

Transatlantic Relations in Flux



JULY 18, 2018

**Briefing of the
Commission on Security and Cooperation in Europe**

Washington: 2019

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ABOUT THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE

The Helsinki process, formally titled the Conference on Security and Cooperation in Europe, traces its origin to the signing of the Helsinki Final Act in Finland on August 1, 1975, by the leaders of 33 European countries, the United States and Canada. As of January 1, 1995, the Helsinki process was renamed the Organization for Security and Cooperation in Europe [OSCE]. The membership of the OSCE has expanded to 56 participating States, reflecting the breakup of the Soviet Union, Czechoslovakia, and Yugoslavia.

The OSCE Secretariat is in Vienna, Austria, where weekly meetings of the participating States' permanent representatives are held. In addition, specialized seminars and meetings are convened in various locations. Periodic consultations are held among Senior Officials, Ministers and Heads of State or Government.

Although the OSCE continues to engage in standard setting in the fields of military security, economic and environmental cooperation, and human rights and humanitarian concerns, the Organization is primarily focused on initiatives designed to prevent, manage and resolve conflict within and among the participating States. The Organization deploys numerous missions and field activities located in Southeastern and Eastern Europe, the Caucasus, and Central Asia. The website of the OSCE is: <www.osce.org>.

ABOUT THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The Commission on Security and Cooperation in Europe, also known as the Helsinki Commission, is a U.S. Government agency created in 1976 to monitor and encourage compliance by the participating States with their OSCE commitments, with a particular emphasis on human rights.

The Commission consists of nine members from the United States Senate, nine members from the House of Representatives, and one member each from the Departments of State, Defense and Commerce. The positions of Chair and Co-Chair rotate between the Senate and House every two years, when a new Congress convenes. A professional staff assists the Commissioners in their work.

In fulfilling its mandate, the Commission gathers and disseminates relevant information to the U.S. Congress and the public by convening hearings, issuing reports that reflect the views of Members of the Commission and/or its staff, and providing details about the activities of the Helsinki process and developments in OSCE participating States.

The Commission also contributes to the formulation and execution of U.S. policy regarding the OSCE, including through Member and staff participation on U.S. Delegations to OSCE meetings. Members of the Commission have regular contact with parliamentarians, government officials, representatives of non-governmental organizations, and private individuals from participating States. The website of the Commission is: <www.csce.gov>.

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Commission on Security and Cooperation in Europe Washington, DC

The briefing was held at 10:00 a.m. in Room 216, Hart Senate Office Building, Washington, DC, Dr. Mischa E. Thompson, Senior Policy Advisor, Commission on Security and Cooperation in Europe, presiding.

Panelists present: Dr. Mischa E. Thompson, Senior Policy Advisor, Commission on Security and Cooperation in Europe; MEP Claude Moraes (UK), Chair, European Parliament Committee on Civil Liberties, Justice, and Home Affairs, Progressive Alliance of Socialists and Democrats; MEP Michal Boni (Poland), European People's Party; and MEP Nathalie Griesbeck (France), Chair, European Parliament Special Committee on Terrorism, Alliance of Liberals and Democrats.

Dr. THOMPSON. Good morning. My name is Dr. Mischa Thompson, and welcome to "Transatlantic Relations in Flux," a briefing on the U.S.-EU relationship hosted by the U.S. Commission on Security and Cooperation in Europe, also known as the Helsinki Commission. For those of you who may not know, the Helsinki Commission is an independent U.S. Government agency focused on human rights, economics, and security in the 57 North American and European countries that make up the Organization for Security and Cooperation in Europe, or the OSCE. The commission is bicameral and bipartisan, and comprised of members of Congress and the executive branch, including our U.S. State Department. More on our commission can be found at www.csce.gov. You can also find us on Facebook and on Twitter at @HelsinkiComm.

We are so fortunate today to be joined by three members of the delegation from the European Parliament's Civil Liberties, Justice, and Home Affairs Committee, visiting Washington, DC to attend the Transatlantic Policy Network's acclaimed Transatlantic Week. We thank Jörn Fleck and his team for helping to facilitate today's briefing, and are only sorry that they cannot be with us today as they are also currently hosting an event. We also thank Antoine Rippel and Holger Benzig for helping us to arrange today's event so quickly.

I think today's event couldn't be more timely, in that it's simply taking place on the heels of our president's European travel and ahead of meetings planned for July 25th with the head of the European Commission, Jean-Claude Juncker, who will travel to Washington, DC to meet with our president. You can find the bios of today's panelists, who

are all members of the European Parliament, or MEPs, in the blue folders and online. Given that we have about an hour, I will begin by asking a few questions, after which we will have time for questions and discussion from the audience, including those with us online. Given that we are also taping this briefing, I ask everyone to please speak directly into their microphones. And for those of you here on the panel, you will need to press the red button to talk.

And with that, I will begin by introducing you. To my right we have member of the European Parliament Claude Moraes of the United Kingdom, who's also chair of the European Parliament Committee on Civil Liberties, Justice, and Home Affairs, and a member of the Progressive Alliance of Socialists and Democrats. To my left we have MEP Michal Boni of Poland, a member of the Civil Liberties and Constitutional Affairs Committees, as well as vice chair of the EU-Moldova Parliamentary Association Committee, and member of the European People's Party. Further to my left we have MEP Nathalie Griesbeck of France, chair of the European Parliament's Special Committee on Terrorism and member of the Alliance of Liberals and Democrats for Europe.

