

Ambassador Susan C. Schwab, USTR
Doha Media Roundtable
17 July 2008

Ambassador Schwab: Thank you. I know this is very early for the press corps to show up, so I appreciate it. For those of you outside of Washington, the prom that we're referring to is not the PROMS, but rather the Washington International Trade Association event that was held last night that a number of us attended. It was a good event, a fun event. Good group.

Good morning everybody. Gosh, we have an impressive turnout this morning.

We head out for Geneva, our interagency team and I later on this afternoon. Between now and then I'm going to be up on the Hill finishing a circuit of visits, exec sessions, with key committees. We've done some extensive briefings over the last couple of weeks with a variety of committees on the Hill, many of them at staff level. I've personally been involved in briefings two days ago with the Senate Finance Committee and the House Agriculture Committee, and today we're visiting House Ways and Means and Senate Ag. We've had in the first two meetings good turnout. I think there is a sense from members that I think they are beginning to share our sense of momentum about the Doha Round.

We are going to Geneva with the intent and hope and expectation that there is a deal to be had. We know that a breakthrough, so-called modalities breakthrough certainly is not the end of the Doha Round. It's not the end of the Doha negotiation. But we also know that it is a necessary, as in necessary but not sufficient condition, to get to a successful conclusion to the round.

The Doha Round, I don't need to tell this crowd because most of you have been involved in it as long as I have, and many of you have been involved in it even longer than I have. This has been a high priority for this administration and of this President for quite some time. I had the opportunity to accompany the President to the G8 meeting last week in Japan. This was in fact the third G8 Leader Summit where I was able to join the President because he wanted to talk specifically to other leaders about the Doha Round. It was a continuation of a lot of conversations that he has had with other leaders. Really virtually every summit, every bilateral that he has, whether developed or developing country, WTO members, it has certainly been a key focus of my activities over the last several years and of course that of our team, our Geneva team, Peter Algeier, his team, Joe Glouber who technically is based in Washington, D.C., but if you ask his wife and kids he has been based in Geneva for most of the last six months, and bless him for doing it.

So we go with the intent to do a deal, to seek a successful breakthrough. The breakthrough that has eluded us over and over again, but we know we can't do it alone. We know that no single country can make the Doha Round successful. That it is and has to be a cooperative effort. And that a handful of countries can in fact bring down the round. So it will be an interesting exercise in political will.

How will we measure success? How should we measure success? How should we consider success in this round?

I think first and foremost this is a development round. There is a clear delineation, I think, or a clear way to articulate what it means to be a development round and to meet the promise of Doha and I think that lies in generating new trade flows that contribute to economic growth, economic development, and the alleviation of poverty. Particularly in emerging markets and the developing world. Something to note, for example, when we're talking about trade in manufactured goods, those of you who follow this on a day-to-day basis you know we have a so-called Swiss formula. I'm talking about coefficients and flexibilities, sectorals and so on. Anti-concentration clauses. There are in fact only 30 developing countries that are subject to the NAMA formula. Obviously all the developed countries are, and they will be subject to a much more stringent set of tariff cuts, but there are only 30 developing countries, advanced developing countries, that are subject to the NAMA formula. There are 80 developing countries in the WTO that are not even subject to the formula, that will be asked to do little if anything at all as part of the Doha Round, and those countries are among our key targets to benefit from the round.

New trade flows is a key indicator, is key to generating economic growth and development. The only way to do that is to cut into applied tariff rates. So that's sort of the first measure of success. We've got a lot of different metrics that we're looking at for that.

The second measure of success for each country will be a matter of our own export and import aspirations. In the case of the United States we have offensive interests, ambitions, in all three pillars of the negotiation -- in agriculture, in manufacturing, and in services. In all cases we have export interests, we have import interests, we have import sensitivities, and we need to be able to bring back a package that has some degree of balance in terms of give's and get's, and to be able to show that a Doha Round outcome is not just indirectly in our interest in terms of the broader contribution to economic growth and development, but also will benefit American workers, farmers, ranchers, businesses, service providers, and so on.

