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Ambassador of Spain to the United States

***A Conversation on Transatlantic Relations:  
Spain, the US and the EU***

**Ambassador Ramón Gil-Casares:** Good evening ladies and gentlemen. I am Ramón Gil-Casares, as you might have guessed, the Ambassador of Spain to the United States. I want to thank the Women's Foreign Policy Group for inviting me today to speak. It is a great opportunity. I have been here for two years and I wanted to tell you, I was telling, I don't know who of you before, that this is the first time or maybe the second in two years that I have not been called to speak about the Spanish crisis and how we are going to come out of it. *[Laughter.]* So maybe we've done something right then at last. *[Applause.]* Thank you.

But you will understand that I will not begin my remarks without paying homage to the victims of September the 11th in New York City and in Washington DC 13 years ago. It was a day which all over the world, we all felt that we had been attacked too. In Spain, that was the general feeling, as it was to millions of people in Europe, and we all remember then the words of the late President John Kennedy when he went to Berlin and said "I am a Berliner". And of course everybody in Europe, we remember the impact, we all felt as New Yorkers, we all felt American that day.

It's good that today you make me speak about the transatlantic relations, Spain and the US and the EU in about ten minutes—I don't know how your previous guests managed to do this—but I am going to speak about those issues with my idea on September the 11<sup>th</sup>. Let me start by telling you a bit what is it that Spain, where is it that Spain stands. We see ourselves as a European country, located in the Mediterranean, and with a vocation directed towards the Atlantic for historical and for cultural reasons.

And as I was saying before, September the 11<sup>th</sup> was a day in which we felt that the idea of a transatlantic was important. We all, when we think of September the 11<sup>th</sup>, we all think where were you on September the 11<sup>th</sup>. That is a question we all ask. So I will tell you where I was. I was of all places in Tallinn, Estonia, accompanying President Aznar, then president of the government, in a tour around the candidate countries to the European Union in the six months prior to the Spanish presidency of the Union that was going to take place in the first semester of 2002. In that day we all remember that there was a need to reinforce the unity within the European Union—there was a need to accelerate the accession of the eastern countries to the EU and to advance the European agenda, and there was a need to strengthen the link with the United States.

Sometimes we feel, Europeans, that because our European Union is a very complicated structure to explain, because our European architecture is a bit cumbersome, and because sometimes we speak on behalf of Spain or on behalf of the European Union, or on behalf of France or on the behalf of the European Union, sometimes we're not understood by the US. And there is a temptation to maybe turn your back on us. In these moments of this situation, I think it is important to remind our American friends and the great public opinion of this country that in Europe lie the most faithful allies of the United States and in these moments of crisis, as there was 13 years ago, that you will find in Europe the staunchest supporters of our common policy.

I'd like to explain to you how we see the transatlantic link from Spain, and I will do it with special reference to the relationship between Spain to the US. Let me start, I've just come from Málaga, in the southern part of Spain, where we had this past week a high political meeting that we call the US-Spain Forum. It is a meeting between political leaders and relevant personalities of our civil societies. This forum was started 20 years ago and we exchange points of view and experiences between the public and the private sectors, both of Spain and the US. This year the Forum was hosted by His Majesty King Felipe VI for the first time, and next year the Forum will take place in St. Augustine, Florida to highlight the Spanish foundation of the city 450 years ago, the first European settlement in the continental United States. We discussed (and I won't shy away from them), about the historical ties between Spain and the US. But we discussed basically about three things that are as important to the US as they are for Spain: energy, defense, and trade. Of course there were historical and cultural ties and economic links between Spain and the US that are important. Spain made a contribution to the US independence during the origins of this country and it is clear that we share a common past and are bound by a common future that we are going to have.

In this meeting of the Forum, this edition, there was a special presence which was the presence of five congressmen and women from your Congress in Spain. Four of them were Hispanic. They met MP's from our Congress and they did discuss in Spanish. Spanish language will help us get closer and it is a powerful link that exists also between Spain and the US. Because this country, according to all the studies and statistics, is going to become the country with the second largest population of Spanish speakers by 2050, following Mexico, and with more Spanish speakers than Spain. We have decided that Spain has to establish a cultural policy and education policy whereby we send every year 500 Spanish teachers to different schools in the United States, and that has led amongst other things to Spain becoming the second largest destination to American students of high school and college in the year abroad programs, which is something we're very proud of.

