The Atlantic Council of the United States

NATO in a New Security Landscape – Luncheon Conversation

Introduction: Barry Pavel, Director, Brent Scowcroft Center on International Security, Atlantic Council; H.E. Wegger Chr. Strommen, Ambassador, Royal Norwegian Embassy in Washington;

> Moderator: Damon Wilson, Executive Vice President, Atlantic Council

Speaker: Julianne Smith, Deputy National Security Advisor, Office of Vice President Joe Biden

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BARRY PAVEL: So, I would just like to introduce the introducer of the next part of the session – the ambassador of – Ambassador Strommen, the ambassador of Norway and, importantly, just a wonderful, wonderful partner of the Atlantic Council for a long time. One of our biggest supporters; I think we're one of his biggest supporters. Very sad to see him leave Washington later this summer, but without further ado, Ambassador Strommen. (Applause.)

WEGGER STROMMEN: Thank you very much.

Thank you very much, Barry, and thank you very much for allowing me a few minutes to, first of all, to introduce Julie. But also, before I get to that, I'd like to say one or two words as I'm coming to the end of my tenure. After six years – I will leave Washington after six years.

Now, it would be – you know, what has happened to the Atlantic Council under the leadership of Fred and with people like Barry and Damon, what you have achieved here is really remarkable. I mean, I thought – yes – (applause) – we should give everybody a hand. (Applause.)

I knew that the Atlantic Council was going to be a great partner when I came to – and we find characters like Chuck Hagels and – Chuck Hagel and others that really have gone places hanging around the Atlantic Council. But you really, from the start, over all these six years, has been a tremendous partner for Norway for our understanding of where we are in the defense and security field; for advice, for dialogue. You know, in essence, the kind of reasons why we – why we value so much the kind of project and the kind of programs that this conference is a part of.

So, thank you very much to all of it – all of you. All I can say – do keep it up. Do keep it up. And we will – and we will support you and we will be with you.

Now, Norway is – you know, it's probably – it's probably fair to say that security and defense is the biggest stone, the most heavy one element, in the relationship between Norway and the United States. And in that, I include several things: military, intelligence, a lot of other things. We do other important things in America; energy being obviously the other one.

I hope everybody is taking a look what's going on in North Dakota at the moment. It's Norway's state in America. (Scattered laughter.) But now it's producing 1million barrels of oil per day. And our economies and our environment is all over the place, as if there wasn't enough Norwegians in North Dakota in the first place. (Laughter.)

But, defense and security policy. We – and I'm being honest, really honest now. I mean, we find ourself in a slightly different position than many other countries. Because of energy prices and other – and other reasons, our defense budget has actually increased quite substantially – at least if you compare it to many of the – many of the other allies. Not so much in terms of percentage, maybe, but because our GDP has gone up.

We think that we have been going through a lot of the things that the Atlantic Council and the American security environment has been talking about for a long time. You know, smart defense in the sense that modernizing your armed forces, which in our case has meant building up and acquiring capacities that are - will respond to the kind of - to the kind of challenges that we - that we meet.

First and foremost, you know, the – our situation is of course that we did look after one of the most difficult borders – if not in Europe, in the world – for a long period of time during the Cold War. Now, I started out as a diplomat in 1984 during the Cold War. And you can imagine what my first brief was like. My first job was to be desk officer for the maritime delimitations in the Baltic Sea between the Soviet Union and Norway. NATO and the Warsaw Pact met with this land border that we had with the Soviet Union and we now have in a very different situation with the Russian Federation. So, we come out of that.

In addition to that, it's also important for us to sort of make the point wherever we go that 85 percent of the territory in the Norwegian jurisdiction is saltwater. It's a large chunk of the North Atlantic. Now, that requires a lot of resources just to look after on a basic level, which is why we went through the kind of modernization that we did with the coast guard, the navy, the air force; we're now requiring F-35s, which we are eagerly waiting for. The first ones will come in 2017.

At the same time – and I have understood that you took a look at the state of the world this morning and that you went around the globe and the new challenges – the rise of Asia, the operations we have been through – first in the Balkans and then in the wider concept – in NATO – we will participate in that as well. I'm only trying to do this broader sort of broad geographic aspect of reminding everyone where we – where we are because, quite frankly, a place like Afghanistan, and we – I don't think we have anything to be ashamed of at all in Afghanistan, but it's not the kind of terrain that I grew up in. It's, you know, it's as far away from, you know, a Norwegian sort of territory and our geographical conditions as you almost could imagine, apart from there's some snow some places, some places.

So, to balance these – to balance these things within reasonable budgets is of course one of the reasons why we turn for advice and for partners and for dialogue, to gatherings like this, to the Atlantic Council, and we're very, very thankful.

Then, Julie, I'd like to thank you after these six years. There hasn't been better advice in Washington in any place that you have been. And I have – I've had the same job for six years, but you've actually moved around quite a bit. Fortunately, you live in the same place, which is fairly close to where I live, and you and your husband set up shop just up the road. But you have – I really would like to say that a big thank-you. You have been – you have been super for us, not only in a way to listen to – when we talk about all our saltwater and about all our – all our coast guard issues and all the rebalance of NATO, everything, but also – and this is maybe the most important sort of (strength ?) for a foreign diplomat that I've seen you is that for solid advice on how to approach a huge and complex security system in Washington. I mean, this is not for beginners. (Scattered laughter.)

