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Europe: Value and Challenge

Mr. President, Ladies and Gentlemen,

It is an honour for me to address you and to have an exchange of opinions here at the Royal Institute for International Relations in Brussels, Belgium – “chez nous, en Europe”. Throughout its long history, the Royal Institute has encouraged innumerable discussions on European and other issues and I shall try to be faithful to this tradition. I am pleased by the presence of the President, Viscount Etienne Davignon, whose name is linked to European integration and not only in connection with the report that launched the process of the member states of the then Communities informing and consulting each other on issues of foreign policy.

Ladies and Gentlemen,

For me, Europe is above all a value and a challenge.

A value in the sense of what it has achieved, where it has arrived at and what it is. At the same time, I see our long coexistence and our interaction in the European area as one of the sources of our perception of the world, the way we perceive values – perceptions that are often identical and definitely more likely to be similar than to be different.

We all know that Europe used to be different from what it is today – that it used to be the scene of some of the bloodiest conflicts in history. To live through life without either oneself or a close relative being cruelly affected by war was almost impossible. Throughout the long history of our continent, mine is the first generation that has been able to live its entire life in peace – something which is taken as a matter of course today, at least within the borders of the European Union, but which was not possible for any generation of our ancestors.

The turning point in European history is clear, it is the beginning of European reconciliation and unification, the beginning of joint administration of some agendas, the beginning of the European Communities.

It was then that a fundamental shift occurred giving birth to a new principle of mutual relations, which secured not only peace but also stability and a growth in living standards. The road of progressive removal of existing barriers and of liberalisation, which was accompanied by the negotiation of common rules and by the creation of joint institutions supervising their observance, has proved to be exceptionally successful. Its obvious appeal has been attracting new countries like a magnet.

The European Union has changed our continent. Its liberalised space and the principle of solidarity have helped the less-developed countries acceding to the EU to achieve prosperity and growth in the living standards of their citizens extremely quickly. We would hardly witness such a phenomenon if Europe was a continent of isolated countries. Today, instead of the differences in quality of life becoming sharper, they tend to get blurred whilst the overall quality of life is increasing.

In my opinion, a crucial factor is that even with all the meaningful integration – benefiting citizens either directly or indirectly – Europe has managed to keep its diversity. If we travel around Europe we see that each country is different, every region is special – they keep their features and their spirit and everything that makes them unique. And in that, too, lies a great value of Europe.

I believe that it is useful to evoke what has been brought about by European integration. It is, however, evident that the European Union is not closed, neither is it static and in the final analysis it is not and cannot be absolutely perfect. And we have to work on it further and make corrections so that it is able, as much as possible, to reflect the needs of the citizens in an ever-changing world. The European Union grows with us.

Ladies and Gentlemen, you will probably agree with me that ours are not boring times. The European Union is faced with many challenges. The way in which we shall be able to meet those challenges will influence the life of Europeans and also, to some extent, the lives of citizens of other continents.

First, it is necessary to round off the biggest enlargement of the EU in its history. And here, I am fully aware that it is up to us, in the acceding countries, to fulfil the tasks related to the membership that have not been fully completed yet. In general, however, I consider that the enlargement is very well prepared. Well, we in the countries of Central and Eastern European have spent fourteen long years getting ready.

On the other hand, it is necessary to complete the ratification process of the Accession Treaty. Here, EU membership received strong support in the Czech Republic: more than three-quarters of those citizens who expressed their opinion in the referendum spoke in favour of joining the EU. That is a strong mandate.

However, even after the 1st of May next year it will be necessary to work for the completion of the enlargement in the spheres where the participation of new members is tied to criteria and conditions that can be met only after a certain time period following accession into the European Union.

The Czech government has adopted a strategy for the accession of the Czech Republic to the Euro zone: subject to the successful consolidation of public finance and fulfilment of the Maastricht criteria, progress in structural reforms and reaching a sufficient level of real convergence, the Czech Republic could join the Euro zone in the years 2009-2010.

Similarly, the Czech Republic is working on the fulfilment of requirements needed for its integration in the Schengen area, especially in the building of the National Schengen Information System by the year 2006. I believe that the EU itself will fulfil its task and will build the second-generation Schengen information database in line with the timetable. To broaden the Schengen area, in which people move more easily because there are no border passport controls between states, is something that I consider a real priority.

