

Testimony of Philip H. Gordon
Assistant Secretary of State for European and Eurasian Affairs
House Committee on Foreign Affairs
Subcommittee on Europe
June 16, 2009

“Strengthening the Transatlantic Alliance: An Overview of the Obama Administration’s Policies in Europe”

Chairman Wexler, Congressman Gallegly, members of the Committee, thank you for the opportunity to speak to you today about Administration policies and priorities in Europe and strategies to further strengthen the transatlantic relationship.

President Obama, Secretary Clinton, and I are committed to reinvigorating and deepening the traditional relationships of confidence and trust we share with Europe. Europe is eager to reciprocate and increase the breadth of our close relationship, one that is based on shared values, including an enduring commitment to democracy, transparency, accountability, respect for human rights, and the rule of law. Today, I will highlight some examples of what the United States and Europe have achieved and what our policy objectives are going forward. To do that, I will touch on three strategic priorities for the Administration in Europe: European engagement on global challenges; a Europe that is whole, free, and at peace; and a renewed relationship with Russia.

Many of our European partners are among the most prosperous, democratic, and militarily capable countries in the world. Working with our European allies both bilaterally and multilaterally will remain critical to success in tackling the many global challenges we face together. The United States cooperates with Europe on all of the most important global challenges, including restoring growth and confidence in the world financial system; fighting poverty and pandemic disease; countering terrorism and nuclear proliferation; advancing peace in the Middle East; promoting human rights; and combating trafficking in persons. Still, there are other areas where our cooperation with Europe needs to increase. We can and must do more to address challenges like ongoing operations in Afghanistan and Iraq; instability in Pakistan; Iranian and North Korean nuclear weapons programs; energy security and climate change. As President Obama has said, “The United States is ready to lead, and we call upon our partners to join us with a sense of urgency and common purpose.”

Critical Partnerships

One of the Administration’s most important priorities will be to continue the historic American project of helping to extend stability, security, prosperity, and democracy to all of Europe and Eurasia. The objective of all Presidents since World War II, both Democratic and Republican, has been to work with Europe to realize a joint vision of a Europe whole, free, and at peace. One

of the ways the United States seeks to further this goal is through our critical partnerships in Europe - which include the North Atlantic Treaty Organization (NATO), the European Union (EU), and the Organization for Security and Cooperation in Europe (OSCE).

NATO

In April, NATO, the most successful alliance in history, celebrated its 60th Anniversary. Allies initiated a discussion of the Alliance's future and tasked the Secretary General to launch a review of NATO's Strategic Concept to insure that NATO is both prepared and equipped to meet the new security challenges of the 21st Century, including extremism, terrorism, proliferation, insurgency, failed states, piracy, and cyber threats.

Also at the Summit, Allies welcomed Albania and Croatia as NATO's newest members, reinforcing the message that NATO's door remains open. The United States joined Allies in welcoming France's return, after over 40 years, to the integrated NATO military command structure. France's full participation in NATO is a symbol of a renewed European commitment to NATO. Finally, Allies selected former Danish Prime Minister Rasmussen as the next Secretary General of NATO, to lead the reform of the Alliance so that it retains the flexibility and resources required to meet the new challenges of our time.

The United States also remains unequivocally committed to our Article 5 commitment; we will not waiver from the enduring premise that an attack against one is an attack against all. As NATO Heads of State and Government reaffirmed at the Summit in Strasbourg-Kehl, "the strong collective defense of our populations, territory, and forces is the core purpose of the Alliance and remains our most important security task." We will continue to support adequate planning, exercises, and training to ensure NATO has the capabilities to remain as relevant to the security of Allied populations in the 21st century as it was in the 20th century.

Some of the most pivotal outcomes of the Strasbourg-Kehl Summit dealt with Afghanistan. On March 27, the President announced a new strategy for ensuring vital U.S. national interests in Afghanistan and Pakistan. This strategy for the first time integrates our civilian and military efforts in both countries, with the goal of disrupting, dismantling, and defeating al-Qaeda and eliminating its safe-havens. The Alliance unanimously endorsed this new strategy in Strasbourg. While the Summit was not a pledging conference, Allies and partners committed to provide 3000 new forces for Afghan election security and over a thousand new trainers, troops and civilians to support this new strategy. These new contributions will support political growth and security transformation in Afghanistan and contribute to regional stability.