Finally, a third somewhat more amorphous means to determine or criteria I think for determining success is does the outcome, will the outcome contribute to a more open multilateral trading system? There are a whole variety of things we can look at when we are ascertaining that, but I think a lot of us in this business are concerned with what we see as growing protections pressures at home and abroad. This is not just in the United States. And a robust outcome to the Doha Round we believe would help contribute to pushing back some of those pressures to reiterating to a lot of our citizens the positive contribution that trade can make.

Now to get to success, to get to these criteria, to meet these criteria, to meet this promise, what will it take? Obviously everyone's going to have to contribute. Now when I say everyone, I'm talking about developed countries, obviously, but I am also talking about the emerging markets. It is inconceivable to me, inconceivable to have a successful outcome to the Doha Round if the emerging markets are not making contributions, important, meaningful contributions.

Unlike previous rounds, we have advanced developing countries that are at the table, that are actively engaged, and very influential in these negotiations, and I think that is a very very good development, a very powerful development in terms of the multilateral trading system. But with those opportunities, with that seat at the table comes very serious responsibilities, and those responsibilities include making meaningful market opening contributions in all three of the pillars -- agriculture, manufacturing and services. For those roughly two to three dozen developing countries, advanced developing countries, commensurate with their levels of development, but also commensurate with their growth rates and commensurate with the benefits that they currently derive and are increasingly deriving from an open multilateral trading system.

Where am I going with this? Recent, two statistics. Some of you have heard both of them from me before but I think they bear repeating. One, 70 percent of the tariffs paid by developing countries are paid to other developing countries.

So if you look, for example, at the NAMA negotiations, those 80 developing countries, poorer developing countries as distinct from the 30 that will be subject to the NAMA formula, virtually all of those 80 countries already have duty-free access to the U.S. market through preference programs. Many of them have preferential access to the EU market and other developed country markets. So where are they paying those duties? They're paying those duties to each other and they're paying those duties to other developed countries, to the advanced developing countries

to the emerging markets. And those countries, by the way, the emerging markets, are paying duties to each other.

Now obviously there are exceptions. Singapore being an exception. Chile, that has so many bilateral Free Trade Agreements that at this point Chile's tariff structure is quite an open tariff structure. But in large measure, developing countries are paying most of their duties to other developing countries.

A second statistic, again, just as important if not more important in this context, between now and the year 2013 the IMF estimates that half of global economic growth, if you exclude the United States, half of global economic growth between 2007 and 2013, half of that growth, and that growth they assume will be about \$1.7 trillion. Half will be accounted for by China, India, Brazil, South Africa, Argentina and the ASEANs. ASEAN countries.

If that list sounds familiar, that is the same list of countries that we have to count on to be fully engaged and make the appropriate level, significant, meaningful contributions to the Doha Round.

Now I'm going to anticipate one of the questions that I suspect you will ask and then I'm going to stop talking and you all can ask questions and I'll endeavor to answer them. Is this a good time? Is this a bad time? Should we be trying to close this now? The U.S. has an election coming up. My answer is one, with 152 members there is no good time or bad time to close a multilateral trade deal. Yes, we have an election this year, but next year India will have an election. India has a no confidence vote next week that obviously could have an impact on the government. The EU Commission turns over next year. Canada is scheduled to have an election next year. So on and so forth.

So there is no good time or bad time to close a trade deal in terms of a calendar. The good time to close a trade deal is when it's ready to close. When there is enough on the table so that we can measure it up against, evaluate it against the criteria that I've described, for example, and say there is enough there so that we can clearly recognize and clearly point to success. And have the metrics to show it.

I'm going to stop there and open for questions.

Question: Jim Burger, Washington Trade Daily.