You know, I - we come, of course, out of a reasonably small system, but even if you come out of, you know, a larger – a larger system like the bigger European countries, good heavens, the Americans defense and security establishment – who does what and who does what

right now is extremely difficult to maneuver. And you have been the best source we've ever had for guiding us through that. What is going on, what should we be doing – I think you have been straightforward and honest with us. And your judgment and your knowledge on these issues will now speak for itself as you come to the podium. So, a big thank-you from Norway for – and we will – we will find you in the – and my successor will find you – Keith (sp) will find you – everybody else will find you. So, thank you very much.

So, ladies and gentlemen, listen very carefully to Julie Smith.

Thank you. (Applause.)

MR. PAVEL: Thank you very much, Ambassador Strommen. You've just been a fantastic partner of the Atlantic Council throughout your tenure here, along with the embassy, your colleagues at the embassy and your colleagues in Oslo. We're really grateful for this partnership.

I want to add just a word of welcome. The ambassador has introduced and welcomed Julie Smith to our lunchtime conversation today. But I just wanted to add a word that we are delighted to have someone who is right now serving as deputy national security adviser to the vice president, who's been an incredible colleague whether it's been at the White House, at the Pentagon, in the think-tank world or before that, but importantly she's been a great friend as well throughout this process.

And for those of you that have had the chance to work with Julie, you know that she brings a degree of strategic creativity, good humor, genuine passion and a real commitment to the issues that are on our plate today. The agenda that she deals with on a daily basis is incredibly wide, diverse and challenging, and yet I think all of you who follow the alliance, that follow trans-Atlantic security, that are from European embassies, countries know that you have a strong voice of support wherever you've been in a position, and that's one reason why we're so delighted to have you here for this conversation.

Our conversation today, this is – the whole project we're working on is called "NATO in an Era of Global Competition." Our discussion is "NATO in a New Security Landscape." And the timing in some respects – from a tactical perspective, the timing is opportune. Julia's just been at the White House following Secretary-General Rasmussen's visit last Friday, where President Obama and the secretary-general announced – confirmed that there would be a NATO summit coming in 2014. And as all of us knows, there's nothing more to focus on interagency and to focus on NATO bureaucracy than the milestone of working towards a summit. But we also were lucky enough to have her here today on a day where she'll be running right back to the White House, running promptly at 1:30, to get her back for an announcement of – President Obama's announcement of the appointment of Susan Rice as the new national security adviser.

Before we get into some of the implications of the NATO agenda, the path towards the summit, I thought we wanted to start our conversation in a more strategic level. To get a sense in the context of the conversation we had this morning, how does NATO really fit into what is becoming a new security landscape? How does the White House see the security environment,

see the world – the U.S. role in it, and how does Europe, and then more particularly NATO, fit into this emerging new world?

JULIANNE SMITH: Sure, well, thank you – thank you for the kind introduction. Thank you to the ambassador for the kind words, and thanks for the invitation today. It's a pleasure to see so many old friends and familiar faces and great, always, to escape the White House for a few minutes, so thanks for that opportunity.

And, Ambassador, we're really going to miss you for all of your insight and analysis and the honesty that you've brought to this relationship; always being a dear friend in telling us straight-up what we're doing well, what might require a little improvement and how we could work together even more moving forward. And I've really valued the fact that I've been able to just catch up with you down the street from time to time. And I can't tell you how much you're going to be missed. I'm sure everyone here in the room could go on and on about what kind of an impact that you've had during your six years here in Washington.

So, in terms of looking at, kind of, how the White House is looking at the NATO alliance right now, I have to say when I – backing up a little bit, when I came into the administration in '09, landing in the NATO shop I – at the Pentagon, I had – I wondered, I thought, well, is this going to feel like the beating heart of policy or is it really – this is before we even knew the pivot was coming, but wondering about – compared to the issues in the Middle East and some of the top-line priorities, how will my issues kind of fit into the bigger picture? And I was immediately reassured, in part because within a few short weeks of assuming my new role at the Pentagon, we had to jump into the Strasbourg-Kehl summit, which was really a whirlwind tour, and it really threw the administration into it.

And I think at that point the administration set the tone about the priority it placed on NATO, its determination to strengthen the alliance, to focus on capabilities, to set the path moving forward with a strategic concept, to enhance partnerships; it really had a vision and a goal, and I could see a determination that we'd have the next summit the following year, that there'd be another summit, that Washington or Chicago would end up – I mean, you could see slowly over time that this was going to be a big part of the administration's agenda moving forward. And so it was very reassuring.

And then as I, you know, years later arrived at the White House, I went through the same kind of, you know, self-doubt of, well, I'm not there to really focus on NATO but everyone knows I'm kind of a secret NATO hand and I'll always be a NATO hand and I have the NATO gene, as Steve Ehrleiner (ph) always tells me, and I'll never get rid of that.

And so how does that -I was very curious particularly after we had gone through the pivot to Asia wondering how NATO would play. And my first introduction came in - you know, the first of couple weeks, you get thrown into all these deputies meetings that span the globe, so it's, you know, one hour it's Yemen, the next it's Iran, then it's China, and it goes on and on and on. And what I found was that there was nothing on the calendar that said NATO. There was never a NATO – very rarely a NATO meeting at that level, at very high levels.

Occasionally it would bubble to the surface but there wasn't, like, a proper NATO deputies meeting on a regular basis, certainly, by no means.

But what I realized quickly is that in all of those meetings, almost without fail, hands would go up – Well, what's London doing? What's NATO's position? Is the EU taking a position on this? Who's been over to talk to the Nordic allies? Who's been to talk to the southern allies? What's the position of Central Europe on this? And that's just the thread that runs through everything that goes on at the White House.

