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The Schuman Lecture

Australia and Europe:
Sharing Global Responsibilities

Canberra, 11 May 2006
(Delivered)

Thanks very much Bruno Julien, the Ambassador for the European Commission here in Canberra. Theresa Gambaro, the Parliamentary Secretary for Foreign Affairs, Senator Macdonald, Queensland Senator, Commissioner of the Australian Federal Police Mick Keelty.

Your Excellencies, ladies and gentlemen, it's a great honour for me and a great pleasure to have been asked to commemorate Europe Day...

... and deliver the 2006 Schuman lecture, which is given in honour of the founder of the modern European Union.

It was also a great pleasure to see Benita Ferrero-Waldner's message and to hear her voice, and I'm delighted that she's gone to the trouble of sending us such a warm and positive message, and I look forward myself to seeing her before too long yet again, and I know her very well.

She said in her message,

“like-minded members of the international community must work together to overcome the challenges which face us.”

Now, Australia is a key partner of Europe, and I welcome her suggestion that we look at ways to improve our already strong cooperation.

For me, Europe has been a central and a recurring presence in my life.

My ancestors came from Europe to Australia in the 1830s.

I went to a European University.

I married a European woman and my first child was born in Europe and she has dual citizenship. Indeed, she voted recently in the local government elections in the UK, and High Commissioner I'll tell you who she voted for after.

I lived in the UK when Britain was joining what is now the EU and I witnessed the contentious debates that went on in Britain at that time.

When I was the Third and later Second Secretary at Australia's mission to the EU in Brussels, the Ambassador – indeed Australia's greatest Ambassador, Sir James Plimsoll, allocated to me the task of following developments in the European Parliament, making contacts with members of the European Parliament...

... I've always loved politics so I enjoyed that job...

... and while I was there I saw the first direct elections for the European Parliament which was an exciting moment for Europe and for the evolution of the European Union.

The European project took big steps forward during periods that I spent in Europe.

And with this experience I think I do have a strong understanding of what Europe represents.

For the past ten years I have maintained strong relations with many of the leaders of Europe.

The sense of shared values, a common historical thread and the warmth of the people-to-people links which transcend our geographic separation are ever stronger today.

Our shared values form the basis of a dynamic relationship - a relationship that positions Australia and Europe to manage, and reap the benefits of, globalisation.

Introduction

Today is an opportunity to celebrate the enormous progress of the Europe project since its inception in 1950.

And to recognise the benefits that a united Europe has brought for the rest of the world, not just for Europeans.

Until the 1950s, modern European history was a history of invasions, of wars, of revolutions and redrawn borders – from the Napoleonic wars, through the Prussian wars to two world wars.

On 9 May 1950, the visionary French Foreign Minister, Robert Schuman, secured agreement between France and Germany to pool their coal and steel markets.

This was done in the spirit of ensuring that war would never again be possible between those two countries.

Schuman invited all other democratic countries in Europe to join the plan – the coal and steel community, which eventually evolved into the European Union.

Just five years after the end of the Second World War, Schuman's courageous announcement was a true triumph of the European ideal.

Since those early days, European integration has led to remarkably peaceful inter-state relations, political stability, and economic prosperity, the likes of which Europe had never seen before.

The European Union played a defining role in bringing about the democratic transformations in Europe following the end of the Cold War.

Half a century on, the European Union has grown to 25 member states. The creation of a single market in goods across its diverse membership is clearly unprecedented.

Schuman, I think if he were alive today, would have been very pleased with those achievements.

Why Europe matters to Australia

For over two hundred years, Australia and the countries of Europe have of course been closely inter-connected.

Australian values, our democratic system of government, our institutional arrangements, and much of our culture, have evolved from a European base, albeit with significant influences in more recent years from the Asia-Pacific region.

The majority of our citizens can trace their origins back to Europe.

Today, the EU is our largest trading partner...

...it is our largest source of foreign direct investment and second largest investment partner overall.

Alongside these strong commercial links, there is a rich network of connections throughout many sectors including the arts, in science and technology, innovation and education.

Since federation, we have twice fought in World Wars on European soil.

Of the 100,000 Australians who have died in military service overseas, some 70,000 of them died in Europe, fighting for our shared values of freedom and democracy...

...so no-one should be under any illusion about how important Europe is for Australia.

As founding members of the United Nations and Bretton Woods Institutions, Australia has stood shoulder to shoulder with Europe on countless global issues.

Together we have addressed challenges to international peace and stability, justice, governance, and self-determination.

Just as we have faced other challenges together, we must face the new century in partnership.

The challenges we face don't confine themselves to countries, or even just to "regions".

The real challenges of today – from security to energy to environment, and beyond – they're global.

It is critical that those nations which share the values of democracy, justice and the rule of law unite to face global challenges.

