much as you can talk about the role of business and the role of NGOs and all the other things, and terrorist groups, and others who have a voice in international diplomacy, there still is a time when it's governmental decisions that matter, it's relationships between government officials that matter. And if you can't forge those relationships, if you can't forge the partnerships, you live in a whole different world.

And as Heather I think quite accurately described, we have processes in place to avoid catching people by surprise. There are institutions that are complicated which are maintained in order to provide some sort of resilience in situations like this. And we see people not using them. We see people who seem to be inventing things at the spur of the moment rather than relying on the institutions and the resilience that they've built over decades to be employed in moments like this. It may be that individual governments lose credibility from the way this plays out. It may also be that there comes to be public support for more international institutions and organizations because it really does require international cooperation to deal with a crisis like this. The virus doesn't respect borders, and you can have whatever passport check you want. The virus is going to get by it. This is exactly why you need governments

to cooperate, and it seems to me that when the dust settles that will be one of the enduring lessons from this as well.

Heather A. Conley:

Tracy, thank you so much.

Just very briefly, I mean, in the case of the president's announcement, there was no diplomacy, because there was no coordination and outreach to the Schengen countries. I think, in my view, just the microcosm of the president's Oval Office address last evening, it was a domestic political desire to offer a big announcement and to blame someone for the crisis. And the blame was assigned last evening to Europe.

And I think pulling on some of Mike's comments, I think our diplomacy right now is incredibly personality-driven, driving to the cult of personality. Perhaps if Japanese Prime Minister Abe was able to use his personal relationship with the president and with the White House to be able to prevent this, or perhaps Prime Minister Boris Johnson in the U.K. was also give a little bit of an assist with this particular announcement, what happens if you don't like Angela Merkel of Germany? And so this personality dynamic is the new normal, unfortunately, and it completely neuters the institutions and all the relationships that make the types and the mechanics of crises like these work.

And I would, finally, say, you know, in some ways the president appears to have misspoken last evening about the confusion related to a blocking of not only people coming from Europe, but goods. That was a drop in the market and that had to be corrected by the White House. But I will give you an example of what that looks like. If you look right now at the Austrian-Italian border and the Brenner Pass, where the Austrians have now imposed checks on every truck that crosses that border and the traffic is 50 kilometers long, you now understand what that type – if the United States was to ban on goods.

So it's personality-driven. It's blame-driven. And unfortunately, it has great real-world implications for America's leadership in the world and our allies and partners. And that's why the last 12-plus hours have been so incredibly devastating.

Michael J. Green:

May I add two points – it's Mike Green – before we conclude?

First, on Jon's really important observation about who will be trusted going forward, I think one macro explanation for what happened with Brexit and our 2016 election result and other populist results around the world was that the technocrats failed, or at least that was the perception, in Iraq and with the global financial crisis in 2008. I think it's very possible that the macro result this time could be that the political populace failed and it's the technocrats who emerge as the heroes. You could see that in China. Xi is being booed in ways that is almost unthinkable in China, but Chinese doctors are now heroes. It's Dr. Fauci in the U.S. who everyone's turning to for information. So that may be – we'll see, but that may be sort of how history – political history turns in this chapter.

The other thing I'd say on international coordination and diplomacy, the transatlantic architecture, and in particular the G-7, has essentially been broken since 2017 because the transatlantic relationship is broken. There are two countries that are central to that architecture that do work well with the administration, Japan and Australia. And I would look for – we need the G-7 to cooperate on this, especially given the financial challenges that Stephanie illuminated. I would look to Japan in the G-7 context, perhaps Australia in the G-20 context and U.N. context, as particularly important bridgers between the U.S. and Europe as we go forward. We're going to need them to do that, because if we can't rely on the G-7 in particular and the finance ministers' arrangements we're going to have a much harder time dealing with this, in my view.

Q: Great. Thank you.

Operator: And I will just check one more time.

(Gives queuing instructions.)

We have no one queuing up. Please continue.

Caleb Diamond: Yeah. So I think we'll end it here. Thanks again for calling in today. We'll send out a transcript to all of you shortly and it'll also be available on our website. And please reach out to us if you'd like to set up an interview. And thanks again.

(END)