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WASHINGTON SEMINAR – 10TH ANNIVERSARY

Mr. and Mrs. Ambassador,
Ladies and Gentlemen,

Today we are celebrating the tenth anniversary of an annual arrangement that have meant a lot to many people. Norwegians taking part in the Washington seminars have obtained better insights into the American way of life, a deeper understanding of the way Americans reason, as well as living proofs of the American Dream. Speaking of the latter, in these times of hardship the American Dream is holding up surprisingly well. In a recent survey more than one-third of Americans say they have already achieved the American Dream and another 41 percent believe that they will achieve it in their lifetime.

Coming from a small country, it is quite important to be *curious* about other nations and peoples. My thesis in these remarks is that for people coming from large and powerful countries it is equally important, or perhaps even *more* important, to be curious on other great peoples and nations. Out of genuine curiosity, understanding and respect may flow.

America occupies a unique position in today's world. With the demise of the Soviet Union, for the time being there are no real contenders for the position as hegemon of the world.

The peoples of Europe have much to be grateful to America for. The United States did not stick to its instincts of pursuing isolationistic policies but intervened in both world wars of the previous century – on the "right" side, making us owing you a great and unrepayable debt. This point has not been lost on Nicolas Sarkozy. He made it in an address to the US Congress two and half years ago, as newly elected French president.

The Second World War, by the way, is known as the The Great Patriotic War in Russia. In China one speaks of the Second Sino-Japanese War, the first being fought in 1894-95, when Japan carried the day. Much to the chagrin and humiliation of China.

As for myself, having studied four years at Stanford University to obtain a Ph. D. in Economics in 1975, I have a personal debt to America – more so as a stipend by Stanford was made available to me. In later years I have spent three weeks in the fall at the Brookings Institution in Washington DC, probably the oldest think-tank in town, and ranked on top today. In the course of 2009 some 30 scholars left Brookings to take up positions in the new administration of President Barack Obama. This fluidity between academia and government is much less developed in Norway. There are gains to be had, I venture, by following the American lead here.

Strobe Talbott is at the helm at Brookings. A fine scholar. A seasoned politician. And a gifted writer. His latest book – *The Great Experiment* – makes for great reading. Strobe's concern here is the need for better global governance. On page 329 he observes that former president Bill Clinton, whom Strobe shared a house with while they both studied at Oxford University in England, and whom Strobe worked for as an undersecretary of State, confided in him in 2006, ".... that sooner or later as the global economy expanded, eventually America would no longer be the sole economic, political, and military superpower." Eventually, Clinton continues, America "would have to share the stage." "He had China particularly in mind", Strobe adds.

Strobe Talbott goes on and states (page 330):

"Clinton's view was diametrically opposed to Charles Krauthammer's concept of the "unipolar moment," which held that the United States had a several-decade window of opportunity to get its way unilaterally – unencumbered by the need for consensus-building and compromise – before the world become multipolar. Clinton believed just the opposite: what we had in the wake of the cold war was a *multilateral* moment – an opportunity to shape the world through our active leadership of the institutions Clinton admired and Krauthammer disdained."

Politically it would not pay off for Clinton to air such views while in charge. Out of office the time has come for such reflections. Clinton's observations strike a chord with me. I am much relieved by the realism in your former president's analysis. China, like it or not, may one day challenge the US. Friendly, or as more of a foe?

The financial crisis was "Made in America". Its consequences were handled more successfully in China than in the Western world. Thus, adding prestige to China's economic model, the essence of which being fierce competition among domestic and foreign firms combined with heavy state ownership. Thus, when economic hardships all of a sudden surface, the Chinese authorities have plenty of tools available. Wisely used, the authorities were able to maintain the necessary rate of growth of total demand, by expanding investments in domestic infrastructure as exports fell.

So much for the Chinese economic model. What about politics?

In his book *The End of History*, Francis Fukuyama predicted that all countries would converge on a democratic model with proper division of power, implying the judiciary being independent, so as for the rule of law, to rule. He has not been vindicated. In China the Party will overrule the law, if need be. Domestic stability is more important than the independence of the judiciary branch of governing. A proper and robust system of checks and balances which the Founding Fathers of the US so cleverly designed, is not in place in China. This makes for a seemingly robust and adaptable economic system in a seemingly politically fragile nation.

”Nations see the world in terms of their own history, values and mindset”, Strobe observes (page 235). How could it be otherwise? But that may limit our understanding of others. This brings me back to the topic of the day – curiosity on other nations and other peoples, and on how they run their nations. This is exactly what the Norwegian Washington Seminar is all about. Spending time and effort in other countries is the best way to become familiar with other nations. My understanding of and affection for America – and sometimes anger – are predicated by spending four formative years in California in the early 1970s.

Speaking of anger, Bush 43 was *A Consequential Aberration*, according to Strobe Talbott. I concur. Also economically. Rather than taking the opportunity of ridding the nation of its debt, Bush did the exact opposite. By reducing taxes and increasing spending the national debt kept climbing. The rest of the world is accumulating claims on the US. A debt-ridden nation has less room for economic and political maneuvering.

Norewegian students and seminar participants going to America is fine. Chinese going to America is probably at least as important. Last year close to 100.000 Chinese were studying in the US. When presidents Hu and Obama met in China last November, an agreement of having more Americans studying in China was reached, with proper programs to see this through. The target is a five-fold increase, from 20.000 to 100.000 American students at Chinese universities, in the course of four years.

”The experience while in China will certainly sensitize them to Chinese viewpoints and interests”, as professor David Shambaugh at George Washington University, a recognized authority on contemporary Chinese affairs, observes.¹

Going forward on a more modest scale, the continuation of the Washington Seminar is very much welcomed by all of us. Perhaps the relationship between America and China, and what challenges and opportunities this relationship will present Norway with, will weigh more heavily on future agendas.

Thank you.

¹ See his article ”China Engages Asia”, in *International Security*, Winter 2004/05, pp. 64-99.