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“Toward a New Transatlantic Narrative: The German-American Partnership in Turbulent Times”

A German-American Conference

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Narrative. [Noun.]

“A representation of a particular situation or process in such a way as to reflect or conform to an overarching set of aims or values.” (Oxford Dictionaries)

The values – and indeed the fates – of Germany and the United States have been entwined for decades, but the narrative of close-knit partners woven after the Second World War and throughout the Cold War has been subjected to some fraying. Pressures from within – including the NSA revelations – and without – a global agenda that has exploded with destabilizing factors, not least from non-state actors – as well as the changing fabric of society in both countries have presented challenges to the partnership. Against this backdrop, the American Council on Germany and the Atlantik-Brücke convened a conference in Washington, DC, to chart a course “Toward a New Transatlantic Narrative: The German-American Partnership in Turbulent Times.”

More than 150 people attended the conference, which addressed a host of political and economic issues – including U.S. and German leadership in foreign and security policy, diverging and common values in both countries, and the economic ties that bind us together, including the potential of the Transatlantic Trade and Investment Partnership (TTIP). Conference participants also delved into threats to European cohesion, including the then-forthcoming vote on a Brexit, the refugee crisis (and the dangers it poses to the concept of open borders and the free movement of peoples), instability in the Middle East, the situation in Ukraine, and the rise of populism.

ACG Chairman **Ambassador Robert M. Kimmitt** and Atlantik-Brücke Chairman **Friedrich Merz** launched the conference by giving a preview of the wide swath of issues that would be covered. Ambassador Kimmitt noted that German Ambassador to the United States Peter Wittig had challenged the ACG last year to help craft a new “transatlantic narrative” to underscore German-American ties – and the value of cooperation and close coordination – at a time of daunting global challenges. Ideally, this narrative would be compelling for the long term, designed to bring together future generations of Americans and Germans and different constituencies. Mr. Merz likewise underlined the importance of coming together to exchange views – even if those views are not always the same.

SETTING THE STAGE: CREATING A NEW NARRATIVE

In opening the conference, **Peter Wittig**, German Ambassador to the United States, renewed his call to develop a new transatlantic narrative suited to today’s environment. While he acknowledged that at the highest levels, day-to-day cooperation between Berlin and Washington is on a solid footing, he said one must not become complacent, because some fissures could aggravate the German-American relationship. He told those gathered that given how “transatlantic relations are viewed in our two societies, what we expect from each other is changing. And, on this level, we seem to be moving rather apart than together.”

He noted that Europe and America have played key roles in securing the nuclear deal with Iran and the COP21 agreement in Paris, along with addressing crises in Asia and the Middle East, among other examples. But today’s challenges warrant further – and closer – cooperation. He cited international terrorism and extremism as one area where our intelligence agencies in particular have to work more closely together. The refugee crisis is another crucially important challenge; he said NATO – “our traditional security backbone” – needs to evolve in order to address migration streams and other issues.

Ambassador Wittig said that when considering the new transatlantic narrative, there are four areas to consider. First, there is less of an appetite in the United States for foreign politics – and there is a growing demand on European resources. The latter is especially tricky for Germany, since it has little willingness for military engagement. Second, rising nationalism and isolationism, frightened youths, and the rise of populist candidates threaten broader cooperation, including but not limited to a common trade zone and NATO. On this count, the publics need to be better informed about the opportunities – not the threats – of free trade and political and military cooperation. Third, amid the aforementioned fear, we must ensure that our societies remain open societies and forge bonds with one another. Fourth, digitalization is sometimes perceived as a threat to privacy rather than an opportunity to harness synergies in innovations across borders. He highlighted Silicon Valley’s unparalleled strengths in IT, juxtaposed with top-notch German engineering.

In closing, he said the United States and Europe are uniquely equipped to address today’s challenges; together they have “developed the experience, institutions, and tools to address complex issues.” And the connections between the two regions are among the closest in the world. In short, “This is why, in an increasingly stormy, complex world, only our relationship provides a foundation strong enough to weather and actively solve the upcoming crises.” Building on this strong foundation is important, but he also called for Germans and Americans to update their transatlantic narrative and buttress their cooperation – for the betterment of both countries and the wider world.

