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EVENT TRANSCRIPT

U.S. Democracy Policy Under Obama: Rebalancing or Retreat? Tuesday, October 12, 2010

THOMAS CAROTHERS: Good morning. Welcome everyone, I'm Thomas Carothers, I'm Vice-President of the Carnegie Endowment for International Peace in Washington. On behalf of Carnegie Europe and also the Friedrich Ebert Stiftung with whom we're co-sponsoring this meeting, it's my pleasure to welcome you here today. We've just moved into this fancy new building here, from the smaller headquarters, and so it's our pleasure to welcome you here, and hope you'll come back to other meetings that we have here.

Our subject today is US Democracy Promotion Policy, particularly under Obama. I don't think I need to tell this group that the subject of US democracy promotion has in the last number of years been controversial, provoked a lot of debate here in Europe as well as other parts of the world. In the last two years since the Obama team has come into office and into power, I'd say it's gone from controversy to uncertainty. I think a lot of people, both in Europe and I would say actually in the United States as well, are a little uncertain to some extent what shape the subject is taking in US policy for democracy [Inaudible]

To explore that topic, we thought we'd have this panel; we're really very fortunate – David Tipton [Inaudible] had organised some important meetings here yesterday in which the heads of financial and a private institute or a public institute, as well as some of their senior colleagues, met with their counterparts on the side of the German political foundations, so we took of that opportunity to organise this discussion.

I'll introduce of our speakers and commentators and describe how we will proceed. On my left, it's a pleasure to introduce both Ken Wollack and Lorne Craner. Ken Wollack is President of the

National Democratic Institute for International Affairs. He has been in that role since 1994, and before that also with the organisation as Vice-President. In his role of President of NDI, has had the opportunity to travel to countless countries, took part in countless elections and political consultations and party processes, and many, many other things.

Ken, along with Lorne, are two of the more experienced in this field of democracy support than just about anybody else, and has really also overseen the expansion of NDI as an organisation whose budget has grown over the years to somewhere around \$100 million, somewhere around 1,000 employees – I've lost track – to a very large organisation, and I think it's important to understand its importance in the United States; it's a private actor but one funded by the US Government that really, together with IRI, plays a key role in this subject.

Lorne Craner is President of the International Republican Institute, a position he's held in its current iteration since 2004, 2005. In the early years of this decade he served as Assistant-Secretary of State for Democracy, Human Rights and Labour, in the US Department of State, in the first Bush administration. Then, before that, he had also been President of IRI in the 1990s, and similarly to Ken, he has had extremely extensive experience around the world, and overseen the growth of IRI, also to a large and very successful organisation. It's a pleasure to have both of them here; they're both active participants, not only in Washington, but around the world in what is democracy policy and how can it be effective [Inaudible]

Where we're going to start off, I'm going to ask each of them to talk a little bit. They're not going to give very long and formal presentations, but they're going to give a short overview of how they see the situation. I'm going to ask them a few follow-up questions. They tend to agree a lot in public - I'm going to see if I can modify [Inaudible] them, see if I can get them to, in an informal way, to explore some of their common and less common viewpoints.

Then I'm going – we're very fortunate to have two great commentators who are going to in a sense react, but I think they themselves are, I think, wondering: what is the US policy these days, and so they're going to listen and react. They're both people who bring a lot of experience to this subject. On my far right we have André Gerrits, who is professor at the University of Amsterdam, and he's also Chairman of the Board at the Alfred Mozer Stichting, the Dutch foundation, so he brings both as a specialist in political change in the former Communist world, particularly Russia, but also his practical experience with democratisation [Inaudible], brings a great deal of perspective to this subject as well.

Then we also have Arjen Berkvens, who is currently the Director of the Mozer Stichting, and he also plays the role of the coordinator of the European Network of Political Foundations, political parties here in Brussels, so he has, again, multiple roles in the subject as well.

We'll start of with Ken and Lorne, then later on I'll turn to them. Then, also, I want to give you all of you a session as well so we'll be taking your questions and comments along the way. Without further ado, Ken, why don't you go ahead, please?

KEN WOLLACK: Thank you, Thomas. You can kick me under the table to tell me when my time is up, because on this subject I think we can go all day!

I just wanted to say a few things; first of all, I think both of us who've been in this work now for many years, I can say have benefited measurably from Tom Carothers' work on this subject. He has been at times a cheerleader for this effort and at times a constructive critic; and I can say that we have always benefited from his insights and analyses. I think all of us in this community, because it is a community in a sense, an extended family, sometimes a dysfunctional

one, but family – and we have really been fortunate to have Tom be a leader in this field, a sort of a Svengali when it comes to this work.

In terms of Lorne and myself, we have travelled around the country, speaking on this subject, and if there are disagreements, it's normally disagreements on the margins, fundamental issues, and Tom will probably be able to draw out those marginal issues [Inaudible] during the course of this.

Perhaps before we get into where Obama, and there'll be discussions in the question and answer, and Tom will talk about this, I wanted to give a little bit of a background on the subject, because I think that, particularly, parliamentary systems in general, and the European in particular, tend to view the United States sometimes through a parliamentary prism and therefore tend to look at American politics and US foreign policy as representing huge pendulum swings when different administrations come in.

Generally speaking, there are changes, but these changes are on the margins, and we're a two-party system not a five- or six- or seven-party system, and it reflects a relatively – conservative is not the right word – but maybe cautious political society, and I think our presidential system reflects that.

I wanted to give a couple of minutes of the background of democracy in the United States, and I think in the years since the US has become a superpower we have tended to view the world through an ever-changing series of foreign policy optics. Seen through the lens of the cold war, US policy was focused, understandably and naturally, on containment. During the 70s and 80s, however, as the so-called third wave of democracy was in its infancy, the United States began another such change and viewing the global advance of democracy as serving not only US interests but global interests.

A focus on democratisation in foreign policy drew on a range of historical antecedence, from the Atlantic Charter to the Marshall Plan, to the Universal Declaration of Human Rights, to the creation of the Helsinki Process under President Ford, and President Carter's determination to place international human rights as a cornerstone of his foreign policy. In a 1983 speech at Westminster, President Reagan broadened the emphasis from a concern for individual victims of government abuse to a commitment to foster and developing democratic systems at large. This led to the establishment of the National Endowment for Democracy and to both of our institutes.

The Clinton administration identified the motion of democracy as one of the principle pillars of its national security doctrine, and under the leadership of then Secretary of State Madeleine Albright, who has served as the chairman of NDI since 2001, and Polish Foreign Minister Bronisław Geremek, the late Foreign Minister, a community of democracies comprising more than 100 countries was convened in 2000.

I think there was a turning point in the United States that developed a broad bipartisan consensus on this issue. It came in the late 80s with the Philippine People Power Revolution and the snap elections in 1986; with the Chilean plebiscite in 1988, which Augusto Pinochet lost an opportunity to stay in power for another eight years; and the defeat of the Sandinistas; and the victory of the UNO Coalition in Nicaragua.

