Speech of Mr. J.P. Balkenende, Prime Minister of The Netherlands, YEPP-congress, March 29th 2003, The Hague, The Netherlands. Gesproken woord geldt.

CHALLENGES FOR A NEW EUROPE

Twenty years ago, Hugo Claus published his masterwork *The Sorrow of Belgium*, describing everyday life in the Flemish village of Walle during the Second World War. One scene takes place in the local café, where a group of regulars are discussing the political situation. One of them says:

"Europe? Europe doesn't exist. Europe always has been and will always remain a cluster of little countries forever at loggerheads with one another and forever defending their own interests."

And that's exactly how it must have seemed to millions of people in the darkest hours of the war. Europe, a perpetual theatre of conflict between national interests. And yet, what the patrons of the café in Walle could never have dreamt of has nevertheless come to pass. All those "little countries" have managed to pull together to build a strong foundation for Europe, a foundation which has ensured that three successive generations in much of the continent have never experienced war at first hand. That is unprecedented in European history. Europe moves forward in tiny steps. But all those steps put together have transformed our "cluster of little countries forever at loggerheads" into a strong, stable and prosperous community.

We will need to take many more steps in the coming years to consolidate what we have achieved. We will need to take a long, hard look at Europe's capacity for decision-making. Next year, ten new member states and 75 million people will be joining the European Union. And anyone with even a rudimentary knowledge of physics knows that the greater the mass, the harder it is to move it.

Only a capable, effective Europe can maintain security and stability on our continent. And it is the best guarantee for prosperity. The Netherlands is deeply involved in the debate on Europe's future, which centres on three crucial factors.

First, we need to take a critical look at the division of powers. In other words, who is in charge of what? Second, we need to agree on the way decisions are taken within the European Union. And third, we need a more decisive approach to foreign affairs and security.

As far as powers and responsibilities are concerned, you could start with the outermost circle, the European Union. But you could also start at the centre; that would do more justice to people's aspirations and the demands of our times. People want more control over their lives and their future. They want to resolve their own problems themselves. Top-down management by bureaucrats is a thing of the past. No higher authority should interfere with matters that can be regulated close to home, nor impose solutions from above.

This applies in the relationship between civil society and national states. It also applies in the relationship between individual states and "Brussels". Europe's zeal for legislation can be stifling. What has Europe got to do with the way zoos are organised and run? Or with the quality of water in public swimming pools? And one can only wonder whether Europe's prohibition of chocolate cigarettes really serves a vital international interest.

At the same time, there are countless issues that countries can only deal with satisfactorily in cooperation. In such cases, a national approach is neither efficient nor effective. Take trade, for instance, or the environment or asylum or security. Problems that cannot be resolved or managed at national level should indeed be dealt with by Europe. But then Europe truly has to live up to its responsibilities. Agreements that have been reached in accordance with European rules should only be changed in accordance with European rules. Europe has to be a zero tolerance zone, particularly when it comes to fundamental standards, such as those in the Stability and Growth Pact.

Stricter application of the principle of subsidiarity would help to make Europe more effective. Matters should be dealt with wherever they are most likely to be resolved satisfactorily. That is why the Netherlands has advocated that the European Council should debate the admissibility of a proposal before examining its *substance*. The aim is to establish whether a proposal is consistent with the principle of subsidiarity.

Secondly, the Union itself will only become more effective once its capacity for decision-making is greater. In this connection, we should ask ourselves what the magic formula behind European integration has been up to now. The EU's founding father, Jean Monnet, knew what that formula was when laying the foundations for the

European Coal and Steel Community. It was Monnet who famously said, "I don't know a single great politician who isn't wildly egocentric". In the European context, it takes a strong Community approach and a strong Community body to make national egos commit themselves to a single common mission. In the European Union, that body is the European Commission. To make Europe more effective we will have to strengthen the Commission.

I am therefore unenthusiastic about proposals aimed at strengthening the role of the member states. France and Germany have suggested that the European Council should have a full-time elected president, not from its own ranks, to hold office for two and a half to five years. We need to think hard about what that would imply.