So, while it's shifted dramatically in recent years, I can imagine – and folks have told me who have had prior White House experience – back in the day, 20, 25 years ago, there were more proper NATO meetings, right. And particularly in those early transition years after the fall of the wall, looking at enlargement and all the rest, a heavy focus on the NATO agenda à la Ron Asmus and others. But now, it's not that NATO has diminished in standing.

NATO and Europe still, in my mind very much so – and even though I'm biased, I think many would agree with this – remains the beating heart. Why? Because Europe and NATO bring with it valued and treasured partnerships that go back decades, that's rooted in deep experience operating and working together and analyzing the issues. We value the insight that the European allies bring to any challenge that we face. We value their partnership, the role that they play; sometimes a more important role than the United States plays, depending on the issue you're talking about. Europe has relationships that are different in some cases around the world than those that the United States has. And certainly when it comes to capable, well-equipped, well-trained, experienced military forces that are ready to take on the challenges of tomorrow, Europe's and NATO forces are unmatched. There's just nothing that can come close. And so that resonates throughout all the decisions.

Now, all that said, despite my confidence in, kind of, where NATO sits at the White House and Europe more broadly, I think we do find ourselves – the folks working day to day in the White House and across the administration –at State and DOD as well – we find ourselves really struggling to come to terms and grapple with a world that is evolving faster than we can keep pace with.

And by that, I mean when you take kind of - you've heard the analogy about the three legs of the stool of our foreign policy, right? So, we've got development and diplomacy and defense. When you look at those three legs of the stool and you think about the changes that you're witnessing in all of those areas and you pair that with the regional challenges that are emerging, which seems like by the hour, around the world, it really can be quite breathtaking.

So, if you look at those three legs of the stool, think about what's just happened in the last couple of months or, in some cases, weeks, on the development piece, the United States is now facing a world in which some countries in the West that have traditionally been known to be providing huge amounts of development assistance are now under a budget crunch, so we're seeing budgets diminish. We're also facing an environment where we are finding the United States but also other countries around the world – we're no longer able to get in our development experts and have a development presence in places where we want to. For example, Russia

would be the most – the easy example – the easiest example that comes to mind. The fact that the United States had to close its USAID office in Moscow was pretty devastating, and it makes us think a lot about what our presence will look like in that leg of the stool moving forward in multiple corners of the world.

On the diplomatic front, we lost four dear Americans in Benghazi. We're now thinking day in and day out about the challenge of presenting our strategies, our policies; working with countries around the world while ensuring that American citizens are protected and safe in those environments and trying to find the fine line between ensuring that we reach out and we have a forward-looking presence but that we don't take unnecessary risk.

And then lastly, in defense, we've seen multiple corners of the world, the dangers that our forces are under and that – in places like Afghanistan and beyond; all across the Middle East – but also the budget constraints that they're operating under and the tough choices that we're having to make.

So, when we look at the questions we're grappling with in all these three areas, we also then ask the question: With whom can we work as we struggle with these challenges? Can we enhance our relationship with our partners in Europe to get more bang for our euro or our dollar or whatever currency we might be using? Can we have a push together on the diplomatic front so that we're not necessarily trying to be everything to all people everywhere around the world, but that we're enhancing regional relationships and partners to get our messages out and work common strategies together with our closest allies?

And then in the defense arena, how can we start sketching out strategies where we're not – we, the United States, won't have to take on every single burden but that we can rely on partners whether it's in Europe or beyond. I mean, the vice president just got back from an amazing trip to Latin America. It will not be his last. There's a heavy emphasis on that region as we look to that region and Asia for new partners, new institutions, new multilateral forums, new bilateral relationships, and we'll be having this conversation with our European friends as well to understand what relationships they're developing in these regions as well.

So, in short, I think we feel sometimes like there is a sense of feeling overwhelmed at times and that the circuits are overloaded by the issues that are coming at us each and every day, whether it's new issue sets like cyber or Arctic challenges or energy security or it's, as I mentioned, some of the domestic challenges we're facing in terms of, how do you promote our ideas and our policies in these relationships under the constraints we're now facing, whether it's budgetary or security-wise or politically or something else?

And so it is, to me, reassuring that I see Europe come up in these conversations and NATO and even the EU, time and time again, and that we rely on this set of relationships more than any other. But I have moments where I catch my breath and I think, wow, even working with Europe in some of these issue sets is going to be an enormous challenge. If I just look at North Africa alone, where Europe's heavily engaged and wants to partner with us and, in some cases, will be a better partner probably than we will, depending on the issue set you're looking

at, I still wonder how we're both going to come together – Europe and the United States – to tackle some of these really tough challenges.

MR. PAVEL: So, Julie, you just made the point very clearly of what I've always felt – that when you work on Europe inside the U.S. government, you're really working a global portfolio –

MS. SMITH: Completely, completely, yeah.

MR. PAVEL: - and I think you just drove that home.

Let me bring you back for a moment to the - to the institution of the alliance itself. And we were talking about how - and you know as a NATO-NIC - that NATO's history really is one of adaptation.

While Article 5 has remained – collective defense has remained a core consistently throughout the alliance's history, you can look at what the alliance has done in the real world and sort of see the chapter of deterring a Soviet threat, then post-Cold War, beginning to reach out to the East with partnerships, and that leading to an enlargement process that continues to this day. Then the chapter of crisis management starting in the Balkans that has continued, extended; and post-9/11, the trauma of 9/11 leading to the operation of Afghanistan, but also leading to a reorientation of some work at the NATO whether it's on terrorism or cyber or other issues.