Knowing what you know about the round today as you go to Geneva next week, are you prepared to make a significantly new offer on domestic agricultural support?

Ambassador Schwab: A couple of things to note. One is that two years ago when the talks broke down there were basically an infinite number of open issues. A year ago when the talks broke down there were basically an infinite number of open issues. When the third iteration of the so-called text came out in May, and this is the agriculture and the NAMA text, there were still 200-some outstanding issues.

Today we estimate there are about 30. Now 30 is actually a lot of outstanding issues for Ministers to address, quite frankly.

Question: In ag?

Ambassador Schwab: No, this is agriculture and NAMA. This is ag and NAMA together.

Domestic support is one of those issues.

We have some problems with the texts that are on the table. There are aspects of the texts that we support. And since I'm not going to get into negotiating specifics with anybody here, let me suggest the following. One, the U.S. is willing to do our share as we have signaled all along. We're willing to do our share and then some to get this done. We believe in this round. We believe that this round has the potential to really be a good thing. So this is not the idea of let's close a round at any cost. We're not going to do any old deal, but we have a good sense of what a successful outcome needs to contain.

We are prepared to be part of that meaningful outcome, both in terms of market access and in terms of domestic support. And, I might add, in terms of the elimination of agricultural export subsidies. We already have a very generous offer on the table. Even if you look at the high end of the range in agriculture on OTDS, Overall Trade-Distorting Domestic Support, it is significantly below our WTO allowable level of \$48 billion, \$16.4 billion. Well well before our allowable rate, 60 percent off of our allowable rate. And I might add, it is less than the average that we've spent over the last ten years. So that is at the highest end, meaning the least ambitious end of that range.

So regardless of where we come out. If we come out within that range it is an extremely, it will be an extremely important contribution.

Question: Good morning, Jamie Strawbridge from Inside U.S. Trade.

I don't think anyone thinks this round can succeed without a successful outcome on cotton reductions, especially in the U.S.. What is your strategy going in? The U.S. still hasn't offered a proposal or counter-proposal. Does the U.S. intend to wait until

the last possible moment at this ministerial meeting to see if it's coming together before offering something on cotton? And do you have something prepared in the event that that would be a possibility?

Ambassador Schwab: Let me begin by stating the obvious, again, which is you and I aren't negotiating on this and therefore there's a limit to what I'm willing to do.

Cotton, it seems to me there is a clear mandate in the Hong Kong Declaration that we respect, and that at some point we will need to address. The Hong Kong Declaration suggests that we will ultimately need to do something more and something faster on cotton than we do on other commodities in the Doha Round in terms of disciplines on trade-distorting domestic support. And we are prepared to do that. We stand by the Hong Kong Declaration.

So quite frankly, until the formula is agreed in terms of OTDS, excuse me, Overall Trade-Distorting Domestic Support, and the base year and how each of the commodities is addressed, you can't start working off the Hong Kong Declaration. So I think that really is the basis from which we will operate, which means almost by definition it will be later in the process.

But we'll be engaged in good faith. We have been working closely with domestic cotton interests to get a sense of where they are. And they recognize that we're dealing with a WTO case where we have been on the losing end. And we're prepared to negotiate in good faith.

Question: Ambassador, this is William Schaumburg in Brussels with Reuters.

Just a very simple question, really. Commissioner Mandelson this morning gave a press conference too and said that he thought the chances for a breakthrough next week were improving. The breakthrough's not yet in the bag and he recognized the complexity of the myriad of issues still on the table, but he did sound relatively optimistic that a deal could be done next week.

How do you see that in general terms? How optimistic are you that the mood is improving, that the chances of a breakthrough are improving?

Ambassador Schwab: I don't know what's the phrase. Cautiously optimistic. I didn't hear what Peter said this morning, so I have no idea how he characterized it.

