Good evening and thank you for the kind introduction and invitation to speak with you this evening. It is a pleasure to visit Hamburg. Long ago, Hamburg’s citizens recognized that the best way to prosperity and innovation was the free flow of goods and ideas. That was one of the reasons why under President George Washington, one of the first American Consulates General was established here in 1793. Today, Hamburg, as Germany’s biggest container port, is also one of Europe’s most important commercial hubs. It plays a key role within the broader transatlantic relationship – both in terms of trade and security. But just as in George Washington’s days, Hamburg continues to be important because of its diversity and its openness to innovation and new ideas. That is what our shared transatlantic values are all about.

Those common transatlantic values basic to an open society were again threatened last week as potential suspicious packages were discovered on two planes in transit to the United States. This incident, like others that have preceded it, demonstrates, however, that the combined strength of countries and citizens that refuse to give in to fear or division are far more resilient than isolated extremists. Our deeply held values and our hopes for a peaceful and prosperous future have created a bridge based on unity. The example we set to the world in the 20th century is of continued and ongoing relevance in the 21st.

But as important as the lessons of history are, it is easy to forget that neither German unity nor European integration were by any means inevitable. Recall the discussions regarding German unification twenty-one years ago. Twenty-one years ago today, the Wall had not yet come down but it was crumbling. The future was a controversial topic. In Germany, people wondered whether the more developed West could take on the financial burden of subsidizing the east, potentially destabilizing Germany’s hard-won gains of macroeconomic stability. In Europe, there were renewed fears of dominance in Europe. Going even further back in history, some sixty years ago, in America, there were similar conflicting opinions on the Marshall Plan.

Jean Monnet, one of the chief architects of European Unity, once said, “Nothing is possible without men; nothing is lasting without institutions.” He was right. Over the past six decades, the United States and Europe have worked together to help create important institutions such as the GATT, IMF, and the World Bank. These institutions have advanced regional and global economic prosperity and lifted millions of people out of poverty. They have served as the foundation of a global post-war order based on peace and mutual prosperity – and they are monuments of success to the vision of the leaders of that era. Today we need to apply similar initiative and courage to meet the challenges of the 21st century – and the challenges are enormous.

For indeed, these are difficult times. If you followed the midterm elections in the United States, which are going as we speak, you will know that many Americans are wondering what the future holds for them, both
at home and abroad. Many of those Americans responded to the message of hope and change that resonated through America and around the world two years ago when Barack Obama ran for the presidency of the United States. And for many, change has not come quickly enough but I believe the trajectory of the Obama Administration is the right one – regardless of the results at the ballot box today.

The complexities and connections of today’s world have yielded a moment when President Obama’s brand of leadership is essential. Today the United States must lead in new ways. The goal of the Obama Administration is to build a global architecture that reflects and harnesses the realities of the 21st century.

As you all know, today’s world is one in which the major powers are at peace, but new actors – good and bad – are the ones who are increasingly shaping international affairs. International diplomacy has always been aimed at rallying nations to solve common problems and achieve shared aspirations. As Dean Acheson put it in 1951, “the ability to evoke support from others” is “as important as the capacity to compel.” To this end, the Obama Administration has strengthened traditional alliances and forged new partnerships in a network of nations, regional organizations and global institutions that is durable and dynamic enough to both meet today’s challenges and adapt to the threats, yet unforeseen, of tomorrow.

From the very early days of his Administration, in shaping this new international architecture, President Obama has counted on cooperation with European allies. These are the nations that share America’s fundamental values and interests; and again I return to the concept of shared values, values such as democracy, pluralism, respect for different opinions, religious tolerance, a free press, and a concern for those less fortunate than ourselves. And here I would like to add, that Germany, as a champion for human liberty and economic freedom, is one of Europe’s strongest links to America.

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 ongoing global economic troubles – Europe is indispensable. We are vastly stronger – in terms of legitimacy, resources, and ideas – when we join forces with Europe on the global agenda. Every day at the Embassy and our five Consulates, my colleagues and I see in our work evidence of the critical role that the German-American partnership plays in the world to promote peace, defeat common threats, further economic growth, reduce poverty, and defend democracy and human rights.