Of course, the present round of EU enlargement cannot be and will not be the last one. Bulgaria and Romania are already negotiating conditions for their accession, Turkey is a candidate country, and Croatia has submitted its application for membership. And other countries also see their future connected to the European Union. The principle is, I think, clear

and remains the same: the EU will be enlarged, it will be enriched by countries that fulfil the criteria for negotiations and subsequently for accession. To prepare a country for accession is not easy, I can judge that from our own experience. We shall be happy to share that experience with countries that have already embarked upon the road towards membership. And this sharing has already started.

At the same time, the Czech Republic supports the initiative “Wider Europe” which should contribute, through the enhancement of reform efforts, to increasing stability and prosperity behind the borders of an enlarged EU, with the aim of strengthening the homogeneity of Europe.

To reach an agreement over the text of the Treaty on the European Constitution at the Intergovernmental Conference is a true challenge. I have no idea how many litres of coffee the members of the European Council will drink during the working sessions, nor do I know how many shirts we will need to unpack but one thing is sure: by definition these will be challenging negotiations. As far as I am concerned, I am ready to deploy all the necessary efforts to reach the desired outcome. Besides, back in Copenhagen, I was the last one to leave the negotiating table.

In any event, the final shape of the Constitutional Treaty must enable the EU to fulfil those functions that derive from citizens’ expectations. The EU must meet “the challenges of our times”. Now I believe that the Constitutional Treaty as a whole provides an appropriate identification of the issues where joint action, i.e. cooperation or coordination of member states, is desirable in order to effectively fulfil the expectations of citizens.

The incorporation of the existing fundamental documents into one single treaty represents a considerable simplification of the legal basis even if the need to clearly define all the issues does naturally require a certain scope. Prior efforts to simplify treaties did not lead to the required effect and there was also considerable scepticism before the start of the current work. Here, the European Convention has been able to achieve a result that went beyond many expectations.

As is the case in life in general, the objective at the Intergovernmental Conference is first and foremost to strike the right balance. To find the optimal relationship between the national and the supranational, between the EU institutions and the member states. Any important imbalance would have an impact on existing practices and would have a negative influence on the functioning of the EU. This is definitely also true for the result of the negotiations on the weighting of the votes of individual member states in the Council during qualified majority voting and on the definition of the threshold needed for decision-making – whether it is based on the Nice Treaty or on the draft Constitutional Treaty.

One of the basic principles must continue to be the equality of member states. That must also be reflected in the equal access of member states to the presidency of the Council of Ministers: the rotating team presidency promoted by the Czech Republic fulfils this prerequisite and, at the same time, it distributes the working load among a bigger number of players.

Similarly, in the institutional field, I consider it a matter of principle that one citizen of each member state be part of the team of commissioners in the European Commission and enjoys equal rights. This principle also strengthens the legitimacy of the Commission in the

public eye. It is also why I do not share the idea of dividing the commissioners into those with voting rights and those without. Besides, I do not think that the decision-making of any such body, if it comes to the vote – which, by the way, is a rare event in the Commission – might be complicated by the fact that the number of participants would be for example 25 instead of 15.

When I speak about the Commission, I need to add that I consider it to be a matter of principle that the authority of the supranational institutions that were set up should not be lessened. The single market is a very good example: member states have taken the decision about its shape, they have set out rules that are equal for all and logically – quite unavoidably – they have entrusted the supervision of their observance to a supranational body. To put it simply, there must be a strong, competent and unbiased referee on the field who will whistle on any infringement of the rules. And who will do so regardless of who broke the rules, whether he is from the North or the South, whether he is big or small.

The present international situation gave a new edge to the discussion about the external action of the EU. Should the EU have the ambition of becoming a global player? I believe the EU is a global player. This is due, amongst other things, to its size, its economic strength and to the single currency, it derives also from its nature. The EU is one of the players striving for further liberalisation of world trade – by the way, we know that on this issue some work still lies ahead. It is obvious that the emergence of the common foreign and security policy was not accidental or artificial. On the other hand, the world expects the EU to carry its share of responsibility for world development.

The crisis in Iraq has demonstrated an evident deficit of the common foreign and security policy. Not until the events had begun to unfold did Europe start to look for it. And essentially even now we have no solid and strong opinion.

Therefore, in my opinion, the question stands rather like this: how to strengthen the effectiveness of EU external actions? In its daily activities, the EU is implementing its common policy towards the external world, towards third countries and within international organisations. In some instances the EU profile is higher, in others, it is lower – depending on the range of issues on which the EU member states are able to adopt a common position.

The issue of merging the existing functions of the High Representative for the Common Foreign and Security Policy and of the Commissioner for External Relations, which is being debated at the Intergovernmental Conference, will ensure a better link of the instruments for external action and will streamline the preparation and implementation of decisions.