But again, we spoke about security, we spoke about energy, we spoke about trade. I am going to tell you apart from our past links and our future bilateral ties with the United States how we see this transatlantic link. Let me start with the obvious thing, which is trade. As you know, the US and the EU are in the process of negotiating the far-reaching trade agreement, the TTIP, the Transatlantic Trade and Investment Partnership. The TTIP offers a strategic opportunity for the two biggest world economic areas to deepen its mutual beneficial ties. So either way, to a multilateral area network for openness and investments. Our [two] economies account for 50% of the world GDP, 25% of the worlds exports and 31% of the worlds imports. It is evident that aiming for a new kind of economic agreement, which encompasses tariffs and non-tariff barriers, but also unitary corporation and investment is going to be a game changer in international relations. It is going to take a bit of a political will and creativeness to come up with effective solutions to reconcile our differences, and we also have our complaints towards the US system as you can understand, but we are all interested in arriving to a happy ending. Spain, both our prime minister and our defense ministers have come to the US, have stated that Spain is a famous supporter of the TTIP and that we are going to work closely with our US counterparts to facilitate the dialogue and garner support at all levels.

A second element of this transatlantic link and probably the essential one is security. When the President Rajoy came to visit President Obama in the beginning of this year, they both stated that the security cooperation between Spain and the US had never been stronger. Let me give you some facts to back that statement. We just signed two new bilateral agreements that have recently between our two countries. The first one to post four US. destroyers at the naval base in Rota, in the south of Spain, to provide the European missile defense system that was foreseen at NATO. The second one was to extend and increase the US Marine assets and another air base in Morón and also in the province of Seville, to carry out US-AFRICOM and SOCOM missions in Africa and the Middle East.

In fact, the Spanish armed forces have a long tradition in international cooperation involvement. Over 200,000 Spanish soldiers have been deployed abroad in the last three decades in different missions.

This has been the case even under severe budgetary circumstances that we have undergone as you know. Along with our US counterparts, the Spanish armed forces is present today in sensitive operational hot spots such as the Horn of Africa, in the EU Atlantic operation in the fight against piracy in the Sahel, we have troops in the EU training missions in Mali and the Niger, we have in the Middle East, Spain has a contribution to the UN mission UNIFIL, with over 20,000 troops deployed there since 2006. But logically it is within the framework of NATO that we have been more involved. Apart from the current operations such as active endeavor in Ocean Shield, we are still engaged in Afghanistan after 12 years of presence, and with a total of over 30,000 Spanish soldiers deployed in Afghanistan with more than 100 casualties. We remain there, to continue in case the bilateral security agreements between the US and Afghanistan are finally signed.

Likewise, and as a result of the new NATO command structure, we are glad to mention that the new combined air operation set in Torrejón, next to Madrid, to conduct air policing missions from the Portuguese Azores Islands in the middle of the Atlantic to western Turkey, and from the north of Hungary to the Spanish Canary Islands will reach its full operational capability by the end of this year.

But it would not do justice to our bilateral relations, our international relations, only by mentioning security. As far as our common foreign policy is concerned, there is a mutual US–Spain understanding in different areas of the world. Let me mention especially three: Latin America and the Caribbean, North Africa, and the Middle East. The US and Spain have a clear shared interest in Latin America and the Caribbean as you can understand. In most countries of the region, Spain is the largest investor after the United States. In the last few years, there has been a fresh flow of investments to Spain from countries like Mexico, which has contributed to a healthy rebalancing of the economic bilateral relationship.

On the political side, Spain is proud to participate, as you probably know, in the, what we call Ibero-American Community of States. It is a summit of heads of states of those countries that meet on a regular basis, from, in the different capitals, and lead to real cooperation with impact in our societies. And just to give you an example, one of the results of this immense cooperation in the Ibero-American area was an Ibero-American Convention on Social Security—a legal instrument with a direct impact in the lives of the citizens of all of our countries living and working in the territory of another nation.

Let me mention that outside the EU, Mexico is the country in the world with which Spain has the most structured and developed bilateral relations, with high level consultations and coordination mechanisms in different fields: political, justice, economic, finance, education, culture, and most recently defense. Mexico's culture plays an essential role in the Hispanic world, has become, or is going to become, probably the main priority of the Spanish foreign policy in years to come.