There was, I think, an understanding that the forces on the extreme right and the extreme left enjoyed a symbiotic relationship, and in that process the democratic centre in these countries became highly marginalised. They drew strength and sustenance from the support that they

received from the international community, and democrats and republicans in the United States joined forces to support their cause. It was a turning point, I think, in the United States.

I say all of this by way of introduction, because American support for democracy has evolved over the past half-century and because it is firmly embedded in American foreign policy. As I mentioned at a meeting yesterday, every ambassador of the United States today, unlike 25 years ago, has democracy as part of his or her portfolio, and that is a huge change. Now it depends where that agenda or where that issues comes in the bilateral relationship, but it is part and parcel of every ambassador's job today.

Now it's not to say that democracy has been applied in all places and at all times. Historically, the Middle East has been largely immune from the US democratisation optic, and given our regional interests in diplomacy and oil.

When President Bush came into office, again we saw an evolution of US policy. You may recall that during the campaign, he campaigned on a policy of humility, on a policy of non-intervention globally, leaving some to conclude that it may herald in a period of isolationism. It was probably not until the second inaugural address, and to some degree after 9/11 – and we may disagree and have discussion on when exactly it took place, and the effect that 9/11 had on the president – that the president began changing his policy and seeing democracy at the forefront of US foreign policy.

I would argue that, despite historic rhetoric, which some criticise as being bellicose, that President Bush represented a continuation of a longstanding policy on democratisation. It was not a departure from his predecessors. I think there was a distinct change, and that is that he brought the democratisation discussion to the Middle East, unlike his predecessors, and he did it through his rhetoric, and he did it through programmes.

Scott Carpenter was here, who was head of the Middle East Partnership Initiative; he gave concrete expression to the support. I think that that policy provided a degree of protection for reformers in the region, and provided political space, and I think the president at the time, particularly prior to the Iraq War, used the bully pulpit quite effectively in this regard.

I would say what differentiated it additionally was the soaring rhetoric that he used on this issue, particularly during the second inaugural address. The soaring rhetoric in a sense exposed the inconsistencies in the application of that policy, and so it was seen by some, by some sceptics and by critics, as democracy being used as a club against regimes that were unfriendly to the United States but not against regimes that were undemocratic but were friendly to our country.

An increasingly war, Iraq, which in one of its many policy incarnations was defended as part of an effort to build Iraqi democracy and drive democratisation in the region, left a number of policymakers in Washington and the public confused about the purpose and the means of democracy promotion. That created a debate in Washington among those who viewed democracy promotion either as too soft and idealistic as a response to threats facing the US, or as too bellicose, inflated with regime change and the use of military force. Others viewed democracy support as a combination of the two: a Wilsonian idealism propagated through the barrel of a gun.

Therefore, there were predictions at the time that, given the legacy of the Bush administration and the unpopularity of the administration at the time, that an incoming administration would chart a much different course on democracy promotion. I think it was predicated on two issues; number one, you had the emergence at the time of what was called national security democrats

in the United States, who were also deeply affected by 9/11, but came away with a somewhat different conclusion. That is that the United States had to be concerned more with what countries do beyond their borders than what they do internally. Also, that it had political dimensions as well; as an effort [Inaudible] of democrats, it demonstrated that they would protect the American people and perceptions of a weakness on the part of democrats in the national security.

We saw in the first, I think, year, year and a half in the Obama administration, an effort to recalibrate the policy. At the same time, as it was recalibrating, as it was staffing up on this issue, it sent, I believe, a number of important issues; first, the president in a number of speeches - in Oslo, in Accra, in Cairo, in Prague - had specific mentions of democracy included in those speeches. They were not democracy speeches in and of themselves, but they had paragraphs that dealt with the issue.

Secondly, the administration, which many predicted, or didn't predict, had maintained its commitment financially on democracy promotion. It increased, almost doubled, the funding for the Middle East Policy Initiative, which many had predicted would be eliminated; it nearly doubled funds for the Millennium Challenge Corporation; it increased the request for International Endowment for Democracy; and in many countries around the world increased AID in the State Department's budget on democracy.

Like in so many other issues, I believe the pendulum began swinging back somewhat, given time and distance from the previous administration. I think over the past several months there have been two very important signs on this; the first was the National Security Strategy document that was released several months ago. Many had again predicted that democracy would not be included, or would not be a significant portion of the National Security Strategy document, and yet democracy and related concepts were mentioned close to 170 times, and I counted them.

Secondly, you have the first speech by the president where a major portion of the address was dedicated to democracy and what the president described as a new strategy. What was important is not the only content of the speech but where it was delivered: it wasn't delivered at the National Endowment for Democracy, it wasn't at NDI, it wasn't delivered even before a foreign policy group, but it was delivered before the United Nations General Assembly, which, I think, sent a very clear signal.

The administration now, being staffed up with democracy officers in the State Department of AID and the White House, is developing a strategy that will be designed to implement the policy as enunciated by the president and the Secretary of State in a number of speeches that she has delivered as of late at Georgetown University and in Krakow, Poland at the Community of Democracies.

I think the administration will begin in the defence of civil society, information technology, freedom of association, but it again is evolving policy, again the pendulum has swung back to what has been the traditional US approach on democracy assistance. I think, as was the case in the previous administration and the administration before that, we will find that democracy will underpin itself as a central pillar of US policy.

Finally, I will say that it will also be driven by events on the ground. We don't have the luxury, in many places around the world, to stand by and not take positions on these issues. The latest example of this was Kyrgyzstan, where this administration and the previous administration had placed the Manas Airbase as the centre of a bilateral relationship in Kyrgyzstan. We were caught by surprise with the most recent revolution in Kyrgyzstan, the post-Tulip Revolution,

and I think now the administration has looked at Kyrgyzstan as an example of a lost opportunity and now an opportunity to speak out on the right side of this [Inaudible].

You will continue to see an evolution on this process, but again I think continuity, because it is something that will be supported by the American people, and I think ultimately the United States will stand firm on these issues, and it will grow over the course of the new two years.

THOMAS CAROTHERS: Thank you, Ken. Lorne, let's turn to you.

LORNE CRANER: Tom, let me first thank you for the opportunity you've given to all four of us. Tom is one of the best scholars in this area in the United States; we all avidly read his books and articles. When they come out - we at IRI don't always agree with Tom, I think probably on the margins, but every year IRI have a retreat for all of our staff, from all over the world, we've done it now for about five years...?

THOMAS CAROTHERS: It was [Inaudible].

LORNE CRANER: ...and Tom is the only speaker who's been invited three times to address our staff, so we obviously have a great deal of respect for his point of view. I also want to thank [inaudible] Baumgartner from the Ebert Foundation for bringing us all the way over here. There were some good talks yesterday that are now continuing amongst our European counterparts and some of the folks within the government organisations here, so thanks to all of you.

This is the third time in five months that I've been asked to address this subject; I gave some testimonies in June in front of the US Congress, and then Ken and I were together on a panel, it was in late July; and I have been in the past very critical, in those two appearances, of the administration because of where I thought they were coming out on this issue.

