

## **Belgian-American Lessons for the XXIst Century**

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Het spijt me dat mijn Nederlands niet zeer goed is. Ik heb zo veel respect voor de schoonheid van uw taal, dat ik niets meer ga zeggen in het Nederlands.

Et mon français est également mauvais – j'étudie le français un jour et le néerlandais l'autre, cinq jours par semaine, mais les deux sont difficiles et donc, je continuerai en anglais.

I am delighted to be here today. It is a truly exciting day for me for several reasons.

First, I get to speak to you. I often get to speak to today's leaders. At Parliament. In Ministers' offices. At conferences and meetings and closed door sessions. And I often get to speak to yesterday's leaders. At cocktail parties. At operas. If only I hunted.

But there is nothing more important than speaking with tomorrow's leaders. And tomorrow's leaders are here at K.U. Leuven.

Second, I am delighted to get to return to Leuven. We first met two years ago, in November 2009, a few months after my wife, younger son and I first moved to Belgium. I told you then about President Obama, whom I am fortunate enough to both represent and to call a friend. I explained our goal of rebuilding the Belgian-American partnership. I said that I hoped to see the day when Americans could once again proudly wear Boston Red Sox tee shirts in the Grand Place and carry their American guide books face up, without fear of being scorned for belonging to a country that had walked out of Kyoto climate talks, mistreated detainees at Guantanamo, and had plunged into a war in Iraq in search of weapons of mass destruction that appear never to have actually existed. I noted that we were here to be better partners, better listeners and better learners than we had been in the decade that preceded the Obama presidency and my arrival. I pledged to study both French and Flemish and to rebuild the partnership not just with the government but with the citizens by visiting every city and village in Belgium – all 587 of them. Two years later, as we shall discuss, the Belgian-American relationship and the appearance of Boston Red Sox tee shirts in the Grand Place indeed stand in a far different place. And I still study language daily and have now visited 317 of the cities.

Third, I am so delighted to be the inaugural lecturer this year at the series "Lessons for the XXI st Century." Because lessons for the 21st Century abound. I would like today to address three core sets of such lessons.

First, we need to discuss the lessons about the mess that my generation has made of the planet in the latter part of the 20th Century and for most of the beginning of the 21st Century. And thus the lesson that we are now dependent on you to get the 21st Century right and to save the planet from the problems that we have created for you.

Second, we should discuss lessons also about where Belgium and America each stand today: two democracy glasses that are half full. And therefore what we can each be proud of and what we need to do better. And third, lessons about the Belgian-American relationship – where it started; the low points to which it fell; where we have risen as we speak, but where we still stumble as recently as last week; and the opportunities and challenges ahead for the long-established government and for the soon-to-be-formed new government. The question is whether Belgium can and will help lead European consensus to the solutions for today, even while politics still causes my country to pause. Whether Belgium will help fill up both of the glasses – that of Belgium and the United States – so that we are both more successful in a safer and more prosperous world.

So let's begin with the most important lesson of the 21st Century – that we are now dependent on you to get the 21st Century right. To save the planet. It is a large task, but someone has to do it.

You see for far too long, my generation has made a mess of things. My generation got it wrong in the latter part of the 20th Century and most of the beginning of 21st. On so many fronts.

We have left our economies teetering, our security under constant threat, our environment choking, and our relations with others who are different from us tense and distrustful. We have rendered our political systems nearly dysfunctional to the point where they are clearly part of the problem, instead of being the source of the solution, and allowed our media, once the last great hope, to contribute mightily to the breakdown of our political systems. We faced many such challenges once before in the recent past. And we had been bailed out once. And indeed, it was young entrepreneurs and young leaders then who came to the rescue. Following the Second World War and up to the end of the 1970's, America, Belgium and much of the world had largely been dependent on old industries and natural resources – steel, coal, heavy manufacturing. But the industries based on consumption, on using up and not worrying about the future, like coal, steel, heavy manufacturing, they all slowly withered. We had not invested in the future—our formerly grand cities instead reminisced fondly about the past. Just ask Newark, New Jersey or Pittsburgh Pennsylvania, or Charleroi or the Winterslag mine. The economy seemed to have no place to go. And workers may have been faced simply with going home.