So yes, the western hemisphere is a region in which the US and Spain have obvious regular consultations. Both Spain and the US understand that there is a wide ground for bilateral coordination as has been the case with the citizen's security in Central America, a very sensitive issue. Our two nations have been the two extra regional countries which have contributed the most to raising awareness in the international community on the urgency to address this challenge. Together with the US and some other governments, Spain continues to support the implementation of the security strategy in Central America launched in June 2011 in Guatemala.

I want to turn your attention finally to the Arab world. The historical heritage of Spain and even our politics explain our special relation with the Arab countries. Which is unique, if you allow me, among western countries. The intensity of our relations with the Maghreb, our Maghreb neighbors, of sympathy and mutual friendship towards the Middle East and the Gulf monarchies, both entail a permanent engagement of Spain in promoting our relations of mutual understanding. Arab countries provide strategic supplies of energy to an important network of infrastructure, starting from the Algerian gas and current energy challenges in Europe linked with recent tensions in Eastern Europe, make evident the strategic value of our position and of our relations with the Arab world, especially in the North of Africa.

We believe that a high strategic interest in developing in coordination with our European partners and the US is essential. Spain is, we understand, tries to be a helpful partner in international efforts to accompany the process of the transition in the Arab countries. From the very beginning, and benefiting from our large experience in different fields of work, Spain has offered a specific and tailor made program of cooperation called MASAD for many of the countries. This program encompasses a wide range of needs in capacity building in the whole area.

And of course in the worst scenarios, such as Syria, Spain has tried to play a role beneficial to the peace in the area. We met with some of the prominent political opposition figures to Assad in order to strengthen the US attempt of uniting the entire moderate opposition. Unfortunately, all of the efforts were not as successful as we would have liked. Spain has been able to maintain assistance to Syria and the Syrian people in and outside of the country.

And, of course, in Libya, which is much closer to us, we have tried to contribute to the international efforts for stabilization and democratization. In fact, Spain will host, next September the 17<sup>th</sup>, six days from today, a conference on the challenges of stability and development in Libya and Northern Africa with the neighbors of Libya and the members of the 5+5 group of the Mediterranean.

Morocco and Algeria of course are essential stakeholders and in both cases Spain has a trade partner, is the number one trade partner and our closest political ally. These days, Spain and US have such great concerns for many areas and work together. Some of you have brought up the issue of Ukraine. I was not planning on speaking because I only have ten minutes, I won't shy away from it should the questions come. But we have both condemned the illegal annexation of Crimea and interference of Russia and Spain has suffered as have the other countries in Europe from the counter sanctions issued by President Putin some time ago.

Let me finish because I have been speaking more than the time I have been granted. Spain values the important partnership we have with the US. We value extremely the transatlantic link. The thing is in the interest of both our countries and the countries of Europe to further develop this link, and to further develop it no matter how many pivots might occur in our future. I thank you very much. *[Applause.]*

**Hon. Ann Stock:** I just want to make sure everyone can hear me, and thank you Mr. Ambassador for those succinct, wonderful remarks. Very descriptive briefing of Spain and your positions, but we are going to ask a lot more questions momentarily. And also thank you Mr. Ambassador for remembering the victims of 9/11. It's hard to believe that that day happened thirteen years ago, but every single person in this room remembers where we were and what was transpiring that day. Also, just to watch the horrific events of that day unfold. It's still hard to believe and to see some of it again today, so thank you for remembering that.

Also, I'd like to thank you for hosting the Women in Foreign Policy Group tonight. We're delighted to be here, and as you can tell from the turnout, the topic, which is Transatlantic Relations: Spain, the US, and the EU, is a very timely one. Given everything that is happening in Europe with Russia and the Ukraine, and also in the Middle East with the emergence of ISIS, we look forward to learning more and learning your insights about all of these issues and more of the hot topics of the day.

If you'll bear with me for just one second, I'd like to just do a few introductions, particularly of my Board of Directors: Isabel Jasinowski, Gail Leftwitch Kitch, Mary Catherine Toker, and our President, Patricia Ellis. *[Applause.]* Thank you. I'd like to just recognize two of our Corporate Advisory Council Members, McLarty Associates and General Mills, so thank you for being here. And one last final thank you to Diane Flamini from the embassy and to Javier Aparicio. Without your help, we would not have had this wonderful event tonight, so thank you so much. *[Applause.]*

Now let me start with just a couple questions for the Ambassador. Then we'll turn to the audience with questions so get ready.