None of the achievements in these areas exist in isolation, just as the challenges we face are intersected. Consider the Middle East peace talks. At one level, they are bilateral negotiations involving two peoples and a relatively small strip of land. But step back and it becomes clear how important the regional and even the global dimensions of negotiations between Israel and Palestine are; and what a significant role institutions like the Quartet, consisting of the United States and Russia and the European Union and the UN, as well as the Arab League, are playing – and how vital our combined participation is.

Solving foreign policy problems today requires us to think both regionally and globally, to see the intersections and connections linking nations and regions and interests, and to bring people together as only America and Europe can. Why is Europe – and Germany as a driver of European integration – so important?

First, the post-Lisbon EU is taking on an expanded global role; and our relationship is growing and changing as a result. The United States
strongly supported the Lisbon Treaty. The treaty marked a milestone for Europe and its role in the world. We already see its effects. We will obviously have to adjust our working patterns to include both new internal EU foreign policy institutions and influential new players in the EU Parliament. In September, Ambassador Kennard, the U.S. Ambassador to the European Union and I held a joint meeting with representatives of the European Parliament in Strasbourg – an out-of-area mission for both of us. We both came away from that meeting more convinced than ever before that a stronger EU is good for America and good for the world.

The upcoming U.S.-EU summit will be the first post-Lisbon U.S.-EU Summit. The agenda is not yet finalized, but we hope to make some concrete progress on our expanded partnership by working together on critical foreign policy issues such as the Middle East Peace Process, Iran, Pakistan and Afghanistan; by coordinating U.S. and EU resources to meet the development needs of poorer countries, as well as those emerging from crises and disaster; by identifying ways to enhance our efforts on counter-terrorism and security; and by promoting the recovery and growth of our economies through addressing regulatory barriers to trade.

That is a pretty ambitious agenda for one summit. There is obviously a lot to discuss on all of these issues. This evening allow me to address just two of the issues on our “to-do” list.

I will start with the importance of enhancing our efforts on counter-terrorism and security. The citizens of Hamburg, and in particular you as members of the Übersee Club, know the importance of maintaining the safety of the global domain of the sea.

Herr Behrendt, I understand that each year the club celebrates “Übersee-Tag” in commemoration of the day in 1189 when Emperor Barbarossa granted the City of Hamburg the right to operate a port. At the same time, he was granting access to the sea, an area that the Holy Roman Empire did not control but on which it relied. Today, the global commons or domains extend from the sea, to the air, to space, and to cyberspace. These commons enable militaries to protect national territory and interests. They also facilitate the passage of goods, people, communication, and data upon which every member of the international community depends. Just last week, the vulnerability of commercial air cargo routes was tested as terrorists attempted to ship explosives through at least two European countries before their planned destination in the United States. This time they passed the test. Why? Because of effective international collaboration.

Today, by the way, with all due respect to Emperor Barbarossa, the sea is still the passageway, the global commons of choice, for over 90 percent of global trade – of which a significant amount is U.S.-European. This brings me to a second area where transatlantic commitment to global issues is essential – the economy. The U.S.-European economic relationship is the central driver of the world economy. We hear a lot about China and its growing importance to the world economy, but at this point in time, U.S.-EU trade and investment is much larger than with China. From 2000 to 2009, over half of total U.S. foreign direct investment (FDI) was in Europe. In 2008 alone, the stock of U.S. FDI combined in the BRICs – Brazil, Russia, India, and China – was equal to only 7% of total U.S. investment in the EU. The U.S.-German trading relationship alone is the fifth largest such relationship in the world. These percentages are likely to change in the coming decade as China and other emerging economies grow and as their role in the world commerce increases. But for the moment, they do not approach the enormous
In order to continue the vision for U.S. and European cooperation into the 21st century, the United States and the EU must promote strong market-based, rules-based economic policies in the international economy. When we agree on common approaches to regulation, these approaches serve as a model for other nations.

