

## Poland and the European Union in the Asian century

### Wystąpienie Ministra Spraw Zagranicznych RP Radosława Sikorskiego

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Many thanks to President Collin Chapman for having me here.

You were daring enough to dissect the Polish soul. Your study trip to Poland in 2012 had some psychoanalytical flavour to it.

You were right to say Poles, throughout history, have felt in many ways geopolitically insecure. And, today soul-searching and navel-gazing seems to be the preoccupation of many Europeans! From Athens to Dublin. From Nicosia to Madrid.

But this is just a part of the story and today I want to show you more – what we have become and where we are heading, both as Poland and Europe. How insecurity – be it political, economic or social - can lead to progress and reform. And this brings well-earned confidence.

I want to start not with Poland however, but with Australia.

When you make any trip to a foreign country, it always pays to learn key words of the local language.

On the plane here I did my homework. And discovered an exemplary Australian noun - “wowser”:

*a derogatory word for a person who saps all the fun out of a situation  
... a generic term assigned to any straight bore lacking a sense of  
humour, especially petty bureaucrats and politicians.*

I also found the word “furphy”:

*a rumour or story, especially one that is untrue or absurd.*

So I know the question you are asking yourselves.

*This Polish bloke Sikorski is banging on about Europe and Asia. Is he a  
wowser giving us a big steaming pile of furphys?*

You’re right to be sceptical.

Australia has opened its economy, and turned towards Asia. You’re on a richly deserved run of success.

Your newspaper headlines about Europe convey unremitting gloom, closely followed by doom:

- *Eurozone goes from bad to worse amid Cyprus debacle.*
- *Cyprus bank raid pushes Europe into uncharted waters.*
- *'Catastrophe for euro' - Europe frets over Italy.*

Even Europe's reputation for fine food is under attack:

- *Europe horsemeat scandal spreads to Asia .*
- *Tainted grub in Europe's food bowl.*

I'm a politician. I'm used to depressing headlines. Now and again I even make some of my own!

But as Errol Flynn once said, *"It isn't what they say about you - it's what they whisper"*.

On Twitter, the Economist's US west coast correspondent Tom Nuttall gave us this:

*At an Asian investment conf in LA. When "Europe" is uttered the word "decline" inevitably follows. Usually with a soft chuckle.*

So there it is. Both the headlines and the whispers are going against us.

Asia is shooting up. America is getting back up. Africa is stirring, starting to get up. But Europe alone is falling. Falling down - falling out.

To which I say: *Now THAT's a dinkum furphy with a few roos loose in the top paddock!*

Australians are practical people. So let's stay on Earth and remind ourselves of the big picture facts.

EU countries generate roughly quarter of the world GDP.

That is more than the USA. It's more than the combined GDP of China, Japan and the ten ASEAN countries.

EU is the largest aid donor in the world. More than half the money spent on helping poor countries comes from the EU and its member countries.

The EU is the world's biggest exporter, and the second-biggest importer.

We Europeans are investing in jobs and growth in Australia,:

The EU is Australia's leading investor with accumulated investment of \$A637 billion at the end of 2011 – 31% of total foreign investment in Australia.

And you Australians are investing in Europe:

After the United States, the EU is the second destination for Australian foreign investment, 30% of total Australian investment abroad.

So Europe is strong. Imagine how much stronger we'll be when we set up that transatlantic shared trade and investment space with the United States.

What is going on here? How can Europe be doing so well, and yet be seen as doing so badly at the same time?

### **Europe's Problems of Success**

It's clear that Europe has problems. But they are the problems of success.

Look back one 100 years, to April 1913. Thousands of strong young Australians then did not know that they had only 120 or so weeks to live before they fell at faraway Gallipoli, fighting Europe's wars.

Next year sees the 70<sup>th</sup> anniversary of the Warsaw Uprising. Your men flew across the world to drop supplies to help defend Poland from tyranny.

Murray Alexander Baxter, John Phillip Liversidge, Alexander Bennett. We salute the memory of those Australians who fell, fighting with us in this tremendous struggle.

Today's European integration has brought an end to these cataclysmic wars in Europe that dragged in people from all round the planet. This unprecedented European peace has led to unprecedented global economic growth.