In the last two months, I think they have taken a different tack, and so I end up kind of in the same place that Ken does, in terms of what I hope for going forward. I wanted to give a talk today that describes a little bit of a different path about how they got there. I was talking to a gentlemen coming in about comparing Obama to Reagan, and I was... it's little known or largely forgotten, but in the first part of the Reagan administration, this man who was known as such a big advocate of democracy support really wasn't.

It's actually very, very interesting to compare those two periods: the first year and a half of each administration, and that's what I would like to do today, because I think by doing so you come out to a very, very important point for everybody here to understand about where the US stands on this issue.

If you look at Reagan and Obama they have both come into office succeeding a very, very unpopular president; Carter only did one term, Bush did two, but they certainly both left as unpopular presidents. If you look at why, the reasons are actually quite similar; you certainly had an economic crisis in both cases, but you also had a lot of people questioning the decisions of both presidents on foreign policy. There are some of us in the room old enough to remember the Iran hostage crisis, who followed Nicaragua, the Sandinistas, etc. A lot of people said Carter was too concerned about human rights issues; that's what guided his mistaken decisions in these and other cases. I think we all certainly remember that that was a critical push as he left, that he was too concerned with this democracy agenda.

As a result, in both the first 18 months, approximately 18 months, of the Reagan administration, and I would certainly argue, I think that's kind of why we're all here, in the first 18 months of

the Obama administration, to put it nicely, there are a lot of questions about where people stood. In the Reagan administration you had a lot of statements by officials, high officials, that we were going to deemphasise this issue, and you had engagement with dictatorships; they were of the right-one variety, but you had engagement with dictatorships.

In the Obama administration we can certainly all remember Secretary Clinton's early statements, when she was going to China on human rights, her statements about how we were going to reconsider recalibrating with Obama. I think it was quite a spectacle to see Europeans taking a lead after the Iranian elections on a very uncertain, to put it nicely, response from the administration for a couple of weeks afterwards. You also obviously had engagement with dictatorships of different varieties in the first 18 months of this administration.

The reaction in both cases was swift and hard. President Reagan, again, as some of us are old enough [Inaudible] to remember, at that point the republicans actually controlled the Senate after the 1980 elections, but his nominee as the top person to handle democracy and human rights was rejected in a republican-dominated committee of 13 to seven, so that was a rebuke for President Reagan by his own party.

The Congress at that point also started imposing a lot of conditions on renewed assistance for these countries we were engaging with, and you certainly, from the dissidents overseas, who had taken great solace and heart from President Carter's actions, you had a lot of outcry at that point. At that point they were mainly in Latin America, but they were certainly vocal, as well they should have been.

With President Obama, to be honest, I think you had a little Congressional reaction. I think that would be about to change in the next month or two, we will see. Certainly, as you scan the newspapers, from publications that are usually not part of this category [Inaudible] - so the Republican Party, the Washington Post, the New York Times, the New Republic, the New Yorker - you saw an outcry on this policy, and there are many, many editorials and articles talking about it.

I think you saw an outcry from abroad; you had very thorough, honest, sometimes a little too honest, statements from somebody like Paso Fabonne [Inaudible]. If you look at his comments about the president not meeting the Dalai Lama, [Inaudible], and I could go on with the list. In my testimony, which was given in June at Congress, that the records 18 months in... 18 months in happens to be exactly the time when President Reagan delivered the Westminster speech, where he took Carter's policy that emphasised human rights and basically transformed it into a democracy policy.

If you remember, essentially, he had given this important speech, but he also laid out the policy, and the policy, it's hard to remember now how different it was at the time, the policy basically said: we're going to actively offer democracy assistance with Iran. He also offered a means to implement it: the National Endowment for Democracy.

By the beginning of the summer of 2010, 18 months in, you had many excellent speeches by the president, President Obama, a number of paragraphs in speeches was penned before June, but he had still had no strategy and no means of implementation. That was the situation in July, and in July, as I said, Ken and I were at a different session, it was entitled The Conspicuously Absent Fourth D: Democracy; it was by the Society for International Development. I think that situation has changed just in the last two or three months, and I think it's important to note that I think the administration has the beginnings of a democracy policy, and they're beginning to figure out how to implement it.

It was outlined, as Ken noted, in speeches by Secretary Clinton in Krakow, and by President Obama at the UN GA, and as I understand it, it's focused, somewhat narrowly, on following the lead of other countries' civil societies in determining what reforms are needed in their own countries, and fostering and defending those civil society groups as they do so. As somebody has noted, this is an approach that I think does appeal to the president because it has basis in international law and there are some UN resolutions that actually support such a course.

I have to tell you, it was not the course I would have chosen. I think the strategy of taking our lead from indigenous groups gets one past the critique that democracy is an import, but I think personally it displays a little too much sensitivity to the critique. I also think it is going to be very difficult to implement this centric peace policy.

Let's imagine ourselves for a few minutes, as the Chinese or the Egyptian or the Russian government starts to go afterward some of these civil society groups, and it's in good times when the president or Secretary of State has been out front on these issues, such as the ones I [Inaudible], that's a tall order. In this administration I think it's also going to be very, very difficult. It's also going to require a strong stomach in confronting these countries, and much stamina, but I'm not in power, this administration is, and I think they should be commended for finally beginning to settle on this policy.

From what Ken and I saw recently at the ERL [Inaudible], they have also begun this third step: speeches, strategy, implementation; they have begun to implement. I was telling Tom yesterday I think this administration in part has suffered from the fact that if you look at the folks who are charged with doing democracy policy, none of them, not one, has ever been in government before, and government is a very strange beast. Figuring your way around a bureaucracy, as I've had to do a couple of times, it really helps to have had previous experience. I think as these guys, you go down the list of who's handling what, but as they get more and more time in the government, you actually are able to start figuring out what levers you need to pull and who you need to push to get things done.

Whereas just a few months ago the Washington Post wondered why the administration once only sporadically attuned to the democracy issues, a recent Washington Post editorial asked if Obama's foreign policy would follow his new democracy rhetoric. This will soon be reinforced; I think he'll be given encouragement, as I said, from a new Congress. Matching the high standards that were set on this issue by President Carter, or President Reagan after his first 18 months, or I would certainly argue, President Bush the younger, will be difficult.

I think if, after these 18 months, this administration is able to match President Bush the father, or President Clinton on these issues, that would be a great achievement. I would say that we of the International Republican Institute look forward to supporting and working with the administration to follow through on this policy.

Now, why couldn't I have just been nice and said all the nice stuff about the administration and left it at that, and talked about the Reagan administration? Because I think it's important for people overseas to understand something, and that is that in the 1970s the American people decided that they wanted a moral element in their foreign policy, and when the republicans didn't pull it off in the early 1980s, after one president who had been concerned with this issue, there was enough of a ruckus raised that that president decided he had to set a course on this issue.

I think, I would argue, you have again seen this, that the president's being encouraged now to follow 33 years of a bipartisan policy, but the important part to understand is the American people, through their representatives, through the media, etc, will insist on such a policy. As

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you decide on your future policies here in Europe on this issue, you should understand that even though we may be late to the party, you will always have a partner when you consider these issues. Thank you.