First question is a three part one on the economy, lots going on there. Your country's economy has started to make some recovery. What do you see as the major challenges that still lie ahead? Two, what's being done to combat the high unemployment rate, especially in the youth sector with unemployment hovering around 50%? And have these numbers led to a brain drain in Spain? I didn't mean to say that, let me rephrase that. [Laughter.] Have these numbers led to a brain drain in your country?

**Gil-Casares:** Thank you very much for giving me the opportunity to speak about this. As you know, Spain underwent a particularly hard crisis. For nine consecutive quarters we had negative growth. We went from a budgetary surplus of 2% to a budgetary deficit of 9% of our GDP in basically a year and a half, which was a world record. For, and called for an ill-advised measures taken by the previous government. When the government of President Rajoy won the election they started a cultural reform that had been promised in the campaign and we started a series of measures and reform that were absolutely necessary. Starting from a financial reform, budgetary reform, with an introduction of a provision which made it mandatory to have a balanced budget, and a labor reform. We hadn't done a labor reform in many many years. So just to give you an example, during the transition after Franco, Franco like all the authoritarian regimes was very close to the labor unions, so many of the benefits that labor unions were getting in order to put up with the authoritarian regimes remained in place because those were the demands from the left. Nobody dared to make the labor reform, and we needed to make them. We had the least productive labor in the whole of the Euro area, and it has been through the labor reform that has been harsh that has applied have cost us two general strikes that the government has withstood, that we have been able to change the path of the economy.

As of last year we've started growing—we grew the last quarter, albeit, a small 0.01% of our GDP in the last quarter of 2013, and in the first quarter was 0.3% and ends up being 0.4% in the first two quarters and we'll probably be around 0.6%. So, the whole thing has meant, and let me go to the third part of the question, the unemployment.

We've started to create jobs with a growth of less than 2% which was basically what was happening in, previously in Spain. What are the big chances? The big chances are to continue the reforms, our minister of industry was here just the day before yesterday and he explained we've reformed everything from education to the energy sector, to as I said, the banking system. We've gone from 51 banks and financial institutions to about 17. The challenges are not only keeping up with the reforms, but also the possibility that the rest of Europe keeps on growing.

Because of the changes that the Spanish economy has undergone, we have become an export oriented economy, we have had a trade surplus this past year with all of the member states of the Euro area with the exception of Germany. So we've had a trade surplus with Italy and with France. We've looked for opportunities in other areas outside Spain, outside the EU, and I don't know whether you've noticed it, maybe not so much in the States, there's been a great flow of Spanish business and investments coming to the US. Currently we have 700 Spanish firms investing in the US, they have invested 50 billion US dollars since 2006 and they have created about 85,000 jobs in the American economy. They've concentrated of course in the states with largest Hispanic population—Florida, Texas, California; and then the big economic centers—Chicago and New York, and their own infrastructures—banking, construction, and all the services, in energy. So we are very proud of the work they're doing.

So let's understand—brain drain. Yes, many young Spaniards have left. The effort we have to make right now in order to bring them back is, we were basically a service sector economy, Spain was. Tourism, which accounts for about 10% or 11% of our GDP, has probably absorbed as much employment as it can, even though it is a labor intensive industry, as you know. So we are looking to create industry in other sectors, such as telecommunications. We have a couple of Spanish firms that

are very important and put emphasis that the government is speaking with our businessmen to concentrate on that area and try to bring the Spanish youth that have left back to Spain.

But you know, this is like a blessing [in] disguise. If they come back 5, 10 years from now, after having formed themselves here, in Germany, after having learned languages, learned what is being done to benefit the future of Spain, which, and I know I'm the ambassador, but let me tell you that it looks promising.

**Stock:** Just as an aside, you mentioned the constitutional amendment to the budget. How did you get that passed?

**Gil-Casares:** We could pass that because the Socialists knew the situation that they had left the Spanish economy in. So when that was proposed, it was accepted. Needless to say we also have an absolute majority that we needed to work with them, and it was passed. Everyone accepted that we could not go on spending and spending. As I said, it is a world record to pass from a 3% budgetary surplus to 9% in less than two years.