Who bailed us out in the 1980's and early 1990's? Who put America back to work? Who saw the future when so many were still focused on the past? Entrepreneurs. Young business people. Young leaders. It was people who at the time looked just like you. Bill Gates. Steve Jobs (may he rest in peace), Michael Dell . . . people creating companies like Microsoft, AOL, Apple, Dell, Cisco. At the time, my generation thought Yahoo was something cowboys said when they chased horses and Google was a noise babies made when they finished with their bottles.

But that generation of entrepreneurs and creators saw a little further down the road. And we thrived.

Did it last? Did we learn our lesson? The lesson about the path to continued success? The lesson about sustainability, creativity, innovation, leadership by example and not by word, and entrepreneurship? The lesson about giving back and not taking out?

Hardly. The advances of the 1980's and 1990's indeed led to a faster-paced world—a world of fast money, big scores, loose regulation, and credit everywhere.

So, through most of the first decade of this new century, my generation continued to make a mess of things. Continued to leave our economy, financial system, security and our environment close to disarray.

It was all too easy to get there. All it required was the pursuit of the cozy life, the path of least resistance. We needed to drive our cars and fuel our lifestyles.

We needed to pay for our excesses. Easy again. Borrow heavily, and create new financial instruments, built on nothing more than the blindness of a financial industry who felt tomorrow would always be bigger than today. We built houses of cards – usually made of credit cards.

And in so doing, we failed to invest in new technologies and alternative energies that could fuel the next generation of real growth and employment opportunities. While we were at the same time contributing to the physical destruction of our planet choked in carbon. And we failed to regulate our financial excesses.

In the past few years, some politicians, officials, and leaders have begun to get it. Some have stepped forward who see a little further down the road. You see, in Belgium, in parts of Europe, and in the U.S. following the election of President Obama, leaders have well understood and acknowledged this mess and made plans to remedy it. For where others see crisis, true leaders see opportunity. Inherent in the collapse of an economy is the opportunity to rebuild it and to build it better. To honor the past by transitioning to job-creating industries of the future -- biotechnology, pharmaceuticals, agri-bio foods, clean energy, information services and more.

And in marching into that future, we can leave no one behind. Inherent in a better world is a socially just world. And in these fields –in a world of technology and alternative energy, of research and information – if you can build it in New York or Paris or Brussels or Mumbai, you can build it in Limburg, in Charleroi, in Newark and in Detroit. We can only succeed at the pace of our slowest runner. So hope existed. Hope existed that this time, politicians could lead us into getting it right. Maybe politicians could save our economies, fortify our national security, refocus our job growth, clean our environment, protect our citizens and our pocketbooks, and save our planet.

But just as we hit our stride on the road to the better future, in both the U.S. and in Belgium, politics has threatened to get in the way. Indeed, in the U.S., in Belgium, and in many other countries, government and politics have hit tough times. The bigger the challenges that the countries faced, the more divided countries have become. The more divided we have become, the more difficult it has been to govern. And the media has at times contributed to the difficulty of governing.

Aren't the lessons for the 21st century everywhere?

Well, for Belgium and the United States and their economies and their politics, the recent past has been a couple of years full of lessons for the 21st century.

Who would have thought that I could arrive today and explain that I live in a country called Belgium that has long had no government but has always had a budget and has always been open, and that I represent a country called the United States that has long had a government but nearly had no budget and almost closed twice?

On a larger but similar front, who would have thought I could arrive today at a time when Greece has nearly collapsed, Ireland faltered, Portugal faltered, Spain faltered, and Italy faltered . . . and the U.S. dollar would still fall compared to the Euro?

Which brings us to our second set of lessons: where Belgium and America each stand today: two democracy glasses that are half full.

You see, the parallels between Belgium and the United States this year have been extraordinary. Never before have two countries done so relatively well in such difficult times simply to impose extraordinary challenges on themselves through political chaos. And yet such political chaos in both countries is in large part a luxury that they have chosen to endure at least in part because they can afford to do so. And such political chaos is at its heart caused by the inefficiency of democracy -- whether the inefficiency of trying to put together a coalition from those with divided thoughts or the inefficiency of trying to govern with a Senate and House of Representatives controlled by opposing political parties. Yet it is this very inefficiency of democracy that I would submit is ultimately and should ultimately be a source not of embarrassment for either Belgium or the United States, but of pride.