As we have recently witnessed, there are some fundamental issues of foreign and security policy where the views of member states may differ as to the measures for solving a situation, regardless of the fact that they may have an identical opinion about the final goal. I do not know of any miraculous recipe for such a situation. What I consider as highly desirable, however, is that the EU member states try, until the very last moment and on all levels, to seek a common approach.

I would also modify another question, which sometimes comes up, i.e. whether there should be common European defence. It is no longer a matter of creating European defence. In line with the logic of its global role and broader responsibility, the EU has already decided on the formation of European defence, to bring together its capabilities, and has already taken

part in specific missions under its own flag. And the government of the Czech Republic supports these steps. What is at stake is the shape of European defence and its future orientation. European defence complementary to the North-Atlantic Alliance cannot challenge the North-Atlantic link. On the contrary, it is more like sharing of burden amongst friends when that is needed. And we see that the present world does require substantial commitment of the Allies in different parts of the world. The tasks ahead are more than numerous. Cooperation, not competition. The Alliance and the EU must deepen their strategic partnership. As for collective territorial defence, the North Atlantic Alliance remains the basis for the security of its members.

In its traditional form the transatlantic link is part of the Yalta system. That system has gone into eternal rest. It is important that the transatlantic link does not disappear as well just a short time later. That would mean a quick marginalisation of Europe and only a while later it would mean a considerable weakening of the US influence in the world. The right answer to the challenge of globalisation is a strong transatlantic link.

I have already spoken about the Schengen system but it is the whole area of freedom, security and justice – as it was called and negotiated at the summit meeting in Tampere – where citizens expect EU action. Therefore we welcome the proposal to introduce qualified majority voting in this sphere. This will facilitate our decision making process in those areas where we must strengthen our mutual cooperation such as in the fight against organised crime and terrorism. Another challenge is the EU position on the containment of illegal migration on the one hand and the implementation of an active migration policy on the other hand. It is necessary to continue to implement the decision about setting up a common European asylum system.

An important task, which we shall be confronted with in the EU, is reaching agreement on the forthcoming financial perspective from the year 2007. As much as, since the signing of the Accession Treaty, future member states have been participating in meetings of EU together with the present member states, I expect that the financial and legislative proposals of the Commission will be finalised and submitted to the member states only after the EU enlargement and therefore also after the inclusion of commissioners from the new member states into the European Commission.

I attach great importance to the Lisbon process aiming at the fulfilment of the EU strategic objective – to become, by the year 2010, the most competitive and the most dynamic knowledge-based economy, capable of sustainable growth and with better jobs and strengthened social cohesion. The EU enlargement will bring new impulses and new dynamics to the Lisbon strategy. The government of the Czech Republic wants to contribute substantially to its fulfilment and wants to bring the Czech Republic back into the group of the world's most developed countries where, in between the two world wars, the then Czechoslovakia held its rightful place. In the framework of the Lisbon agenda, the Czech government concentrated this year especially on the coordination of macroeconomic policies, employment policy, education and support for research and development. Amongst the priorities under consideration for the next period there is also the support of small and mid-sized businesses as one of the factors for increasing competitiveness.

The governments of many European countries have been fostering reforms that will make it possible to maintain the living standards and security to which Europeans are accustomed also in the future, in changing conditions, in sharp world competition and with an ageing

population. The Czech Republic cannot be an exception here. The set of government proposals adopted by the Czech Parliament represents the first reform phase whose target is primarily to stop the growth of the state budget deficit and to allow its gradual decrease. The government is working on the second phase, which will deal with the reform of the pension system. These steps will be accompanied by a flow of the released resources into development programs, into education, science and research. The European social model must be updated in order to ensure its sustainability.

Ladies and Gentlemen,

The European Union of 25 members, which was a utopia at the time of the division of Europe – will soon become a reality. At the same time, some earlier concerns about a massive enlargement diluting the acquired level of integration have not been confirmed – this achieved level of integration will be extended to new member states. The idea of a divided, à la carte European Union, which was discussed at one time, has been overcome. Even in the enlarged EU all member states participate in the great majority of the spheres of integration. When this is not the case – be it the common currency or for instance the Schengen system – the method of opting out has proven to be functional. And we should strive to maintain the maximum possible level of EU cohesion and to increase the cohesion of the entire Europe in the future as well.

Ladies and Gentlemen,

It is not only in comparing the development of Europe and the shape of the European Union with some pessimistic forecasts that appeared in the past where we see grounds for optimism. May that help us in handling the challenges that stand before us.