**Stock:** We may have to take some lessons. We may have to do a case study for our Congress. In a terrific interview I read getting ready for tonight in the Washington Diplomat, and I have to say anybody who hasn't seen it, I'd go online and read it. It was really quite an in-depth interview that you did, I think it was this summer. You were quoted as saying your main job is to convince your American friends that Spain is on the right track. Given the economic situation, what is your approach to getting global investors, including Americans, to invest and reinvest in Spain?

**Gil-Casares:** The only way to get investors is to do the things right, and then to tell the truth about what you've done. And this is what basically we are doing. We undertook the hard message that we did, they have started to yield results. People are seeing what the situation is in Europe, and I always tell my American friends, I used to tell them when during this first year and a half that all that I spoke of was Spain. I used to tell them, listen, you find a country that has basically all the infrastructure done, because it was done during the past years. Basically, in great part due to the investments done at the European Union in the big structural funds. You have a country where you have people that were from, I don't remember the percentage of the Spanish population that has gone through college. You have a country in which you have, five, six, seven cities which are livable, which you find for your ex-pats English schools, French schools, Italian schools, German schools. You can live in Madrid, Barcelona, Valencia, Bilbao, and the places there are nice places. I tell you the biggest infrastructure in high speed rail in all of Europe and second in the world only to China, and that may be over invested in the high speed train, but you have it. You have the labor reform done, so the labor costs are cheap. Our workers have become very productive because of that. So then, what are you waiting for? [*Laughter.*]

The response, you know that Americans can sometimes be a bit blunt, [*Laughter*] was, you are going to get cheaper. Well, we've gotten to the cheapest, to the lowest point, we have started to bottom out, as you say, and we've had American investors coming back, not only to the energy sectors, and to tourism, but in the real estate, which was the origin of the big bubble that created our crisis. I was just watching before you came, the news in Spain, the real estate sector is growing, the prices unfortunately are rising. In case you want to buy a flat in Barcelona, or a small house in the Costa del Sol, you better rush it because we are getting more expensive, rather than cheaper now. And I think people are seeing it and they are going there.

Let me give you one example. We are exporting Ford cars to the US. Ford has a couple of plants around Barcelona and Valencia, and they have changed models, as you know. It used to be small models for the European market and now you don't have those long cars that you used to have, and they've come up with a new model that they are going to build in Spain and they are going to export it to the US. So this is straight.

**Stock:** You heard it first from the Ambassador, buy now. I have a lot more questions, but I think I'd like to take a number of questions from the audience, because I know you have them. So, would we do two things? Stand up, tell us your name and affiliation, and then state your question. A question please, not a dissertation. Thank you. [*Laughter.*]

**Patricia Ellis:** Patricia Ellis, Women's Foreign Policy Group. I have three quick things, but they are all newsy and they should be short. Can you give us your government's reaction to the President's speech on ISIS? One. Two, the EU is now going to impose greater sanctions on Russia, and you mentioned that the sanctions were already having an impact on Spain. Could you tell us what the impact is? And lastly, next week there will be a big referendum in Scotland, and today there were protests in your country by the Catalan separatists, who claim they were inspired by this referendum. So how concerned are you about that?

**Gil-Casares:** The reaction to the president's speech. We were waiting for it, as you know, a coalition of states is being created. Our president of the government at the final press conference after the NATO summit in Cardiff, said we would [be] ready to join but we needed to do was to know what was the aim, what was the purpose, what was the plan. You might remember that only two days prior to that, Obama said, we still don't have a plan. So when they asked us, do you want to join, we said, listen, we would like to see what the plan is. [*Laughter.*]

So, we were very happy that, again, although the plan is only scarce and the four points, we know the type of plan, that we were going to like it, we were predisposed to like it, it was going to come from the President to the US, and the reaction has been very positive. I know that has been in contact, because there have been, I spoke with the people from my ministry of defense and the ministry of foreign affairs and I knew the countries we had a, the highest level, and there is a positive reaction that will probably be followed by deeds not by words.

On the sanctions, yes, I think we are the third or the fifth, as I said, country that suffered the most. We exported lots of vegetables and fruits and that's a very important part of our exports to Russia. What we calculated was, and I confirmed that I spoke to you before, is that the cost of the sanctions for the Spanish and agriculture is going to amount in between \$350 to \$500 million. So it's a big thing in agriculture, a very sensitive issue. Again, labor intensive in a country with such employment problems as we have. We hope that the EU will come up with some kind of goal measures as they do from time to time that will help us overcome this situation. I know, I heard today that President Putin was preparing the next round of counter sanctions following the next round of our sanctions that are going to come tomorrow. From what I heard, it is going to be concentrated on car exports. I don't think we export automobiles to Russia, not the way that we do mulch. And then on textiles, that might hurt us a bit, but we'll see.