Despite all of these positive developments, I do not wish to understate the enormity of the challenges we face – or the consequences of failure. Although Allies and Partners currently contribute over 32,000 troops to the NATO-led International Security Assistance Force in Afghanistan (ISAF), we look forward to their additional contributions in the form of troops, civilian assistance or funds. The UK, Germany, Canada, France, Italy, the Netherlands, Poland, and Turkey provide especially valuable support to the Afghanistan mission. Allied troops are deployed throughout Afghanistan, although some nations continue to impose "caveats" that restrict where their troops can go and what missions they can conduct. Our commanders in the

field have asked for maximum flexibility in deploying Allied troops assigned to ISAF, and we continue to press Allies to eliminate caveats. The United States currently provides approximately 29,000 troops to ISAF. Most of our additional deployments will also come under ISAF.

We recognize that there is not a purely military solution to the conflict, and that we must complement the security NATO provides by increasing international civilian assistance to Afghanistan. In partnership with the NSC, Special Representative for Afghanistan and Pakistan Richard Holbrooke is leading the overall effort for the Administration and has assembled an interagency team in Washington to coordinate with our military and to implement the President's new strategy more effectively.

EU

Another increasingly important partnership for the United States is with the European Union, which has become one of our most crucial partners in addressing regional and global challenges in Europe and around the world. Our priorities for U.S.-EU cooperation cover almost all major U.S. foreign policy concerns including: energy security, climate change, Afghanistan, Pakistan, Iran, and the Middle East. The President raised each of these issues with his European counterparts at the April 5 EU Summit in Prague. He also assured them that the United States will be a ready partner on all these issues.

We are listening to our European partners and consulting with them closely, but also calling on them to bear their fair share of responsibilities for defending and promoting our common interests. During the Swedish EU Presidency that will begin on July 1, we look forward to continued close, results-oriented U.S.-EU cooperation. In July, I will meet with counterparts from the 27 EU member states, the European Commission, and the Council Secretariat.

The United States and the EU have the largest economic relationship in the world. Together, we generate 60 percent of world GDP. We will continue to work with the EU to promote the growth of our own market and support free trade and open investment around the world through the Transatlantic Economic Council. We will also cooperate with the EU to mitigate the effects of climate change, an issue that is now front and center in our foreign policy. The Department's Special Envoy for Climate Change, Todd Stern, will work with our partners in Europe and around the globe to craft environmentally sound, scientifically driven, and pragmatic solutions to the world's toughest environmental challenges and to lay the foundation for a successful outcome at this December's UN climate conference in Copenhagen.

The EU also shares our concerns on security issues, such as Iran, including its nuclear activities, support for terrorism, and the domestic human rights situation. The EU-3 (France, Germany, and the United Kingdom) have worked closely with us in the P5+1 (the permanent members of the UN Security Council and Germany), while EU High Representative for the Common Foreign and Security Policy Javier Solana has served as the representative of the P5+1 in direct negotiations with the Iranians on the nuclear issue. In addition to UN Security Council resolutions, the EU has also implemented additional autonomous sanctions intended to press the Iranians to come to the negotiating table.

The United States and the EU are coordinating closely on providing significant financial, political, and military support for Afghanistan and Pakistan. Among other priorities, we are working to alleviate the refugee situation in Pakistan, and to monitor upcoming elections and train police in Afghanistan.

The EU is also a crucial partner in our efforts to bring peace to the Middle East. As the largest donor to the Palestinian people, the EU worked closely with us earlier this year on the resolution of the conflict in Gaza, and it has consistently been a strong partner for us within the Quartet (the United States, Russia, the EU, and the UN). The EU has offered to reactivate and expand its dormant Gaza border monitoring mission while maintaining an ongoing police and rule of law training mission in the West Bank designed to complement our own efforts to improve the capabilities of the Palestinian security forces.

Energy is increasingly at the heart of U.S. and European security concerns. The mutual focus on energy independence and new energy technologies – combined with the ongoing Russia-Ukraine gas issues, energy price volatility, the financial crisis and ongoing climate negotiations – necessitates deeper transatlantic energy cooperation. We are committed to working with the EU to develop access to alternative sources of gas, such as the Southern Corridor, which could tap into Caspian and Middle Eastern supplies, delivering gas to many of Europe’s most vulnerable markets. European energy security is strengthened when prices for natural gas, a key strategic commodity, are determined by market rather than monopoly forces. Increasing such market efficiencies requires greater competition in European gas markets through increased diversified supplies of gas from the Caspian region and Iraq, as well as via liquefied natural gas; interconnections of European natural gas networks; and application of European competition policy to prevent manipulation of gas prices. The President appointed Ambassador Richard Morningstar to be Special Envoy for Eurasian Energy and has asked him to take the lead in coordinating our work with Europe to enhance and strengthen our cooperation to address European energy security.

