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Working Together as Global Partners

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

The European Institute

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Your Excellencies,
Honourable Members of Congress,
Ladies and Gentlemen,

Let me thank the European Institute and particularly Jacqueline Grapin for your kind invitation to talk and your excellent hospitality.

I know many European colleagues have participated in your discussions this morning, and I am delighted that the European Institute is playing such a vital role in bringing us all together. But then, as Timothy Garton-Ash joked, "America is the one thing all Europeans have in common", so perhaps it is not so surprising to find so many of us gathered here!

It is a pleasure to be back in Washington. In January, the talk was of the need for renewal and a fresh start. My message then was the importance of finding manners to cooperate closely in our bilateral relations as well as in our relations towards third countries. Because when we act together there is little we cannot accomplish. That is clear from our joint achievements – in Afghanistan, the Balkans, and Lebanon. And in the Middle East Peace Process, the tsunami response, and Ukraine.

Today there is no need to stress that. As Condoleeza Rice said, we have stopped putting the Transatlantic Alliance on the couch and analyzing how it is doing. We are, instead, "putting the transatlantic alliance to work". We are working together as global partners; in short we are seeing the beginnings of the "new era of transatlantic unity" that President Bush memorably hailed during his visit to Brussels in February.

Before going further, let me address a subject which has consumed the European Union in recent days - the results of the French referendum on the constitutional Treaty. The strong "no" vote was a major setback, widely reported even in the US press. This is a rare achievement for an EU issue, and something many of us here would like to see more often - in happier circumstances.

The consequences of this result and the possible reverberations in other Member States are not yet fully clear. It will take us time to digest it and to draw out the lessons for the future. However three general points hold true and are worth repeating.

Firstly, we must respect the democratically expressed views of the people. The French result is regrettably clear. Equally, 9 countries accounting for nearly 50% of EU citizens have already ratified the Treaty. And we must give space for the remaining countries to take a position according to their own constitutional procedures. We need to listen to the people and take time to reflect on their messages.

My second point is that the pace of European integration has been incredibly fast, particularly in the last few years. We have had the successful introduction of the euro and the historic enlargement to 10 new countries in May last year. Without detracting from these achievements, we must recognise that they cannot be digested overnight. Perhaps, in our enthusiasm, we have allowed the political vision to get too far ahead of public opinion. Our societies need time to consolidate before rising to the next challenge.

Finally, while all this goes on, the existing EU institutions and Treaties remain in force and will continue to function. There is no meltdown in Europe. We have had institutional setbacks, even crises in the past. Yet the world has kept turning. We remain open for business and determined to engage with the rest of the world.

The purpose of the Constitutional Treaty is to make the enlarged EU work better and bring policy closer to the citizen. It also aims to shake up the EU's foreign policy capacity and to enable us to make a more coherent and focused contribution to world affairs. I am convinced that we will continue in this direction in the months to come, not least because EU public opinion is firmly behind strengthening Europe's role as a global actor.

You can be sure that we will remain a committed and engaged partner for the US as we work through our internal challenges.

And the EU's relationship with the US will continue to be pre-eminent. President Bush underlined that "our strong friendship is essential to peace and prosperity across the globe – and no temporary debate, no passing disagreement of governments, no power on earth will ever divide us."

The immense breadth of our bilateral cooperation is reflected in the European Institute's programme: counter-terrorism and security; trade; research; air traffic; migration; energy; the environment; and development policy.

The global reach of our cooperation on international issues is also impressive and increasing, yet not always well known. Past successes have paved the way for ongoing cooperation in Afghanistan, Lebanon, Sudan, and reform in the Broader Middle East. Even when we do not see eye to eye, like over the China arms embargo, we find creative ways to manage frictions - as with our recent strategic dialogue on East Asia, which has begun well.

We have an opportunity to establish a more strategic approach for the 21st century based on global security, stability, and encouragement of democracy, the rule of law and human rights.

Ahead of tomorrow's EU-US Ministerial, and the Summit later this month, let me outline my proposal for a three-pronged agenda: increasing economic prosperity and thus stability for our citizens; championing security and development; and supporting and encouraging democratic governance, the rule of law, and human rights around the world.