Indeed, many throughout North Africa this year risked their lives or paid with their lives in the hope of one day attaining the inefficiency of democracy that Belgium and the United States so publicly have flouted this year. Now clearly, both countries – Belgium and the U.S. – can and should do better. Leaders in both countries and every one of us in public life need to do better to avoid partisanship and stalemate, and citizens should demand that we do. Leaders can and should look to the greater good, rather than to the political good that will make them look greater.

But, just as clearly, for all the pessimism that has reigned in both countries this year, for all the jokes and discussions of the Guinness book of records, for all the attention given to rating agencies as if they were some divine determiner of our prosperity, Belgium and the U.S. today remain “two democracy glasses half full,” not half empty.

Let’s start with a look at America. We have indeed come a long way in the past three years. And at a time, when others of our allies and perhaps even the forces of nature or the gods have not made the road easy. In early 2009, when the new Obama Administration came to office, Americans were waking up every morning and checking the newspaper and the internet to see which bank might collapse that day so that they could transfer their accounts in time. Europeans at that time were furiously blaming America and filing lawsuits against American institutions for collapsing their banking systems as well. As of January 2009, we were still headed down a long slope of losses of jobs from the economy, a rapidly contracting economy, and a nearly vertical rise in unemployment. And the worst part was that no one was sure where the bottom of the economic freefall might be or even if there would be a

bottom. Indeed by the time the new Administration's policies could fully take effect in October 2009, unemployment had risen for 18 months in a row -- since April 2008 -- and had reached 10.1%.

Two years later, the picture has indeed changed radically. We have gone from checking newspapers for bank failures to record bank profits. That 10.1% unemployment figure in October 2009 had indeed been the high point for unemployment which has fallen gradually to its current level of 9.0%. Indeed, after having lost private sector jobs every month since long before the last presidential election, the U.S. economy has now added private sector jobs every month for the last 18 months. And what is most shocking, for many of those months, for the first time in decades, the U.S. economy has added manufacturing jobs in the wake of the near-collapse of the manufacturing sector over the last several decades. We are back to competing in sectors we had indeed long abandoned. And the car industry, on life support at the start of this period, is one of the engines of the economy.

But the hole created by the financial crisis was indeed deep, and even expanding manufacturing and creating new jobs for 18 months in a row leaves the U.S. with unacceptably high unemployment. So plainly more should be done. But can more be done in the political climate that exists in the U.S. I don't know. The President laid out a Jobs Package, but can it be passed? Can progress be made? I don't know. I am not here as a Democrat or Republican but as an Ambassador. So I blame neither side. But plainly, whether due to the constant media attention of 24 hour cable like MSNBC and Fox, politics has gotten to be somewhat closer to sport and the results are at a minimum inefficient. It was therefore political intransigence, not economic crisis that led to my embassy coming within 24 hours of being closed and the government being furloughed. And we had our first debt ceiling crisis ever -- costing us our triple A rating and sending the dollar plunging -- while having relative economic prosperity, but complete political dysfunction.

So our economy has rallied, has a ways to go, but politics may prevent it from getting there.

And yet, on at least some level, having the freedom to debate politics at the cost of efficiency and prosperity is a luxury that for the most part the U.S. can afford. When faced with the prospect of default -- a step too far -- both parties found a way to prevent tragedy. As a country, we have gone up to the line of putting politics before prosperity, but we have never crossed it.