Let me put it this way. I think many of us feel a real sense of momentum. It's not the first time we've felt a sense of momentum, or a sense of urgency associated with the Doha Round and a potential for closing the round. I honestly thought last

summer at Potsdam that we had a really good shot at a breakthrough, and then unfortunately several of the advanced developing countries walked because, related to industrial tariff cuts.

But I definitely feel the sense of momentum. I've had extensive conversations and meetings, as I suspect has Commissioner Mandelson, over the last couple of months with several dozen of our counterparts. And for the most part they are also very much engaged and very much focused.

So the combination of a sense that we are at a critical point in time, combined with the fact that we now have in front of us in Geneva texts that make this a manageable process or a more manageable process with a finite number of outstanding issues I think really gives one a sense of, again I'd say cautious optimism. Sure.

Question: [Inaudible] with [inaudible] TV, Hong Kong.

What's your expectations for emerging markets like China this time? Do you think they have the same determinations? Is the U.S. --

Ambassador Schwab: In terms of emerging markets the contribution that emerging markets need to make, in particular China. That's the question?

Question: Yes.

Ambassador Schwab: If you look at the benefits that China derives from the open world trading system, it is measured by any definition in hundreds of billions of dollars. The degree to which China's growth has been tied to China's exports, that would clearly suggest one, that China really has as strong an interest in a healthy and open world trading system as any other country in the world. And two, therefore, China has a particular obligation in the Doha Round to give back, to make contributions.

And that, by the way, in agriculture, in all three of the pillars. In agriculture, certainly in manufacturing, and in services.

One of the issues that we've struggled with, a lot of developing countries are struggling with including the NAMA formula countries, is concern about imports from China. To the extent there are developing countries that are resisting opening their markets more, making tariff cuts in the context of the Doha Round, it is largely because of concerns about China, not concerns about exports from the United States or exports from the EU or exports from Australia. I think China needs, therefore, to step up and play a leadership role.

I've had some good conversations about this with Mr. [Chun Da Ming], with Vice Premier [Wong Ji Shan] when he was here for the SED, and I like to think that China recognizes its responsibility here, and also the benefits that it will derive from a round.

So yes, certainly China has an important contribution to make, and without that contribution it is impossible to imagine a successful outcome to the Doha Round.

Question: Dirk De Wilde, Belgian Journal. Hello from Brussels.

I have a question concerning services, what the U.S. is ready to give there particularly in the [inaudible] chapter.

Ambassador Schwab: Thank you for the question. Obviously, again, if we're about to go into a negotiation with other trade ministers we're not going to engage in that negotiation with the media in advance. But let me say this. The services part of this negotiation, from our perspective and the perspective of a lot of other developed and developing countries, is as important as anything that we do in agriculture and manufacturing next week.

Recognizing that the process for negotiating services is a very different process. It's a request/offer process with groups of countries and it is a process where I believe six to eight weeks after a successful modalities outcome the next round of offers will show up. Therefore, we are going to have this incredibly important signaling conference in Geneva this next week where we will sit down on a bilateral basis and also on a group basis, the two, three dozen countries that are being asked or being expected to do something in services, to signal with some level of specificity what our intentions are.

I believe progress is being made in the services text. That progress needs to be matched in the actual signaling exercise. We know that mode four is an area where we are being asked to make a contribution. Again, in the context of a robust, balanced, ambitious outcome we are prepared to respond on mode four.

Services, if I could just add one other note quickly. Again, most of the members of the WTO and certainly the 80-some developing countries that are not "advanced" developing countries, that are not NAMA formula countries, those countries are not being asked to do anything at all when it comes to services. And yet if you think about it, services liberalization is like the ultimate development tool. Any of the studies that you look at, if a country, developed, and in particular a developing country, if you are interested in creating the infrastructure for foreign direct investment, the infrastructure

for economic growth and development, the infrastructure for your own entrepreneurs to thrive, there is no better way than creating, and in this case if possible importing, telecommunications, energy, financial services, express package delivery distribution, logistics, what have I left out? Anyway you get my drift. It is a matter of self interest for these countries to be doing it. And here you have an opportunity in the context of the Doha Round to get something for it at the same time which is, again, the difference between a classical economist and a trade negotiator is a classical economist will tell you that we should be doing all of these things unilaterally without regard to what any other country is doing. What you do as a trade negotiator is you try to not only use trade agreements to do the things you should be doing yourself to begin with, but you use them to leverage additional access in other markets so that you get a bigger bang for the buck in terms of global economic growth and development.