THE STRATEGIC AND ECONOMIC CASE FOR CONCLUDING A COMPREHENSIVE TTIP AGREEMENT THIS YEAR

Ambassador Michael Punke, Deputy United States Trade Representative and U.S. Ambassador and Permanent Representative to the World Trade Organization in Geneva, called for a collective push to complete the Transatlantic Trade and Investment Partnership (TTIP) in 2016. In the face of an array of today’s challenges – from the refugee crisis to the Brexit vote, Russian aggression, and from the debt crisis to lackluster growth, TTIP would allow transatlantic partners to take trade to the next level. He cautioned that if the United States and Europe do not set standards then others will. In short, they must be “standard makers,” not “standard takers.”

He said the next six months present a special window of opportunity. The United States and Europe have a chance to build upon their already robust relationship. President Obama stands firm on his goal of reaching an agreement on TTIP this year – and not a TTIP “lite” version.

Ambassador Punke said Europe and the United States account for nearly 50 percent of global GDP, with more than \$4 trillion invested in each other’s economies. Yet tariffs present a hurdle. Some have asked why TTIP is necessary when tariffs average 3 percent to 4 percent. But this is only part of the story. He chronicled a litany of products with high tariffs, including a 14 percent tariff on bicycles and monitors, a 20 percent tariff on some seafood, and, once a quota is fulfilled, a sizable 40 percent tariff on German cheese. High tariffs also have a negative effect on German companies manufacturing in the United States. For example, BMW has its largest manufacturing plant in Spartanburg, South Carolina. In 2015, the 120,000 cars BMW exported to Europe were all subject to EU tariffs despite the company’s German pedigree.

Those who are working on conceptualizing, shaping, and negotiating TTIP have actively sought feedback from stakeholders, and they have been mindful in designing a framework for future regulations. They also are leaving room for standards in specific sectors, such as the auto industry.

Not having common standards and regulations bears a price tag. For example, the pharmaceutical industry does not have the luxury of a mutually recognized mechanism for inspection. He said this lacking standard can effectively add 20 percent to the cost of developing a new drug.

TTIP would allow small and medium-size enterprises – including the *Mittelstand* in Germany – to realize their full potential. Ambassador Punke said only 260,000 of these companies trade across the Atlantic. Others shy away from markets across the Atlantic because they do not have high-priced lawyers navigating the way. He said that wages are 18 percent higher when SMEs engage in international trade.

He also emphasized what TTIP would *not* do: It would not force privatization, and it would not promote fracking. It would not lower standards, and it would not weaken regulation. It would not undermine any values.

In sum, he sees TTIP as a joint effort that could lower barriers to trade and benefit both the United States and Europe – and bring a rules-based system into the 21st century.

ECONOMIC TIES THAT BIND

While some panelists in this session were cautiously optimistic – and others less so – TTIP was hailed as a “historical opportunity” and indeed one that is “doable.” One speaker said the West is challenged to be the standard bearers. The session was moderated by **Dr. Michael Hüther**, Director of the Cologne Institute for Economic Research.

Eric Spiegel, President and CEO of Siemens USA, began by talking about the powerful combination of the United States and the EU in terms of business. But he noted that in the past 20 to 25 years, many jobs have left the United States and Germany, with steel mills moving to Asia as one example. He sees TTIP as a driver to bring competitiveness back to our countries, and to create more jobs and opportunities. He said that manufacturing will come back to those who employ innovative approaches and who harness efficient approaches. He noted the advantages of decentralizing manufacturing to bring it closer to the customer. He touted 3D printing as one way to bring manufacturing closer. He noted that Local Motors “printed” a car using a 3D printer – then drove it off the stage on the third day. He said Germany and the United States have the competitive advantage.