Right now, I think the conversation we had this morning underscored the fact that we're moving into a pretty, I think – as folks (are citing ?) the National Intelligence Council 2030 report – sort of post-Westphalian world, perhaps; a very different security environment. And so I think the whole effort that our group has been struggling with is, where do we think that next adaptation for the alliance is going? What is – how should the alliance be thinking today to prepare itself for what is a dramatically different world? It might be chapter five of this adaptive network. Where do you see the alliance going in this new security context?

MS. SMITH: Well, on the adaptability, I mean, this is why I'm a true NATO optimist. Even when I was at the Pentagon tracking defense budgets across the NATO capitals and getting a bit concerned by some of the outlook that I was – as I looked at the data, trying to look out and project where NATO's going to be five to 10 years from now, you can get a bit gloomy. But I still always step back, and I feel relatively reassured about NATO's future, in part because of this adaptability story that's rooted in just fact. And that is, at each moment in its history, NATO has shown its ability to evolve and adapt and acquire new capabilities or bring in new members or reach out and develop new partnerships and take on new missions. And that, in itself, is incredibly admirable.

It's hard to find an institution out there that has had that much evolution in such a short span of time. I mean, if you look at what NATO's been through just in the last 20 or 30 years, it's nothing short of remarkable. And it's not easy for an organization that's operating by consensus with a very large member base that, you know, has grown over the years to stay on that track to be relevant, to be current, to be able to respond to the threats of tomorrow. But you're right. I do have the feeling that we're about to kind of enter another chapter of that. And I can't predict with certainty what that will look like at the end of the day. One can imagine that it's tied, in part, to 2015.

We're still sketching out what our presence will look like in Afghanistan but, no doubt, from a NATO perspective, it will be significantly smaller than what we've seen in recent years, despite the fact that there will be an ongoing presence there. And so the question for NATO, I think, as it comes off this very long-term, very heavy mission, very intense mission – how will it return and regroup?

For some countries in the alliance, they're really genuinely facing the question of whether they can return to the modern agenda that, in some cases, fell off while they were heavily focused on operations. But the challenge is not just that, in terms of, well, can we go home and kind of enjoy some of the savings we'll be benefiting from, but also reinvest? But for NATO, it's more about not just getting into the details of defense budgets and how countries will kind of now chart the way forward post- Afghanistan, but what is the future vision for this alliance, what is, kind of, the strategic outlook, and how does NATO want to position itself in the world? I mean, I think we can never let go of the Article 5 piece, and this will give us a chance to return to our core mission, to kind of do an audit of where the alliance is today and whether or not it's adequately prepared for all of the contingencies that may unfold in the immediate Euro-Atlantic area. So, it would be good to return to that core message and spend some time on that.

But I think we also have to spend some time thinking about two pieces of the Chicago summit, and that's the future of partnerships. Where do we really want to take this moving forward? And beyond the immediate question of the aspirants and some of the countries that have partnered with NATO particularly in Afghanistan – countries like Sweden or Australia – but beyond that what is NATO's vision, and try and have an honest-to-god conversation about the pros and cons and the risks and challenges of widening the aperture on the partnership front.

And then defense capabilities – there are some really tough questions there about what types of capabilities does the alliance think it will need to address the challenges of tomorrow? And beyond conventional forces, I mean, really thinking through now the cyber piece, which has been a part of the NATO agenda but, to be honest, not a significant part of the NATO agenda. And there's been some work on cyber but not enough, in my mind. And I think we really need to ask ourselves, kind of, how NATO will play in that issue set.

So, that's just one example, but there are a whole host of other – in energy security, I mean, there's been some debates particularly around the strategic concept about NATO's role there, and I think we'll have to step back and do some reassessing of, kind of, take the temperature of NATO and understand the vision of all the member-states of where they want to go.

MR. PAVEL: You've hit on two issues that we've identified at the council as being key to an agenda going forward. Obviously, the partnership one with Frank Kramer. And if you heard this morning, we've run a project on partnerships, because I think this is really one of the lynchpins for helping NATO navigate into a global security environment. It's not a global

NATO. It's an alliance with global partners. And much work, as you well know, remains to be done there. Cyber is the second one as well.

But let me – you mentioned this idea of doing an audit of where the alliance is post-Afghan drawdown. And in some respects, that can – we sort of see this work that we've begun over the next 18 months as something comparable to that; a bit of an audit, if you will. And I want to – you didn't have the benefit of hearing the conversation this morning, but what struck me in listening to our Europeans, Norwegians – Europeans and Americans this morning, we're really the sense of countervailing trends that are buffeting the alliance.

On the one hand, I think we have one of our Norwegian researchers say that European defense policy is not really impacted by the rise of Asia right now. We heard several Europeans call for refocus on the core; we focus on Article 5, but also more regional context – the neighborhood, if you will. And all of this is against the backdrop of the reality of those budgets decreases that you were tracking at the Pentagon.

And you heard the American speakers talking about figuring out emerging powers – particularly Asia; challenges continuing in the Middle East – but also nanotechnology, nonstate actors, a much more complex security environment, which the NIC itself outlines in its report. And on the one hand, yes, we get the need to protect the core of Article 5, but at the same time, it seems only natural that as the United States figures out how to – how to deal with a whole new cast of characters and array of security challenges, that we do that with our closest security partners at our side – being our NATO allies.