OSCE

The OSCE is an important regional organization for promoting security defending human rights, and supporting democratic development throughout Europe and Eurasia. Our challenge is to reinvigorate the OSCE as a key promoter of fundamental freedoms, human rights, and civil society as necessary components of security in the region. The Secretary will initiate a structured dialogue on priority security issues when she attends the informal OSCE ministerial in Corfu later this month.

G-20

We also continue to work closely with our European partners through the G-20. At the April G-20 London Summit, the United States and the EU committed to steps that will address the global financial crisis. We are now following through on those commitments, which include strengthening international financial institutions, including the International Monetary Fund and the Multilateral Development Banks, in preparation for the next meeting of G-20 leaders in

Pittsburgh this September. Together with the other G-20 participants, we are resisting protectionism and promoting global trade and investment.

Europe Whole Free & at Peace

Over two decades ago, the United States set out a vision for working with our European allies and partners on a Europe whole, free, and at peace, extending the zone of peace and prosperity throughout all of Europe. Many Central and Eastern European countries are now full members of NATO and the EU – this reality is one of Europe’s most significant post-Cold War accomplishments. Yet we still have unfinished business in extending that vision and prosperity to Europe’s south and east. Critical challenges remain, and only through collective action will we continue to make progress.

The global economic crisis has created additional pressures on our European friends and Allies and particular challenges for accomplishing our shared objectives in Europe and around the world. Europe’s stability and prosperity affect its strength as a global partner of the United States. Economic uncertainty may also aggravate Europe’s internal questions of identity, including those related to immigration, race, globalization, and trade. The economic crisis has hit certain parts of Europe especially hard, and we may very well see conditions get worse before they get better. Still, we must not allow this crisis to derail the critical work of pursuing a Europe whole, free, and at peace. Our collective security objectives will not be reached by decreasing capacities or turning increasingly inward. On the contrary, we must continue to make the case to our friends and Allies that, despite the devastating effects of the economic crisis, the many global and security challenges we face are too critical to ignore.

Turkey

Turkey is crucial to success in many of our most important foreign policy priorities, including stability and prosperity in Afghanistan, Pakistan, and Iraq, achieving a lasting peace in the Middle East, securing European energy diversity and resolving frozen conflicts and regional disputes. We support Turkey’s aspirations for eventual membership in the EU as Turkey advances reforms that will make it an even stronger partner. We encourage the EU to reach out to Turkey to demonstrate real prospects for membership. Doing so will serve as a catalyst for additional internal reforms. We are also encouraging Turkey to make additional needed reforms required to meet membership criteria, reforms that will strengthen Turkey’s democracy and economy. We encourage Turkey to take steps that will bolster its relations with its neighbors by re-opening the Halki Seminary and normalizing relations with Armenia, including a candid exploration of the two countries’ sometimes tragic history. We must also work to resolve outstanding disputes in the Aegean, to reduce prospects for heightened military tensions in a strategic area. Turkey is also at the center of U.S. and European Union efforts to diversify European gas supplies by expanding a “Southern Corridor” of energy infrastructure to transport Caspian (and eventually Iraqi) gas to Europe.

Armenia

The United States seeks to help Armenia strengthen its security and prosperity by settling Armenia's conflict with Azerbaijan over Nagorno-Karabakh and by encouraging Turkey and Armenia to normalize their relations. We believe these two processes should proceed separately, but in parallel, and at different speeds. Armenia and Turkey announced in their April 22 joint statement they had "agreed on a comprehensive framework for the normalization of their bilateral relations." This represents an historic opportunity as Turkey and Armenia are closer than ever before to normalizing relations and re-opening their border. Meanwhile, the United States has helped invigorate progress towards a Nagorno-Karabakh settlement through its mediation as a Co-chair of the OSCE's Minsk Group. The meetings of Armenian President Sargsian and Azerbaijani President Aliyev on May 7 in Prague and June 4 in St. Petersburg cleared the way to accelerate efforts to finalize a framework agreement by the end of 2009. We also seek to advance democratic and market economic reform in Armenia, including through the Millennium Challenge Corporation Compact with Armenia.