State Secretary Matthias Machnig of the Federal Ministry for Economic Affairs and Energy said that “these kinds of conferences can be dangerous” – because most of those gathered believe in the potential of TTIP. He cautioned that “we don’t reach people” more widely when it comes to informing publics about not only TTIP but also other supranational agreements. He said that as compelling as the numbers are to some, many are not convinced by the figures that are touted in support of TTIP, including those about job growth. He said global skepticism became more prevalent in the 1990s, and since then more people are concerned about the impact agreements will have on the economy close to home. Looking ahead, how can Germany and the EU work together to achieve TTIP? Building momentum is key. He said negotiators are creating a package, but work remains to be done. He said that “nothing is more successful than success” – meaning that negotiators should build on successes. He also said they must concentrate on the questions that are the most critical and look for compromises. State Secretary Machnig noted that perhaps a half-dozen chapters in the agreement will be pivotal, including those on investment and agriculture. He voiced concern that if an agreement is not reached by the end of the summer, TTIP might have to wait until 2025. He said governments need to make it clear to their publics that TTIP would make jobs safer, not more vulnerable – and that it would not grant a free pass to chlorinated chicken.

Ambassador Michael Punke followed up by saying that success leads to success, and that is what is happening in the TTIP negotiations. He said the traction that was gained last summer – with more success month to month, round by round – convinced him that the goal of completion in 2016 can be achieved. Meanwhile, he noted that selling these ideas to the public has been a tougher prospect. The arguments against TTIP have been simple and emotional, and have played to people's fears. He quipped that TTIP is not setting out to privatize the Bavarian water system.

Friedrich Merz said a German text is needed at the start, and that TTIP should be brought through parliaments as quickly as possible. He said transparency with the public is key. Furthermore, he said TTIP would be a "living agreement," not a "perfect agreement." It would need to be shaped in the coming years.

Mr. Spiegel said that as in most deals, if value is found on both sides, then TTIP will happen. He said the new normal for growth rates has been around 2 percent in the United States. Growth has been slower in Europe, with Germany on the higher end. At the same time, other countries are experiencing higher growth. He said we need to "get out of the weeds here." He said most American CEOs favor TTIP, and we should come together and get it done.

Ambassador Punke said we need the political will and the execution at the table. And we need to explain TTIP to publics in a better way. (Though he also acknowledged that a measure of confidentiality is built into the agreement. He likened this to buying a house or a car, where the customer does not have the luxury of full transparency.) Still, he said efforts are being made to involve thought leaders in the process. He said 600 advisors get all of the TTIP documents, and the U.S. government asks for feedback from civil society. He believes that this is a more transparent agreement than ever.

All in all, the panelists voiced strong support for TTIP and its potential, though some cautioned that the devil is in the details and that reaching a deal by year-end could be a tall order.

DINNER DISCUSSION: DOMESTIC CHALLENGES; GLOBAL IMPLICATIONS

At a dinner discussion with speakers and special guests, **Congressman Tim Murphy** of the U.S. House of Representatives (R-Pennsylvania) and **Omid Nouripour**, member of the German Bundestag (Alliance 90/The Greens) and Green Party Spokesperson on Foreign Policy, engaged in a lively discussion with the audience about domestic challenges in the United States and Germany, respectively, and the implications vis-à-vis global affairs.

Global trade is a very real and potent issue in Senator Murphy's district, where coal, steel mills, and natural gas can all be found. As Chairman of the Steel Caucus, he has witnessed thousands of jobs leave the United States and prices being subject to distortion. For example, he voiced concern that the Trans-Pacific Partnership (TPP) could be a way to get Chinese steel in the United States through the proverbial back door.

Omid Nouripour, for his part, observed the development of a rather ironic phenomenon: "the globalization of the fear of globalization." As the fear of globalization has spread, free trade has met with resistance. For example, around 250,000 people took to the streets of Berlin in the fall to protest free trade. In order to address these fears, he feels that managing diversity is crucial. ISIL is not only a threat to security on its own; there is also a threat that today's children will be attracted to it.

Bundestag member Nouripour described populism as the idea of building walls. To counter this, he urged global citizens to engage in discussions and not avoid controversies. He advocated sharing the military burden. He also talked about considering a new level of democracy so that more people feel their voices are being heard. He noted that India is considered to be the largest democracy in the world, and yet its “free trade” is beset with protectionism – perhaps on the order of 50 percent.

In moderating the discussion, ACG President **Dr. Steven E. Sokol** said both sides of the Atlantic talk often about energy, the environment, and sustainability, but need to expand beyond these areas when thinking about the global implications of local issues. This could include cooperating to harness innovation and entrepreneurship and also to address the common challenges of increasing diversity and growing populism.