Do you see a tension as you think about moving into, perhaps, this post-Afghan drawdown audit – this need to focus back home – do you see a tension at place of where strategic planners are going inside the U.S. government with where the political momentum and budget momentum is going inside the alliance?

MS. SMITH: There is a tension, definitely, between, I think, a list of requirements – I mean, it depends who you're asking, but I think a large number of NATO allies, if you were to list out kind of what do you think the alliance will need to be successful in the future, if you compare that list then what do you think we can afford, there is a tension there. I mean, I think we have to be clear-eyed about the budget constraints that we're facing, but I also think that – again, going back to your adaptability point, I think the alliance has shown that it's able to be creative when pushed. And this will be a time that will really test that. There is no question that we're facing severe budget shortfalls in ways that we haven't witnessed for the last 20-plus years. I mean, we have had discussions about defense budgets going back, you know, in time, for decades, but what's different this time around, as we've noted in countless conferences around town and on the other side of the Atlantic, is the size of those cuts and then what the implications of those cuts actually are where allies are just shedding whole capabilities. So given that reality, there will no doubt be tension with those that want to put some of those new agenda items on the table.

But I don't think we should be under the impression that there needs to be a tension between Article 5 and looking at the future for this alliance. I mean, this is the age-old dilemma

– you know, everybody who works on NATO issues can remember times, you know, again, going back for decades, where we've had this, you know, pull between this expeditionary and kind of Article 5, but we've always managed to do it. The reality is even if we come off Afghanistan, and there is some agreement that we're going to come together, we're going to do this audit, we're going to focus on Article 5, the reality is the world's not going to wait for us, right? So we can have the best of intentions, we could all sit here now and have deep agreement that we're going to catch our breath, we're going to have – recoup our losses, you know, have – the finance ministers are going to be, you know, rubbing their hands with the light, thinking about the savings that are coming their way, coming off this enormous mission. But at the end of the day, we may find ourselves facing a crisis in any number of countries moving forward. It's not hard to imagine a situation where there is going to be a NATO request tied to Syria. We hope that doesn't happen. We don't see a role for NATO right now in Syria. But I can't tell anyone in this room with a straight face that I can promise that there won't be a NATO requirement moving forward, right? So –

DAMON WILSON: So let me ask you on that, Julie, because part – that's part of what came up this morning. There's a real attention to, even with an Afghan drawdown, the reality of Europe's periphery – North Africa, Middle East and even Russia. And so you mentioned Syria. But if you could – if you could think both about – we just had defense ministers starting to talk about, well, perhaps there needs to be actually some type of follow-on now two years later in Libya because of yes, that was a mission, the NATO went in, went out, and now we've actually got problems on the ground. We have chaos in Syria today, and it's very challenging, as you say. Is there a sense of inevitability there? You know, you can project down to the future of – Secretary Kerry's very dedicated to restarting the peace process between Israelis and Palestinians, and what kind of confidence-building measures – many of our leadership have talked about potential alliance role in that context. So even as we focus on reaping savings from an Afghan drawdown, the reality of this agenda on Europe's periphery in the Middle East, do you think there's an organizing principle for the alliance and our NATO allies to think about what type of relationship we have with this piece of geography that's closest to NATO territory and yet a source of great instability and potential threat?

MS. SMITH: Well, I think North Africa benefits from the fact that it is technically in the Euro-Atlantic, or it feels close to home, so to speak. So I think there is broad agreement across Europe and the United States that we need to focus on this region. And you can take it country by country, it's all different; there's not a cookie-cutter approach where, oh, there should be a NATO or EU role that should be the same in each one of these countries. But obviously, in Libya, we have a commitment, and we have an obligation. I think we all feel that particularly if a request comes in from Libya, given that there was a NATO operation there, for some additional training, to do an audit of what the security requirements look like, to determine whether or not NATO can play a role, we owe it to them, to ourselves, to the alliance to take that seriously. And that's exactly what they agreed to do at the ministerial. And I'm relieved – frankly, I wish we would have done it a little bit earlier on that.

MR. WILSON: I'm with you on that.

MS. SMITH: So it does show, though, that it is not difficult to reach consensus on moving forward to examine a potential NATO role there. There was no one that shut this down that said, absolutely not, we don't want NATO operating in this region. Of course there are questions about what kind of mission we are talking about, what kind of forces would be required, is this a training mission, would it be done in Europe, is it done in-country, what are the security risks – you know, I mean, all – the questions could go on and on. So there is – there is different visions of what NATO's role might be. But I'm reassured by the fact that in relatively short order, NATO was able to – and felt committed and obligated to respond to that request, which is the right thing to do.

MR. WILSON: I'm sensitive to our time since Julie has to return to a Rose Garden event, so I want to turn to the audience after my next – last question related to that. So please catch my eye.

But you mentioned Syria. And I just wonder if, in this context of the alliance thinking about the Middle East, its role in North Africa there, transitions that are taking place, and President Obama's emphasis in the Chicago summit on partnership and lessons learned from the Libya operation, there is a real potential that you could find yourself in a scenario in Syria where folks are looking for international assistance. And yet you know in any context, in any scenario, NATO allies have certain interests at stake, and certain NATO allies have spoken up about their willingness to be engaged at a certain level. But clearly, there are other countries that have major interests at stake on the ground in Syria that would want to be very engaged and what we would want, as our close partners in that. Do some of the lessons in Libya and some of the opening that I think you might have Chicago summit, could they potentially open up a different formula that you could think creatively about the right potential role to play if it came to that in Syria?