Azerbaijan

Azerbaijan is an important partner of the United States on regional security (especially counterterrorism) and on helping our European allies diversify their supplies of natural gas. Azerbaijan also exports nearly one million barrels of oil per day to global markets via the Baku-Tbilisi-Ceyhan pipeline, free from geographic chokepoints (such as the Turkish Straits and the Straits of Hormuz) and from monopolistic pressures. As noted above, the United States has helped generate new progress toward a settlement of the Nagorno-Karabakh conflict. Our U.S. Co-chair of the OSCE's Minsk Group, Deputy Assistant Secretary Matt Bryza, joined his Russian and French colleagues in facilitating five meetings between Presidents Sargsian and Aliyev over the past year. Secretary Clinton has been personally engaged in a series of discussions with Azerbaijani and Armenian leaders, including meetings with Foreign Ministers Mammadyarov and Nalbandian in Washington on May 5. I made my first trip to the Caucasus last week, where I visited Armenia, Azerbaijan and Georgia to pursue our objectives in the region.

Cyprus

We will also continue to support the current negotiations in Cyprus – led by the two Cypriot communities under the auspices of the UN Good Offices Mission. Resolution of the Cyprus problem will have a tremendous impact on the region by strengthening peace, justice and prosperity on the island, advancing Turkey's EU accession, improving NATO-EU cooperation and removing a source of friction between two NATO Allies, Greece and Turkey. As President Obama said, we are "willing to offer all the help sought by the parties as they work toward a just and lasting settlement that reunifies Cyprus into a bizonal and bicomunal federation."

Greece

Greece is an important NATO Ally and the people-to-people ties between our countries run deep, sentiments the President reiterated to Prime Minister Karamanlis when they met in April.

We look forward to working with Greece on a host of global challenges ranging from piracy to non proliferation. We also recognize the role Greece plays in important regional issues, including in the Balkans, the Aegean and Cyprus, and through its current chairmanship of the OSCE. We support Greece's application for the Visa Waiver Program, and together, we are moving the process forward.

Balkans

We are showing renewed leadership in the Balkans where more than a decade after Western interventions, the forces of democracy, openness, and modernity still struggle against backward-looking ethnic nationalism and intolerance. In concert with our European partners, we are intensifying our engagement with the region's leaders and pressing for reforms that will advance their states toward the European mainstream. The Administration places great importance on completing the task of fully integrating the Balkan region into the Euro-Atlantic community. However, much work remains to secure a peaceful and prosperous future for the region.

Macedonia

Supporting Macedonia's integration into NATO and the EU remains a vital element in our efforts to promote peace and stability in the Balkans. As Allies reaffirmed at the Strasbourg-Kehl Summit, Macedonia will join NATO as soon the name issue is resolved. We would like to see this issue resolved soon. To that end, and in keeping with longstanding U.S. policy, we support a mutually acceptable solution to Macedonia's name through the ongoing UN process led by Ambassador Nimetz. Deputy Secretary Steinberg delivered that message personally during his visits to Athens and Skopje in May.

Bosnia and Herzegovina

In his recent trip to Bosnia and Herzegovina, Vice President Biden made clear our continuing commitment to help the country overcome its wartime legacy and transition to a modern state that can join NATO and the EU. To do so, Bosnia's leaders must abandon divisive rhetoric and actions that threaten or violate the Dayton Peace Agreement, which remains the foundation for stability. Reforms that have been achieved must be protected, state-level institutions must be strengthened, and attempts to undermine them must stop.

Bosnia's leaders must work across ethnic lines to reach compromises on governmental reforms that will enable the country to meet its Euro-Atlantic aspirations. Recently, while in Bosnia, Vice President Biden and EU High Representative for Common Foreign and Security Policy Javier Solana stressed that Bosnia's future is in Europe, and it is natural that the EU will take on a greater role in guiding the reform process consistent with EU accession requirements. But before the Office of the High Representative can transition to an EU Special Representative, the so called "five plus two" reform agenda of outstanding Dayton implementation and state building objectives and conditions must be completed.