Senator Murphy said Germany and the United States both have a horrible past; the Holocaust in Germany and slavery in the United States are still in our collective memory. He said he would rather concentrate on unity instead of diversity – and address what he calls the “low-hanging fruit.” He talked about possible synergies between Germany and the United States, including in terms of scientific knowhow.

FOREIGN POLICY CHALLENGES FACING THE TRANSATLANTIC ALLIANCE

Dr. Vali Nasr, Dean of the Johns Hopkins University School of Advanced International Studies (SAIS), began his address by discussing a “backing away” from the post-World War II international order. Even as GDP rises, more integration has not been occurring. Populism is rejecting the economic side of the formula, and the reign of markets. He said that the question is “Where do we go from here?”

Dr. Nasr called for a renewed commitment to international organizations governing peace and prosperity. He said success for both the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP) is needed. Beyond this, we should redouble investment in economic institutions for maintaining order in the Pacific.

He described Russia and China as two sides of the same coin. Both are regressing to nationalism and authoritarianism. China, however, has been employing what he described as a strong-arm approach to global affairs, while Russia has attempted not to be boxed in even as it is on the decline. He also said the United States needs more of a Russia strategy, not just by responding to the latest crisis in triage mode.

The Middle East also poses its share of challenges. The stability of borders and political architecture are diminished today. Dr. Nasr noted that the Sykes-Picot Agreement very recently marked its 100th anniversary. The agreement had divided most of the Arab lands under the rule of the Ottoman Empire into British and French spheres of influence after World War I. That post-World War I order has collapsed in the Middle East, and the Pax Americana in the Middle East has also come to a close. Today, the Middle East has no real mechanism for order.

While the nuclear deal with Iran was all in all a positive development, other forces threaten to worsen the geopolitical landscape in the Middle East. Dr. Nasr said the collapse of oil prices will likely force regime change in the Middle East. The refugee crisis that has resulted from upheaval in the Middle East has been a political threat and also a headache for the West.

He said a successor mechanism for order in the Middle East is sorely needed – particularly against a backdrop where wider global order is “under assault.”

LEADERSHIP IN FOREIGN AND SECURITY POLICY

An air of nostalgia for the geopolitical atmosphere of 1989/1990 was in the air as panelists took on the subject of leadership in today's increasingly complex world. Moderator **Dr. Markus Kaim**, Senior Fellow at the German Institute for International and Security Affairs (SWP), began the session by asking what the mood for leadership is in the United States.

Dr. Charles A. Kupchan, Senior Director for European Affairs at the National Security Council, said the Atlantic community is firmly established, and that he cannot think of another time when the U.S. President and the German Chancellor were as close as they are now. He said that when there is a problem, the United States calls on European partners, since other countries are not providing public goods. He cautioned about the danger of being too Eurocentric – and he asked whether this tendency will be carried over into the next presidency. Furthermore, he added that because France is internally focused at this juncture, Germany is left standing as the United States' main partner. He said the reliance on Berlin might not be good in the long run.

Dr. Thomas Bagger, Director of Policy Planning in the German Federal Foreign Office, said we should not “confound” the perceived lack of leadership today, for this would be misreading what has changed in global affairs. He observed that foreign policy leadership is newer for Germany. He said the United States has in some ways been the “unmovable rock,” and Germany has been tethered with a leash of varying lengths. Germany in many ways has been defining itself as relative to the United States – with a nod to the concept of an Archimedean point. However, now the United States appears to be drifting, and he voiced concern about where the country might be headed.

Dr. Kupchan put it quite bluntly: In an era where leadership may not produce the desired outcomes, “weird stuff is happening.” Thus it is all the more difficult to predict what kind of internationalism might follow the Obama Administration. He noted that President Obama had gone to Hannover to confirm his support of the European Union. Dr. Kupchan said that “despite what you call a perfect storm” – and despite proverbial cracks in the foundation – he said “this experiment” is working.

Dr. Bagger said that if the United Kingdom were to leave the EU, it would certainly have a follow-on effect in the EU. “That’s the struggle,” he said – defining one’s own interests as a country without precluding collective actions and collective solutions in the wider EU. He said if the Brexit occurred, then Franco-German unity would be the most logical next step, then the two would build on unity from there.