THOMAS CAROTHERS: Thanks very much, Lorne. Ken, let me ask you a first question, see if I can put you on the spot a little bit. You said that you're confident that democracy support or democracy promotion is a central pillar of the Obama foreign policy. If I look at Obama's foreign policy, I see six or seven primary preoccupations, partly given the hand they were dealt by their predecessor, who left them a number of very significant headaches, partly also this international reality.

First, they've got a war in Afghanistan in which basically they're just trying to hang onto the goal of stability for the government, not really very much of a democracy. They're dealing with a government whose electoral legitimacy at this point is extremely low, but it's an important [Inaudible] US ally. In Pakistan, because of counterterrorism concerns in Afghanistan, we're in a similarly intimate relationship with a government which has profoundly flawed democracy at the minute [Inaudible].

In Iran, we're trying to stop the Iranian nuclear programme, but that's leading us to diplomatic positioning across-stream, and it's really attempting to engage a very dictatorial government in certain ways. In Iraq – we're trying to get out of Iraq and leave behind at least a modicum of stability, where again, democracy is pretty shaky, but we're really focused on stability. Palestinian-Israeli conflict is another concern which requires the United States to work very closely with the Egyptian government and go easy on some political processes.

In Russia the administration is preoccupied with resetting the relationship with a government which is not very democratic, and basically trying to be fairly nice to the Russians. In China the United States is in a much weaker position than it ever was historically because of changing financial circumstances.

If democracy is a central pillar of the policy, why isn't it evident in any of the six or seven main priorities of the administration?

KEN WOLLACK: Well, I would say, Tom, though, when I say central pillar I mean a continuation of what has been previous administration policy, whether it is Carter, whether it is human rights, whether it became Reagan, whether it became Bush, too. In all of these situations, you can name most of those countries; many of those countries where we were not in the same part, but you could name Pakistan as the most important.

It was Condoleezza Rice that called Musharraf a crucial [Inaudible] ally not too long after the 1999 coup. In all of those situations, one cannot deny that the United States has other priority issues that at times will take precedence, this is not a myth, and in those situations democracy will be part of this agenda, but I assume it's not going to be the number one on the agenda, nor do I believe it's going to be the number two agenda item, or number three. The question is whether, as in previous administrations, in these places, it's going to be number four, or number five, or number six.

I remember on Iraq, when this happened I remember it well, even though democratisation was an issue that the administration realised, the administration imposed most of the democracy assistance that was to be dedicated to Iraq. Ironically, it was one of the Senate's big critics of democracy, Ted Kennedy, that introduced the amendment, with bipartisan support...

UNIDENTIFIED FEMALE SPEAKER: [Inaudible] not of democracy.

KEN WOLLACK: What?

UNIDENTIFIED FEMALE SPEAKER: He wasn't a critic of democracy.

KEN WOLLACK: Who?

LORNE CRANER: Kennedy. You said a critic of democracy.

KEN WOLLACK: I'm sorry – a critic of the Iraq War. ...that it was a Kennedy amendment, with bipartisan support, that provided over \$200 million for democracy assistance.

What I'm saying is, on all of these issues, I don't think any administration is going to be placing democracy as a number one issue, particularly in the midst of a war, in the midst of some places where other issues at a particular moment... it's going to be pretty hard. I don't mean to exaggerate where this administration is going; I'd rather mean a point about continuity. There will be places where, and you have written about this, Tom, where democracy assistance will be high policy, and where the activities of organisations like NDI, IRI, the NED [Inaudible] and others will be low policy, and there will be places where democracy will be high policy for the administration, in which we will be engaged in both places as well.

THOMAS CAROTHERS: Lorne, a question to you: you, in comparing a contrast to the early Reagan years with early Obama, you pointed out a fact that the Reagan administration had an initial tendency internationally [Inaudible] to engage with dictators, which everyone thinks back to Argentina and those guys, that effort, but I wonder: are you saying that... one looks at the world today, and the Obama administration came in with a fairly significant intention to foster what they called global reengagement; a reengagement with China, although the Bush administration actually did that one pretty well at the time; with Russia; an attempt with Iran. Are you saying that engaging with dictators either shouldn't be done at all, it's fundamentally incompatible with a democracy strategy? What is the balance?

That term you used, dictators, is an emotional term, because one could then say, how dare you engage with dictators?, but there's the Chinese government, and it's really been the position of the State Department: you know, there goes China, and develop it, and now there's Russia, here's Iran. What are you actually saying about how the administration should approach dictators?

LORNE CRANER: I think it depends on how close the engagement is, would be my bottom-line answer. There are different kinds of engagement. Just to give one example I was thinking of: I went on Colin Powell's first trip to China, it was after the EP-3 incident, it was in July 2001. He didn't get off the airplane and said, we're not going to talk about these issues because they already know what we're going to say and we know what they're going to say. In fact, we spent about half of our time here at the UN on these issues.

Our ambassador in China, the new ambassador of China, Sandy Randt's first act was to accompany me for a day of discussions on human rights. Powell had left me behind after he had pushed on these issues. If you look at the Bush... The reason there has to be reengagement with Russia is because, as Secretary Clinton said, we need to push the reset button. From when?

Well, I was in the first term of the Bush administration; there was very close engagement with Russia. We weren't allowed to talk much earlier on about how the Russians were dealing with human rights, but by the end of the first term, President Bush, I think, had had another look into Putin's soul and decided he didn't like what he saw. As is occurring now, as the Russians took

advantage of our close engagement to go after their civil society, the second term of the Bush Administration had much poorer relations with Russia, essentially because of human rights issues. It's that that the reset button is being pushed from.

Now, I spent a lot of time with the Chinese, I spent time with the Russians; those who say we should isolate and never talk to regimes we don't like I think are crazy. You always have to talk. We were talking to the Chinese in Warsaw in the 1960s even though we had no formal contact; you always need to talk with those with whom you disagree. The question is: was it we will talk about?

Let me just finish off: I used to say that in US bilateral relations with such countries there was an equation, and if you remember from high school there are different quotients in the equation X, Y and Z, and there's always an equation for economic relations with a country, and there's probably in many countries an equation where there's enough quotient for our military relations with a country. What I think President Bush did early on, I think President Reagan did, and I think President Carter did, was to say the value of that quotient for democracy and human rights is pretty high, so if you want a good relationship with the US you need to respond on that quotient.

I think so far, and I think it is improving, but I think the value of that quotient in this administration has been read by foreign dictatorships as not being very high. I've even had statements from foreign government officials saying, Ukrainian officials saying, we don't really worry about this issue of America. I hope they're wrong, moving forward.

KEN WOLLACK: Can I just make one point? That's to say, to be fair to the administration, I believe they don't necessarily call it engagement policy, they call it a two-track policy, in which engagement is part of a two-track in which you engage in the regime but then you have a second track with the people in the country. Now the challenge, however, is how do you communicate that second track, and how do you implement that second track so your involvement in a country and the bilateral relationship is not seen as only on the engagement side?

When I came to Washington in 1972, the first thing I was working on was the Jackson-Vanik Agreement and the implementation [Inaudible] of that. Now that was the second track policy vis-à-vis Russia, the Soviet Union; that was opposed by the Congress, and it was a rather stiff penalty in terms of most emigration status, and so it linked the right of emigration with economic trade relations with the United States. The question is going to be, and it's not probably going to be an economic question, but the question is going to be: what is that second track? I think that's going to be the challenge as the administration implements this policy, but they would call it an engagement plus.