MS. SMITH: Yeah. I would hope that would be the case. I mean, there – some of this stuff happens organically. You know, I mean, we're – we've had – how many meetings have we had on Syria with different sets of international partners? It has become – it started to resemble a little bit in some ways the coalition that came together in Libya. You have a certain number of Arab states that have a view and a role, and you've got Europeans that have their own view and perspective. You've got the United States engaged. We have the Russians actually in this case. We have a whole host of other players. But as these Syria meetings go on, they take all different shapes and sizes. There has not been one where there has been a specific NATO presence, obviously, because again, we don't see a NATO role right now.

But you could imagine, if we face, let's say – take the stabilization piece off the table, but if we face a very dire humanitarian crisis – I mean, we now have 4 – over 4 million people internally displaced, a million people – over a million people outside of Syria fleeing into neighboring countries, and if the dam breaks in any one of those countries, where Jordan hits the wall or Turkey or Lebanon – who knows how it's going to unfold – or there are border issues and there is an actual request at some point for NATO or slash international assistance, then you could imagine a group of countries either coming together with or without a NATO hat. It may not end up having a NATO brand on it, but it's not that hard to imagine NATO putting its weight behind some sort of mission if we encountered that type of scenario. Again, I don't want to give

anyone the impression that the White House is advocating for this or that's our current policy, that suddenly, we're working out a scenario where NATO would take on a major role, but I just find it hard to imagine myself personally that we will not face this challenge at some point in the months and years ahead.

MR. WILSON: Thank you for that frankness, Julianne. I appreciate that.

This has been a rich conversation already. I want to bring in a couple of colleagues. Please first here, and then we'll come to Jeff (sp).

Q: Thank you very much for most interesting comments, Julianne. Andrew Pier (sp) is my name. I'd like to bring up the issue of Russia, which is beginning to look more and more like the Soviet Union internally, which was the founding reason for NATO, in many ways. But we have major problems with Russia now. Syria has been mentioned. Missile defense, a subject of Atlantic Council conference not too long ago. To what extent is Russia now becoming an impediment, if you like, to NATO developing a coherent policy? Is there an extent to which different views of Russia held across a NATO alliance is creating an element of friction, or is that simply not the problem? But can we find a way of – in your judgment, of working out a modus vivendi with Russia so that it isn't at each point an impediment at which – in which NATO would have to deal with if it – (inaudible)?

MR. WILSON: Thank you. For the time I'm going to collect a couple of questions. Let's move the mic to Jeff (sp), please. And this is also in the context of President Obama, who will have two summits this year with President Putin.

Please.

Q: Real quickly – Jeff Stacey (sp). You're both talking about what sounds like – compared to the day after in Libya, when we got the original lessons from that operation that we're really getting in touch with a new one, that being the need for NATO to have done something or a partner of NATO to have done something the day after the regime collapsed in Libya, and that seems very relevant for – excuse me, for Syria. So does this come down to the alliance finally getting around to building what the strategic concept already says it has – its civilian capability?

MR. WILSON: You want to take those two, and then we'll - (inaudible) -

MS. SMITH: Sure. So on Russia – I mean, I'm not – I'm not tracking NATO day in and day out anymore for my current post. So maybe there's something I'm missing, but as far as I can tell, I don't have the impression that Russia is now proving to be problematic in terms of NATO's ability to foster new ideas or put forward new policies. Actually, I've seen a considerable amount of consensus inside the alliance that we're all deeply frustrated in many ways with some of the challenges that we each face.

In our bilateral relationship with Russia. Certainly, there's a lot of things that we feel like are working positively. We're working quite closely, for example, with them, on Iran, and we're

very appreciative of the role that they've played. But there's no secret that we have deep, deep, disagreements over issues like Syria, but also, in our bilateral relationship – as I mentioned, the closing of AID, not to mentions the adoptions ban, and Magnitsky, and we can go on and on and on, where we clearly are not going to see eye to eye on multiple fronts. And we have concerns about developments in Russia in terms of human rights and all the rest.

So there are challenges, and we worry about those challenges, and we worry about where our own bilateral relationship is headed with Russia. We want it to be forward-leaning, pragmatic, and productive with real results. And we'll see how the president's meeting with Putin goes when they will see each other for the first time in Putin's new role and in the president's second term at the G8 summit a couple of weeks away, which will be an important engagement.

But inside the halls of NATO – I mean, clearly, there are different views. And each country has its own relationship with Russia, but I think there is some agreement that we're facing an array of challenges. And I think even – you know, you can have conversation with all sorts of countries, whether it's countries in Central and Eastern Europe or countries like Germany about how troubled we are by some of the developments at home in Russia. So I just don't see it as a real impediment at the end of the day to NATO policy.

And on missile defense, I'll say – you know, there's this idea that somehow the change in missile defense policy by the United States a couple of months ago was tied somehow to Russia. Absolutely not the case. The decision was not taken in any way, shape or form because of something that Russia did or some conversation we had with the Russians. That was our decision based on new threat analysis, based on a look at some of the technology that we had planned to put forward, based on our homeland assessment of what we required to keep the United States safe. And so there's no truth to that whatsoever.