And so with that, I will actually turn to MEP Moraes and just ask if you can start by telling us why you're here in Washington right now, what is the purpose of your delegation's visit, who are you meeting with, and what is it you hope to accomplish.

MEP MORAES. Okay, thank you very much, Mischa, and thank you to the Helsinki Commission for this kind invitation. I should remind people also that you in the Helsinki Commission have regularly come to Brussels, to the European Parliament. So this is a vehicle for really good cooperation between the European Parliament and the institutions here between you and Congress. So it's great to be here.

Maybe first to say that a lot of interesting things happened in Helsinki. And maybe one of the best things was the creation of the Helsinki Commission. And one of the reasons we're here is to do what was in the founding principles and the signature in 1975, which is to strengthen relationships between the European Union and the United States. Within that very abstract statement lies a program for us which is very specific and very focused. And it represents the difference between perhaps what would have been a 1975 program, when many of you would not have been born—some would—and that would be the advances in what cooperation means.

So, our specific thematic issues include data transfers both in the commercial and security areas. Privacy Shield, for example, the success of Safe Harbor, the whole issue of the CLOUD Act and how it coalesces with the Umbrella Agreement, these very major international agreements in data transfers—the wider area, as my colleague Nathalie Griesbeck will talk about, the whole area of security cooperation and data transfers to make our two continents safer from terrorist attacks. So the issue of counterterrorism cooperation, and cybersecurity, which has taken on an extraordinarily new vista, which is now not just about protecting our critical infrastructure but also protecting our democracy.

We've seen the Cambridge Analytica crisis. And it's about ensuring that we protect our democracies, our elections from interference, as we've seen from Russia, and to ensure that in order to do that we are cooperating, and we understand what the issues are. So these are some of the issues that our committee in particular will be and have been discussing with our counterparts and their detailed passenger name records, actual international agreements. So we're highly focused and we're regular in visiting. And we hope to make progress in all of these areas.

Dr. THOMPSON. Now, we titled this briefing “Transatlantic Relations in Flux.” And there’s been a lot of recent focus, rightly so, on the flux, or all of the changes that have been taking place in the U.S. approach to relations with Europe. However, I’d like to take a step back today and think about where it is we would ideally like to see the transatlantic relationship. So if we were to look into the future in a decade or two, where is it we would actually like for transatlantic relations to be? And are we currently on the path to getting there? And I’ll actually turn to MEP Boni to ask your thoughts on where it is you would ideally see the transatlantic relationship in 10 years.

MEP BONI. First of all, thank you very much for the invitation. I was a student in 1975 when the Helsinki conference occurred. And after that, it was kind of an opening in some countries. In 1976, in my country, the committee for defending workers was established. And as a student, I was involved in dissemination and propagation of the first underground newspapers—it was the beginning of our fight for freedom. So, from that time to today, when the Helsinki Commission in Warsaw, in Poland, is very active defending democracy and freedom, I see the Helsinki idea, the Helsinki Commission as one of the important movements in defending democracy all over the world.

And of course, we need transatlantic relations if we want to have and to develop the opportunity to defend the liberal democracy which, I hope, is the core of Western values. And I think also the transatlantic values. So this is one key point. Second, I think that this is a chance to establish the future of transatlantic competitive advantages, especially in the digital field. And we need to work on it. And also, this is a possibility in transatlantic relations to create positive reference points for global development in many areas. Global development means economic development, but it also means ensuring that democracy is functioning. It’s one of the key issues.

And of course, when I’m looking at that time frame I need to define some obstacles. It is difficult to develop future-oriented cooperation when we are starting trade wars as it was in the 19th century—not 20th, 19th century. It is difficult to develop policy, to develop policy protection and create a good global reference point for privacy protection when we are starting to consider how many threats and concerns the CLOUD Act, passed in the U.S., is bringing. It is difficult to take common responsibility for global development when the U.S. authorities decide to withdraw the signature from the Paris Agreement, so it means that there is no possibility to cooperate for saving the globe against the environmental collapse.

And it is difficult to build a common defense strategy in a time in which the EU is taking a new responsibility for defense, when EU partners are humiliated by the president of the United States, as it was last week in the NATO summit in Brussels. And it is difficult to develop transatlantic relations without political stability, rather with strong uncertainty. We need to come back to the path of stability of those relations. But there are problems not only on the U.S. side. There are also many problems on our European side.

I’m from Poland, and I’m living in a country in which the ruling party is undermining the democracy, the freedoms, and also the rule of law and the independence of the judicial system. Now we are fighting for the Supreme Court and keeping the Supreme Court independent. It’s not so easy to say that we will win this battle. The same situation is in Hungary. One month ago, Hungary approved legislation which is full of punishment for people who are ready to support and to help refugees. The same situation is growing in Slovakia,

where an independent journalist was killed some months ago. The same situation is growing in the Czech Republic and in Romania, and some countries. Also in Italy.

So, there is a big problem on both sides of the transatlantic geography model. And I think that if we want, in the perspective of 10 years, to develop and to make many solutions much more advanced in the digital realm, in the economic realm—we need now to start and to fight for democracy, freedoms, and the rule of law on both sides of the Atlantic.

Dr. THOMPSON. Before we go any deeper into your comments, I would like to turn to MEP Griesbeck, and ask where do you see things in 10 years? Do you agree with MEP Boni's assessment in terms of what the ideal relationship should be and what some of the obstacles are in getting there?