It would mean the creation of a European superman or superwoman *not* democratically elected by the people or their representatives and *not* answerable to a democratically elected controlling body. It would mean a Europe even more remote from its citizens. The present system of a rotating presidency has the effect of bringing Europe closer. The question is, whether a permanent president would ever come down from Mount Olympus or Mont Blanc.

And it would also mean less clarity. A full-time president would certainly be inclined to influence the agenda and the course of European decision-making. We would end up with two captains on board: the President of the European Council and the President of the European Commission. And as a seafaring nation, we know that would never work.

Of course, we cannot leave everything as it is. Having the President of the European Commission elected by the European Parliament would be a major step forward. It also goes without saying that the member states should be sending the very best people they've got. Top positions must be filled by top candidates. And to be on the safe side, Commissioners should be individually answerable to the European Parliament. That would make the Commission more political, more visible and less technocratic.

Thirdly, we need a more decisive approach to foreign affairs and security.

The world expects the European Union to take a more explicit and resolute stand. EU foreign policy is still rather like a bicycle race along three different routes. No

matter how many signalmen line the roads and wave their flags, the cyclists themselves choose which way to go.

That became painfully and disappointingly clear in the controversy surrounding intervention in Iraq. Not only the Security Council and NATO, but the European Union as well, were sharply divided on the matter.

That dissension of course played straight into Saddam Hussein's hands. But even more, it was a blow to European cooperation in the field of foreign and defence policy. The fact that a major European player chose to do business with Russia rather than the countries of the EU was the most disturbing thing of all.

As a Christian Democrat, I am strongly in favour of deepening cooperation in foreign and defence policy. But I would add that even a united Europe cannot manage without a strong Atlantic ally. We would do well to be modest in this regard. Recent events, in Bosnia and Kosovo for example, have taught us that even conflicts in our own backyard cannot be resolved without America's help.

We must learn from our unfortunate experience in the case of Iraq and find ways to make a fresh start. It should impel us to do better in the future.

But the initiative taken by Germany, Belgium and France is not what I have in mind. Aside from the fact that they have apparently given insufficient thought to the issues they intend to discuss at the extra summit, the idea in itself sends out the wrong message.

Let me put it this way. Solidarity is a fundamental principle for both Christian Democrats and Socialists. The only difference is one of history and definition. For Socialists, solidarity has always sprung from a perceived need to form a united front in the face of a powerful opponent – the capitalist class. For Christian Democrats, on the other hand, solidarity is more to do with social cohesion and fostering cooperation. From that point of view, it isn't so strange that many of us in the Netherlands see Tony Blair as a kind of Christian Democrat.

More unity in our external representation would be a step towards a more effective foreign and security policy. I would add that things have improved since Mr Solana took office. In this respect, too, it would be unwise to opt for a permanent European Council president to represent Europe to the outside world. Alongside Mr Solana and Mr Patten, it would get very crowded on the European balcony. It would be better for the external role of the presidency to be vested more explicitly in the High Representative for the Common Foreign and Security Policy. It would be possible to combine the functions of the High Representative and the External Affairs Commissioner, giving the Union a high-profile 'foreign minister'.

This also raises the question of majority decision-making. We must realise that any hope of achieving unanimity in a Europe of twenty-five States will turn out to be an illusion. With our recent experiences in mind, we must start a discussion over that too. In our country Hans van den Broek already suggested the idea of limited unanimity within a majority, specifically unanimity among France, Germany and the United Kingdom.

When looking at foreign policy issues we also need to remember that Europe is a community of values. The sad events of 11 September drove this fact home to many of us. The European Union must be a community of countries that share certain fundamental values – values we are willing to strengthen, foster and defend. Those shared values are based on respect for individual responsibility and freedom, on equality, justice and solidarity.

And precisely those values are at stake in Iraq. They are the values we would like the people of Iraq to enjoy as an everyday reality. That cannot be achieved simply by toppling Saddam Hussein's regime. The process only begins once the guns have fallen silent. And from that moment on, everyone in the EU will have to work side by side to keep that process moving.

Europe makes progress one step at a time. But those small steps will add up to a "giant leap for mankind". It is therefore incumbent on us to keep taking whatever steps are necessary to make Europe more effective and thereby smooth the way for people, organisations and industry. And considering where our steps have brought us so far, I am optimistic about the future.