Since 1990 when the cold dead hand of communism was lifted from half of Europe, Poland too has joined in this success. So have you, and most of Asia. Now Africa and Latin America too are gathering speed.

It's right to recall the mighty role Margaret Thatcher played in making this happen. She believed in the justice and morality of a free society.

She flatly rejected what I call the 'anthropological mistakenness of communism'. The idea that only an enforced altruism – which of course isn't altruism at all - could build a prosperous society.

We all can do basic maths. If new people enter a market place and do well, the share of business of traditional traders goes down. That decline is

arithmetically 'inevitable', but economically it is nonsense. Because everyone is doing better.

So don't be misled by those doomy gloomy headlines. Europe's powerful weight in the global economy is not going to dwindle away under our noses.

I want to make myself clear. I am not saying that Europe, or for that matter Asia, are safe from the world crisis. The picnic is over and the Hanging Rock is still casting a long shadow on all of us. All I am saying there will be no mysterious disappearance of Europe from the world scene.

Europe's share of global population will be down to some 10% by 2040. But Europe will stay a mighty global economic force for as far into the future as any of us can predict.

Fine, you say. All that's good. But is it good enough?

No it's not.

We Europeans know that we have to sort out the Eurozone's problems.

The Eurozone is an incredibly ambitious project, and on the whole an incredibly successful project: 25% of the currency reserves of the planet are denominated in the common European currency.

It makes things far easier when you Australian investors and exporters tackle European markets.

How to stabilize the Eurozone? Through tighter, better institutional and financial arrangements at the EU level.

This is complicated.

It means agreeing almost existential moral principles for risk-sharing and trust as between Eurozone countries and their citizens.

It means intricate legal and financial measures.

It means some real pain, as some countries put their public finances and banking sectors back in good order.

We Poles have confidence that the Eurozone will get the correct mix. That's why Poland is committed to joining the Eurozone when the time is right.

Many people beyond Europe say our 'social model' is unsustainable. Here in 2011 is Jin Liqun [Dzin Liciun] head of the mighty Chinese Sovereign Wealth Fund:

*"The incentive system, is totally out of whack ... a welfare society should not induce people not to work hard!"*

That is not how things work in Poland! It's not how things work in Scandinavia, where living standards are up with the best in human history.

Yes, Europe has its fair share of demographic challenges. We have to work out how to pay for its ageing population. So, by the way, do Japan and China.

## **Poland and Europe**

Within Europe, Poland is increasingly influential.

You all know how Poland's place on the map of Europe has changed down the centuries. We still just keep moving around!

Not long ago we were in mysterious frozen communist 'eastern' Europe'.

Then down came the Berlin Wall. We became part of 'central' Europe.

Now with our financial discipline and strong growth, we have moved again: to hard-headed, efficient 'northern' Europe, being vibrant and significant state:

- Poland has joined Australia in the club of states "very high" on the Human Development Index. We started below even the USSR in the early 90's.
- We are a \$400 bln trading nation.
- We are now the 20<sup>th</sup> world economy. And growing well.

Today please understand one simple thing about Poland, and about Europe:

*Do not underestimate the political determination of most European leaders to maintain the pace and direction of greater European integration.*

*If we find ourselves forced to choose between More Europe or Less Europe, we'll choose More Europe.*

Of course, some friends in the United Kingdom don't agree with us on this.

Let's see what happens.

As I've said to William Hague privately and speaking publicly in England, a European Union with the UK throwing its weight behind ambitious reform, growth and foreign policy agendas is a stronger EU. And a stronger UK.

## **So much for Europe. What about Asia and Pacific?**

Asia's distances here are so vast. Much as it pains me as a proud European to admit it, Australia's land-mass is impressively well-endowed. You are getting

on to twice the size of the whole European Union! And Australia is far from the biggest in the Asia and Pacific region.

No wonder the impulses across Asia for political and economic integration are very different. In Asia there are many strong individual voices, agreeing on some things but even then not in a coordinated way. It is hard to think of one specific Asian model.

Even if there is no Asian model, here we are in the Asian century. In what by historical standards is the blink of any eye, hundreds of millions of people across Asia have joined the global market-place.

They are now a core part of the planet's means of production, for both goods - and ideas.

It's obvious what 'Asia' doesn't want.

Any hangover colonial instincts. Europeans and Americans thinking that nothing has changed, carrying on as if they and they alone set global rules.