Switching to this side of the Atlantic, the picture in Belgium is not that much different. Indeed, Belgium too has recovered relatively well from the financial crises. Belgium is famous for allegedly having no government but has been governed famously. Belgium ran a terrific presidency of the EU; its 2011 budget was adopted quickly and far exceeds the requirements of EU; it has the financial ability to adopt a meaningful 2012 budget; its projected growth for next year is among the highest in Europe; it has maintained an important, steadfast role in Afghanistan in support of the NATO mission and of President Obama; it has responded to the threats posed by Iran by closing Belgium's all-important ports to sanctioned Iranian shippers; and it took a leadership role in Libya. The Belgian government is fully open for business and indeed none of the stellar results is surprising. The supposed "caretaker" government is composed of experienced leadership. By all objective measures, other than politics, the future for Belgium shines brightly while storm clouds hang over many other countries in Europe. And yet, for all of its clear and demonstrable success, Belgium too finds itself far

too close to the edge than it otherwise should be. Just as in the United States, politics in Belgium seems to create doubt where economics and experience should eliminate it.

Yet, for me, despite being here just over two years, despite well understanding the controversy between the North and the South, the issues of economics, language and history, the political hurdles to greater prosperity erected in Belgium are even somewhat more mystifying, more difficult to understand and accept, than in the U.S. You see, to me as an outsider looking in, as a veteran of the U.S. political world, Belgium in fact is one of the most politically unified countries on the planet. It sounds so astounding that I better repeat it just so you can be sure that I did in fact say it and did not misspeak: to me, Belgium is one of the most politically unified countries on the planet.

You see, most countries have significant substantive policy disagreements among their political parties. In other countries, parties disagree over climate, over their belief in the science of climate and over the need to cut the carbon footprint. In other countries, parties disagree on health care – whether citizens should be entitled to coverage or whether 40 million should go uninsured. Parties disagree over foreign policy and over the importance of the transatlantic relation and trade. Over abortion and a woman's rights to choose. Over debt ceilings. The gap for example in the United States between the tea party on the right and liberal Democrats on the left is indeed quite large.

But no such fundamental policy disagreements exist between any Belgian parties. If the political gap in the U.S. were a football goal, the gap in Belgium would span only the left post.

Like the U.S., Belgium too has the luxury to some extent of tolerating more controversy and more economic doubt as a product of the inefficiency of democracy. When all agree on health care, climate, and the importance of the transatlantic relationship, even the difference between building a bridge or a tunnel can divide an informed and active political system.

You might be thinking to yourself about now: Mr. Ambassador, we have sat in this audience for quite some time and this has to be the one of the most depressing speeches ever delivered. Shouldn't we feel depressed about or perhaps even scorn for two countries who allow politics to invade prosperity at a time when we need government to be efficient and to solve our problems? Not at all. I assure you that I too can feel frustrated. But I see the inefficiency of democracy being experienced in Belgium and the United States as a tribute to freedom to be displayed proudly, not as a source of shame to be hidden. If we got rid of the inefficiency of democracy and of contested politics, if we were to force one side or the other to cooperate in the name of economic efficiency, whom would you silence – the left or the right? The question shows that the price we have paid for the inefficiency of democracy is well worth the return. Haven't we both already prospered—indeed, haven't both the United States and Belgium already won – by having the freedom to opt for democracy over efficiency? Haven't we seen so many others opt to pay much higher prices in such places as Tunisia, Syria, Egypt, Yemen, and Libya? Indeed, wouldn't the planet itself be so much more secure and prosperous if the political inefficiency of democracy were able to reign in Iran? Indeed the democracy glasses in the U.S. and Belgium remain half-full, not half-empty at all.

It appears that Belgium is nearing the end of its political turmoil, while politics will likely remain on center stage in the United States for another year. So can Belgium help the United States, can

Belgium help President Obama, fill our glass up, while politics continues to make it more difficult in the United States? Which brings us to the third set of lessons for the 21st century – the lessons about the Belgian-American relationship.

The lessons about the Belgian-American relationship start with substance and policy. I think I know Barack Obama's position on every major issue of the day, and I think I also know Belgium's position on such issues as well. And I can report –loudly and clearly – that President Obama and Belgium agree on every leading substantive issue that affects our world today. And that statement would remain true under a Leterme government or a new government, whether it is led by Mr. Di Rupo or another person.

On climate. We both believe to our cores that we need to save our planet from the threat of carbon. We need to get all of the leading carbon producers in the next 50 years to work together to overcome the challenge we face.

