

**INTERVIEW WITH
AMBASSADOR ROCKWELL
ANTHONY SCHNABEL**

Ambassador Schnabel, the U.S. Representative to the European Union, spoke to *Transatlantic* editor-in-chief Robert J. Guttman at the inaugural reception announcing the EU Congressional Caucus in May in the Rayburn House Building. The California businessman and former Deputy Secretary of Commerce speaks out on U.S.-EU relations and says, “a new wind is blowing.”

How would you characterize U.S.-EU relations today?

I would say that there is a new wind blowing in this relationship. It started with the very explicit trip of the president. He didn't just go to Europe. He came on an EU visit. He came to visit the EU institutions. And the president got his message across. He listened. He came with a great deal of respect and humility. He made it very clear to the Europeans that they are valued partners and that we are not in competition with one another but that we need one another.

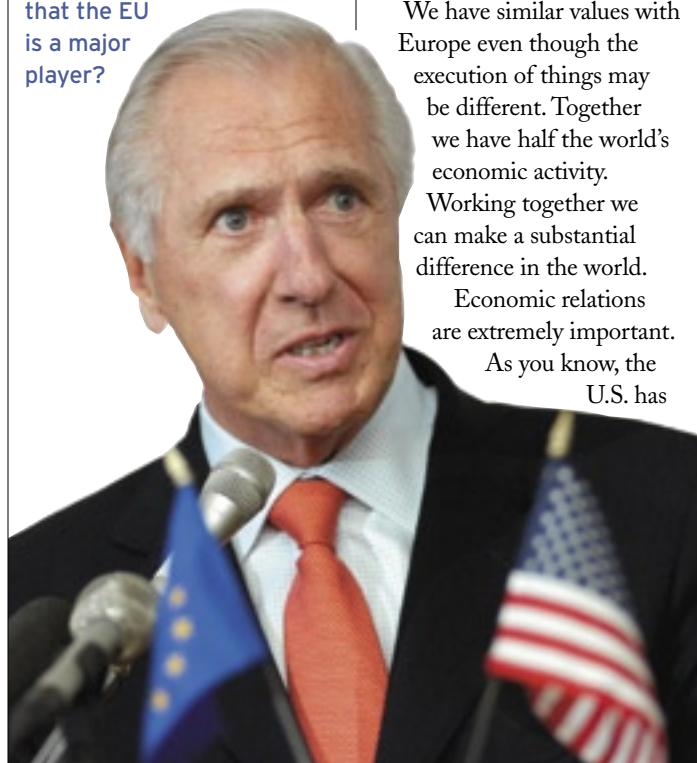
We need each other in dealing with global terrorism, disease, poverty and the global economy. As we can see tonight in the halls of Congress with EU High Representative Javier Solana speaking to the newly formed EU Caucus there is a new wind blowing.

However, the problems do not disappear. They are still there but that does not mean we don't have relations that work well. During the busy and hectic times we have just gone through the business community

relationship between us was the stabilizer relationship. U.S. firms continued to acquire other companies abroad and we traded more with one another.

We had problems with the political end but today the goodwill that came from the president's visit is very positive.

Do you feel that the Bush Administration has a new attitude toward the European Union? Do you feel that the administration now thinks that the EU is a major player?



Yes, I do. I don't think the Bush Administration has ever changed. The president has always felt that Europe is extraordinarily important to us. For a period of time people may have felt that the U.S. was changing its stance vis-à-vis Europe and to individual countries in Europe because of the political problems concerning Iraq.

You were talking about U.S.-EU business and economic relations. How are trade and business relations today?

Look at our business partnership. We have 12 million people who are employed across the Atlantic. We have enormous investments back and forth across the Atlantic. In California alone there are a million people whose jobs are directly related to the relations between the U.S. and Europe. Our business relationship in Europe continues to grow—you can't get away from that fact.

We have similar values with Europe even though the execution of things may be different. Together we have half the world's economic activity. Working together we can make a substantial difference in the world.

Economic relations are extremely important. As you know, the U.S. has

always supported a strong and free Europe—a growing Europe that can create jobs.

Speaking of economics and business, is the Middle East ever going to become a significant factor in the world economy?

It is interesting to note that the economic activity in the Middle East is picking up. Stock markets in the Middle East have been performing much better in the past couple of years. The opportunity in the Middle East for freedom and for opening up markets, and the possibilities for introducing democracy and free elections are great.

You are talking about a very large area that can play a role in the overall economy of the world. So, the potential is that this area—the Middle East—could be a region of great economic importance.

Would you agree that one of the president's legacies might be that of helping to bring democracy to the Middle East?

It could be. And, at the moment it is beginning to look that way. In Iraq, where we have lots of problems, they had an election which has had an impact on Libya and Egypt. Lebanon and Syria are other countries in the region that may be in the process of changing.

Turkey is sort of the China of Europe. Things are changing and it could be that the president's legacy could be what you suggest. However, there is a lot of work to be done and there is nothing easy about it.