

Testimony of Philip H. Gordon
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Chairman Burton, Ranking Member Meeks, Members of the Committee:

Watching the wave of democracy protests in the Arab world reminds us inevitably of the last time dictatorships across an entire region suddenly shook and collapsed under the weight of the people's desire for freedom. In 1989, Europe changed suddenly and immeasurably. Because of those events and because of the wise bipartisan policies in the years that followed, Europe, and our relationship with Europe, has changed vastly in the last twenty years. In those days, the major preoccupation in the transatlantic relationship was the defense of Europe against the Soviet threat. Today, Europe is almost fully democratic, largely unified, and is America's most important global partner. The U.S. and Europe work together on an extraordinarily wide range of issues, from Afghanistan to Iran to the tumultuous events in North Africa and the Middle East. On both sides of the Atlantic we are working hard to recover from the worst financial crisis since The Great Depression. Because our economics are intertwined, and we are working together so closely on problems around the globe, policy decisions taken in Europe to address the Eurozone crisis will have an impact here in the United States. But, there is a common thread that runs through all our engagement with Europe: U.S.-European cooperation is and remains essential to achieving our strategic objectives.

Our engagement with Europe begins with the idea that the United States faces a daunting international agenda and that our ability to deal with it is immeasurably increased by working with strong allies and partners. In meeting these challenges, we have no better partner than Europe, where we work with democratic, prosperous, militarily-capable allies who share our values and share our interests. In the words of President Obama, Europe is "the cornerstone of our engagement with the world."

To help you understand the breadth and depth of that engagement, I'll describe the strategic objectives which drive our approach toward Europe. Then, I'd like to offer you an assessment of our record over the past two years on these objectives.

When I think about this administration's priorities in Europe, there are three basic objectives that stand out in our engagement with the continent:

1. First, we work with Europe as a partner in meeting global challenges. On every issue of global importance, Europe's contributions are crucial to solving major international challenges. No matter what the issue is – from the war in Afghanistan, to the Iranian nuclear challenge, to the situation in Libya – Europe is indispensable. We are vastly stronger – in terms of legitimacy, resources, and ideas – when we join forces with Europe on the global agenda.
2. Second, we are still working with Europe on Europe, that is to say working to complete the historic project of helping to extend stability, security, prosperity and democracy to the entire continent. The extraordinary success that the United States and Europe have had together in promoting European integration, in consolidating and supporting the new democracies in Central and Eastern Europe and integrating them into Euro-Atlantic institutions demonstrates the promise of this enterprise. But our work is not done. And so the effort continues in the Balkans, in Europe's east, and in the Caucasus.
3. Finally, we have sought to set relations with Russia on a more constructive course. President Obama recognized that he had inherited a relationship that was in a difficult place and that this situation did not serve the interests of the United States. Therefore, our goal has been to cooperate with Russia, where we have common interests, but not at the expense of our principles or our friends.

Looking back on the past two years, we can point to significant progress in each area:

First, on working with Europe on global challenges, we have worked together as never before with our European partners on Afghanistan, on Iran, on missile defense, and on the momentous and fast breaking developments in North Africa and the Middle East. Specifically:

- In Afghanistan, following the President's West Point speech in November 2009, Europe contributed about 7,000 additional troops, over 100 training teams for the Afghan army and police, and nearly \$300 million for the

Afghan National Army trust fund. European nations now have almost 40,000 troops in Afghanistan and the total European contribution to Afghanistan since 2001 comes to \$14 billion.

- On Iran, we maintained unity in our efforts to engage and have at the same time seen the strongest-ever set of sanctions adopted by the UN Security Council and even more robust set of follow-on sanctions adopted by the European Union. These additional measures taken by the EU cover a variety of areas critical to the regime including trade, finance, banking and insurance, transport, and the gas and oil sectors, in addition to new visa bans and asset freezes. These steps have raised the price of Iran's failure to meet its obligations and we hope will serve to bring them back to the negotiating table.
- On Missile Defense, NATO allies recognized at the Lisbon Summit in November 2010 that the defense of Europe can no longer be achieved just by tanks or bombers. Now, we need defenses against a new and grave set of threats, in particular ballistic missiles in the hands of dangerous regimes. Our aim as an alliance is to develop a missile defense capability that will provide full coverage and protection from ballistic missile threats for all NATO European territory, populations, and forces. This capability will be a tangible expression of NATO's core mission of collective defense. At the summit, allies also welcomed the U.S. missile defense system in Europe, known as European Phased Adaptive Approach, as a valuable national contribution to the overall effort, and we hope to see additional voluntary contributions from other allies. We are now exploring further ways to cooperate with Russia on missile defenses, without in any way prejudicing NATO's ability to independently defend its territory from missile threats.
- In North Africa and the Middle East, we're consulting and cooperating closely with NATO, the EU and member states, and other European allies as the situation rapidly evolves. Working together in multilateral fora, we have joined with others to impose a UN arms embargo on Libya and to suspend Libya from the Human Rights Council. We have also closely coordinated our additional sanctions on Libya with actions of the EU and its member states, with a recognition that Europe has relationships and assets in North Africa that we do not, and that united we will be more effective at increasing the pressure on the Qadhafi regime. In the longer term, we will work closely with Europe, in Egypt, in Tunisia, and in Libya to foster democratic transition and encourage economic development.

In the second area, extending the European zone of peace, prosperity, and democracy, we have had some important successes, but equally important challenges remain. As I said at the outset, the work of “completing” Europe is not finished. What I think is most notable about efforts now under the Obama Administration is how closely – as part of a deliberate strategy – we are working together with Europe to achieve this goal.