Question: [Inaudible].

How did you compare any type of [inaudible] reached next week with regional [inaudible] of the Doha Round when it first started? Is it less ambitious? If so, why?

Ambassador Schwab: That's a good question. For those of you on the phone, the question was how would you compare what could happen next week with the original ambition in the Doha Round.

I've only been involved in this process for three years rather than the seven years that the Doha Round has been evolving. I think, let me suggest the following. One, in 2001 when the Doha Round was launched it was a pretty amorphous development goal. It was not strongly defined, and there was a debate as to whether the word "development" even should be in the name of the round. In fact, it is called the Doha Development Agenda because there wasn't even agreement on whether to call it a round.

When it was launched in 2001 it was launched in December, after 9/11. It had as much of a foreign policy tinge to it as an economic basis, so it was pretty amorphous.

2003, when things broke down in Cancun, the intentions that some had, and there were a whole variety of issues that had been brought to the table up to that point. The so-called Singapore issues and others that were brought to the table. The blow-up in 2003 took those off the table.

So you can't really measure 2001 intentions versus 2003 intentions versus today. I think if you look at where we are today, we are on track relative to the 2004 framework, which was the first time that things were defined. With the following caveat. The 2004 framework as sort of amended by the Hong Kong

Declaration in December of 2005, created formulas for agriculture and manufacturing where their very progressive, as in dramatic cuts, dictated in certain areas anything having to do with developed countries. Developed country market access in agriculture and the manufacturing, with very few sensitivities, flexibilities in agriculture, and none whatsoever in manufacturing. That was juxtaposed against a developing country set of formulas that started at a lower level of progressivity, but included a lot of ill-defined out's flexibilities, exceptions.

And quite honestly, since 2004 and certainly since the talks broke down in the summer of '06, the focus has been on how do you define and delimit these flexibilities and exceptions so that they don't negate the development purpose of the round; so that they don't negate the market opening outcome that was intended not just for developed countries but also for emerging markets.

So stay tuned, because a lot of what's been going on as we've progressed through these various texts in Geneva, is trying to delimit those, trying to better define, narrow the definition of those so that you know what you're negotiating about.

You still have the biggest gaps that we have going into next week, have to do with developing country emerging markets -- not developing country. It is that narrow tier of very successful, fast growing emerging markets and what their contribution will be and whether their nominal contribution under these formulas will be negated by the exceptions that they are allowed to take. That really will be, I would predict, the most heated part of the debate.

That's a really long-winded answer. I apologize. But it's hard to compare. We've gone from apples to oranges to grapefruits.

Question: David Dowe, Guardian. Good morning from Brussels.

There's a lot of sense here that next week's talks could founder already on this rather simple but highly [inaudible] subject of bananas where there's a continuing split between the ACP countries in Latin America, and the EU has backed the formula put forward last week by Pascal Lamie. Where do you stand on that? Do you fear this particular issue could scuttle the talks?

Ambassador Schwab: I certainly hope not. We obviously don't grow bananas in the United States and we have companies in the United States that show up on both sides of the debate over bananas, over the EU's banana regime. We have neighbors in the Caribbean who are ACP members, and obviously we have Latin American, Central American neighbors who are very concerned about their lack of, about how the EU's regime has damaged their access to the EU market relative to ACP countries.