Look at the example of intellectual property. Both the EU and the United States believe that intellectual property rights protection fuels the innovation which leads to economic growth. Most new jobs are based on innovative intellectual property. Forced transfer of know-how or piracy are disincentives to the innovative process. By working together in this area, we can encourage other countries to prioritize intellectual property rights protection as a strategy that encourages the development and marketing of new ideas. This is particularly important for the stakeholders in the German-American economic relationship. R&D collaboration is a significant element of our partnership. Germany is a critical U.S. trading partner in advanced technologies in energy, biotech, life sciences, information and communication. German affiliates in the United States account for almost 3% of all R&D spending in the United States.

This is but one example of how the United States and the European Union need to work together to strengthen the parameters for international trade and investment. Robust cooperation via multiple international platforms helps us to meet the global economic and competitive challenges of the day. One of the newer organizations, the G-20, became the key forum for global economic coordination in the wake of the financial crisis. At the first G-20 meeting in Washington in the fall of 2008 and during subsequent meetings in London, Pittsburgh, and Toronto, leaders charted a cooperative, multilateral response to the global economic and financial crisis. President Obama will travel to Seoul next week to participate in the next G-20 Leaders Summit. The key priorities remain progress on the G-20 Framework for Sustainable and Balanced Growth and the reform of international financial institutions, but there are also important proposals on the table related to anticorruption initiatives, energy cooperation, and development.

The more traditional platforms, however, continue to be crucial. NATO, for example, remains the world’s most successful alliance. It is the essential mechanism for U.S. security engagement in Europe and for U.S.-European security cooperation throughout the world. We see it at work every day, most prominently in Afghanistan, but its missions in fact start with the defense of Europe and span the globe. The end of the Cold War has made our world safer but it has also made it more complex. President Obama will join NATO leaders later this month at the Summit in Portugal. The overarching theme of the Summit will be implementing a forward-leaning vision of a more effective, more efficient Alliance, focused on the threats the world faces today.

The NATO summit will afford an opportunity to reaffirm NATO’s deep and enduring commitment to Afghanistan’s future through a NATO-Afghanistan Partnership Declaration. NATO supports a transition strategy that will gradually turn over lead security responsibility to Afghan National Security Forces. Transition is not a single event and it will not be a rush for the exit. It will be a process that unfolds according to assessments of conditions on the ground carried out by Afghan and international experts.

Russia is not among the 28 members of the North Atlantic Treaty Organization but it is an important ally on security issues. We are very pleased that Russian President Medvedev will also be attending the
summit in Portugal. NATO’s relationship with Russia has been transformed in the last 20 years from adversary to partner. We want to now take the relationship to a higher level, with cooperation in areas of shared interest such as counternarcotics, counterterrorism, and counter-piracy. We want to show both Allied and Russian publics that we are indeed keeping our promises to make the world a safer place with joint exercises on theater missile defense and increased transparency about our military plans and posture.

There is a fourth Summit on the international calendar – an OSCE summit in Kazakhstan in early December. It will mark the 35th anniversary of the Helsinki Final Act, a watershed moment in the Cold War. The OSCE has matured from its Cold War roots but the Helsinki principles are still not universally implemented. We have witnessed in recent months instances of continuing violence against journalists, steps to undermine the work of human rights activists and NGOs, and actions that call into question the basic rights of ethnic minorities. There is much more to be done.

I have only touched on some of the many challenges we face in the 21st century. On all of these issues, close transatlantic cooperation is the indispensable starting point. Over the past six decades, a core principle of our partnership has been shared responsibility.

The United States is proud it could play a role in the past working with Europe to build the post-war global order, and we are proud to work with Europe today to help develop the capacity for the next 60 years to promote sustainable progress and prosperity.

We can meet the challenges of the 21st century, as we did in the 20th century, if we talk and listen to one another, if we are honest with one another even when it comes to making the hard decisions that in the short term may be unpopular, but that for the long term are essential. There will be multiple opportunities to talk in the upcoming summits. In the United States, the midterm elections have afforded multiple opportunities to talk. This evening, I have spoken at great length, probably for too long. “Courage,” however, as Winston Churchill once said, “is what it takes to stand up and speak. Courage is also what it takes to sit down and listen.” And if I might add, courage is also what it takes to sit down, roll up our sleeves and get to work on the tough challenges that lie ahead.

Vielen Dank für Ihre Aufmerksamkeit.