THOMAS CAROTHERS: Let's turn the conversation to my European colleagues; I'm interested to hear your reactions and perceptions so far. Then there's also on the table, I would say, with the arrival of the Obama administration, there was a clear sense in Europe of a reawakening of an interest in talking more directly with US counterparts on democracy issues and reopening the door to some of the lines of conversation that had been lost a little bit in recent years. That issue has also been [Inaudible], and that's part of why we're all here in Brussels, and it's part of the effort to be able to [Inaudible] the other journalists have been putting forward; so let's keep that issue as well. I think with that, André, just briefly, because we'll [Inaudible].

ANDRÉ GERRITS: Yes, sure. Thank you very much. You mean by briefly: you'd better talk fast. There are two reasons why I feel slightly uncomfortable; reason number one is that I'm always wearing different hats: university professor and the Chairman of the Mozer Foundation. What I'm going to give you today are some irresponsibly loose remarks from a university professor,

not from the Mozer Foundation Chairman. Secondly, being on the panel on democracy promotion, moderated by the single most knowledgeable person on democracy promotion is also... I mean, Tom Carothers' report is also of course a reason to feel rather uncomfortable; and there you go!

I'd like to make a few comments on why - that's hat on [Inaudible] feedback - on why democracy promotion is so hugely controversial, still is hugely controversial. As I see it, it will be a misunderstanding to reduce the whole issue to the Bush administration. There are way more reasons why democracy promotion, international democracy promotion, is controversial, and some reasons are related to the state of democracy as such, other reasons are related to, well, let's say the record of democracy promotion.

A few very brief remarks, the first on democracy as such; there is no fundamental democracy or democratic regression, as I see it, observable over the last couple of years, but obviously the words democracy and the label of democracy, and the practice of labelled democracy has lost popular appeal, and if not popular appeal in any way, political appeal. That's one of the major reasons why the whole notion of democracy promotion has become more controversial.

Secondly, I think it has become increasingly difficult to make a distinction between democratic regimes and non-democratic regimes. At the outer ends of the spectrum it's easy obviously, or perhaps not for other ends, but most of the regimes as we know them today are two combined elements of democracy with elements of non-democratic rule, and it's difficult every now and then to really make a distinction, which makes it also difficult to come up with an effective democracy strategy.

The third thing, which might be most important - I have this from Philippe Schmitter [Inaudible], who wrote an article in the Journal of Democracy a couple of months ago - democratisation has in a way been far less consequential than we believed it would be. It has changed politics in the sphere of human rights, individual rights, the way governments deal with their subjects, which is all incredibly important, no doubt about that. It has changed little in terms of power relations or living standards, so it has not affected large parts of society to the extent that we had hoped [Inaudible] it would affect large parts of society.

These are three issues, I think, which relate to the state of democracy today which make democracy promotion even more controversial, apart from the Bush administration, than it already is. Relating to democracy promotion per se, it's still extremely difficult - I've been working on democracy promotion in practice, in the field so to speak - but it's still extremely difficult to prove convincingly, to prove it all, that it has been effective, that international democracy promotion is really an effective international political effort - extremely difficult. It's got more difficult rather than less difficult to prove that.

Second issue: changing rhetoric, which has been mentioned here a couple of times, is way easier to [Inaudible], it's far easier to change in substance of democracy promotion. My argument is, that we extend, that I'm aware of, democracy promotion under Obama, apart from swinging pendulums, which I recognise too, if it has changed, it has more changed in terms of terminology, ideology, if you like, than substance.

The third issue, which I think is very much out of research, is that democracy promotion might be the more controversial among left wing political activists, or perhaps even on that wing people in general, that among more conservatively inclined people, including politicians, which is already a reason why democracy promotion, probably if you work under Bush, under Obama even, than under Bush.

Obtaining these things – remember, Tom asked me to be very brief so I will be brief. As I see it, democracy promotion under Obama, there is more continuity than change. If there is change the focus is more on how things should be done than on what is done. I think this is almost a quote from Thomas Pease [Inaudible] on [Inaudible] The focus is more on how it is done than on what is done, so it's largely understood, democracy promotion, the difference between Bush and Obama, it's largely understood in terms of organisational change, leadership, redistribution of resources, and I don't think there is much difference between NDI and IRI in this respect.

Even Carl Gershman, and this stuff must come naturally to him, I would say, advocated lowering the profile of the issue without abandoning the commitment. Well, if Carl Gershman says that the profile must be lowered it's an indication of what is actually changing or what needs to be changed. It's more about form than about content, and it's also more about legitimacy actually than about efficacy.

I find the whole discussion among American institutions, and actually including American scholars, very much inward looking; it's very much focused on Washington and what we are doing and how things are distributed and bureaucratically organised. There is very little... what is not being taken seriously, or not to the extent that I would advocate it should be taken seriously, is how it is being... not so much how it is being perceived by others, but what is the actual effect of democracy promotion, and can you...? In my perception, it's not sure that this effect is really... there might be an observable effect, but as I said before, it's very difficult to convincingly prove that it is efficient.

The discussion is very much about Washington, about bureaucracy. It's about how things are done, and much less on changing actual policy. If there is change of policy, I would think... I think one can claim that there is a sort of bridging-the-gap between what has been called the European approach and the US approach, where things are slightly more developmental, more focused on the environment, less on specific available [Inaudible] democracy promotion. There is change, but mostly my argument would be: is it change of form or substance? Thank you.

THOMAS CAROTHERS: Arjen, I'm going to turn directly to you.

ARJEN BERKVEN: Thank you very much, Tom. Thank you for the invitation also; I'm really happy to be on this panel with Carnegie Endowment, and appreciate your work a lot, because the research you do is really helpful for political foundations which I represent. Where André is the irresponsible professor, I will have to be the responsible director for the Alfred Mozer Foundation, but more importantly, in this setting.

One year ago I was elected by the [Inaudible] Committee and by the General Assembly for the European Network of Political Foundations to become their coordinator, which is a function which can be compared to the chairman of this organisation, which was founded actually in 2006. I would like to go into your [Inaudible], Tom, about how US policies are perceived by the European foundations, and also that you noticed reengagement of US foundations and EU foundations.

I think this is actually right; there has been a time, and it's where both were engaging a lot. We had annual meetings where foundations from the US met foundations from EU countries for actually transatlantic dialogues, which actually suffered a lot after the invasion of Iraq, an invasion which took place, and I think some of the people behind this table took part in this conference at the same time, when the European and the American foundations met in Paris, and I think this moment actually created some sort of a rift between some of the European foundations and the American foundations, which I think is unfortunate.

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Speaking from the Alfred Mozer Foundation, we have always cooperated with American foundations in specific projects, especially in the Western Balkans and Eastern Europe, but there was a time where, when I told my EU colleagues that we were cooperating on the ground with IRI and NDI, was more [Inaudible] that: how the hell is that possible, how can you work with these people?