Dr. Kupchan observed a “growing gap” between supply and demand of leadership and public goods. He said Euro-/Atlantic leadership remains in the driver’s seat, but now that they account for about 48 percent of global wealth rather than 75 percent of global wealth, it is on a downward trajectory. Who, he asked, will help transatlantic partners manage the global system?

Dr. Bagger said we have reached the end of the “illusion of convergence” that began around the heady days of 1989/1990. He used Ukraine to illustrate his point. He posited that Russia is defining itself in contrast to the West rather than in conjunction with the West. He said we fell into “the trap of exaggerated expectations” when it comes to convergence. In the meantime, he noted that Germany has been thrust into a leadership role almost by default. Looking ahead, he asked, where can we make a difference, and with which tools?

Dr. Kupchan said that since 1990 the West has been operating under the assumption that our model will prevail. While the Western model is still dominant, there are signs of fraying. China and Russia are two examples of what he described as an “ideological divergence.” Amid this “maelstrom,” he said the “Euro-/Atlantic core” must remain intact, and Putin must not be allowed to tear partners asunder.

Dr. Bagger said that while there will always be differences between Germany and the United States, the key question is whether the two can maintain “strategic unity.” Germany wants to remain a go-to country under the new U.S. presidency. He said that “Globalization produces its own discontents,” and that some of the public’s grievances are legitimate. He noted that in an exchange with some counterparts from India, he was urged to stop seeing the idealism of 1989 as a benchmark – and then the situation does not look as dire.

Similarly, Dr. Kupchan said the United States and Europe are going to need to live with some unresolved issues. They are still sending out firetrucks and writing checks, but we cannot do that as much anymore. This may cause some moral and political discomfort, he acknowledged, but in light of the intractable conflicts around the world, resources are constrained.

Dr. Bagger built on this by saying that problems will need managing instead of solving in the future. Problem-solving has become a sobering business. Even in the case of the Iran nuclear deal, this milestone solved a single problem, but it might represent the beginning of the next problem. In the end, he said we need to invest in a German-American dialogue on the consequences of changes in the global financial and security order.

DEALING WITH RUSSIA

Between conflict in Ukraine and ongoing sanctions, panelists had no shortage of issues to address in this session, which was moderated by **Katja Gloger**, Editor-at-Large at *Stern*.

Dr. Celeste A. Wallander, Senior Director for Russia and Eurasia at the National Security Council, said the narrative that Russia is on its knees is not correct. To put today’s state of affairs into context, she recalled the various decisions that had to be made after the Soviet Union collapsed. For example, would Russia still hold the Soviets’ seat on the United Nations Security Council? It was decided that yes, they would hold that seat and continue to play a significant role on the world stage. That timeframe was dangerous for Russia, not just the international order. Not only did the West try to make Russia feel involved as a global player, but they also endeavored to help them cope with the Soviets’ vast nuclear structure to safeguard Russia’s security.

However, since 2012, she said Russia has been trying to rewrite the rules. This includes controlling the Internet. Looking ahead at relations with Russia, she said the answer is not another Cold War but rather integration.

Professor Alexey P. Portanskiy of the World Economy Department of National Research University – Higher School of Economics in Moscow, noted that George Kennan went to great lengths to get to know Russia. But Stalin rejected him as a persona non grata, even when Kennan served as U.S. Ambassador to Russia. Professor Portanskiy asked if a foreigner can truly help Russia.

Dr. Norbert Röttgen, member of the German Bundestag (CDU), former Federal Minister, and Chairman of the Foreign Affairs Committee in the Bundestag, said Ukraine carries great symbolism in relations with Russia. He said Ukraine would be a difficult case for modernization even if it was not beset by war.

As Ukraine has started to modernize, it has distanced itself from Russia. This prompted the speaker to ask: Is Ukraine allowed to be successful? He also cautioned that Ukraine has been plagued by the “cancer” of corruption. In contrast, he posited that Poland as a former Soviet satellite is seen mostly as a success story.

