

to perpetual peace and prosperity.

The hopeful prospects of 100 years ago were overwhelmed by the dangerous ideas of the early 20th century - imperialism, fascism, authoritarianism, communism, corporatism, isolationism, and protectionism. We learned anew that ideas can also lead to cruelties and tragedies: wars, depression, mass starvation, and economic disasters. Thus the growth in trade over the past 50 years has served mostly to reverse the declines experienced in the first half of the 20th century. Indeed, Federal Reserve Chairman Alan Greenspan has pointed out that the degree of global integration today is not much greater than it was a century ago. Net capital flows across the major industrial economies, as a percentage of GDP, were still greater at the start of the century than they were at the end.

So today, at the dawn of a new century, we again have a choice of ideas, for the United States, the European Union, and the world. Which ideas will triumph - those of fear or those of optimism and freedom? We can let our success slip away amidst disputes, narrow interests, or even insecurities. Or we can build on the momentum of the past 50 years, championing the values of openness and freedom, and honoring the vital linkages among economic liberty, free trade, open societies, successful democracies, individual opportunity, and peaceful security.

Euro-Atlantic cooperation will not, of course, eschew healthy debate. We should stand up to new challenges and be honest about differences in perspective and reasoning. We should compare facts. We should discuss outlooks. We should present principles. But most of all, we should not shrink from a community of discourse, because our common values both necessitate the exchange and offer the foundation that will enable us to sustain our larger shared purposes even when we disagree.

### **Globalization, Trade, and Values**

Discourse, debate, and cooperation between the United States and the European Union will assume even greater importance in the months and years ahead, as we look to advance free trade around the world and launch a new round of global trade negotiations. There can be high costs when we talk past each other, and not to each other, as we learned from Seattle. If the United States and the European Union are not committed to working together to launch a new global trade round this November, it will not happen.

While differences are inevitable, the European Union and the United States need to keep our eyes on long-term goals. If we reach into our past - rich with recollections of how protectionism breeds distrust and wars, and how openness and cooperation among democracies breed peace and prosperity - we can reestablish our common footing. We can continue to demonstrate to the world that open societies and open trade are the only pathways to lasting prosperity. We can help those nations less fortunate than ours take the difficult steps toward democracy, economic liberalization, and openness. And we can, together, build a bridge to a new global trade round based on our common ideals and aspirations.