I'm really happy that this has changed because we share a lot, and especially, I think it's really important to cooperate also in a time when both of us seem to be rethinking our policies, and especially the EU, the European Commission, the European Council has, end of February last year, come up with a new strategy. Also, in this strategy there is an agenda for action which oversees the pilot projects in about eight to ten countries, where there will be an extra engagement of the European Union on democracy promotion. I cannot see this being successful without cooperation with our US partners.

Actually, the European Network of Political Foundations, which I represent, was created more or less because of the fact that European foundations started to rethink what is really European about democracy support, which started this process after this conference in Paris, and I think after some discussions with the different foundations in Europe - about 20, 25 - 25 European foundations in 2006 established the European Network of Political Foundations, which is now an organisation with funding from the European Commission and 65 political foundations from the European Union countries and Russian countries, from 25 countries in Europe.

We engage with the European Union on development policies, on democracy assistance, political dialogue, EU-Africa strategy and also everything which has to do with enlargement policies, Eastern partnership and European neighbourhood policies, and participate in European Union consultations. I think it's really important that the political foundations managed to get together in this organisation because it's a very good to engage with the European institutions.

We are also really happy that last June a transatlantic dialogue started, where [Inaudible] are participating in, together with the European Union institutions and other EU foundations from the European Union, and other institutions, where the American foundations, the American authorities are now cooperating under the leadership of NDI and with funding from the European Commission to really start thinking about our policies and thinking about policy papers and where we can get together, and where we can cooperate much better.

We have been watching closely what's happening in the US after Obama came into power, and from what I figured out, though I'm not a specialist on that like my American colleagues, in the beginning it was more or less like: it's everything but not Bush. Well, that actually is a notion which really in the EU was really popular, I think, but of course it's not enough. I think there has been a lot of discussion, which I just heard when I think Secretary of State Clinton was mentioning the three Ds - diplomacy, development and defence - and she didn't mention democracy when there was a lot of discussion in the US about: what about democracy?

I think you heard now that it took some time to bring forth, and I'm really happy to listen to the speech of President Obama in Cairo and at the UN just lately. Also, the National Security Strategy has a lot of emphasis on democracy support, which I think is really important for us in the European Union and also for political foundations.

Actually, if I can put it like this - maybe it's a little provocative - it's a little bit like Europeanization of American policies - maybe. Obama seems to put more emphasis on, I read somewhere on a blog, a developmental view of democracy, which I think is really also something which is really present in the European Commission strategy and in the European

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Council [Inaudible] and also with European political foundations, and a democratised view of development, which I endorse [Inaudible] also, because I think that is something which sometimes really is lacking with EU policies. That's something we as European political foundations are now just really pushing for this, it's one of our main issues.

In the beginning it seemed Obama was all okay, and somebody called it: more stealthy on this issue. I think in Europe the more moderate view was perceived as a very good signal, because I think democracy assistance, André just mentioned it, will always be a very sensitive field in the EU but also in the US, especially, and you heard this behind this table, when it clashes with other strategic goals of our function.

There, of course, EU is no different from the US; strategic goals or economic issues, especially when it comes to energy, and I heard President Obama was criticised after his meeting with the Kazakh president a lot, but I think when I look at what's happening in the EU and maybe try to find a way to connect with each regime, the story is more or less the same. There are other strategic goals at stake, and also, I think it was Ken mentioned who mentioned it, when an administration still [Inaudible] has to deal with, let's say, the messy, day-to-day problems of international politics.

I think these strategic goals and these messy, day-to-day problems sometimes clash with, well, let's say the more realistic developmental, moderate, one-view approach, which we are all in favour of, but of course in the day-to-day realities it's not always possible.

I'm really happy about this initiative, I'm really happy about the meeting with the American foundations here in Brussels, and also with the transatlantic dialogue which will have a next big conference after the Washington conference here in Brussels. I've just heard from Scott Wembley [Inaudible] of the NDI that this most probably will take place in March. I think that's a very good initiative; it's time to bury the differences. Of course there will always be differences, but we share the same goals and the same values on this issue, and therefore I think it's really important to engage and to continue the dialogue.

THOMAS CAROTHERS: Great. I'm going to turn to the audience, but you know me, I tend to just [Inaudible] questions from the European colleagues. André, you're a specialist in Russia – can you see Russia becoming a point of difference if, as Lorne may have envisaged, that Russia continues not to respond politically to the second track of American engagement, continues to take a very tough line on some civil society, its political opposition. One can certainly imagine in Washington increasing criticism of the Russian government and potentially a deterioration of the relationship, because it happened before, it could happen again.

It's harder for me to see that happening on the European side, in terms of the German relationship with Russia, and the French relationship, and therefore, in a more general sense, the European relationship. In some ways we come back to the idea that we're finding new common ground. Could you see old differences like that re-emerge?

ANDRÉ GERRITS: I can, but there's not much common ground between Europe and the United States on the one hand, and Russia on the other. In other words, Russia's strategy with the European Union, if there is such a thing – I don't think there is – but it's very different from the US one, because the US strategy, I don't think that's very, very [Inaudible].

There is no EU approach towards Russia; perhaps Brussels would want to have one, but they don't. They're still discussing a new partnership agreement; they've been discussing it now for three, four years. My argument would be that the maximally what the European Union could do is damage control – schadensbegrenzung, as the Germans say – in its relations with Russia.

Basically, relations with Russia will remain bilateral, so what Brussels can do maximally, so to speak, is to limit the damage.

Yes, there will be differences to Russia policies; European... or I don't know whether European countries obey US government, but the question is whether these differences might lead to conflicts between Europe and the United States. That, I think, is the most important question; and we have seen those kinds of difficulties. I think that's the most important question. The answer to that question is also shared, so it might lead to some troubles between the United States and Europe.

Then again, I think Russia is not that important that it will lead to basic political difficulties and basic political differences of opinion between the EU or between individual European countries and to the United States. It's only because they don't see Russia changing rapidly in the coming years or in the coming decades, so I think it's not a very good spot [Inaudible].

THOMAS CAROTHERS: Thanks. I'll turn to you now; I'd like to hear your comments. You're welcome to direct a question at any one particular person. We'll just [Inaudible] take a couple of questions and then we'll go from there. Who'd like to start off? Yes, please, and if you could just say who you are it will just [Inaudible].

SUSI DENNISON: My name is Susi Dennison. I work for an organisation called European Council on Foreign Relations. I was interested in the comment, which I think it was you that made, Mr Craney, with regard to your doubts about the Obama administration's policy of working with civil society. I wondered if you could say a bit more about your concerns about that, because it seems to me that as an approach relates back to Mr Gerrits' notion that there are big problems around the legitimacy of democracy promotion and presumably working with civil society in the country in question as at least an element of legitimacy to what you're doing.

LORNE CRANEY: As an element of legitimacy?

SUSI DENNISON: Yes.

THOMAS CAROTHERS: Lorne, if you can just hang on for a second, we'll take one or two more questions.