Serbia

The Vice President also met with Serbian President Tadic, Prime Minister Cvetkovic, and Defense Minister Sutanovac to stress the Administration's intent to reinvigorate the relationship. He made clear that, despite our differences over Kosovo, we have extensive common interests, and the United States stands ready to support Serbia as it moves towards full integration into European and Euro-Atlantic institutions. This includes strengthened ties and membership in the European Union and closer cooperation with NATO, including eventual membership when Serbia is ready. The Vice President stressed that Serbia must uphold its commitment to work with the international community on practical humanitarian matters in Kosovo that will help improve the lives of all of Kosovo's citizens, including ethnic Serbs. Belgrade's full cooperation with the EU rule of law mission remains a key element in this. Vice President Biden also emphasized that we expect Serbia to continue its efforts to capture and extradite to The Hague the remaining war crimes fugitives Ratko Mladic and Goran Hadzic.

Montenegro

Montenegro is a new democracy, strongly committed to integration into Euro-Atlantic institutions, including NATO and the EU. In his May trip to Montenegro, Deputy Secretary Steinberg reaffirmed our strong support for Montenegro's NATO and EU aspirations and encouraged the government to continue to play a stabilizing role in the region. He also stressed the need to step up efforts to strengthen rule of law, as well as transparency and accountability in government.

Kosovo

Kosovo's success as an independent state within its current borders remains a critically important factor for stability in the Balkans. Yesterday (June 15th), Kosovo celebrated the one-year anniversary of the establishment of its constitution, and it has made tremendous progress during the sixteen months since its independence. Kosovo's independence is irreversible. To date, sixty countries from around the world have formally recognized Kosovo. The shareholders of the International Monetary Fund and World Bank also recently voted to admit Kosovo as a member. Membership in these international financial institutions will help Kosovo's efforts to achieve economic stability and prosperity for the benefit of all its citizens.

Kosovo's leadership is upholding its commitments to build a multiethnic democracy, with far-reaching protections for Kosovo Serb and other minority communities. The government has demonstrated Kosovo is willing and able to play a constructive role as a responsible member of the international community. Of course, much work remains as Kosovo's leaders build for the future. The United States will support Kosovo as it re-doubles efforts to build governing capacity, develop a sound economy and environment for investment, and maintain momentum in creation of a robust, multi-ethnic democracy.

Eurasia

Furthermore, in promoting a peaceful, united, and democratic Europe and Eurasia, we must strongly support the sovereignty and independence of all European states, including those that emerged out of the former Soviet Union.

Georgia

The United States strongly supports Georgia's territorial integrity and sovereignty and its commitment to further democratic reform. We must work with our international partners, including the UN, OSCE and EU, to improve the security and humanitarian situation throughout Georgia and to increase international access to the separatist regions of South Ossetia and Abkhazia. We will maintain solidarity with the international community in refusing to recognize the independence of these separatist regions of Georgia. We regret that Russia blocked the extension of the OSCE and UN missions in Georgia. EU monitors play a crucial role in defusing tension along the administrative border between South Ossetia and the rest of Georgia. On June 22, 2009, Secretary Clinton and Foreign Minister Vashadze will chair the inaugural meeting of the U.S.-Georgia Strategic Partnership Council, based on the charter our two countries concluded in January 2009, which reaffirms our commitment to deepen cooperation with Georgia.

Ukraine

The United States is committed to insuring a prosperous, democratic, and independent Ukraine by helping consolidate its democratic institutions and continue reforms. It is important for Ukraine's leaders to work together to address its serious economic crisis as well, including taking all necessary steps to implement the \$16.4 billion IMF Standby Program.

The United States strongly supports the right of both Ukraine and Georgia to pursue their membership aspirations in NATO. To achieve NATO membership, both countries must complete rigorous reforms to meet NATO's performance-based standards. Under the auspices of the NATO-Ukraine and NATO-Georgia Commissions, Allies, including the United States, are working with both countries to provide concrete advice, assistance, and practical support to help guide these efforts.

Moldova

A country that has been a concern recently is Moldova, where repeat parliamentary elections will take place after the parliament failed to elect a president. We will urge the Government of Moldova to conduct the elections in a fair and transparent manner, seriously addressing concerns raised about the conduct of the previous parliamentary elections, including accurate voter lists and a free and independent media. This would increase confidence in Moldova's democratic institutions and demonstrate that Moldova remains on a path of reform and democratic development. We will continue to work for a negotiated settlement of the separatist conflict in the Transnistria region that provides for a whole and democratic Moldova and the withdrawal of Russian forces.

Belarus

In Belarus, we will encourage the regime to emerge from isolation and to respect the Belarusian people's basic rights and democratic aspirations through undertaking genuine political and economic reform. Our assistance program in Belarus complements these goals.