On global security issues. We both believe that Iran and Mahmoud Ahmadinejad today present a threat to us all and must be met by a vigilant coalition of the brotherhood of man. We need to close our ports and our trade until Iran opens its eyes to a peaceful and secure planet. We both applaud President Obama's decision to keep his word on the timeline in responsibly removing U.S. troops from Iraq.

On Afghanistan, we both remain concerned about the dangers that face us every day and still lie ahead, but together we celebrate the huge strides that have been made to reduce terrorist training, restore order, and rebuild fundamental civil society, including the fact that 7 million Afghani children now attend school where fewer than a million previously did so. We both agree that we need to scale down our troop commitment starting in 2012 but that none should simply rush to the door. We recognize that the U.S. will be the last to depart by 2014 but that NATO allies should help us up to that point in getting ready to do so.

On the Middle East. We both believe we need to achieve a two-state solution, in which Israeli mothers and Palestinian mothers can live in security and peace, focusing more on their children's college careers than on the violence that may confront them one day. And we both believe that there is no alternative to negotiations. That the parties must resolve their disputes at a table together. That as well-meaning third parties, we must always focus on the strategic goal of achieving this negotiated two-state solution, and try to oppose either party's effort to engage in games of tactical warfare, from settlements to UN votes, that simply make a long-term, strategic negotiated agreement one step further out of reach.

With my President and the country in which I represent him agreeing fully on every substantive issue, I work daily, urging Belgium to help lead a European consensus. I therefore see Belgium as a critical link in bringing the U.S. and Europe together again on our joint pursuit of our joint goals – on climate, in Afghanistan, on the economic recovery, on the Middle East. You see, Belgium is in the ideal position to lead. Yes, I know other countries are bigger and others may be richer. But Belgium leads in credibility. Belgium does not talk often and it never shouts. When Belgium does talk, it does so for only one reason – it has something to say. So when Belgium talks, others take note. Germany, for

example, can differ with France, or Europe north with Europe south, but Belgium often speaks to and for all. Belgium's credibility can lead to European consensus, and when you are America looking at your allies, the consensus builder remains potentially your most important partner. How do you think Herman Van Rompuy has remained endorsed by all of Europe in a period of its greatest turmoil? And Belgium has led in the past. Belgium was one of the leaders in Europe in expressing the opposition to the war in Iraq. Indeed, a Belgian Foreign and Defense Minister once argued fervently to ban the U.S. military from shipping any items through the port of Antwerp or crossing over Belgian airspace.

If Belgium could lead in Europe in expressing opposition to the United States, when our policies so disagreed with one another, Belgium can and should again lead in Europe when Belgium's, Europe's, and U.S. policy dovetail as closely as they do today. And in fact, when Libya arose, it was Belgian credibility that helped shape the NATO alliance and do the right thing in Libya as America needed simply to participate as but one partner. Libya proved to be a success for Belgians, Americans, and most importantly, the Libyan people.

Now that period under President Bush was a low point for the Belgian American relationship. Given our policies, the U.S. policies, on Iraq, climate and Kyoto, and on mistreatment at Guantanamo, cynicism about the United States was prevalent in Europe and in Belgium in that decade.

Thankfully, as we look to the lessons of the 21st Century, I can report that the Belgian-American relationship is flourishing once again. Boston Red Sox tee shirts are proudly being worn and warmly greeted once again in the Grand Place and American guidebooks to Belgium again are being carried with the cover facing up. The weekly magazine in Le Soir has recently run an article that included in its title that Belgium was "loving America again." A Belgian newspaper last year called me "the most popular ambassador ever in Belgium," clearly a tribute to the President for whom I serve and the policies in which he believes. I was delighted to have been chosen last January to present the final award at the Music Industry awards – to Stromae for "Alors On Danse". Our September 11th ceremony had the best turnout in Europe both in numbers and number of leading government members and was covered live on Belgian television throughout the day. Indeed, one city of the 317 cities that I have visited so far, the city of Buggenhout, erected a monument marking the visit. Please tell your local mayors that, as I travel the country, monuments are well appreciated. I said that to one mayor at a party, hoping to share a chuckle, and he responded that a monument might be too expensive for the city but perhaps they could name a street in the city for me. Tell your mayors street namings are also greatly appreciated.