Promoting democracy and freedom is the core of President Bush's second term foreign policy agenda. Likewise, encouraging and supporting the efforts of countries aspiring towards democracy, the rule of law and human rights is central to the European Union's foreign policy. There is nothing new in this. The founding stones of the European project are freedom and democracy: freedom from fascist and communist dictatorships; freedom from war, civil strife, and occupation; freedom from hunger. The respect for universal human rights, the rule of law and the promotion of democracy have for decades been at the very core of EU foreign policy. We use our foreign policy tools – aid, trade, and economic agreements - to promote human rights and good governance in every corner of the globe.

A core part of my portfolio is the EU's most recent foreign policy initiative, the European Neighbourhood Policy. This is a policy designed to expand the EU's area of security and stability to our eastern and southern neighbours. We encourage them to take meaningful steps to modernize, open up markets, strengthen the rule of law, good governance and human rights. And as progress is made we offer a share in the EU's single market, closer cooperation on energy and transport links, and a chance to participate in EU programmes.

Economic development, social stability, and above all peace are particularly important in the Broader Middle East. Transatlantic cooperation has increased, to good effect. We are witnessing a growing desire for reform in the Middle East. If we look back just a couple of years ago it would have been difficult to predict how many positive steps we are witnessing in the region: free elections in Iraq and Palestine, Syrian withdrawal from Lebanon, the Egyptian referendum some days ago, the possibility for women to vote and be elected in Kuwait, etc. We want to continue encouraging these developments in the understanding that democracy, while it is based on universal values, it may not be uniform.

Shortly after the EU-US Summit on 20 June, we will co-host an international conference on the future of **Iraq**, which we discussed with President Bush and Secretary Rice in Brussels. I believe this conveys an important message of unified international support for the government and people in their difficult work of stabilisation and reconstruction. The EU and US laid the grounds for this with our excellent cooperation over the elections and our support for the new administration. We should continue to work jointly to foster democracy and development and support the Iraqi people who have displayed so much courage.

My staff have also been in daily contact with the US administration over **Lebanon's** election process, and we will continue to support the Lebanese people as they consolidate their democracy. I have received very encouraging reports from the European Commission's electoral observation mission, which I have set up. The Syrian withdrawal and these elections have been excellent tests for transatlantic cooperation and I look forward to discussing further steps with Condoleezza Rice later today.

As for our cooperation in the Middle East Peace Process, only yesterday I was at a Euro-Mediterranean Ministerial meeting where I had the opportunity to receive first hand impressions from both parties. The meeting between President Abbas and President Bush has been very encouraging. But of course there is still much work ahead, especially on the coordination between Israelis and Palestinians in relation to Gaza. We, the EU and the US, agree on the principles which should lead the Middle East Peace Process: we are both committed to a two-state solution with a viable Palestinian State and a recognised State of Israel under secure borders; and we also agree on the need for the parties to avoid taking measures which may prejudice a final status agreement. Beyond these principles, it is imperative now that we continue to work together through the Quartet to support the Gaza disengagement, now only 6 weeks away. And we must also look to the future: we need a comprehensive plan for supporting the parties in the days and weeks which follow, and ensuring that the day after the Gaza withdrawals that the parties engage in the implementation of the rest of the Road Map.

In this region and beyond we are working in parallel, and with a desire to reinforce each other's actions. I particularly appreciated two recent developments. Firstly, the US government lifted its opposition to WTO membership for Iran. Apart from giving support to the EU's negotiations with Iran, this decision indicated the US's readiness to adjust policy in response to EU concerns. Such cooperation, though it may seem a small step to some, is immensely significant, with huge potential for increasing global security. Secondly, the government abstained from the Security Council vote referring Sudan to the International Criminal Court. We know what a tough decision that was, but again, it was vital that the international community speak with one voice and send a strong message to the world.

We need more of this – in the broader Middle East and in other areas of the world. Together with the US we should continue to support new freedoms in Afghanistan, Georgia, Kyrgyzstan and Ukraine, and encourage democracy in major partners like China and Russia. And with countries like Uzbekistan we must jointly insist that governments respect universal values of freedom and democracy; that we will not tolerate torture and repression; and that we will hold governments to account for failing to protect citizens or respect human rights.

If Europeans sometimes seem unsettled by the US freedom agenda it is not because of doubts about its desirability. After all, we are actively pursuing the same objective. Together, we greatly increase our chances of achieving it.

My second proposal is to prioritise the **economic prosperity** of our citizens.