MEP GRIESBECK. Yes. First of all, thank you very much, Mischa, for organizing this meeting. Sorry for my bad English, because I am French and it's—I did not—my studies in United States. But I like very much. I was an international visitor at the 20th century. It's a long time before. [Laughs.] But it was a very marvelous time for me. And I like very much to come. Today I come to United States in this prestigious Congress and with the delegation. And it's for me a great pleasure.

I am with Mr. Michael Speiser, he is the chief administrator for a different committee in the European Parliament. It's also an honor for me to speak today to the Helsinki Commission. That reminds us of the name of the city of the summit Helsinki 2 days ago between your president and Mr. Putin. And it's a strange situation, because for me the Helsinki Commission is an institution that has been created in order to announce consideration of human rights in the formulation of U.S. foreign policymaking, and to support democratic change in the countries of the former Soviet bloc.

One, the principles standing at the creation of the commission have lost nothing of their importance today. They are the expression of our shared values, as Michal Boni said just before. And it's very important. And principles that our countries follow, and without which our democracies could not exist. The respect for freedom, equality, civil liberties, rule of law, and democracy are values upon which our societies are built. And it's, for me, to answer to your question, the work to do for the 10 years in front of us. But it is work from the human dimension, the Helsinki Commission also monitors developments regarding the security dimensions.

And its activities in recent years have been included in hearings on combating terrorism. Terrorist organizations violate the basic human rights of people, such as the right to life and physical and psychological integrity. As chair of the Special Committee Against Terrorism, the fight against terrorists, these common positions are very important. Currently we are experiencing some tensions in the relationship between our countries, as my colleagues said. For example, also, it was not mentioned in our trade relations, at the same time, to our regret, the U.S. has decided to disengage from U.N. efforts such as U.N. human rights, UNESCO, and Paris Agreement on climate change.

Despite this, speaking here today as the chair of the Special Committee on Terrorism, I would like to stress that the U.S. is one of our most important partners in the fight against terrorism. I went yesterday to the terrorist training center. And we have a very interesting meeting with the intelligence services, with the FBI, and we have to work together in the fight against terrorism because it's a global threat—it's a world, global threat. And we need to be together to fight against these bad things. And it was very,

very interesting to speak with your intelligence services, because they are extraordinarily well organized.

I want to say this today, we are guided by the shared concern for the security of our citizens and face the same threats. Some of the recent attempted terrorist attacks in the EU have been thwarted thanks to information received from U.S. intelligence services. And without it would be most difficult to fight against them. And the cooperation in this field has increased very much in recent years to mutual benefit. The Committee of Foreign Affairs of the European Parliament recently adopted its report on EU-U.S. relations, according to which the European Union and the United States building on the strong foundation of shared values and principles should use all available channels of communication in order to strengthen the transatlantic relationship.

The U.S. Congress and the European Parliament should, with regard to this, use the full potential of the cooperation to preserve the democratic, liberal, and multilateral order, and to promote stability and continuity in the 10 years on the continents and in the world, even if the winds are sometimes bad. I don't know if this situation is able to explain something in my bad English, but in French it's something very clear as the winds are sometimes bad. And we are in this sequence today since several months. Even in the European Union, not only here or there.

These efforts are even more needed as we face new challenges in the multipolar world. I can only agree with these conclusions. I would like to use this opportunity to express my hopes that our cooperation in the areas in defense of peace, freedom, and democracy will continue for world stability.

Thank you. And excuse me for my bad English, but you seem to understand.

Dr. THOMPSON. Thank you so much. I will say, your English is so much better than my French. [Laughter.] So thank you. We appreciate that.

There were a number of issues that were just raised in terms of where we would see ourselves in the next 10 years on both sides of the Atlantic. I think what obstacles we would have to address—everything from the CLOUD Act to where the U.S. stands on a number of U.N. bodies regarding the Human Rights Council, as well some other multilateral agreements including climate change, and then, of course, our recent comments made at the NATO summit.

But before we actually turn things over to the audience, I will say one of the things that we didn't hear about just yet is actually Brexit and where we would—[laughs]—see ourselves in the next 10 years. And since we are lucky enough to have someone from the U.K. on the panel—and I apologize, I know you must get this question all the time—but just given what we see in the next months where—

MEP MORAES. So I got the boring first question and then I get the Brexit question. Thanks, Mischa, very much. [Laughter.] My colleagues get all the really cerebral, sophisticated questions. I get what are you doing here and tell us about Brexit. [Laughter.] Thank you very much. I'll see how I can make this really imaginative as well. So let's see how I can weave this into something interesting. Yes. Anyway, what do you want to know about Brexit? We're leaving. [Laughter.] So, yes, OK, moving on.

Dr. THOMPSON. [Laughs.] I'll ask you two questions. So what does that mean for the U.K. in 10 years, what does it mean for the EU in 10 years? And then I'll even say, most recently, what will it mean for the European Parliament next year?

MEP MORAES. Yes, like I said, we're leaving. [Laughter.] So—well, you never know. [Laughs.] Oh, that's being recorded.

Well, yes, it's a bit of a mess. And one of the reasons it's a mess is because, first of all, the European Union is a good thing, as people are learning. And the process of leaving, as always happens when one leaves, is you start to understand what the good things are about your partner and how you might miss them. Well, that's certainly what happened between me and my partner. And we're still together, so everything's fine. I'm just making that very personal.