As well, the cynicism about U.S. policy has, for the most part, been replaced by mutual respect and even mutual admiration. And yet, there is still so much more to do and I need to get better at doing it. Transparency, communication and candor with all of Belgium about the policy and beliefs of President Obama and the U.S. remain the key. I find that when Belgians understand the thinking behind our policies, we almost always can agree. I know Belgians are careful listeners. I know they are fair and indeed often give me and my President the benefit of the doubt. So if my country's case is just – as I believe it has always been under President Obama – then if I do my job of explaining and communicating our case to citizens of Belgium, we cannot help but stand side-by-side on nearly every issue.

But it does not yet always happen and inevitably the failure is mine, failures that I believe that are less of policy and more failures of communication and diplomacy by my Embassy and me. We experienced one such failure as recently as last week on the vote whether to admit the Palestinians to UNESCO. You see, President Obama and I have long believed to our core that long-term peace in the Middle East could only be approached by following strategy over tactics. By consistently showing Israelis and Palestinians that there is no way to end run around true negotiations and a negotiated peace agreement. Tactics aimed at short time advances could only lead to tactical, short term counter-responses and would merely allow the Middle East to deteriorate further into tactical warfare rather than negotiations. We felt it was a big step in the wrong direction. What's more, we believed in the value of UNESCO and other subsidiary U.N. organizations. But laws in the U.S. passed in 1990 and 1993 meant that, if UNESCO or any U.N. organization admitted the Palestinians prior to a real, negotiated agreement on statehood, the U.S. was obligated to cut its funding for that organization. With that law on the books, we simply had no choice about continued funding, and with the split in our legislature today and the structure of our political system, there is no way for the Administration to revise that law.

We are all frustrated by the lack of progress in the Middle East and by the continued settlement efforts of Israel. So we needed to press harder together to resume the negotiations. But that frustration has understandably led to the Palestinians pursuing short-term tactical victories. We needed desperately to prevent the international focus from shifting to tactical efforts aimed at short time advantages that would simply be met by tactical reprisals and send peace one step further away. So when the Palestinians sought admission to UNESCO, a body focusing largely on culture and art and education, we needed our allies to form one voice next to or in front of us and to say that such tactical efforts would hinder the efforts at a true and strategic negotiated peace. And with President Obama wanting desperately to continue funding the good works at UNESCO, but with his hands tied by the laws of 1990 and 1993, we needed our allies to form one voice urging that voting in favor of UNESCO admission would also be counterproductive to UNESCO and to the efforts of a well-meaning President to work in the right direction for that organization.

There was much reason why Belgium would traditionally abstain on such issues. I was hoping that perhaps, on this one, Belgium might be able to help lead the formation of the chorus in Europe supporting the United States' vote against UNESCO membership, in the long term interest of peace in the Middle East and of UNESCO. That chorus did form of countries standing with us in these efforts, not just with Canada and Australia, but in Europe with Germany, Netherlands, Sweden and the Czech Republic all voting "against." With that line-up, I would have hoped for Belgium to join – to literally stand next to Germany and the Netherlands as it does every day, and help lead and build that chorus on the "no" vote.

Or I would have fully hoped that, if standing with Germany, Sweden, the Netherlands, Canada and some others was a bit too hard on that day, Belgium would have simply joined the UK, Italy, Denmark, Switzerland, Portugal, Poland, Slovakia, Bulgaria and many others, in abstaining. But, on that day, for reasons I understand and respect but respectfully disagree with, Belgium voted yes and the UNESCO efforts passed. The U.S. law requiring terminating of funds to UNESCO automatically activated and we cannot make our 2011 or 2012 payment to UNESCO accounting for 38% of UNESCO's immediate budget and 22 % of its ongoing budget. Israel immediately responded with a

short term tactical response, increasing settlements and withholding the tax revenue it collects for the Palestinians – roughly 30 % of the Palestinian Authority’s budget.

For me, it is an experience to learn and build on as Belgium and the United States build into the 21st Century together. The challenges that we face will continue to unite us, more than any disagreements that we have will divide us. I look forward to building that 21st century with each of you.

Thanks so much and all the best.