As friends and partners, Europe and Australia have the chance to make a real difference to each other's future, to ensure that our common values and commitment are fostered – to ensure a better future for our children.

In this era of globalisation, the future direction Europe chooses will have a profound impact on Australia and on the rest of the world.

EU International Engagement

Ladies and gentlemen,

With an economy rivalling that of the United States and a population of some 455 million people, Europe's potential to influence global events is enormous.

A strong transatlantic relationship boosts the European Union's capacity to shape and influence world events.

In the 1950's Schuman recognised the importance of strong transatlantic relations for Europe's prosperity.

Today, strong transatlantic relations remain a bedrock of global stability and prosperity.

I agree with former President of the Czech Republic, Havel, when he said that:

“Europe and the United States will always need each other – it would be close to a disaster if they were to move away from one another in any major way.”

We fully understand the European Union's focus on neighbourhood developments – Australia is itself deeply committed to our own neighbourhood as you all know in the Asia-Pacific.

But it is critical for the European Union, with its increasing weight and ability to influence global affairs, to engage beyond the concentric circles of foreign policy which bind themselves tightly around Europe.

Confining one's focus to one's own backyard is insufficient in a world where people smugglers and terrorists – their ideologies and their messages – can so easily transcend geography to threaten us all.

The European Union's increasing external engagement is something that Australia warmly welcomes.

We particularly value the European Union's strong commitment to combating terrorism and its commitment to peace-building activities across the globe.

Global challenges demand global solutions.

We have strongly supported the European Union's efforts on non-proliferation with Iran.

Similarly we've welcomed Europe's contributions to peace in the Middle East and to reducing tensions on the Korean Peninsula.

Aceh is a good example of a European contribution to solving a problem a long way from the continent to benefit the peoples of South East Asia.

The efforts of former Finnish President Maarti Ahtisaari, to broker a peace deal in the Indonesian province have been warmly welcomed...

... and the EU's participation in the Aceh Monitoring Mission followed through on Ahtisaari's success.

We are working with the EU, as I've said, in the global fight against terrorism.

The contribution of the EU and a number of its member states to the Jakarta Centre for Law Enforcement Cooperation – JCLEC as we call it – shows what we can do in collaboration with our neighbours in the Asia-Pacific region to combat terrorism, and to protect our common values.

The European Union has the world's largest bilateral aid program.

We're pleased to be cooperating closely with Europe on development assistance across the Pacific region.

The EU's proposed new strategy for the Pacific is welcome evidence that Europe can be focused and it can be outward-looking.

Recent events in Solomon Islands highlight the challenges in the region.

All the more reason for close coordination and collaboration.

As I speak, there are 40 election observers from the European Union in Fiji.

This is the first time the European Union has deployed such a long term election observation mission to the Pacific region.

They make up, by the way, by far the largest contingent.

I very much welcome the important role of these 40 Europeans which demonstrates our shared commitment to democratic values.

We also welcome encouraging signs that the European Union is looking ahead to a revised global strategy on environment issues.

Australia looks forward to working with the EU to tackle the challenges of climate change, biodiversity and other critical environment issues.

We remain ready to respond to calls from Europe for reliable sources of energy materials and emissions-limiting technologies as the EU develops a European – and potentially global – response to energy security issues.

On the multilateral trade front – differences on agriculture aside – we are working closely on Non-Agricultural Market Access and services.

As in Australia, the services sector in the EU is the new powerhouse of the economy.

More than 60 percent of Australia's trade with Europe is now in services.

We look forward to the full implementation of the EU's single market in services.

We have in the past experienced differences though with the EU over the impact of EU regulation.

But in this regard, we have welcomed President Barroso's approach which recognises that Europe "needs a red carpet for businesses, not red tape".

We want to work with the EU to alleviate the negative effects of EU regulation for those outside the Union.

We often share the public good objective of these regulations and we are working with the EU, for example, on electronic waste and hazardous substances regulations.

As in all valued relationships – we of course have our differences. But if our differences stand out it is because they are the exceptions in an otherwise strong and strengthening relationship.

The Way Ahead...

I have noted a lively debate that has been taking place in Europe about the future direction of the EU.

Today, as a friend and partner celebrating Europe Day, it's timely to reflect on some of these debates with three points: deepening; broadening; and jobs and growth.

First, the debate on deepening. I hope you won't mind me saying so – it's a bit presumptuous to I suppose - but it seems to me that one of the great challenges of the European project is to define for the European public what the project is trying to achieve – to articulate the ultimate objective of the European project.

I hear the champions of the European project say their objective is not to create a super state or a United States of Europe, but to achieve greater integration.

Yet, integration, logically and from the point of view of the general public, must have some sort of an end point which is comprehensible to them. So I think there is a need to define the nature of that integration or to articulate what the end point actually is.

Many in the EU – including President Barroso yesterday – are calling for renewed debate over the EU's institutions and their competencies.