And finally, on Scotland. It was promised on demonstrations there in Scotland. The thing is September the 11<sup>th</sup> is the commemoration of a battle that rightly ended what we call the War of Succession in 1714, in which Barcelona fell. Our King, Charles II, at the time of the succession, and there were two princes in Europe were vying for the throne of Spain was Hapsburg from Austria and the Bourbon. And the winner was grandson of Louis the XIV, if I'm not mistaken. So, Catalonia, as many regions chose to fight for the Hapsburgs, and Barcelona was the greatest city and at the end they lost, and that's the thing that they celebrate as the symbol of their autonomy.

That said, what happens in Catalonia is that recently there has been a movement within the parties that call themselves, and that are, nationalists to us, for independence because of the crisis. You know, we underwent the crisis, and all of a sudden the response from this particular region was, listen, we have fiscal unbalances that are unfair with the rest of Spain. The slogan was "Spain is stealing from us", and that derived into a new narrative officially in which this became a war between Catalonia and Spain. 9/11 was considered the date which all Catalans should refer to in the quest for independence. This is a

subject, I don't know if the Catalans know yet if the strains of nationalism are good or bad, are basically rational by definition. So there is a matter of irrationality in it and I don't want to hurt anybody's feelings.

Let me tell you what the story is to start from. I won't start from 1714 [*Laughter*], I will just restart from 1978 when there was a referendum to approve a constitution after the death of Franco. 96% of Catalans voted in favor of the current constitution that we have, at a participation share of 61%. Since the Catalonia has undergone almost 50 elections in the different national, regional, municipal, and European, and there is no single election that has had that level of participation. Of course, we are in the middle of a crisis and we have a political class that has not done things well who wants to put the blame on somebody else. And then you are ready to lie and convince to a new narrative that the issue is you don't belong to Spain, you've never belonged, you've been occupied time and time again, and now Spain is stealing from us. The fiscal balance between Catalonia and Spain in 2007 and the previous years was favored to Catalonia and since then was in favor, and they don't account for what we call the public goods, so it's difficult how you make the accounts. But the thing is, and I'm going to tell you, the level of mendacity of those leaders has been immense.

There has been a reaction from Europe, saying, fine, you can undergo if you want to, a process of independence. According to the Spanish regulations, if you leave Spain, you automatically leave the European Union. And they say, "Well, that's not going to happen." And so they went to France, they went to Italy, they went to the UK, they went to Germany, every single leader of the European Union said that was going to happen. And they kept on saying, "At the end they will forgive us." That is the thing they were saying. And then when they tell us, "Fine, maybe they will forgive us, it will take us some time to come in." But as you leave Spain, the external European tax will reapply to you since you are not a member, so your exports to the rest of Spain, which is basically a very industrial region in Spain, and most of their products come to the rest of Spain. They will apply 20% or 16% tax, depending on the products. How are they going to be able to do that? That's not... They keep on lying. So if you have a people in a middle of a crisis as hard as in Spain we have 25% unemployment, and in Barcelona, Catalonia is the exception, and your leaders tell you that, "Listen, Spain is stealing from us. This government, this fiscal balance is absolutely unfair, and it's only that way because we are not part of Spain." And this is the history that they have to talk to. And don't worry. They are not going to leave the European Union. Spain has been so close to us because they are basically a representative population in Catalonia, and many are of the rest of Spain. So you'll still be able to go Cordova or to La Coruña and see your parents and your nephews and nieces. That is still going to be fine, we are very close to Spain, nothing is going to happen. Only you're not going to have to pay as many taxes as the rest of Spain. People vote yes, and basically they have the monopoly on the regional public media and that's what happened.

The tragedy of it is, they say, "Okay, we're not Spaniards, we fought for independence in 1714 but if we reach an agreement on the economy, we'll remain in." So that's the level of national feeling that they have.

