Excellencies, dear colleagues, ladies and gentlemen,

Many thanks to CEPA for hosting this annual meeting; it is great to be in Washington today! The title of today’s session reads: Winning the 21st Century.

We are in 2018, still in the first quarter of the game. *Can we say we’re winning?*

Well, the transatlantic team should be winning as it had a strong draft at the end of the 20th century. Entering the first quarter of the 21st, it added many talented players, including from my own country.

*So are we winning?* We are here today in a Ronald Reagan Building, so let me respond with his quote: “Status quo, you know, is Latin for the mess we’re in”.

It is striking how valid this is for 2018, considering how fast the word is changing.

The traditional players are still in the game, yet more new economic and cultural powers are emerging. We are playing to win, but the rules are changing as we speak.

*So how do you win in the times full of change?*

Well if the history is any indication, we all win, when we engage. America wins when it engages with Europe and in Europe. And this is the first point I want to emphasize today.

**I. The role of the United States is indispensable.**

Especially in times of mess, rapid changes and search for a global balance.

The United States has always been the greatest ally and supporter of the European integration. That underscores the uniqueness of our relations. They are personal. Americans fought for peace in Europe. Together, we built system of institutions that would prevent another global devastation. And this partnership brought us prosperity. What we achieved together is extraordinary.

Historically, the American disengagement on the European continent has only lead to increased turmoil.

In the EU, we have our motto: “United in diversity”. In the United States, the motto atop the Capitol reads E pluribus unum – out of many, one. *And this, this is the only way we can win the 21st century.* With Europe united - and with firm partnership between the United States and Europe.
This does not mean that our relationship has always been perfect. This does not mean we should romantically ignore the differences between us, or differing interests on particular agendas. But we cannot let those open issues damage and derail our relationship.

There are issues we see differently and lately, more significant divergences appeared. But that is a case in any relationship. But after 70 years of alliance, I believe we are mature enough and pragmatic enough. The basis is, just as in any relationship - listen to each other, talk, and be critical when we see a problem or imbalance.

And so we carefully listen to call from this side of the Atlantic for a bigger European role and fairer burden-sharing. I also hope that European answers are well noted. We are increasing our defence spending. We are modernizing our defence and security structures. We do work on strengthening European security architecture. But we will talk about this in detail in our first panel on EU-NATO cooperation.

We always need to keep the dialogue flowing. We saw that it brought some good days, I would recall the encouraging results of the meeting between US President and the President of the European Commission, held here in Washington in July.

I spoke earlier about a certain “mess” in world affairs. How do we clean up?

Well, it is usually good to start in the kitchen. We need to begin with ourselves. I fully recognize that EU has a lot work to do.

I have already said at different forums that practically since the outbreak of the Eurozone crisis in 2010, through the migration challenge in 2015, we have been embroiled in internal agendas and problems. Brexit is a clear confirmation. We invest most of our political energy, expertise and time in defining the relationship with a Member State that has voluntarily opted to leave.

We are concentrating on ourselves, when we should be looking around. Providing vision and solutions where it is expected of us and where our strategic interests lie. But with all the mess in our kitchen, the EU is still the best guarantee of safety and prosperity. Integration and transatlantic partnership brought peace to the continent of war.

II. And we need to keep this partnership strong, because the world is bigger than the Atlantic.

And that is the second point I want to flag today.

We are less than one billion, in a world of more than seven billion.

World population is projected to reach 9.8 billion in 2050, with nearly half of the population growth concentrated in Africa and Asia. The growing importance of Asia’s major economies continues, with economists seeing the region dominating in terms of size in just over a decade.

In the first quarter of the 21st century, we are asking, are we winning the game?

But if we do not react well to the tectonic changes on the global scale; if we undermine the value of our alliance – by the last quarter – we might find ourselves asking: are we even still in the game?

We will be - if we keep our players together. We have great players in the transatlantic team. Strong, committed and willing to play. I know we don’t want to have our good players on the bench. Or worse, on a transfer list!
If we want to win the game, there is no alternative to the transatlantic alliance. Because we are not just a community of interests. We are a community of values.

The United States have every reason to want EU to succeed. Together, we form western civilization holding dear principles of democracy, rule of law and human rights. Together, we form the largest and most integrated economic, trade and investment relationship in the world. Our economies are interdependent as we account for almost 1/3 of world trade flows.

On Transatlantic trade, let me just make a short note. Trade is not a zero-sum game. We all can enjoy economic growth by inventing and creating value. Either we let our disagreements weaken both sides and even lead us to a trade war, or we safeguard the partnership that has allowed us to export, profit, and set the global trade standards. We may be competing in some areas but we do not compete on a vision of a safer world.

**So how to win in the century of change?**

We need to control the change. We must be able to project future. We must be ready to react. We can’t be left standing in surprise. And to do that, we need strong transatlantic bond, we need to be a reliable ally to each other. No partnership is more natural.

**III. As my third and last point, I want to speak about multilateralism.**

For Europeans and Americans, multilateralism is in our DNA. President Woodrow Wilson championed the first universal international organization. President Franklin D. Roosevelt was there at the establishment of the United Nations. The World’s modern economic and financial system was born in Bretton Woods. And I don’t need to point out where the North Atlantic Treaty was signed. Generations of Americans and Europeans worked side by side to establish a multilateral rules-based order.

I have talked plenty about change today. Change is natural in a course of events, many times desirable. But it cannot catch us unprepared. And a proven way to prepare is to learn from the past.

We need to carry the lessons from the World War II. That if every country pursued its own agenda, we all risked destruction. But, if we, instead, worked together, we could all move forward. Change brings uncertainty. That is why it is so tempting to go alone. To focus on our own defences, and let everyone else fend for themselves. But history tells us that this is not the way forward.

I spent the last year living in New York, just a few hundred miles away from here. But at points, DC felt quite far away. As a former President of the UN General Assembly, I will share with you my feeling. Sometimes we missed you in the room.

We missed your voice, your opinion, your guidance, your concern, your reservation.

And perhaps one more observation from the UN. We are talking about winning today. And there will be winners of the 21st century. But it is our responsibility to ensure there are no losers.

Multilateralism is an option for big players. But it is existential for those smaller ones. They need the team to survive. And I know that our team can offer them the sense of belonging, the feeling of ownership.
The best way forward is the system based on rules. It has worked well so far. For all of us. Let us not try to fix what is not broken.

To conclude…

We need to recognize challenges we face and face them together – as a society of Western democracies. It is 2018. So this is not a half-time speech. We still have time to control the change. Let’s roll up our sleeves and build on the pillars that have brought us success: unity, trust, commitment.

We have our future and the future of the transatlantic bond in our hands. It is us who decide how strong this bond will be.

Thank you all.