Russia

As we work to promote security, prosperity and democracy across Eurasia, the Obama Administration is committed to reinvigorating our relations with Russia and looks forward to building a relationship based on respect and mutual cooperation. President Obama and President Medvedev met in London on April 1, where they reaffirmed that Washington and Moscow share common visions of many of the threats and opportunities in the world today. The two presidents' joint declaration recognized that more unites us than divides us. The task is now to translate that sentiment into actual achievements as we look ahead to a July summit in Moscow.

We also share major common interests and will work together on these important areas. In this regard, Presidents Obama and Medvedev agreed to develop a robust agenda for bilateral cooperation, agreeing to work together on a variety of issues, including reducing strategic nuclear weapons and enhancing nuclear security, and to cooperate on such issues as counterterrorism, counternarcotics, Iran, North Korea, the environment, strengthening civil society, and the global economic crisis. We also appreciate the Russian decision to allow non-lethal transit through their territory to assist international efforts in Afghanistan, a mission that has clear security implications for Russia and an area that offers the United States and Russia more common ground on which to constructively work together in the future.

Another part of that agenda will be the negotiation of a follow-on agreement to the START treaty, which is set to expire on December 5, 2009. So far, there have been two rounds of productive meetings in May and June. The negotiators are charged with reporting their progress to the Presidents during their meeting in Moscow in July.

Russia and the United States bear a special responsibility for the future safety of the world. We are working very hard together to find practical solutions, including through the UN Conference on Disarmament, the Comprehensive Test Ban Treaty, Cooperative Threat Reduction programs, and the Global Initiative to Combat Nuclear Terrorism.

One of the outstanding issues we face is the drift in relations between Russia and the NATO alliance, as well as the weakening of European security structures triggered by Russia's suspension of its implementation of the Treaty on Conventional Armed Forces in Europe. At the OSCE ministerial in Corfu, we will discuss ways to strengthen European security. We are pleased that the NATO-Russia Council will also meet at the ministerial level on the margins to resume dialogue and refocus on areas of shared interest. The Secretary spoke about an "all weather" forum for dialogue where areas of common interest and grave importance to our shared and global security can always be discussed. We welcome a dialogue with Russia in the OSCE about its ideas for a new European security architecture. We remain committed to working through and improving existing structures and mechanisms for joint cooperation on European

security. The OSCE will serve as an important forum for such a discussion, as the sole multilateral organization in Europe that brings us all together on equal terms.

At the same time that we reinvigorate our relations with Russia, we will not abandon our principles or ignore concerns about democracy and human rights. While we look forward to forming a more cooperative partnership with Russia, we have no illusions that this will be easy or that we will not continue to have differences. The United States will not recognize a Russian sphere of influence. The United States will also continue to support the sovereignty and territorial integrity of Russia's neighbors. They have the right to make their own decisions and choose their own alliances. The United States and Russia can still work together where our interests coincide while seeking to narrow our differences in an open and mutually respectful way.

Western Europe

As we recognize the many challenges that we face in spreading security, prosperity, and democracy to South and Eastern Europe, it is also important that we recognize and continue to work with our traditional friends and allies in Europe's West.

The United States enjoys some of its closest and most productive partnerships with the countries in this region. President Obama made two visits to reinforce these relationships in the first five months of his presidency. Our Allies throughout Europe share an enduring set of common interests and values with us and they also possess the ability to bring real assets to the table – diplomatic, financial, and military – for joint action to promote and defend those interests. The United States is grateful to all of these countries and our NATO partners in other regions such as Australia for their significant contributions to the joint mission in Afghanistan, and looks forward to continuing our close cooperation as we begin implementing the new strategy there. Sixty years ago, our nations came together to fight a common enemy that threatened the freedom of the citizens of Europe. Today, we continue to work together with these important Allies on many new and emerging threats.

Global Cooperation

Finally, let me address several specific issues, some old and others very new, which pose significant challenges to the United States and our transatlantic friends. As President Obama said on his first trip to Europe, "America can't meet our global challenges alone; nor can Europe meet them without America."