**Question:** Hi, my name is Laura Winter, and in a previous life, which I forgot to tell you sir, I actually worked in the Pentagon, in the NATO policy office. And I've known your military attaches from 2012 and 2013 and I've also worked in Afghanistan and in ISIF headquarters and I do understand the kind of support that Spain has given through NATO missions. But when it comes to things like Syria, the thing I kind of wonder about, and I know that you've been waiting for a plan, and I know you've been waiting on a plan for Afghanistan as well, because I was part of that time. What does the Spanish public think about Spanish involvement in anything to do with ISIS or Syria or Kurdistan? Because in the past there have been problems, there has been bombs in Madrid which did effect your participation in Iraq. So how do you head that off, or are you going to head that off? Is there a strategic communications plan to explain to your population what you are going to do, so you have the political support from your population to do what you say your government intends to do? That's my question.

**Gil-Casares:** Thank you very much, on 3/11 that we had, you know on March 11, 2004, was the attack on Madrid on the trains. A few days after there were the elections and that was very traumatic for Spain in general, for our party was in power and lost in particular, but also for the socialist party because the feeling in Spain which, people didn't understand very well what had happened and we didn't know who to blame and we started blaming each other and it was a very tragic thing. And you're right, that for us it's going to be costly, especially if the name that appears is Iraq. Basically the name Iraq is something that has haunted us for many a times. But if you allow me, something similar to what has happened here in this country, the US was a bit tired of the plans of their military, in Iraq, and the boots on the ground. People wanted to leave Iraq and maybe they'd look at the consequences, and maybe we never know how complicated those country's reactions are going to be. But we're very sensitive towards the issue of terrorism because we suffered it for many many years, and we've all seen the decapitation, the beheading of your two nationals and some others. We've suffered the kidnapping of some of our nationals. I don't think it has happened in Iraq, but in Syria we had some, I think. So, people are sensitive to what's happening and then we know we have foreign fighters that live in the Spanish cities in the South of Spain and the two cities we have in the North of Africa bordering Morocco. The Spaniards that have gone to fight for ISIS and that may be coming back, and that's an issue that we all feel is threatening us. So, yes, there is going to be an information campaign for everybody, I think we're sensitized to the issue of ISIS. It is understood that we are not going to have to send troops as we did in Iraq in 2003, 2004, and this is a different operation as it has been outlined by President Obama, so in that sense I think it is going to make it easier for us to cooperate.

**Question:** My name is Verzariu, I'm with the International Committee of the University Club. My question is about energy. In the Russian crises related to Ukraine, is the search for alternate energy, gas energy, or oil energy, an individual country issue or is it an EU policy issue being developed? That is my question please.

**Gil-Casares:** It should be a European Union issue, it is, but this is one of the areas in which the integration has not reached its highest level to put it mildly. I'll give you an example, because of the situation the Iberian Peninsula is in, and because the gas from Russia doesn't reach Spain, so I mean, it might be that changes in the energy level will never affect us. We have, most of us, I think we have mentioned, for most of our gas coming from the North of Africa, from Algeria, and from Morocco, and we have seven re-gasification plants in different parts of Spain or gas also coming from Norway. The problem is that we don't have the interconnections with the rest of Europe. Our interconnections with France are limited, we've been asking for many many years to have more pipelines, wider pipelines, to be able to connect with the rest of Europe and to be able to have the Russian gas because it was cheaper coming into Europe. Unfortunately we did not succeed.

As you know, the energy policy in France is completely different from ours. Ours was concentrated on renewable and of course we're very much dependent on gas. France has nuclear energy and it has a number of nuclear plants, we don't have as many, and we're reducing them. But if we had all of the interconnections with France at the moment of this crises, we would have been able to regasify about 50% of the import of all gas from Russia. That is all the gas that came through Ukraine. We can add to it because we can regasify whenever we want, but we don't have the pipeline to send it through to the rest of the European countries so we have a problem.

The issue our minister of industry of energy, who was very funny speaking about the common policies in Europe probably the very same day, and he was quoting a meeting they had in The Hague. The ministers of energy, they came up with a common energy policy and different faces it should have, and the different aspects, the variety of origins of the energy we should have, the energy mix, the interconnections, the regulations that we should have, and they all said, okay, the common energy, energy is a common problem, we have to come with a common solution, we have to make an effort to make energy cheap. We always complain that we don't know how we are going to do it with the TTIP. But you have the energy three times as cheap as we do. So, how can we compete with the US when the energy is three times cheaper in this country than it is in the European Union? But at the same time

the ministers wanted to have a meeting, the ministers of the environment and they say, okay, you have to forbid fracking, fracking is a big mistake, let's concentrate on renewables, let's subsidize renewables so that makes it all the more expensive, and you have two counter policies with the same level, and at the end with different national interests.