But the issue about Brexit in terms of the issues that Nathalie and Michal have been discussing are actually quite serious ones. If you think about, for example, the issues at stake, if you look at security, for example, it was always thought that we could just walk into Brexit and there would be an easy kind of accommodation between what is a major economy, the United Kingdom, a major security asset country like the United Kingdom, with some of the most mature intelligence and defense assets anywhere in the world, and the European Union. And that would be easy to do. Remember, the United Kingdom is part of Five Eyes with the United States, just to give you one aspect which is also of interest to my colleagues here.

And we see that this is not the case. And it's not the case because the European Union is a very sophisticated and added-value concept, which has both benefited Europe and it's benefited the United States. Why? Because what has happened over that period is that the security aspect has become a more complicated and important issue. For example, data has led it. So when you deal with terrorists, very often you're not dealing with terrorists through hot pursuit and enforcement and machines. You're dealing with it through information, data. Europol, one of the most successful agencies anywhere in the world—it's a very small agency but it's a huge added value—is not an enforcement agency. It's an intelligence agency. But it's so successful because it takes its intelligence capacity very seriously and it's good at it. And it shares its information very well and it has the correct priorities.

Now, the United Kingdom, through Brexit, will want to share in Europol afterwards. But because of the legal constraints, the U.K. will be a third country. That will be tough. Now, that also has an impact on the United States. Why? Because the U.K. is in Five Eyes. And it's difficult to divide what is happening in the European Union from what is happening in intelligence sharing generally, because these are not divisions that people can make very easily. So Brexit has all sorts of difficult and unintended consequences because the European Union's development has happened in such a way to impinge on the real needs and values of the transatlantic relationship.

What Britain got from the European Union was a magnification of its role and its relationship with the United States, not a diminution. And I think people are realizing that now. It's a less-special relationship when you're on your own because you don't have the added value, you don't have the economies of scale. So, what we had in our intelligence services and our defense assets, and so on, don't have the magnification by not being in the European Union. So, the other thing is the simple question of a security treaty with the EU legal constraints on our access to databases. We'll need adequacy agreements and so on.

So the European Union, as you may have gathered from what I'm saying, is a good thing. But it's a good thing for the United States. And the United States is a good thing for us. What will constrain that—and Brexit has thrown everything into sharp relief—

is an understanding that the relationship must be nurtured. And that means that the United States is much more than who might be president today. It is a long-lasting relationship where the fundamentals need to be nurtured.

So today, when we look at the issues that Nathalie has raised, one of the things that we have to get very much right are the big issues of safety, how we keep our people safe, counter terrorism, and then the big issue of how that has managed to impinge on the areas of commercial transfers of data. Because data is data, but it can be transferred for many reasons.

And there are two big reasons—one is security. So, when we travel—and I want to mention this in the context of Brexit because it's to illustrate how important these areas are for this generation. And there are many young people here, so this is the future. And this is the difference between 1975 and today.

The qualitative difference is that the future will be about massive data transfers both within domestic countries—there won't be the high streets that we have been used to; everything will be online—but between countries there will be massive commercial transfers. But if there are security exemptions and so on to these transfers, of course we have to sort out what they have to be. And then we have to understand security data transfers to ensure that we are keeping people safe. Of course, we have to ensure that our privacy is protected when that happens—hence, the Umbrella Agreement, hence all of the international agreements that we have between us.

Now, you mentioned Brexit. Of course, when a country leaves two things happen, when a big country leaves, particularly. One is, we realize the importance of many of these things. Passenger name records was an agreement which the United Kingdom was very much leading and wanted. And of course, no doubt will keep involved in. But many other agreements, perhaps not. So, when you look at the headlines—there are headlines and then there are the realities of what it means to leave such a unique and extraordinary association as the European Union. There's nothing like it in the world. It is quite a unique association of countries. And I think the security aspect of that was very underestimated. And at some point, there will be an impact on the United States because of that.

We'll see how the Brexit story goes. The Brexit story is not finished. As you're all keen students of politics, you will be watching. You probably know more about it than I do. I've been here in Washington without wi-fi. You probably have access to wi-fi. But I'd like to know a bit more about what happened in the last hour, for example. It's an hour-by-hour story—our Brexit story. So let's see what's happened so far. But there are only negatives for the U.K. of Brexit, because we are the ones who are leaving. Getting a deal not in the conventional sense. We are leaving, and the terms are with the 27. And I think this was the big, big, big problem about the idea, that there would be some kind of equal negotiation, which was never to be the case.

And I think, as far as the United States is concerned, the United States wanted the U.K. to stay within the European Union. I think that was a cross-party sense and analysis, if we remember the history of Brexit. Whether you were a Democrat, whether you were a Republican, whether you were independent, you tended to think that it would be a good thing if the United Kingdom stayed within the EU. And I think people would tend to think that still. I don't think there are many people who think that's not a good idea. I think there is one person who thinks it's a good idea. But I think the broad swath of opinion is probably not the case. And I think there's plenty of evidence now to show that.

There are people who like Brexit, by the way. You may have noticed I'm not one of them. So does that answer your question about Brexit? Good.

Dr. THOMPSON. So—and I think we could easily take all of today's time to discuss Brexit. But we won't. [Laughs.] I have a number of questions I do want to raise with the panel. But just given the time, I do want to turn to our audience, and also just let people know that we are still expecting Senator Wicker. He had a conflict and is coming from another meeting. So with that, we have a microphone that is going around. If you're interested in asking a question, please raise your hand. Please introduce yourself.