Dr. Wallander said the Ukraine crisis is not just about Ukraine. Rather, it is about global security. NATO is working to address these security concerns. She said we need to be clear: The new members of NATO are just that. Estonia, Latvia, and Lithuania fall under the umbrella of NATO’s collective defense. Russia has seen fit to violate international agreements, but the United States is compelled to live up to those agreements so as to avoid escalation. She said the OSCE is designed to be a forum for tweaking mechanisms.

She cautioned that we should get used to the current status quo – that problems are not going to be going away any time soon.

Dr. Röttgen said he would like to see a policy shift. He feels that Putin would have a difficult time maintaining the status quo: “He permanently has to feed the beast.” This means sustaining propaganda and manipulating the public mind, but also maintaining the defense budget.

Professor Portanskiy said Russian authority has the strategic power to balance the United States, Europe, and China. He sees the European integration starting in the 1950s and 1960s as successful, and he noted that Russia has been considered a European country since the time of Peter the Great. Yet he feels it would be problematic to have Ukraine integrate with the West. He noted that some feel that “without Ukraine there is no great Russia.”

He said the Russian economic model is “exhausted,” not only due to the weight of sanctions. But he said he does not see how change will come about without different people involved in decision-making. Dr. Röttgen chimed in to ask: How can Europe help? Professor Portanskiy’s answer is to “maintain openness toward Russia.” He said Russia represents only 2 percent of the world economy and trade. He underlined his concern that he is uncertain when the turbulence will smooth out. He cautioned, in the meantime, that even while Russia tries to achieve a balance, it would feel obliged to react to military action.

Dr. Wallander discussed some of the tenets of U.S. relations with Russia: practicing deterrence as during the Cold War; building resilience among Russia’s neighbors; cooperating with Russian leadership on important global issues, including fighting ISIL and forging a nuclear deal with Iran; and leaving the door open for relationships between the two countries, in terms of civil society, scientists, entrepreneurs, and more. Dr. Wallander stressed that today’s approach to deterrence would be non-provocative in nature. She said neither the United States nor NATO is building something up against Russia.

Professor Portanskiy said TPP was getting more positive feedback in Russia, and he thinks TTIP might be viewed more positively as well.

Dr. Röttgen underlined the importance of keeping the lines of communication open. He said Europe talks with Russians to ensure there is no doubt as to what they are doing. He feels that a stronger European defense may be in order, because they cannot always rely on the United States – but he said this would not be in opposition to Russia.

In closing the session, Ms. Gloger called for “strategic patience” on both sides.

PRIVACY AND SECURITY IN THE DIGITAL AGE

Both the threats and opportunities of cyberspace were discussion at this session, which was moderated by **Dr. Torsten Oltmanns**, Partner and Head of the Competence Center Executive Communications and Chairman of Global Marketing at Roland Berger GmbH.

Christian Flisek, member of the Bundestag (SPD) and Spokesperson in the 1st Committee of Inquiry/18th EP (NSA), began by saying that intelligence is national in its very nature; its very goal is to provide security for one’s own country. President Obama’s Presidential Policy Directive 28 (PPD-28) outlined the need to protect individuals’ liberties and privacy in intelligence-gathering activities. The BND also feels strongly about achieving a balance between individual rights and intelligence-gathering initiatives.

However, Mr. Flisek lamented a sizable lack of legitimacy in intelligence cooperation. He went so far as to say that we are “in a gray zone at the moment,” with no proper framework. He cited a need for more accountability – and that is where the NSA inquiry came in.

The United States has been sending so-called selectors – which could refer to people, organizations or subjects of concern – to the BND. Prior to this, the United States had accumulated some 40,000 selectors referring to violating German interests or law but did not inform the Chancellery. This prompted him to ask: Is the United States part of the problem or part of the solution?

John P. Schmitz, Managing Partner at Schmitz Global Partners, LLP, asked why we do not create a trust-building agreement and agree to cooperate. He noted a distrust on the American side of German capabilities. The dilemma is that we may be stuck between not doing enough and not being transparent to the wider German public. More spending and capacity-building are likely in order, and he said he can think of perhaps a dozen ways to work together. He also feels that privacy-policy people are not the correct interlocutors in the debate; he suggested someone from the consular side could be better suited.