On the civilian capacity, I mean, I don't know what the answer is at the end of the day, and I don't – I guess I won't stand up here and tell you that, you know, NATO should build the civilian capability. I'd like to see some institution build a civilian capability. It's definitely a gap that we have highlighted. I mean, decades ago, in the '90s – I mean, when we were in the Balkans, we all understood then just how inadequate our capabilities were in this area in terms of putting people into a conflict prevention scenario where you were trying to get them in there preemptively to prevent a conflict from really spiraling out of control or in the post-conflict reconstruction scenario. I think we widely recognize that there are gaps on both sides of the Atlantic, and we could do better. It just seems that neither at the State Department nor inside the EU nor in individual capitals across Europe, any of us have come up with a magic solution. There are lots of good ideas that have been put forward. There are some new offices and new capabilities that the U.S. has developed that individual allies have developed, but it doesn't – it's not exactly there yet in terms of, I think, what the actual security situations require.

And I think we really, moving – talk about the future of vision and moving forward, we really have to think through kind of the EU-NATO relationship again. I think we've kind of put it on pause in recent years, because we've been all so frustrated with our inability to kind of break the code on that relationship.

But it would be nice to return to it in light of the requirements that we see coming out of places like Libya. You know -I mean, there is the security piece. There has been a request - the training - there is a military piece to that, but there's no question that after the NATO mission came to a close, we needed some sort of civilian capacity as well to address some of the ongoing needs on that.

MR. WILSON: So Julie – and Jeff's doing some really good work on this – that's nice, but Julie, do you think that means that people have learned post-Afghanistan – the initial operations – almost, NATO went too far in, post-Libya operation, NATO didn't go far enough in. Is that – is that – or what we're seeing – the decision coming out of NATO headquarters a reflection of maybe learning from that experience?

MS. SMITH: Well, I think it's – you know, each mission is unique. So it's hard to compare Afghanistan and Libya, but I think – in the case of Libya, I think we are recognizing that there is work to be done, that our partners on the ground require additional assistance, and we owe it to them to deliver that in whatever form it takes. But to be fair, in some of these situations, we have to remember that sometimes we extend a hand, and the country in question also says no thanks, we'll call you when we need you. In Syria, we may very well find ourselves in a situation where there's never a request, because there's no interest whatsoever in having Western forces – whether they're civilian or military, show up in any capacity. So, you know, each of – each scenario is quite different in terms of what the host country actually thinks they need, and then what they want from us specifically.

MR. WILSON: And who the legitimate authority is.

MS. SMITH: Yeah.

MR. WILSON: Let me turn back to the audience for some additional comments, questions. Please, right here, and if we could capture – let me capture these two questions, Steve, and then the gentleman on the side.

Q: Thank you. Steve Shapiro from New York. A quick question about enlargement, and the current view on those countries to whom we've dangled that promise. It strikes me a lot like – I'm not – since I know everybody in this room, I can say it – a lot like my college girlfriends. You know, they all thought they were going to get married to me some day – (laughter) – and none – never – you know, none of them ever – nobody ever did. So we've got a string of these girlfriends out there, and they do what we ask. They all went down to Afghanistan. You know, Macedonia cleaned the latrines, you know, Georgia did other stuff. And we just can't seem to ever cross the finish line with them. I'm just curious.

MR. WILSON: OK. The ambassador of Montenegro is sitting right in front of you. I bet he's pleased to know he was one of your ex-girlfriends. Julie, before you pick that up, let me capture this gentleman on the side. Thank - no, behind you - against the wall, please.

Q: My name is Skip Keates (ph). Question I have is related to the current turmoil in Turkey and how it – or will it possibly impact Syria? Being Turkey is a member of NATO, how might that cause problems with, I guess you might say, capabilities and things like that if it gets worse?

MS. SMITH: OK. On enlargement – I mean, I think there's been no change to our policy. I mean, the United States remains committed to the open door, but it's not just about the U.S.' position on enlargement. I mean, there are multiple factors at play in each and every one of the cases of the aspirants. There's the actual country in question and whether or not they have adequately met the criteria. There's the alliance as a whole, and the divides that still exist, frankly, across the alliance from time to time on particular aspirants and whether or not there's enthusiasm in one country versus the other. It's an – it's an organization that operates by consensus, and so it only takes one or two countries to say, we're not ready for this. We're not prepared to have a meeting on it. We don't want to talk about this issue right now. We have reservations, and it – the ball doesn't move down the field.

We certainly have every interest in seeing – (off-mic exchange) – in any case, we – I mean, I think everyone heard Secretary Clinton's remarks in Chicago. Great enthusiasm there and determination to see this continue to move forward. But – I mean, we're also not naïve in what it takes to get that done, and each individual country, we could take them – you know, we could stay here for another couple of hours and take – it's a Rubik's cube that's different in each and every case, and there's a lot of things at play. But I think you will see continued administration support for this moving forward.

On Turkey, I mean, I can't predict what's going to happen in Turkey. I think – I hope some folks caught the vice president's remarks last night at the American Turkish Council. He was – delivered a speech last night at that event and talked about our concern about events in Turkey, about the violent unrest and our hope that the government would recognize basic rights, the rights of the people, rights of assembly, rights of expression, free press and all the rest. He did say, and we believe, that ultimately this is – Turkey will determine its path forward. We're not here to lecture our friends in Turkey. We're – we certainly, as I said, have concerns. But we're worried not only in part because of what this means for Turkey domestically and its own developments, we're worried obviously because Turkey is an unbelievable regional leader that has been an incredible – incredibly valuable ally to the United States, to the NATO alliance, to many countries in the region for quite some time. And we don't want to see anything that could diminish Turkey's leadership and its partnership in the alliance moving forward, and so we'll monitor it and track it very closely. But I think the vice president said it best last night – and I just refer you back to his remarks on the actual protests.

MR. WILSON: Incredible timeliness of the speech last night.