QUESTIONER. Hi. My name is Elias Passis [ph]. I work in Senator Duckworth's office.

I had a question regarding here in our Congress, there are a number of bills addressing beneficial ownership, illicit economies, and tax evasion. But with so many of the top earners in the world having stakes in economies across the transatlantic and elsewhere, I was wondering what kind of structures any of you have considered or see as being beneficial in making sure that illicit economies are something that we can address?

MEP BONI. Thank you very much. First, I would like to address and add something about Brexit. Could we imagine the situation that in the perspective of 3 years the delegation of the European Parliament will go to London and will discuss with the U.K. Parliament the Privacy Shield, as we are now discussing with the U.S.? Because it will—of course, I hope that the U.K. will keep the solutions which were approved in the European Union, but it's not so clear? So, Brexit creates many, many new challenges. And I think it will not be so good for our common future.

Coming back to some economic issues, I think that there is a big opportunity to create—when we are talking about data protection and personal data protection—to create the global reference point when we, European Union and U.S., also we are working with Japan and South Korea on some agreements on proper conditions for data flows. If we will create this reference point, I think it will be easier to discuss also with China and with Russia on those issues. So we need to make it together.

Second, when we are talking about artificial intelligence, the U.S. is much more advanced. But in the European Union we have started the work on it. This is the first step in investment, 1.5 billion euro. But on the other hand, we are discussing the ethical aspects of the functioning of artificial intelligence. We are discussing the future labor markets. We are discussing what interactions between humans and artificial intelligence will look like in the future. It requires some changes in education that require some new skills and solutions in the area of attitudes and competencies.

So, we need to be much more adaptable, if we will make it together, the European Union and the United States, I think that we will go forward. And when we are looking at China's program to be the first, to be the leader in 2025 in the area of artificial intelligence, I think, unfortunately without those considerations for ethical issues—I think it will be much stronger, it will be better for creating the strategy for artificial intelligence, which will be human-centered, because this is very important.

When we are talking about cybersecurity, in the European Union we are now working on cybersecurity act. What does it mean? That we are working on certification schemes and the model of shared responsibility between states, the companies or institutions responsible for critical infrastructure, but also all companies, including small and medium companies, and individuals, because this is some kind of cybersecurity hygiene which is needed also for us as individuals. If we make them together, and if standards

important for certification schemes become common in the European Union and in the United States, both sides will benefit. On the one hand we will be much more secure, on the other hand, we will create our economic advances in that area.

So if I'm considering many, many issues, I think that there are common goals. And we need to go in this way, especially also when we will back commonly—the U.S. and European Union—to the track of the Paris Agreement, because this is an opportunity for us as humans to live in a better world. But on the other hand, this is an opportunity for businesses, yes? For a new model of development.

So the list is very long. And I think that beyond the linguistic problem, as it was presented yesterday by President Trump—beyond many tensions existing now, I think that we need to have this list and we need to start cooperation because the future belongs to us.

Thank you.

MEP MORAES. May I say one thing about what Michal said that's very, very important that he raised just now? It is that to underestimate the relationship between the European Union and the United States is perilous. He gave such an excellent example of artificial intelligence and the movements in that field that would expand in China. China will do it. China will do all of these things. But they will do them in a different way. And they will do them in a way which will have a set of different values. European Union values on security, on commercial transfer are different. There will be liberal democratic values underpinning them. And this is critical. And that's why Brexit's bad too, because you want to stay within this area of values. This creates better business, it creates better security, better counterterrorism, because it's underpinned by values.

Now, of course, there's a spectrum to that always. But China will do this. Other countries may go down different paths, but you really underestimate this to everyone's peril. And I think artificial intelligence and robotics are very good examples. And that's why the European Union is cooperating with South Korea and Japan. And it's why the United States does as well. So this relationship is so critical for that reason. And that's why we are more emotional about Brexit, because it should be within this incredibly important values arc, which should never be underestimated. And in the current context, it's why we feel the way we do about the relationship with the United States and the European Union.

MEP GRIESBECK. [Through interpreter.] Well, just to add to what my two colleagues just said, I'm totally in agreement with them. And let me tell you that they are both coming from a different political angle than myself. They are from two different parties, and I'm from a third party. But on these—on these big lines, we basically have very similar views and a very similar approach. And we are in Europe with half a billion—500 million people—over there. And the United States, you are something like 300 million. And there's on the one hand the European Union and the United States, and on the other hand there's China.

And what distinguishes us from China is the set of values and principles that guide us. And despite the small differences between us and the United States, there's a dividing line between us and the United States on the one hand and China on the other hand. We have an ethical structure on which we are elaborating and on which we are developing. And, yes, to answer your question on tax evasion, for example, obviously we are doing similar—we are doing similar efforts. But we are doing them on values and the rule

of law and on principles. And fine for China that they are developing, but they are developing on a very different basis. And from a—and starting—setting off from a different set of rules. So just to tell you that here we are, very much on the same page and very much in agreement, the three of us.

[Speaks in English.] Excellent, Michael. He is from Germany. [Laughter.] Excellent.

Mr. SPEISER. One wouldn't believe that, huh? [Laughter.]

QUESTIONER. Hi. I'm Erika Schlager from the Helsinki Commission staff.