Dr. Tobias Lindner, member of the Bundestag (Alliance 90/The Greens) and Spokesperson for the Bundestag’s Budget Committee, said we need a holistic approach, with data as currency. When it comes to defense policy, he said there is a perceived lack of capability in Europe, except in Great Britain. Security in the digital age means we are subject to asymmetrical warfare. And we need to expose those who are breaking the rules in terms of cybersecurity.

Ian Wallace, Senior Fellow in the International Security Program at the New America Foundation, said this is a conflation issue, melding both defense and privacy. He said Edward Snowden was a game-changer, and different countries have responded differently to his actions. Despite the gravity of cybersecurity issues, he said we can still be pro-Internet. He sees a “cathartic opportunity” to build digital economic cooperation between Europe and the United States. He said Europe has been a holdout when it comes to delving into the Internet. He said there is a “deep irony” that the digital economy is taking on greater importance. Moreover, he said Germany and the United States are the most likely countries to engage in this realm with each other, but they are also the most hesitant to do so. The private sector plays a key role in helping to push this forward. He advocated letting entities do what they do best: governments should address state threats, while the private sector should protect itself, perhaps with government incentives.

In closing, Bundestag member Flisek reiterated Google Executive Chairman Eric Schmidt's notion that we need to connect and protect.

SHIFTING VALUES AND THE FABRIC OF SOCIETY

As more than one million refugees descended upon Germany last year, the country was committed to maintaining a *Willkommenskultur*, or culture of welcoming newcomers. But the influx of refugees presented numerous challenges. This session looked at immigration in Germany as well as in the melting pot of the United States. The session was moderated by **Ladan Yazdian**, Visiting Scholar at the Otto Suhr Institute of Political Science at the Free University in Berlin.

Tamar Jacoby (1985 Young Leader), President and CEO of ImmigrationWorks USA, said Germany and the United States have a challenge in common: that of integration. She painted a picture of the United States scraping by naturally when it comes to immigration, leveraging the idea of the hyphenated identity. The language barrier is not as big of an issue in the United States as it is in Germany. She said more arrivals in America can speak English after five years – close to two-thirds. She sees the “secret sauce” as getting immigrants into the labor market, which tends to be more fluid stateside.

Klaus-Dieter Frankenberger, Foreign Editor at *Frankfurter Allgemeine Zeitung*, said the *Willkommenskultur* has unfortunately become an almost derogatory term. He called the refugee crisis life support for right-wing parties. Such a dramatic influx of immigrants last year cannot help but affect “the fabric of our societies” in Europe. He said many Europeans have a hard time embracing immigrants who are different. He also voiced concern about the agreement with Turkey to address the flow of refugees, lamenting that Turkey is becoming more authoritarian every day.

Ms. Jacoby underlined the importance of the U.S. role in the Syria peace process, in order to stop disaster and stem the flow of refugees. She advocated helping countries take care of refugees, through international organizations such as the United Nations High Commissioner for Refugees. She added that many Americans seem to be unaware of the refugee crisis in Europe – and that she has never seen as isolationist of a mood in the United States.

Mr. Frankenberger said Europe needs to reestablish a sense of order at the borders. He said anti-elitism is so broad and so deep that the public sees the current situation as a breakdown of control.

Ms. Jacoby noted that many of the refugees are young, with about 80 percent of working age. Many are young enough to be trained on the ground in their new country.

In closing, Ms. Jacoby called for creating a transatlantic narrative that is more realistic.

SHAPING THE NEW TRANSATLANTIC NARRATIVE

In the last session of the conference, **Ambassador Kimmitt** said that even with the wide swath of topics covered over two days, those gathered have only scratched the surface of the issues that need to be discussed before leading into a new narrative for transatlantic partners.

He said Vice President Joe Biden in 2015 described Europe as the cornerstone of American foreign policy, with Germany at its core – a sentiment that has been echoed by many. Ambassador Kimmitt noted that the links across the Atlantic are by no means limited to links on the governmental level. Rather, nonprofit organizations can be open – and even notorious – about forging and maintaining links

across the Atlantic. This holds true for the private sector as well. He called this a “rich and fertile field” and urged those gathered to find time for discussion.