MS. SMITH: Yeah, we didn't plan it that way.

MR. WILSON: (Chuckles.) Well done.

Other comments, questions from our audience here? Let me turn to someone else. Please.

Q: (Name inaudible) – Syracuse University. I have a question about your opinion on a certain aspect of what has been going on with NATO lately. It seems to me at least that NATO has been experiencing a sort of fragmentation on two fronts, both internally and externally – the internal being the reliance of – pardon the use of a slightly unpopular term right now – "the coalition of the willing is the primary mode of action, and externally, their reliance on outside partnerships. Do you see it as something that weakens NATO, that undermines its legitimacy, maybe, or something that, on the contrary, just makes it more efficient, more well-suited to what is happening in the world?

MS. SMITH: Well -

MR. WILSON: Does anyone want to add a last question to that just given our time? Let me come up to the front, please, here to Ian. And then we'll make that our last question, Julie, so we can get you out on time.

MS. SMITH: Great, thank you.

MR. WILSON: Please.

Q: The president met with Secretary-General Rasmussen last week and agreed to – that there should be a summit next year, and you mentioned this a little bit. Could you give us a sense of the administration's thinking on what that summit should do beyond just withdrawing from Afghanistan? Are there other objectives that you're going to – that the administration's considering, to define the agenda? Because this will be a very important summit because it will really define, I think, in many people's minds, the public's minds, what is the purpose of the alliance.

MS. SMITH: So on the question of partnerships, I mean, I – personally, I think many can agree that we have a preference for NATO operations. And I don't – I wouldn't reach the conclusion that coalitions of the willing will come at the expense of NATO and weaken the alliance. In some cases, I mean, NATO came to Libya a little bit later. It was initially a small group, as you'll remember, countries that came forward, and then NATO was able to join in on that mission and brand it as one of its own. I mean, I think NATO brings with it tremendous legitimacy and carries so much more weight than a coalition, and we feel much more comfortable operating in that space, but I think we wouldn't want to rule out cases where occasionally a coalition might be more effective or needed in cases where NATO chose not to act.

But the partnership question is more important. I mean, I think that's absolutely indispensable to the future of this alliance. NATO is not going to be able to succeed in all of its mission sets without capable partners. And we've already seen that in recent years. When I think about the roles that some of the partners have played in Afghanistan, it's been absolutely indispensable. And the broad number of countries that attach themselves to the ISAF mission was just absolutely critical. I can't emphasize that enough. And that's going to be the wave of the future, whether it's going to be with those countries that we've already operated with or countries we're not even thinking about and that we may want to partner with in the future, that have no intention of joining the alliance one way or another but might want to join forces with us literally, from time to time, in areas where they see their security interests at stake and they see

real value in partnering with alliance. So I – moving forward, talking about the agenda for the next summit, I mean, nothing's been sketched out – it's early days, obviously. But there's no question in my mind that they'll have to be pretty intense follow-up to the Chicago agenda. We've got so much more work to do on the partnership front of really understanding how to make these partnerships bring the greatest value to the alliance, how to get rid of the confusion over this alphabet soup of partnerships we have and understand the utility and the different forms of partnership. We have to bring more clarity to this, both inside the alliance but to the partners themselves to help them understand what it is we're asking for or what they gain by joining with us, how we can train together, exercise together, even in cases where they're not members and expand that kind of network of capable partners so that we can do more good work together moving forward.

The other agenda item is – obviously is going – we're going to have to come back to these capabilities. I mean, we gave it a good go at Chicago summit and really made some important strides forward in the category of smart defense. But it's not enough. And I think the crisis on the defense capabilities front is going to continue to grow or the challenges are going to continue to grow, and we're going to have to think even more creatively than we already have about how to wrap our heads around models that are working and possibly taking another audit of what's worked and what hasn't vis-à-vis smart defense. I mean, that would be one of my recommendations, because they're – frankly, there are some models that have not worked particularly well when it comes to pooling and sharing, or developing niche capabilities, and some – in some cases, it's worked incredibly well.

So stepping back and having an assessment of kind of, OK, what have we learned since Chicago, and even going back further than that, because frankly the pooling and sharing model's been around for a while, to really figure out what makes this most effective in grappling with the budgetary constraints that we all face at home.

MR. WILSON: So, Julie, I made a promise to get you out of here on time, and I'm going to keep that promise.

MS. SMITH: Thank you. Thank you.

MR. WILSON: I want to conclude with just a couple of comments. One, first, I just want to thank you again in front of the audience for taking the time to escape from the White House today on a busy day – we know how valuable your time is – but more importantly, to thank you for your frank comments today but for the hard work you're doing every day on behalf of this alliance and very well done at not skipping a beat on your train of thought as we gave you the mood lighting here today.

I'd also say that for any of you that track and watch what happens in Europe and U.S. policy towards Europe, the role of Julie's boss, that Vice President Biden has played on Europe policy has been astounding, and Europe policy, in many respects, has been led by the vice president on – many times. Many of the key decisions have been driven by Julie and Tony Blinken and others working with the vice president and the interagency, and we're grateful for that.

With the NATO summit announced last Friday, we know the countdown begins, and that adds another reason to add a slate of NATO DCs (ph) PCs (ph) onto this agenda. You talked about it at the very beginning of your talk. And as that process goes forward, we look forward to being able to be your partner and being helpful as we can from the outside as you work there on the inside. So please join me in thanking Julie Smith for this wonderful conversation. (Applause.)

MS. SMITH: Thanks. Thanks so much.

(END)