CHRIS MULLER: Chris Muller [Inaudible]; I work with the EU Commission on security policy and external relations. I wanted to know about the impact of these very long bipartisan policies - do you see any success stories, because we always keep focusing on the problems? For instance, we in Europe think that the enlargement is also a kind of democratisation project, and all the problems its [Inaudible] have been successful by and large.

When you look at the American policy, it's very much something like a success story basically; well, this could be, for lessons learnt, something perhaps?

THOMAS CAROTHERS: I'll turn to Ken to take that, and [Inaudible] and Lorne [Inaudible].

NEDA LEXMAN: I was going in the same direction; my name is Neda Lexman [Inaudible] and I work in the European Parliament. I wanted to touch upon Mr Gerrits' intervention, which I would say like a democracy work fatigue. I come from Slovakia, and the fact that I sit here today - it wasn't the case if it wasn't for democracy work of the States and Western Europe.

I was just wondering: we face the fatigue, the democracy work fatigue at the moment, you had a successful story 20 years ago, which was after 40 years of engagement, so maybe there is

another 20 years to go to get another success – hopefully not. Is there a way to use the success better for arguing that this work is unilateral, maybe to better use the levers, the new democratic [Inaudible] levers of the new member states of the European Union, in order to promote work back in the States as well as in Western Europe, which I also think is necessary, because also in the EU, in the Parliament, I'm reading every day that people forget what has happened 20 years ago. Everybody thinks that the status quo is normal, but it's a big success, and I think we have to be reminded quite often about it.

THOMAS CAROTHERS: Thank you. Lorne, let's turn to you to answer the first question.

LORNE CRANER: Sure. I agree with you that, and I think it's somewhat clever, the idea of letting civil society in countries take the lead. I do think that gets you past the argument that all these Americans are trying to come in here and implant democracy in our country. I actually thought the Nobel Peace Prize statement, the one just a few days ago, was very cleverly worded, because that's the first thing the Chinese say: we don't need Western democracy.

If you remember, before Mongolia, and Taiwan, and South Korea, Indonesia, and other countries in the region became democratic, Lee Kuan Yew and others used to say: there's an Asian way, we don't need the Western way. The Chinese still say that. The statement basically emphasised the role of Chinese within China, and Chinese outside of China, in trying to change their own country. I think it's rather clever, what the administration is doing now.

My argument with it is I think it's... Ken talked about track two; it's going to be tough on track two when the Russians start hauling demonstrators in, or the Chinese start hauling away, as they've done in recent days; people who support the Nobel Prize winner, or the Egyptians: I'm sure we'll see around the elections some civil society figures going to jail. That's what I mean about: it's going to need to have a strong stomach and a lot of stamina if this is the road you're going to go down. Like I said, I think it's rather clever, so I just think it's going to be very, very tough if that is your strategy.

I think there are other strategies that might have been equally productive, that would be less tough, that they could have pursued, but that would imply less of a worry about the legitimacy argument.

I have to say, as far as the successes go, I have long said that in Europe I think the most effective democracy programme is in the margin [Inaudible]. I think joining the EU is the biggest snag now for making countries democratic, but I also have to say that if you were to talk to Peter Slaine-Hanoff [Inaudible] or Nicholas Orenda [Inaudible], or a number of other figures in Central Europe, I think they could answer the question of where has American and European democracy assistance been important; and they can send those statements to me.

I think this issue of evaluation is really important; so is the issue, by the way, of governance, which I don't think we've been as good at it as we should be. What do you do in between elections?

The issue of evaluation is also important, but the most important evaluation that we have is from the people we help. It's not us saying, oh, we do a wonderful job, but when you have key leaders around the world, in Latin America, or in Africa, or in Asia, and dissidents in those countries saying, yes, this work's very, very important, for me, as far as I'm concerned, the highest recommendation, again, is from someone like a Sakhrat [Inaudible] or an Alec Loensa [Inaudible] during a struggle and after the struggle. I think that's the best form of evaluation, and according to that evaluation, these programmes have been rather effective.

THOMAS CAROTHERS: Ken, do you want to comment further on the question?

KEN WOLLACK: Yes. I always hate the question!

THOMAS CAROTHERS: Sorry about that!

KEN WOLLACK: How important [Inaudible] is the question? I hate the question because it gets back at the non-US strategy and ends up being about us. It ends up that somehow the successes of civil society, the successes of political parties, the successes that citizens have are as a result of outside engagement.

I don't think that any of us possesses the hubris to think that we create the breakthrough situations in these countries, but I do believe that there have been successes in countries and, at critical moments, that the international community in general, and organisations like ours as part of that international community, have played a supporting role in which those on the ground, in terms of networking, in terms of experience, in terms of organisational skills, played a modest but, in the view of those people on the ground, an important role.

Sometimes it is international solidarity that breaks a sense – Howard [Inaudible] talks about this sense achieved [Inaudible], as well as Paya [Inaudible] – it breaks a sense of isolation that they have, that the international community is watching it and they care. We shouldn't underestimate the notion of international solidarity. Carlos Andrés Pérez, I remember in a speech that he delivered to the OAS, admonishing the OAS following elections in Panama, on their non-intervention clause. He said, non-intervention is a form of intervention on behalf of autocratic [Inaudible], and the OAS changed its non-intervention clause and adopted the Santiago Resolution.

If you talk to the Chileans, who were engaged in the plebiscite in 1988, they would point to the support that they received from the international community at that point, in terms of financial support, in terms of technical assistance. If you talked to the Northern Ireland leaders and asked them what assistance they were provided that led to the Good Friday agreement, they would point first and foremost to the information and the relationship they developed with the South African negotiators; Rolf Meyer, Cyril Ramaphosa, and others, have had a direct impact on the negotiations in Northern Ireland. Those are things that the international community can bring people together.

I just came from Serbia, at a conference celebrating the tenth anniversary of October 5th. If you talk to the Georgians and you talk to others, all of those would say that outside intervention, if it's done properly, and there is outside intervention that is not done properly, but it did play a significant role.

Then there is the long-term institution-building that tends to get lost, and I think André raised a very impressive point. I think the next generation of challenges for democracy assistance is this notion of making democracy delivered. Because if it doesn't deliver, and the institutions of democracy don't deliver, and oftentimes they've inherited the legacy of their predecessors, if they don't deliver, as Joseph Stiglitz would say, the people will go to the streets or they'll vote for Hugo Chávez, and so that is a huge challenge for all of us and for the leaders of the emerging and the nascent and fledgling democrats.

THOMAS CAROTHERS: I'd actually like to take, I think, a few more questions and comments. We'll take our Soviet colleagues' comments and observations; I don't think they require [Inaudible], then maybe I'll come back. I'd just like to [Inaudible]

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UNIDENTIFIED MALE SPEAKER: I would like to start. I've been a diplomat for NDI [Inaudible] staff in days gone by. I wondered, a question to both Ken and Lorne, democratisation promotion is essentially a civilisation or cultural project, and it's part of attempting to show something that has been developed essentially in Western Europe and the United States, and trying to get the rest of the world to buy into this project, which is not a bad thing, this is something that's done in a lot of historical cases.