So, that's to give you an example. Yes, it should be a European solution, we should come up with the European Union common energy policy, but it is going to take awhile I'm afraid.

**Stock:** Okay, time has flown by. One last question Isabel, and then I've got a fun question to ask.

**Isabel Jasanowski:** I'm Isabel Jasinowski and I am formerly vice president of government relations for Goodyear, now retired from Goodyear, but president of the board of Woodley House here in Washington, DC. My question for you, Mr. Ambassador, was your perspective on the EU and whether it's an alliance that's going to hang together. We all know about the stories that were written about and occurred, and most people said it's going to be an alliance that will disband, and you know, it's only half way there anyways, it's going to go away. So, I'd love to get your perspective on looking into the future, what's the livelihood of the EU? Where do you think you are now, in the midst of solving the financial issues that were there? And how do Spanish people feel about it? How do you think each country feels about the EU and its importance or the lack thereof?

**Gil-Casares:** Let me start by, from the last question. For us, the EU is much more than a political alliance for the future of Europe, for us meant at one time being a normal European. I mean we had been forbidden the entrance to the European Union because of the authoritarian regime of Franco that we had in Spain, and the dream was to reach membership of the European Union. Everybody in Spain knows that 1986 was the year we became members of the European Union, and we became normal after basically two centuries in Europe. We had not, as you know, we had not participated in the World Wars, we had followed different paths from the rest of Europe because maybe of our Latin American heritage, and the war we had in this continent. We underwent crises that were not undergone by other nations, and finally, we reached membership in 1986. So for us, it is absolutely essential. That said, the crises has effected everything.

Let me tell you, no country has left. We have not expelled any country. No matter how bad they were doing at the economic level, or how badly they unfulfilled the requirements they should have fulfilled, and no country left no matter how tough the messes that were imposed on it were. I'm not going to name names, I have many in mind, but there is no country that has become a member of the European Union that has left the European Union, and that tells you something after what, fifty years?

The problem we have, I think, is the basic problem if you don't consider the present economic crises is that we have to make Europe a bit more understandable to our own citizens. I mean you go to a guy from Toledo or from Utrecht from La Mata and you ask him to tell you what's the European Council, who is the European Council president, which are the powers of the president of the commission, what are the competencies of the European Parliament, what do the national parliaments do regarding the European...everything is very complicated. But just to give you an example of two councils of ministers meeting and coming up with two different policies that should go up to the European Council for leaders to follow. That is something that we have to do, simplify our system, make it more understandable, make the union closer to the citizen.

We had, I mean the only, the sentence suffered that is most discouraging of the situation we're in right now, or the situation we were in because of the crises, we had a meeting of ambassadors to the European Union to which I was invited along with the Ambassador of the UN about our foreign policy regarding a series of issues, and our colleague from Slovakia told us that the level of uneasiness with the EU had reached such a level in Slovakia that people were saying, listen before we're complaining for Moscow, and now it's Brussels that has taken the role of Moscow. It is so unfair, because Brussels doesn't limit your liberties as it did Moscow at the time, but the thing is, that's the thing that they're

getting, they thought this was going to be an issue of prosperity only, in our case, and going back to my first answer to the last part of your question. The European Union for us had to do more with liberty than with economic integration, you see, and that's why we're so much for it.

**Stock:** So, one last question. When you want to relax and have fun, what do you like to do?

**Gil-Casares:** I use to like to watch the Redskins, I don't know if I'm allowed that much anymore. [*Laughter.*] But, listen, I play a bit of golf, although I don't play very well. I like what everybody else does; I like going to the movies, I like going to the theater and to concerts, and going out to dinner with friends and enjoying. Because we are close as I was saying with the Hispanic/Latino community, we're planning with a group of Latino's who we call the young leaders who went to Spain, our prominent young leaders that we sent to Spain are organizing a reggaeton at the Spanish Embassy. So, if you're for reggaeton tell me and we will invite you and watch them and learn to dance.

**Stock:** Thank you Mr. Ambassador for a wonderful night, we've learned so much and you represent your country so well. Thank you very much. [*Applause.*]