Foreign Assistance

An integral part of working with our European partners on global issues is being a good partner ourselves. Specifically this involves making good on our foreign assistance commitments and maintaining them in the years to come. The job we started after the fall of the Berlin Wall – to help nurture democratic and economic reform among the states of the former Soviet Union -- is far from over. Many countries in Central and Eastern Europe have been phased out of foreign

assistance, primarily because of their membership in the EU or NATO. Countries that are still receiving our help in making the democratic transition arguably present an even tougher challenge today, especially during a global economic downturn. U.S. foreign assistance invests in American security by contributing to European security and helping build stable and full participants in the transatlantic community.

Our assistance is essential to bolstering the efforts of still-fragile reformers like Ukraine, Georgia, and Moldova to integrate into Euro-Atlantic institutions. In the Balkans, our Fiscal Year 2010 request to Congress represents a re-balancing of aid levels to maintain robust funding for Kosovo, to increase aid to consolidate progress in Albania and Macedonia, to strengthen reforms in Serbia, and to ensure that Bosnia and Herzegovina gets back on the path to Euro-Atlantic integration. We are seeking additional resources to prevent or reverse further democratic backsliding in places like Belarus, Azerbaijan, and Armenia. In Russia, we focus on programs to promote democratic development and human rights to enhance cooperation with Moscow to counter nuclear proliferation, terrorism, and global health scourges.

Our military assistance to Europe and Eurasia, for which we seek to restore funding following sharp cuts in 2008 and 2009, pays us dividends by building new capabilities in countries that support our security operations abroad, including Afghanistan, and by improving the professionalism of European forces, and developing their interoperability with NATO.

Public Diplomacy

One of the most important components of global cooperation in the 21st century is our Public Diplomacy strategy. That involves being able to effectively communicate with European governments and publics in a way that creates an understanding of our policy objectives, lays the groundwork for concerted action with European partners beyond Europe's borders, and engages Europe's young generation of "first time voters" to create a sense of common values and purpose with the United States. To do this, the Department is engaged in rapid and targeted delivery of policy messages to meet ever-shorter news cycles; developing innovative uses of new media to engage youth audiences; expanding programs that invite dialogue – listening as well as talking; and creating new exchange programs that allow us to engage Europe's future leaders, and in expanding our use of our soft power tools, like culture and sports, to open doors and begin dialogue.

Engagement with Muslims in Europe

Another crucial aspect of our strategy is to engage constructively with Muslim populations in Europe. As President Obama said during his trip to Turkey in April and in his Cairo speech earlier this month, the United States seeks a new beginning with Muslims around the world, one based on mutual interest, mutual respect, and the principles of justice, progress, tolerance, and the dignity of all human beings. The Department's engagement efforts in Europe seek to capitalize on these interests by improving understanding of the United States, helping to build networks of European and American Muslims, facilitating improved inter-community relations, and supporting peaceful grassroots organizations, with a particular focus on youth outreach. Our approaches are tailored to the different contexts and the variety of Muslim communities in

different countries, and include engagement with students and community groups, internships, mentoring, exchanges and many others.

Holocaust Issues

Yet another aspect of our global cooperation involves engaging the countries of Europe to help those still-living survivors of one of the worst genocides in the history of the world, the Holocaust, achieve some belated justice. The upcoming Conference on Holocaust Era Assets offers us that opportunity. Former Deputy Treasury Secretary Stuart Eizenstat will head the U.S. delegation to the Prague Conference which will address five main themes: immovable (real) property restitution and compensation, Nazi-confiscated art, Holocaust education and remembrance, recovery of Judaica, and social welfare needs of Holocaust survivors.

Counterterrorism

Another critically important area where the United States and Europe work increasingly well together is counterterrorism. Steps taken by European governments, often in concert with us, and ongoing counterterrorism relationships with European countries have had a direct and positive impact on the security of the continental United States and our interests overseas. We cooperate closely on law enforcement, cyber security, intelligence gathering and information exchange, as well as on international transport security and border control, and on dealing with the consequence of terrorist attacks. We also work closely with European governments to freeze assets and designate individuals and organizations with financial links to terrorists.

Conclusion

The United States and Europe share the important responsibility of leading the international effort to address our most pressing global challenges. We also share core values – human rights, democracy and the rule of law – a strong foundation as we work together on our global agenda of advancing these core values as well as security, prosperity, and stability to the entire European continent and around the world. We must continue to embrace this responsibility to lead and recognize that our results are best, and our partnership strongest, when we work together.

Mr. Chairman, Congressman Gallegly, members of the Committee, I am grateful for the opportunity to speak before you today, and I welcome the opportunity to respond to your questions.