First of all, I'd like to thank you for the excellent presentations that you've made this morning. The transatlantic relationship has really been built on a comprehensive concept of security, one that includes democracy and human rights. So I was particularly interested, and welcomed the comments that we heard this morning, about the challenges at present regarding the rule of law and independence of the judiciary. Now, you may know that members of Congress from both sides of the aisle, particularly in the Senate, have spoken to some of these issues, have written to the president and to the secretary of state about the importance of democracy and human rights in U.S. foreign policy. My question for you is, do you have suggestions on how Congress can constructively engage and reinforce democracy and human rights in the region at this juncture?

Thank you.

MEP BONI. Thank you very much for this question. And I want to thank to the representatives of Congress and the Senate, because the activity of those two chambers and the activity of many American institutions, the judges' associations and so on, is very high.

And it's very important in Poland, when we have this kind of international support for keeping the independence of the judiciary system, for example, because it means that it is not only a topic for political internal battles, but that this is something more, yes? And I think it's very important for this part of society who is fighting for those values.

And I think that because this is an ongoing story, so if you will be involved all the time and comment, and send some information, some suggestions, organize some pressure in a positive sense, I think that it will be very, very useful for all of us in Poland because one of the dimensions of the populist model of the governing is to polarize society. So we have two societies in our country. This part of society who is involved in activities of the ruling party—this is some kind of religious community, my view is that it is not the civil society. This is the religious community, without any critical thinking about some solutions.

But on the other hand, we have people who are fighting for democracy, who want to keep the independence of the judiciary system. They are attacked very often. We have no public media. Public media is TV propaganda, and so on and so on. So your voice is very, very, very important. And I want to just—to add just one point. When we start in the autumn in Poland and next year when we have many elections—local and regional elections this year, elections to the European Parliament next year, and the election to the Polish Parliament next year, and the presidential election in 2020.

And we are organizing some kind—which is WWW, in Polish. But it means volunteers for free elections—for fair elections. Because we want to avoid the situation in which there will be some, delicately speaking, misunderstandings—[laughs]—with results of the elections. And I think if the civil society, Helsinki Commission, some representatives of Congress and Senate will be involved in keeping the fair elections, the [patron ?] of this

action is—[inaudible]. So I think it's also visible to our American colleagues that this is one of the key person fighting for freedom in this part of Europe. So be with us and be in touch together.

Dr. THOMPSON. As we're waiting for the microphone to get to our next question, I did want to raise a question about the demographic change that we're seeing in Europe. And, again, is this is one of the other issues that we should be focusing on? A number of people noted that the team in France, for example, that brought home the World Cup was quite diverse. And so there have been questions of whether or not there's a way to capitalize on increasing diversity in Europe. And I'm actually just really pleased, again, to have you here today, because you've been leading on the blue card initiative for Europe, that's looking at Europe's changing work force. And I was hoping you could talk a little bit about where things are with that and if there's anything specifically relevant to this high skilled effort that can also be utilized with the newer migrant and refugee populations that we're seeing in Europe.

MEP MORAES. It's interesting that you're talking about the legal channels for coming to the European Union. So interestingly, nobody wants the blue card, which kind of tells you where that is. It tells you where the United States is at the moment and tells you where the European Union is.

But what is happening in the world is that Western countries, the liberal democracies that we're talking about, are under relative migration pressure. Mr. Boni talked about climate change, we talk about refugee hot spots, Syria, Libya, what proceeded it, Iran, Iraq, Afghanistan, the refugee crises of that period. Although, in the Mediterranean the numbers are, in fact, falling. But the numbers that are coming are heavily politicized, as you well know when you watch the news.

So there's migration pressure, but at the same time—and I don't know exactly the demographics in the United States—but at the same time in the European Union there's a very heavily aging, ethnically white population. So you have even in countries like Italy, Spain with relatively high density, you still have aging populations and the need for work in particular sectors. So you've got this conundrum. But migration is not a simple thing, particularly in European societies, post-colonial societies. Ethnicity, identity, race is a huge issue when you have powers that literally were colonial powers, and still are. Some European Union countries still have colonies. And so the psychology of this is extremely important.

Each European Union country has had a different relationship with immigration. And immigration has been shaped in relation to those countries. So that's the underlying tension below all of this. Those countries without those colonial pasts, those who have had fewer colonies—Germany, for example—have a different immigration passage. Those countries that have few migrants and have been accession countries in 2004, like Poland and Hungary, have had a different migration passage. But France and the United Kingdom, colonial powers, their migration history is shaped by that. And then, of course, their constitutions have shaped it. So in France the republican notion, everyone is French. The United Kingdom, everyone is kind of British. [Laughs.] Sort of. So this is a complicated thing.

Then this makes it difficult for the European Union to then have a migration policy, because you're dealing with the very, very difficult issues of sovereignty, identity, of citizenship, which are very, very defined. However, the European Union has an external border. The European Union needs to have the integrity of the external border and the

freedom of movement within. And that's the big paradox. So this has been tested very heavily in recent years. And to have a settlement—because we talk about human rights, liberal democracies—it has been tested heavily. And the first thing, to be positive, many good things have happened. Many countries have stepped up to the plate, have tried to do the right thing. Germany being a good example, Sweden, and other countries trying to do the right thing. Many other countries have been doing good things, but they're not being identified as doing so, because the whole issue has been caricatured.