The EU is in a challenging position on bananas because they have lost the case in the WTO. The U.S. was a third party to that. And it is our hope and our objective that the banana issue be resolved. I think it would be a very sad commentary if the Doha Round, if we have all of the makings of a breakthrough in the Doha Round and then it falls apart over this issue.

I have pledged to work with the EU, with our Latin and Central American neighbors, and with our ACP allies, many of whom by the way are in Washington, D.C. this week as part of our AGOA Forum. We have some 40 African countries represented here this week. We are pledged to try to help resolve this. Ideally in advance of next week, but if not, during the course of the week because it really would be a shame if this issue threatened to bring down the round.

Question: Jerry Hagstrom from National Journal.

Since you're having so much trouble getting the Colombia agreement through Congress, what assurances can you give these countries that Congress would seriously consider whatever agreement you reach? I had people on the Hill tell me yesterday they should just wait until the next administration is in power when you would have more clarity on what the negotiations would be in the Doha Round and what would be acceptable in Washington.

Ambassador Schwab: Just a couple of response to that. One, I don't think you would find anyone on Capital -- I'm sure you could find somebody. But I don't know that you could find anyone credible on Capital Hill who would tell you that the reason the Colombia Free Trade Agreement hasn't gone through is because of trade policy reasons and because it isn't a great agreement. Because it is a great agreement. It is a great agreement for the United States, for our farmers, our manufacturers, our service providers. It is an agreement with an incredibly important ally. And it is a damn shame that it has not moved on the Hill. I hear that publicly and privately from Republicans and from Democrats.

Set that aside, the fact is the administration is still committed to working with Congress to get the Colombia FTA as well as the Panama and KORUS FTAs through this year.

The Doha Development Agenda is another matter entirely and I will tell you, I don't know who you're talking to, but I've had extensive conversations with folks on the Hill who recognize -- Republicans and Democrats -- who recognize A, the importance of or the potential importance of the Doha Round to the multilateral trading system to the United States and our engagement in the global trading system; and to developing countries. Again, Republicans and Democrats alike recognize the importance of trade to developing countries and to spurring development.

In addition I would note 40 percent of our growth last year, our GDP growth last year, was attributable to exports. Twelve percent of our GDP was attributable to exports last year, the highest level ever. And there is a real recognition of that.

Now if this were just the United States at the table and we were negotiating with ourselves, it would be one thing. But the rest of the world isn't going to sit around. There are 152 members of the WTO and the rest of the world isn't going to sit around waiting for the U.S. to have an election.

As I said, the point I was making earlier was, everyone else, there are a lot of other elections. In any given year there are going to be any number of Doha negotiators, WTO members, up for election. Many of my ministerial colleagues from other countries have turned over once or twice during the course of this round. This is a round that will come together when it's ready to come together, and it's not going to come together based on whether there are some who want the United States to sit on the sidelines while the rest of the world negotiates bilateral, regional, and multilateral deals that leave us out because that will disadvantage us both in the near term and in the longer term.

Question: You said you were cautiously optimistic. I'm wondering about a breakthrough next week.

Ambassador Schwab: It sounds like such a diplomat, doesn't it? [Laughter].

Question: Yes. I'm wondering if you actually think an agreement or a breakthrough is likely. And I'm wondering if you can sort of sketch what the two or three major points are that you have to go through to get to that point. Is it likely? And what do you have to do on the top two or three issues to get there?

Ambassador Schwab: I think a deal is eminently doable. I think it is doable, and I have said that before. I think it is doable in the near term. I think it's doable next week.

Question: Is it going to happen?

Ambassador Schwab: If the United States, if it were up to the United States? Yes. But it isn't just up to the United States. That's obviously where our trading partners come in. Not just other developed countries that are going to have to make serious contributions. But as I've indicated, the emerging markets. For this to be successful by any definition, those countries are going to have to make meaningful contributions.