Ambassador Wolfgang Ischinger (1978 Young Leader), Chairman of the Munich Security Conference, said that one thread of the ACG-AB conference was: “If something works so well, why try to fix it?” He said that at the surface, we could maintain that everything is fine. Close cooperation between the President and the Chancellor is not only the norm today; it is also firmly established, having brought about German unification. Be that as it may, under the surface, numerous problems are present. He said political leaders must ensure that anti-Americanism does not rise and gel – and hence become a main attraction. He said that leadership is still a new concept for Germans, and he maintained that it is something of a “delicate machine.”

He said a new narrative could integrate different clusters of concepts: 1) growth and innovation; 2) soft power, including addressing inequality; 3) green issues, including but not limited to sustainability; and 4) what he described as the widest possible concept of security.

Ambassador Kimmitt said we need to be honest about our differences. He likened this task to that of a woodworker. When a woodworker endeavors to put together two smooth pieces of wood, he or she needs to ensure a measure of roughness in order for the pieces to stick. As one example of these differences, he noted that development assistance is easier to secure in Germany than in the United States. Indeed, some differences extend back much further: Americans’ forefathers left Europe, while Germans’ forefathers stayed.

Moderator **Ines Pohl**, Foreign Correspondent at Deutsche Welle, noted that the NSA revelations created mistrust. Ambassador Ischinger acknowledged that some have voiced concern that they feel taken over by Google. But if we turn this concern about technology on its head, Germany and the United States could be the “undisputed leaders” in technology.

In that vein, Ambassador Kimmitt said we need to make better use of social media and engage the younger generation in cross-border issues. He said face-to-face contact is especially important. This includes contact through the American Council on Germany’s and Atlantik-Brücke’s Young Leaders Conferences, the Congress-Bundestag Youth Exchange for Young Professionals, and other programs that engage the thought leaders and influencers of the future, along with the ACG’s Warburg Chapters across the United States.

Ambassador Ischinger also underlined the importance of high school and university exchange programs to forge closer connections across the Atlantic. With a nod to the earlier session on “Leadership in Foreign and Security Policy,” he said if convergence is only an illusion, how does the West cope with that? He said we should not employ only deterrence but rather offer more scholarships and exchanges with Russians, for example.

He reiterated President Obama’s speech in Hannover, saying that the United States believes in a strong Europe. He also noted Thomas Mann’s concept – invoked in 1953 – of “not a German Europe but a European Germany.” This was a sentiment repeated often by the late Hans-Dietrich Genscher, Germany’s longest-serving Foreign Minister, who played a key role in German unification – and who was honored at an event just prior to the start of the conference.

Ambassador Kimmitt noted the need for a Europe “whole, free, and at peace” – building on the words of President George H.W. Bush in Mainz in 1989. Ambassador Kimmitt said that in early 1992, a stronger Europe was coming together, with EU member states looking outward. A measure of German assertiveness began to percolate as the country accepted collective structures. The Treaty of Paris in 1990 affirmed the collective commitment to democracy, peace, and unity. President George H.W. Bush paid visits to Berlin and Warsaw around this time. (Ambassador Kimmitt added in an aside that he himself had pushed for stops in Brussels and NATO as well, but these suggestions were not met with approval.)

The setting today is quite different from that of 1989. The American middle class is smaller, after some have dropped down. In the face of hardship, these citizens want a better life for their children and grandchildren. The United States has experienced left-wing populism, manifesting itself in a movement behind Democratic candidate Bernie Sanders. On the Republican side, Ambassador Kimmitt observed that linguistic professors have indicated that candidate Donald Trump talks with people as if they were a sixth-grader, and that is why he is so effective. He quipped that not many commas or semicolons are to be found in his talks. He added that people are almost more focused on his straight-shooting style than the contents of his speeches.

Ambassador Ischinger said we must go beyond looking only at the short term and embrace longer-term visions. The transatlantic partnership can be reinvigorated even under difficult circumstances. Yes, today’s challenges are daunting: European integration, architecture of the Middle East, massive refugee flows, development in Africa, and much more. But together transatlantic partners can create conditions for conflict prevention. He said our voters aren’t dumb; they are smart, and they know we need to address these larger issues.



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