



## Speech by European Commissioner Karel De Gucht

### 13<sup>th</sup> European Guide and Scout Conference

Brussels, 17<sup>th</sup> July 2010

Good Evening everybody,

I'm happy to get the chance to speak to you at your 13<sup>th</sup> European Guide & Scout Conference. It's always nice to see so many young people having fun. It's equally nice to see so many your people having a sense of purpose.

And, for me, the Guide and Scout movement is a perfect example showing that these two can go hand in hand.

Europe will need purposeful youth in the years to come. For you are young at a time when fewer and fewer people in Europe are. You speak of "embracing change" at a time when more and more people are afraid of change. You speak about diversity, about reaching out to other people, at a time when part of Europe fails to see the benefit in that and threatens to withdraw within itself.

So that's why I wanted to come here today:

Because I believe you are right in that approach.

Because Europe has always been about openness towards other people ; about embracing changes that we couldn't stop even if we had wanted to; and about working together towards meeting the challenges we face.

And today we face a great deal of challenges.

The financial and economic crisis has reminded us of how volatile our increasingly international economy really is.

We are recovering from the crisis – if you count growth and trade figures – but the psychological effect will remain : many people have lost faith in free and open markets. If governments are needed to save banks and businesses when times get hard, they as, should government not again take the lead when times get better ? And if it's tax payers who have to put up the money when business fail, can they not share more in their profits when business is good ?

We have to understand these concerns, but should be mindful not to draw the wrong conclusions from the crisis. Because it is precisely some of the things they question – open markets, free enterprise, international competition – that are responsible for our wealth of the past decades and for the more recent prosperity of the emerging markets.

I come from a generation which took it for granted that we would be better off than our parents, and our children would become better off still. Even if globalization was never very popular, we had the courage

to integrate internationally and the conviction that we would, on average, gain from engaging in competition.

This is no longer the case. This optimism, too, was put in doubt by the 2008 crisis. And the fear that results from it is a bad counsel. Any economic system is untenable if it lacks legitimacy – so there's an enormous challenge awaiting us.

The budgetary problems that followed the financial crisis make this even more difficult. Because the crisis has not just unbalanced our economic system, it has forced us to re-balance our political model as well, and that is proving to be a very difficult task.

International integration is only beneficial if we are able to reap the benefits from it, if we adapt our economies, our way of working and sometimes even our way of living to make the most of it. That means – in the words of your own mission statement – Embracing change.

What it also means, in political terms, is that we help people to embrace and take on the necessary changes, and that we provide support for those who find it hard or even impossible to meet the challenge. It has often been said that international integration hollows out the role of government. Well, I strongly disagree : there is a clear and crucial role for governments – European or others – to make international integration work, to make the right economic choices, to work at the political legitimacy, to provide a social safety net where necessary, and so on...

What does it mean, then, that our governments are, precisely at this moment, strapped for cash ?

It's a question that you, young people, should be highly and publicly engaged in answering. Because the decisions being made today, in Brussels and in capitals across Europe, will greatly impact on your lives : Will you reap the benefits of our governments making a new start ? Or will your generation end up footing the bill of the decisions that were not taken?

Politics, today, is as important for your people as it ever was. So speak up ! Get involved ! Make sure you're influencing the decisions that are certain to influence you.

The European Union is certainly on your side. More and more – whether they are Members of the European Parliament, of the European Council or, like myself, in the European Commission – realize that we can only tackle these issues together, as a Union.

So we have strengthened the rules binding members states in their expenses so as to make sure they do not forget their responsibilities; we are writing up new regulations to control financial institutions; and we are – for the first time – of one mind in acknowledging that an economic and monetary union needs closer economic governance as well.

Europe will get out of this crisis stronger than it was before. And it is something that you – maybe the first generation that is undoubtedly and unabashedly European in outlook – should welcome and take part in.

The third challenge we face is the geopolitical tension that has built up in recent years.

With the centre of economic gravity moving even faster than expected to emerging economies – most notably China – many citizens both in the West and in other developing countries fear their jobs will soon be moving there as well. Populist politicians find it not too difficult to tap into this potential with stories of unfair and unequal trade. Stories that - even if they are often grossly exaggerated – lead a life of their own in political terms.

Negative political rhetoric of this kind has always, in the past, led to barriers being thrown up between nations and, if not to trade wars, then to very actual wars – both of which have always left all sides poorer off than before.

I count on your generation to counter these arguments and highlight the other side of the coin, to tell people that:

- We cannot open up to other cultures and other people if we don't open up to them politically and economically;
- That we cannot influence people's views on sustainable development if we don't help them in their development as such;
- That we cannot convince other countries of the value of our democratic model, based on human rights, openness, individual freedom and responsibility, if we close ourselves off from them.

In short, that our own wealth in economic terms and as a society, will only be sustainable if we share it with others – and lead by example.

Europe has always had a bit of a strange relationship with generation gaps : it was created both by older men who knew and abhorred the mistakes of the past and by younger people who were eager to build a better future.

The next round of European integration will be no different in this.

Today, too, there is a generation of politicians (luckily there's plenty of women involved this time around) who know where things went wrong and have found the courage to try to find a way out. But as so often in politics, whilst they know what should be done, they don't quite know how to get re-elected afterwards.

So that's where the younger generation comes in : to remind them of their responsibilities and to convince them that, if they don't take firm action now, their chances of being re-elected are slim anyway.

Now, more than ever, taking the future by the horns is the only way to win. The price of failure – in economics terms, in terms of our European social model, in political terms – is much too high.

And frankly, I don't think we will fail.

For all the gloom in public debate, for all the pessimism that pervades economic analysis and political rhetoric, I remain optimistic.

If you look at the history of European integration, the future always did turn out to be better than the past. Because we made it better, and because we made our future together. This time will not be any different. We will make sure of that.

And we will try to have fun whilst doing so.