At the moment it is challenged a bit, and Tom was pointing this out in some of his writings, but alternative models, and anyone who's been to the developing world has seen what China is doing, essentially economic aid and management training for government administrators, actual governance assistance, with no political strings attached, [Inaudible] democratisation there at all. In some parts of the former Soviet Union and the Russian periphery one sees the Russians playing much the same game. I'm working in Moldova at the moment and it's very interesting what's happening over the next two months in the run-up to the elections there.

To what extent are your colleagues, your interlocutors in Washington aware of this, aware of the fact that in fact the democratisation model is not unchallenged anywhere? There are alternatives out there that people are being tempted to buy into – that's one question. My second question, much more briefly: are you satisfied with the extent to which the Europeans are helping with the heavy lifting on us?

KEN WOLLACK: I think, Lorne, you take [Inaudible] on this.

LORNE CRANER: Yes.

THOMAS CAROTHERS: [Inaudible] We're close to our time so let's take an answer to that, and then I'm going to give our Dutch colleagues a chance to comment on it as well. Lorne, do you want to...?

LORNE CRANER: It's interesting actually: I'm on the board of this organisation called Millennium Challenge Corporation – I just got off, but I'm going to go back on – and we were having... there are nine board members, five administration, four outside, and Secretary Clinton is chair of the board, and we're sitting there talking about exactly this, these alternative development models. There's a lot of MCC money goes to Africa, and a lot of Chinese monies going to Africa; she was highly aware of this. We got into details about how the Chinese are shipping out prisoners from Guangdong [Inaudible] to use on these railways they're building out in Africa. She already knew that – it was very, very interesting.

I think there's a very... as my staff started coming back a couple of years ago from Africa, I know that it's not just Africa, other countries are the same with what they're doing... I have a couple of answers. I think, number one, the jury's still out on China's experiment. If they have cracked that code on how to have a broad [Inaudible] authoritarian government, they will be the first system ever to do so; and China has a 5,000-year old civilisation, I've been studying China for 30 years, but if they crack the code they'll be the first to do so.

Ken and I were in China, a joint Republican-Democrat delegation, earlier this year; Madeleine Albright, Rich Williamson, Glen Barber [Inaudible], Tom Daschle, ex leaders of the Republican and Democrat parties. We came away with two distinct impressions: number one, their strategic thinking has not caught up with their strategic status: they resemble the United States, the first half of the 20th century, in that they have this power outside of Asia, they're not sure if they want to use that, and if they do they're not sure how to use it; so they look like the US in the first part of the 20th century.

The second thing is the issue that worries them more than anything else, that keeps them awake at night, is: how do we run this place, how do we govern this place in a political sense?, because there are these rising demands within Chinese society that you didn't have 30 years ago, not for democracy but for more liberty.

Number one, I think the jury's out on if the Chinese model will survive. The number two, the way the Chinese are acting in Africa – I don't think that endears them to a lot of people. I've spent a lot of time in China and they're not the most politically correct people on earth when they get to a place like Africa, and anyway, I've said to my staff let them go ahead, they're going to look like the ugly Americans did in the 50s and 60s; eventually people will get tired of them. I think that's two answers.

The last thing I will say is, I was sitting next... we were having dinner with the president of Tanzania, it was an MCC dinner, and I asked him that very question. I said, we just gave you \$400 million, and we asked you to meet all these standards about democracy and social issues and economic issues. I said, you could have gotten twice this from the Chinese if you wanted, with no strings attached. He said, yes, but he said, I knew my country needed changes, and what your promise of money allowed me to do is to go to my legislature – imagine that in Africa – and then say: there are some things that need to change around here if we want this huge amount of money.

MCC's had a interesting effect versus Chinese money of other countries then coming in and saying: how'd they get that money? On the issue of: are we satisfied? I think one of the things that's little known about IRI and NDI is how, I don't want to say unAmerican, but how multilateral about how we really are. Six of my staff, and I'm not counting the on-the-ground staff where I have offices, I'm counting the staff that will move from Iraq to DC, that take over Asia, six of my staff, I think, and a larger percent of NDI's, is not America. They are people from new democracies; they're also people from democracies that have been around longer. They bring an empathy, and an understanding, and experience that Americans can't bring. Where I can bring them in, I do.

Am I satisfied with what the Europeans are doing? I think there's a lot of work to be done, and I think there's a lot of different types of work to be done, and as long as people are pitching in, I'm very, very happy.

THOMAS CAROTHERS: [Inaudible]

KEN WOLLACK: Just one thing; I remember Corazon Aquino before the snap elections of '86, following the citizens': take the bicycle Marcos gives you, take the money he gives you, and then go into the polling-booth and vote for me, because if I lose that, the bicycle is the only thing you'll get. I think for, certainly the new democracies, particularly in Africa, they'll take the Chinese money, but they realise that China doesn't represent an international community that they want to join and participate in.

In terms of Europe, I think there are aspects of Europe that are deeply engaged in this, and I look at the Swedish engagement on this, both in terms of their non-governmental organisations, and in terms of SETA and the foreign ministry; I look at the Norwegians that are a very, very small country, very rich country and a very generous country, that is in engaged heavily in this; probably that is the Viking tradition without the pillaging!; the Dutch; if you look at the British; all of these countries are engaged, and their non-governmental organisations have cropped up on the continent that we see and we work with on the ground. The German Party Foundations in a sense remodelled that for them. They've been doing this a lot longer than we have and they are visible and evident on the ground and doing tremendous work.

I think a big challenge for the future, where there is huge amounts of money, is the Commission, and how that money is going to be spent, and we're talking about billions of dollars, and post-Lisbon, with the European Parliament now having responsibility for the project, I think that you may see some changes in the way that the Commission operates and dispenses funds.

THOMAS CAROTHERS: Just on that, I think, Arjen, you wanted to...

ARJEN BERKVENNS: Yes, about the enlargement question, it's a very good leading [Inaudible] question, because we've seen that enlargement works, and that's also the problem now, because we see... well, compare two countries, Ukraine and Serbia, and put that the news which is coming in about [Inaudible] Ukraine, about the new government, new restraints, with news coming out of Serbia where we have seen for the first time the successful, or at least successful, with all the riots in the streets, but the [Inaudible] is taking place, which actually couldn't have taken place without EU pressure, because the decisions would just have to be taken in [Inaudible] would have been [Inaudible], if I'm correct, about the status of Serbia and the further steps in the enlargement process.

The problem of course in Europe at the moment is that the enlargement fatigue is with a lot of, especially, the old members, the old... not so much in the newer members which joined in the European Union after 2004. Especially, of course... I'm coming from the Netherlands and my country might probably be the country which will for [Inaudible] internal politics about Serbia's further steps at this same EU summit.

The same if you look at our engagement with the Eastern Partnership; in EU we have a hard time finding the right policies for all European nation policy announcements, Eastern Partnership policies, but it's not really working in the same way as the countries that know that one day they, if they do their best, will become merged. EU enlargement has been, I think, one of the most crucial elements in the success of democracy promotion.

THOMAS CAROTHERS: Good. I want to thank all four of you for joining us and all of you for being here today, an interesting conversation. It's good we took advantage of your presence here in Brussels. Thanks to both of you for coming, and we'll see you again. Thanks.