- Take, for instance, Ukraine, Belarus, Moldova, Georgia, Azerbaijan, and Armenia. These are the countries of the EU’s Eastern Partnership, an initiative that the United States strongly supports and works with to enhance democracy, stability, and security in this part of the world. We share with our European counterparts a similar approach to these countries because of our common goals.
- The same can be said of the Balkans: the U.S. and European view is that Europe will not be complete until all of the countries of the Western Balkans are full EU members. On the dialogue between Serbia and Kosovo, on the future of Bosnia, on Croatia’s path to the EU, we have consulted closely with Europe. We also welcomed Albania and Croatia into NATO, extended Membership Action Plans to Bosnia and Montenegro, and Macedonia will join once the dispute over its name is resolved. This degree of accord on the Balkans is the foundation of our success—we work together every step of the way. The intensive joint diplomacy of recent months has shown how closely our visions are aligned, something which is essential for progress in the region.
- Together, the U.S. and the European Union can have a decisive impact in this region. In fact, we see one example of that cooperation in our joint response to events in Belarus. The Government of Belarus’s crackdown on civil society and the opposition following the flawed election in December has been sharply condemned on both sides of the Atlantic. We have made very clear that business as usual will not continue so long as the suppression of civil society, the opposition, and independent media continue. The U.S. and the EU have called for the immediate and unconditional release of all detainees, but the government and its court system are trying and sentencing these individuals, thereby creating new political prisoners. Both we and Europe have tightened sanctions even as we and Europe reach out to support the aspirations of the people of Belarus for a modern open society. To that end, the United States is increasing its assistance to help Belarusians create space for the free expression of political views and develop civil society.

Both we and Europe want a better, more productive relationship with Belarus; unfortunately, the country's leadership seeks to limit its people's options.

- Turning to the Caucasus, our joint efforts with the European Union in the region have resulted in progress, but disputes over territory and a need for further political and economic reform remain serious obstacles to greater stability throughout the Caucasus. In Georgia, our steadfast engagement and generous assistance has aided in transforming Georgia into an aspiring democracy and important partner to NATO in Afghanistan. Together, with our European partners, we will maintain our support for Georgia's territorial integrity and sovereignty within its internationally recognized borders. Elsewhere in the Caucasus, we will continue with the Europeans to encourage normalization between Turkey and Armenia, and increase our engagement through the Minsk Group to help Armenia and Azerbaijan find a peaceful settlement to the Nagorno-Karabakh conflict. We believe that the United States and Europe must work together to avoid further conflict in Europe and help the countries in the region move towards a democratic future that includes peace and greater prosperity.
- Our foreign assistance investments remain an important instrument in advancing the European zone of peace, prosperity and democracy. There have been reductions to the region's assistance budget in the Administration's FY 2012 Request. They are the result of the achievement of some assistance goals in the region and of the particularly difficult budget climate in which we find ourselves. In future decisions on resource allocations, we will continue to take account of vital long-term U.S. interests in this region.

Finally, what has arguably been the most challenging part of our European agenda – our reset with Russia – has paid significant dividends. We can now say that our engagement with Russia can help with America's security and our global priorities. The results speak for themselves:

- Most significantly, we have concluded a New START Treaty and following the recent approval by both Congress and the Russian State Duma, it has entered into force. The agreement is the most comprehensive arms control agreement in nearly two decades and significantly reduces the number of nuclear weapons and launchers deployed by the United States and Russia while also putting in place a strong verification regime.

- We signed an agreement for the transit of troops and materiel across Russia in support of efforts in Afghanistan. Under our bilateral agreements, more than 850 flights carrying over 130,000 U.S. military personnel have transited Russia en route to Afghanistan. Under a NATO-Russia agreement, more than 23,000 containers have transited Russia for use in Afghanistan. At this time, 50% of U.S. sustainment cargo for Afghanistan goes through the Northern Distribution Network and 60% of supplies transiting that network go through Russia. This is a significant benefit for the United States.
- We have secured cooperation with Russia on Iran and North Korea's nuclear programs, both in terms of UN Security Council Resolutions 1929 and 1874 respectively, and Russia's decision to cancel a contract for the delivery of the S-300 air defense system to Iran.
- We have done all of this without compromising our principles – in particular our steadfast commitment to the sovereignty and territorial integrity of all of the nations of Europe.
- And thanks to the work of the Bilateral Presidential Commission and its 18 working groups, our engagement with Russian society is paying important dividends as well. Polling now indicates 60 percent of Russians have a positive view of the U.S., a figure not seen in nearly a decade.

This brief *tour d'horizon* of the U.S. agenda with Europe demonstrates that we work together closely with Europe on nearly every major issue, both internationally and within Europe. Whether the issue is promoting democracy in Europe's east or south, advancing energy security for the whole continent, or contributing to the NATO effort to secure Afghanistan, the energy, ideas, and commitment of Europe is something we look to and rely upon in pursuing our common goals.

As you can see, the transatlantic partners have been very busy. But appropriately so – we have an extremely full U.S.-Europe agenda because we have so many pressing challenges in the world today, and close transatlantic cooperation is the indispensable starting point in addressing all of them.

There is much work to be done to translate this agenda into concrete steps toward the security and prosperity of both Europe and the United States. This is not easy, particularly at a time of budgetary austerity all across the industrialized world. We will have to adapt creatively to this new reality by finding ways to make our collective defense spending smarter and more efficient. We will need to reform

NATO and streamline its operations, as we and our NATO allies pledged in the recent NATO Strategic Concept. We will have to find ways to advance NATO-EU cooperation so that the full resources of both institutions can be harnessed most effectively. We have to create a more seamless and market-based flow of energy into Europe and within Europe. If we can do these things, I am confident that the partnership between the United States and Europe – which has achieved so much in the last sixty years – will achieve even greater things in the decades to come.

With that, I'm happy to take your questions.