The US and the EU have among the most integrated economies on earth. Our bilateral trade relationship is the largest in the world - every day we trade more than €1 billion worth of immensely diverse goods and services.

As many as 14 million workers in the EU and the US owe their job to our commercial ties. And we are also huge investors in each other's economies. Our two-way direct investment stock is currently worth just under \$2 trillion – such a high level of investment is indicative of the depth of trust between us.

With such a successful economic relationship already, why make it a priority? Because business and consumers are pushing us for more – they know the unfulfilled potential for significant savings of money and time.

In Europe we have just spent 9 months consulting our businesses, trade unions, consumer organisations, and others on the obstacles they encounter. A similar process has been happening here.

The fruit of our discussions was the publication two weeks ago of a set of pragmatic proposals for boosting EU-US trade and investment, and stimulating economic growth. These include improving regulatory cooperation, promoting knowledge and innovation, and balancing trade and security. The result will be higher salaries, more jobs, and a better standard of living for our citizens.

We must also act globally to secure the economic prosperity of our citizens. We know that more open and transparent market economies and more liberal trade and investment offer benefits to consumers and producers around the world. That is why we must continue to push the Doha Development Round of WTO negotiations.

Which brings me to my third proposal: the twin challenges of **security and development**. Economic prosperity is not the preserve of the developed world. Eradicating poverty and promoting development are moral imperatives which the world's richest nations are duty-bound to address.

But there is also a clear link between poverty and political instability. Failed states pose one of the biggest security risks of our day.

As Kofi Annan has said, “the time is gone when each country could look after its own security. We will not defeat terrorism unless we also tackle the causes of conflict and misgovernment in developing countries. And we will not defeat poverty so long as trade and investment in any major part of the world are inhibited by fear of violence or instability.”

Our common agenda should prioritise the Millennium Development Goals. The EU is currently the world's biggest donor, providing 55% of worldwide official development assistance, worth \$43 billion in 2004. Just last week we committed ourselves to increase this amount – by 2010 we will provide nearly an extra \$26 billion, and by 2015 we will reach the recommended 0.7% of gross national income (GNI).

If the US, the world's second biggest donor, were to join us in this commitment, the impact on poverty and security would be tremendous.

Ladies and Gentlemen,

The twin challenges of security and poverty are also at the heart of the debate on United Nations' reform. This brings me to the most fundamental element of any future agenda, **effective multilateralism**, and specifically UN reform.

The worldwide legitimacy bestowed by the UN and other multilateral institutions is essential for achieving our common objectives. For that reason multilateralism is not an item on the agenda – it is the point of departure for everything we wish to achieve.

The EU is founded on a belief in multilateralism. We are therefore instinctive allies of the UN. And the US is the home of modern multilateralism, as the sixtieth anniversary of the UN Charter's signature in San Francisco reminds us. Together we have a proud history as the driving force behind multilateralism. As the world's two richest, most democratic, and most powerful entities, it is our duty to continue in this leadership role.

The work of the United Nations is central to conflict resolution, democracy and human rights. 2005 is a crucial year, the year we confront the fork in the road Kofi Annan so eloquently evoked. We welcome the UN Secretary General's proposals to renew the UN commitment and enhance its effectiveness in those areas. You heard about our specific priorities earlier today. I will just emphasise our wholehearted support for the proposed Peace Building Commission for assisting countries emerging from conflict.

Dear friends,

I urge the US to join with us in championing reform. By devoting our diplomatic power and resources to this cause, we will reap the benefits of its success for decades to come.

Ladies and Gentlemen,

This common agenda is ambitious but realistic.

We must ensure that the way that we manage EU-US relations is up to the challenges we face. This is something that I hope we can address at the EU-US Summit, laying the basis for a more systematic analysis of different options at the following Summit in Austria next year. One of the practical proposals for building a more effective daily working relationship is to create stronger ties between Congress and the European Parliament. We propose an enhanced form of "Legislators Dialogue" as a first step towards a Transatlantic Assembly.

In conclusion, I hope our Ministerial tomorrow and the subsequent Summit will be the springboard for a common agenda. We must see each other as partners pursuing a common purpose, and learning from each other along the way. Acting together in pursuit of a jointly defined agenda embedded in an effective multilateral framework, we can create a more just, prosperous and secure world for all.

Ronald Reagan famously said, "America is too great for small dreams." If America acts together with Europe, maybe those dreams will become reality.