So you asked the question, how will this play out? It's not an accident that most Ministers are showing up Friday/Saturday

rather than 3:00 o'clock on Monday for the first green room. I think a lot is going to be accomplished or needs to be accomplished in quiet conversations off to the side in advance of and during the negotiations.

So most of us have bilaterals scheduled during the course of the weekend to try to get a sense, and think of them as sort of mini signaling conferences.

Then we'll come together on Monday afternoon. There's sort of an ice-breaker dinner Sunday night for Ministers. But Monday afternoon.

Question: A prom. [Laughter].

Ambassador Schwab: Icebreaker.

Most of the Ministers, or many of the Ministers know each other, but as I said, there are some newcomers. Our Canadian colleagues. Michael Fortier, who's the new Trade Minister in Canada I haven't met yet. I've talked to him in the phone. He's very new. Simon Creen from Australia. This is going to be his first Ministerial. So there are a variety of Ministers that we've interacted with or interacted with less than others, where quieter bilats, small group meetings at the front end can help.

Second, even as we come together as Ministers in the green room and start sort or going through the texts, which as I understand -- In fact the journalists who are sitting in Geneva probably know as much if not more than I do about this, but the idea is to start moving through the texts in this horizontal process.

So let's say you do two or three days agriculture, you move into NAMA, you take a break for the services signaling conference, and then you come back for the horizontal process. Because even though services is not officially part of the ag/NAMA modalities, it is operating in parallel. And many of us cannot decide, won't be able to decide, what we're going to do in agriculture and NAMA unless we have a sense of the full picture, and that has to include services.

So you start walking through those. I think at the front end you'll see a lot of signaling. The more specific, the better. And where there look like there are areas where you could gather some of those 30 outstanding issues and resolve them, then my guess is, and again I'm speculating here, small groups of senior officials will be asked to go off into another room and resolve finite issues.

For example, in agriculture, the export competition issue. There are a handful of outstanding issues having to do with export competition in agriculture. It is possible to see the contours

of an export competition work through where if you've got a half a dozen or a dozen key players with offensive and defensive interests and they go off. They can come back and report to the Ministers that they've resolved this. Sometimes it will take one or two political level decisions to free up a whole bunch of things. One of's are less likely, in terms of the outstanding issues. If they were easy to resolve with a one of decision, they would have been resolved by now. So I think you're likely to see more clusters of decisions.

I had a question earlier about where would we be on OTDS or where would be on mode four? A lot of that depends on what sense is on the table. What will we tie that to?

So ultimately a successful outcome, if you look at the ranges of outcomes on the table, and there are a lot of different permutations because you've got all these different ranges. My exchange rate is going to be different than Peter Mandelson's exchange rate or Kamal Nast's exchange rate or Selso Amorim's exchange rate or Simon Creen's exchange rate, or Jay Kim's exchange rate. The key question is when we come together is there the potential for an overlap in our respective give's and get's, that balance. It's almost like if you remember new math, you sort of had the universe, and you've got the intersection of -- it's like that. And I think there is the potential there, but it is a, it's like three-dimensional chess when you think about 30-some players, who by the way are not the entire membership. Really what we're doing is trying to put together a package that we can then recommend to the rest of the membership for them to embrace. We are trying to therefore not just represent our own interests, but broader interests.

I hope that helps.

Question: I get the description of sort of a Venn Diagram of how everything works with your overlapping interests. Is it likely next week you will accomplish that?

Ambassador Schwab: If it were up to me the answer is yes.

Question: Then I'm taking away no. [Laughter]. Because it sounds like the complications outweigh the likelihood of success.

Ambassador Schwab: Well it's an incredibly complex process and there are so many different issues and so many different players. Everyone comes to the table with their own political imperatives. But honestly, Greg, I do believe it is doable and I believe it's doable next week. And I'm not sure that other than possibly for five minutes in advance of Potsdam or 15 minutes in advance of Potsdam last year, I don't think I could have said that. So for me that's optimistic.

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