But as the saying goes, with great power comes great responsibility.

So increasingly we Europeans will look to the capitals of Asia to articulate a clear shared sense of what Asia does want.

Asian countries and European countries have a shared, direct interest in tackling together problems that threaten wider stability.

We'll reasonably expect Asian countries to join us in taking on a fair share of the operational and financial burdens of managing problems that pose systemic risks to global order. Australia is doing its bit. You are doing great job at the Security Council of the UN since 2013.

Climate change. Piracy. Sensible taxes for multinationals. Corruption. Non-proliferation of weapons of mass destruction.

We all know the old joke:

*How many New York psychoanalysts does it take to change a light-bulb?*

*One – but the light-bulb really has to want to change!*

With Asia and now Africa growing so fast, we all have to change.

And we all have to want to change.

This is where a broad 'European' method that – if I might say so - includes Australian insight and energy, has huge advantages.

*Australia's help is essential here – you're both Asian and European.  
You are a natural bridge!*

For decades we have worked together to achieve extraordinary results in political reconciliation and fair compromises, both across our own societies and with others.

This is how Poland from neighbor of the EU became the co-architect and cornerstone of the EU. It is time Poland and the EU on the one hand and Australia on the other contributed even more to the stability and democracy in the world.

There was an Australian contribution to the Polish transition from a gloomy satellite of Moscow to a thriving country we are today. The support was not only financial but moral. Remember John Hogue, Brisbane trade union official who refused to process the paperwork of ships coming from communist Poland.

Europe itself still has unfinished business. In Georgia, Ukraine and especially with Belarus we are still working on the core European project.

Look at the latest success of steady, fair EU diplomacy. We brought Belgrade and Pristina to sit round the table, and start sorting out their historic differences.

In 2000 Poland hosted the launch of the Community of Democracies. Now over 100 countries actively share ideas about modern pluralism. We were behind an idea to create the European Endowment for Democracy.

Take Burma for example. Europeans and Australians have worked closely through measured pressure to shift the whole political debate for the better.

Poland and Burma of course are natural partners: Rangoon is much closer to Warsaw than it is to Sydney! Burma seems to be following the Polish success of making generals cede power to civilian democratic government.

*Well done us*, for helping that wonderful country move decisively towards pluralism. It's good to see the end of EU economic sanctions.

Now let's work in that same constructive spirit with the Burmese leadership to help manage the new problems that come from transition, and make their country a dynamic and peaceful success story.

One serious problem is Asia's own unfinished business.

North Korea: a tired, weak regime, blustering and bullying and blackmailing its way towards nuclear weapons. Its policies pose obvious threats to world peace.

Here as in the Middle East, and indeed in almost any trouble-spot you can think of, sooner or later things will improve.

And a key component will be subtle diplomacy and generous practical support, delivered smartly by the EU working with Australia and other key Asian partners.

### **Conclusion**

Every foreign speaker in Australia must keep in mind the tragic case of the Reverend William Bedford. In 1838 he gave a stern lecture on Morals to the women at the Cascades Female Factory.

He was a classic wowser. His stirring words did not go down to well. I'm sure you know the story.

The audience of 300 women greeted him with impressively unambiguous - and impressively vulgar - disapproval!

I see that you are getting restless. I don't want to find myself on YouTube staring aghast at a similar PR disaster here.

A final word.

I previously mentioned Jin Liqun's [Dzin Liciun] criticism of Europe's labour laws. In that interview he insisted that he was "*upbeat about Europe – but Europe must be upbeat about itself*".

I agree with him there.

*Poland is upbeat about Poland. And Poland is upbeat about Europe.*

Poland is an unqualified, unambiguous European success story. A little part of this success can be witnessed in this country: the descendants of the fugitives from tyranny in the XIX century make the delicious wine of the Polish Hill River.

Let me say it explicitly:

*We Poles will use our fast-growing weight in Europe to make the European Union a lot more Australian!*



Liberal-minded. Economically open. Trading dynamically. Strong in its own region, and setting a powerful positive global example.

Active and ambitious. But also realistic and pragmatic on cross-cutting issues like climate change, cultural tolerance and world trade.

Poland and Australia: natural partners for the institutions and policies building the relationship between Europe and Asia in the tough but exciting decades to come.

*Thank you*