So this is a very big subject, as you can see from how I'm describing it. But it should not be simplified. The big issues now that we have to deal with are that we have to have a managed migration policy for the European Union without us descending into populism and moving to a situation where the fear of migration dictates how governments are elected. And in my view—because I shouldn't have a view on the United States, you should have a view on the United States—but once leaders pursue the notion of fear of migration rather than management of migration, then you are descending into the situation we had in the 1920s, fear of invasion, fear of an enemy rather than understanding that you should manage migration for the good of everyone, for a win-win situation. And, second, understanding what migration means. There are certain push factors and certain pull factors. And the population should really be truthfully told what they are and why people are moving and what their migration needs are.

We haven't reached this point yet. And certainly the European Union, there's been a shock to that. So today for example, the European Union doesn't have much of a legal migration policy because that's in retreat. But that doesn't mean we don't have the capacity to do it. The European Union has managed to do many things. And by the way, I would say about the European Union, people talk about the end of the European Union in many phases all the time. And it always is resilient. It always comes back and has a solution. And I'm very optimistic that even in this very difficult area, we will find solutions, we will manage things, because we're talking about sophisticated countries that can do this. And there are political, progressive forces that can try and ensure that we get a good solution, but it won't be easy. And I'm glad I'm getting older and it's all up to you. No, it's not, you're American. But the younger generation will have to grapple with this.

Climate change, climate change refugees, I have to say that much of the movement—as we saw when we were in Lebanon recently—developing countries have the overwhelming majority of refugees, not Europe or the United States. That's the reality. But if you say to somebody in the European Union or the United States that's the case, it's meaningless if they switch on Fox News and everyone's telling them that they're being invaded by Mexicans and there needs to be a wall. So it's the same in the European Union. If Salvini in Italy is telling them that, look, we need to do this because he's under pressure. What's more difficult is if somebody in another country, where there's virtually no migration, tells them that they're being invaded—so Hungary, for example. And that's the big problem. This is a huge issue for us. But we can manage this.

Why do we know we can manage it? Because history has been here—we have been here before. And we need to learn the lessons of history. And I think this is a profound issue. It's a management issue. It's an organizational issue. And by the way, when we talk about the transatlantic relationship, there's some symmetry here between the two.

Can I just say this one final thing on migration? It's quite interesting, but a few years ago—both in the United States and the European Union—people said that migration was a non-issue. I remember that. It was about 22, 23 years ago. Secondary migration was

the only thing. Everyone said immigration doesn't exist anymore as an issue in the United States. But all that existed in the United States as it was becoming more ethnically diverse. But immigration was not an issue. Refugees were not an issue for the United States.

Funnily enough, it's a big issue today, and it's the same in the European Union. And there are many, many factors determining that, but we have to get through this. And the other thing is that it's a global issue, not an issue for the Western liberal democracies. We are caught in it because we don't want those people to come. And yet, we need some of them to do the work that no one else wants to do. And then as Mischa said, we need some of the skilled ones to do the more skilled work that we want them to do. So in my country, the National Health Service would collapse tomorrow without the migrant labor that we have, or the European Union free movement that we need. So this is the big paradox of migration. But it's probably the biggest single challenge that we have in the European Union, which almost like dwarfs the economy which seems to be ticking along nicely.

And just a final point, the countries that complain most about migration have got the highest economic growth in the European Union today. That's just a really interesting point to mention.

MEP GRIESBECK. May I say a few words about the blue card and the conclusion from our President Claude Moraes?

[Continues through interpreter.] Just to add to what Claude said, on the blue card, Claude Moraes, our president, used to be the rapporteur on this file. And he was in charge of this file. And I want to congratulate him for the great work that he has put into it, and the progress that had been made. A blue card would have been one way of opening routes for migrants—legal routes for migrants to come to Europe. And that would have been a good thing. Now it is because of the reluctance of some member states and their hypocrisy, in a way, that this dossier has not seen the light yet, or at least not seen the light in the way that it should be.

Blue card would have been also an important issue because we are actually facing here two major problems in Europe. One is the problem of migration. And this problem of migration can basically cause us harm and bring down Europe if we are not able to provide for the good—for the good replies to it. And the blue card, in a way, would have been one way of a good response to that. And on the other hand, that was the question of Mischa from the start, the demographic development and the demographic change of Europe. If you look at Europe in a couple of years from now it will be a continent of gray hair, like myself. [Laughter.]

And as paradox as it might sound, so on this one hand this migration issue, and at the same time we need something in terms of migration if we don't want to become the continent of gray hair. So that is a very big issue. And these are the two challenges that we are currently facing.

Dr. THOMPSON. Okay. So we're going to do a really quick lightning round to see if we can end in 5 minutes. And—[laughs]—and so with that we'll take the two questions here.

QUESTIONER. Dan Stoller from Bloomberg.

Just a quick question. With the growing political tension between the U.S. and the EU, and the EU's appetite for more data transfer pacts with Japan and South Korea, do you think there will be more data transfer agreements with other nations outside of the U.S. going forward? Is there a larger appetite for that?

QUESTIONER. I'm Robert Hand. I'm a colleague of Mischa's at the Helsinki Commission. And my portfolio is the Western Balkans, which is a region where the United States and the European Union has had to coordinate policies. In fact, at many of our previous hearings and briefings we have often had an EU official or even a member of the European Parliament come to talk about policy responses to the Balkans.