Just as Schuman demonstrated strong leadership in the early years, strong leadership is always required and it's required now to articulate the vision for the future of Europe.

The more people understand that, the more supportive I think they will be of the European enterprise.

Second, the citizens of Europe are asking questions about further enlargement.

Australia looks forward to a Union that one day stretches from Dublin to Ankara, from Madrid to Helsinki and perhaps beyond. A vibrant and culturally diverse European Union will help to position it at the forefront of world influence.

Third, in many EU member states the citizens are also expressing concerns about low economic growth and high unemployment.

Last week's Eurobarometer Survey on the future of Europe showed that 47 percent of Europeans consider globalisation a threat to employment and national companies.

Protectionism is an obvious response. But we know from our recent histories that protectionism doesn't work. Introspection gets us nowhere, except into trouble.

The generations to come are relying on us to act now to ensure their future.

I was interested to note the warning by former Polish Foreign Minister and eminent historian, Geremek, that:

“protectionism is eating into the EU’s power as a unified presence internationally.”

Recalling our own experience, Australia’s manufacturing and dairy sectors were once our most protected.

Rather than kill the sectors, reforms have led to them becoming more competitive and exports have grown.

It will not therefore surprise any of you that Australia is watching the internal debate on reforms to the EU’s Common Agricultural Policy with great interest.

Reform on agriculture will be critical to the success of the Doha Round of multilateral trade negotiations.

As many commentators – including the Swedish, Dutch and British Prime Ministers – have emphasised recently during discussions on the EU’s budget...

... Europe’s agricultural protection is policy developed for another age and it’s developed for another purpose.

It is time to end it – in the interests of Europe, and the rest of the world.

But back to Australia's experience...

Other reforms also assisted in making Australia's the stable and expanding economy it is today. These included the introduction of greater labour market flexibility.

The lessons from the Australian experience are that the reform process never ends, and the sooner you start the sooner you reap the benefits.

There is a difference between nations that deliver the benefits of globalisation to their citizens, and those that remain static, fearing the uncertainties of the new millennium.

The difference lies in the strength and determination of political leaders to get the balance right.

We are witnessing today some fundamental shifts of global influence and economic power.

Many of these movements are taking place far to Europe's East with the rise of China and India.

The international movement of capital and labour, the revolution in communications and inter-dependence in world trade, those things are all here to stay.

But much remains to be done as new issues emerge.

For example, the aging populations that confront both Europe and Australia.

Over the next 40 years, the number of Australians over the age of 65 is expected to double, while the number of people of working age will remain static.

This situation will pretty much be mirrored throughout Europe.

For Australia and Europe, policies that stimulate economic growth and create employment are vital to addressing these challenges.

For this reason Australia welcomes the EU's commitment to the implementation of its Jobs and Growth strategy, the so-called revised Lisbon Agenda.

Those member states that are actively implementing the Jobs and Growth Strategy – such as Ireland, Sweden and the UK – are performing more strongly.

I want to acknowledge German Chancellor Merkel's commitment to implementing the Lisbon Agenda by reducing bureaucracy and regulation in the Union.

I welcome her comment that:

“governments themselves need to take the initiative to put their countries back on track”.

This is a sign that Germany's leadership is willing to tackle the problems of the largest economy in the EU.

We know from our own experience that President Barroso is right to call for Europe to “take a leap forward on the growth and jobs agenda”, and to “move up a gear”.

Australia did so, and we are reaping the benefits.

Likewise, I suspect if Schuman were here today, he'd doubtless urge leaders to embrace the challenges of globalisation and to seek out opportunities to further those European ideals of global prosperity.

He would expect Europe to provide strong leadership and to play its rightful part in a global vision for the future.

Only a strong, confident and outward-looking Europe will provide a cornerstone for global well-being and peace.

Conclusion

Well ladies and gentlemen, I've covered a lot of ground in these comments, so let me summarise.

Europe has come an enormous distance since Schuman's day. Europe's success has shown the way to the rest of the world on economic integration.

How sad then would it be for Europe to fall behind the rest of the world? Reform and strong leadership will ensure this doesn't happen.

As a long-time friend and partner, we look forward to seeing the EU assume its rightful place on the international stage, as a strong, outward-looking and competitive global player.

Europe's and Australia's close relationship is founded on a rich history of partnership and achievement.

We must now turn our attention to what more we can achieve together in an era littered with challenges, but full of opportunities.

As the EU itself broadens and deepens, we stand ready to broaden and deepen cooperation on both the security and economic agenda, to advance our common values and work towards common goals.

Through sharing responsibilities that come with globalisation,
we will also share in its benefits.

As the renowned 20th century French author-philosopher
Antoine de Saint Exupery said:

“as to the future, the task is not to foresee it, but to enable
it”.

Thank you.