If I were to present U.S. policy in its more simplistic form, and say it's to follow the European lead, to support Europe in its approach to the Western Balkans, how would you react? How confident are you in Europe's ability to lead in the Balkans, particularly given the problems with European leadership in the 1990s? And what recommendations would you make for U.S. engagement with Europe in that region that is knocking on the EU door right now?

Thank you.

Dr. THOMPSON. So, and I'll say the last question I want to add to the lightning round—and I apologize because I'm going to have to cut you off—is that there's been a lot of talk about security issues emanating from both Russia and China. Yet, there are a number of European countries, as well as our country, that are currently doing a lot of business with China in particular, and also looking to do more business with both in the future. And so I think the question emanating from that is whether or not there's a scenario where both China and Russia can actually become more credible partners on security with the United States.

And so, with that, I will quickly turn to the panel for 1-minute answers on these three questions that were just posed.

MEP MORAES. Just on the Bloomberg colleague's question about the adequacy agreements and the relationships—I mean, our committee will be going to South Korea in October, and we've just been to Japan. And our role is on the adequacy agreement in relation to the trade agreement. So the answer is absolutely yes, we're seeing adequacy with these countries. I met with the South Korean equivalent of the information commissioner body a couple of weeks ago. And the point is that they are extremely keen. When we meet them, they're extremely keen to seek this kind of equivalency, because they understand the need for kind of frictionless data transfers. So they're building relationships for the future, not just for the trade agreement. And they understand exactly what is happening in the European Union. I know this is fast, but understand we're modernizing our data protection laws, and again, you've got liberal economic space. But you've got rules which are now tried and tested. And I think that's been really good.

Why are we doing it? We are doing the adequacy part. It's not just about privacy, it's also the commercial side. So absolutely yes, this is an exciting area. And I think yes, the U.S. should be aware of that, that we are doing that. And it's successful because we concluded the Japan trade agreement just recently. And we're quite excited to be part of that. I don't know, Mr. Boni might—and, of course, he had mentioned artificial intelligence, robotics, and so on. All of these areas—for example, Japan is hugely interested in that. So, the answer is yes.

MEP BONI. I know we are sort of the beginning of conversation negotiations with Singapore on data flows. There are many companies installed in Singapore. So I think it will be very, very important from the economic point of view. And also, we are talking about Canada, because it should be also recognized. And after that, we need to make an order of the—[inaudible].

This year in May, in the European summit in Sofia, we focused on establishing the strategy for the Balkans country's development. And I think it was very, very important. It was multidimensional, focused on many areas related to political issues, to fight against corruption, but also to support and to help those countries in the problems of depopulation, because it's a real challenge for those countries. We have discussed also about digital issues and making some special agreements and also using European money in the new infrastructure, making the accessibility to the internet much more open and for everybody.

And Serbia is the one country for which the commission said, okay, 2025 could be the year in which it this country will be a member of the European Union. And what is important is solving the problem of the name of Macedonia, is I think it's also opened the further steps. My personal view is that now for the European Union, from a political point of view, Balkan countries are much more important than the eastern partnership. But of course, the eastern partnership is crucial—Ukraine, Moldova, and Georgia having the association agreement, some distance to go for Armenia and Azerbaijan. Of course, there are many problems with Belarus. But I think that Balkan countries are the main focus.

Dr. THOMPSON. And MEP Griesbeck, just on whether Russia and China can be credible counterterrorism and security partners for the U.S. and EU.

MEP GRIESBECK. [Through interpreter.] Right. To answer the question of the gentleman on the Balkans, I don't know what was really behind this question, if there's intention or if there is the thought behind whether the Balkans should join the European Union, yes or no. Let me answer the following—I know coming from a centrist, center political movement, being a member of the liberal group, I know that I'm a bit isolated here with my position. But here's the following look at Turkey. We opened accession discussions with Turkey and see where that has led us today. It was President Bush in 2004 who basically encouraged us to integrate Turkey into the European Union. And now relations with Turkey are rather deteriorating than improving. We have very, very, very difficult relations with Turkey. Look at the terrorist financing problems, look at the refugee problems. We have struck a deal with them that cost us 6 billion euros. And yet, this deal is subject to permanent blackmailing. So in case we wouldn't deliver, they would send more and more refugees.

And this is to say I was always one of those who voted against Turkey's accession to the European Union. And in the same way, I'm also opposing the idea of integrating more Western Balkan countries into the EU. They should benefit from a very advanced and privileged partnership, but for the time being they should not be members of the EU. Why? Because the European Union is much more than just an economic platform. It's a political entity. It's an entity of shared values and ideas. And we are currently in a phase where we first need to deepen our integration with the member states that we have before we can basically go for further enlargement of the European Union. If we would go on and just enlarge the European Union, we would just run around like a duck without a head. And we first need to basically make our minds up where we want to go with this European Union that we are currently having before we ask more members to join us. And I know this is not a very popular position. And I know I'm not in the majority there with my views, but I wanted to share them with you.

Dr. THOMPSON. Well, thank you all very much for such an amazing panel, following such a long trip from Europe, I'm certain with very little sleep. We know that officials

on both sides were taking notes on everything that you said in preparation for the July 25th meeting that will take place between Presidents Trump and Juncker. And so, with that, we thank everyone else.

Senator Wicker sends his apologies. He actually got tied up with Senate business. And so, we're hoping that there might be another opportunity for the delegation to connect with him, and with that, I thank all of you.

Thank you. [Applause.]

[Whereupon, at 11:18 a.m., the briefing was adjourned.]



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