

**Former President of the European Commission José Manuel Barroso's keynote speech and dialogue "From national to regional and global governance" on Wednesday, January 25, 2017, at Prasetiya Mulya University in Jakarta**

It is a great pleasure to be here at Prasetiya Mulya University in Indonesia, and I would like to welcome you all. I see several friends of mine with whom I worked in the past, and I am very happy to have the opportunity to speak to such a distinguished group of professors and students and to do it here in Indonesia, a country that I very much respect. For many years I have been involved in the relationship with Indonesia and ASEAN, so that I have great admiration for your culture and history and the positive contribution that I believe Indonesia is making and will continue to make to the world.

My topic is "From national to regional and global governance", and of course I would like to share with you my experience in leading the European Union for ten years. I think we have to see what we can learn from that experience, not to implement that in other parts of the world, because I think every case is different, but certainly there are important issues in the process of the European integration that are relevant for global governance.

First of all we should not forget that the European integration has been started to achieve a political goal, the goal of peace. It was created after the 2<sup>nd</sup> World War, in fact the Treaty of Rome, the treaty that created the European Union, at that time it was called European Economic Community, was signed in Rome in 1957. So this year in March it will be its 60th anniversary. But before the European Economic Community was implemented and founded there was another one, the European Coal and Steel Community.

Why was that? Because some of the founding fathers of the European Community had a very simple but bright idea: to put together the utilization of materials of war, like steel, and put the control of these materials away from national governments, but put it to a supranational authority, so that it becomes impossible for members of this treaty to engage in warfare with one another in the future. That is why France and Germany, former enemies in the First and Second World Wars, joined together, as well as Italy, Belgium, Netherlands and Luxembourg, and created the European Coal and Steel Community and also the European Economic Community, and part of this was a sovereign national institution called "High Authority", which afterwards became the European Commission. This supranational institution was created by the governments, but independent from them. The governments could not give instruction to this institution, and that was the idea of supra-nationality.

That's why the European Union was born afterwards, not only a customs union with common external tariff, not only an internal common market, but a market with four freedoms, the freedom of movement of goods, capital, services and people. The citizen of the European Union can travel all over the EU membership countries, and not only can they travel, but they can establish themselves, they can work, study or marry and they can even vote in the local elections of any country in the EU where they are residents. There was the idea of a common citizenship, I am a citizen of Portugal, but I am also a citizen of Europe: the idea of double citizenship.

I think this is important to understand, because this was at the core of the BREXIT debate in the UK and is today still at the core of debates about all issues like protectionism, nationalism and about accepting or not accepting a multilateral order.

We should look at the European Union and these issues objectively, not just considering and reading what newspapers write today, but to have a broader and more strategic view. I invite you to think in strategic terms, as fitting for a university. The problem is that people often think in terms of today or tomorrow, but when you think about Europe and how it was 50 or 60 years ago and how it is today, then you can see an amazing progress and change.

It started with the six countries I have mentioned, afterwards three more joined, the UK, Ireland and Denmark. After them Greece joined, then Spain and Portugal joined on the same date – that was January the 1<sup>st</sup> of 1986 when it summed up to 12 members. 1995 Sweden, Finland and Austria joined to a total of 15 members, and then it was in fact when I became President of the European Commission that 10 more countries joined, all the central European countries that were before communist and soviet ruled, some of them where not even independent like the three Baltic states Estonia, Latvia and Lithuania; but also others like Poland, the Czech Republic, Hungary, Slovakia and Slovenia; plus there were two countries from the Mediterranean: Cyprus and Malta. Then during my mandate Bulgaria, Romania and Croatia joined.

So in fact during almost 10 years of deep crisis, with the financial crisis, the EU almost doubled its membership. I think it is important to see this in terms of resilience that the EU went from 15 to 28 members while facing the euro crisis. The euro was heavily criticized, and many people predicted that Greece would have to leave the EU and the end of the euro, and today the EU area has more power than ever before. We have a banking unit that is not yet complete, but we already have it in place; the European Central Bank has in some areas more powers than the Federal Reserve of the United States, and we are making steps forward to consolidate the Euro.

I know the problems of Europe very well, I've lived with them, and there are some suggestions I have. I am no longer in politics, so I can speak today to you in complete freedom and share my thoughts with you. I am not here to make propaganda, neither for the European Union nor the European Commission.

We have serious problems. The European Union makes decisions very slowly, it's an incremental process, sometimes trial and error and very time consuming and frustrating, but at the end there is a solution. A compromised solution of course, but this to be expected with 28 countries involved. There are deficiencies in the individual countries, and so you can also expect some kind of deficiencies in the European Union. But yet the European Union combined is still one of the biggest economies in the world, and in fact it has overall a very high level of not only economic development and prosperity, but also scientific and technological events, and also high quality of life with a model that is based on the idea of a social market economy with open societies. This means an open economy with a welfare state with mechanisms to support those who face difficulties.

I really believe that the European Union by and large has been successful. If you think in comparative terms either in the region or in comparative terms with the past, how Europe was, because somehow people seem to forget that. In the 20<sup>th</sup> century Europe was completely destroyed by the worst war of the history of humankind. Last century the life expectancy in my country for instance, in Portugal, was 45 years, and today it is 82 years. If you look at all indicators of social development it is amazing what progress took place in the European Union since the beginning of European integration.

But it is not just about economy, it is about culture in a broad sense, about the possibility for instance that Europeans can go from one country to another without showing a passport: the idea that it is possible precisely to build your identity not against others, but together with them.

I believe that the European Union is today the best example in regional terms of what globalization can be. In fact the European Union is a laboratory for globalization, because it's by far, in terms of regional integration, the most advanced example ever in the history of international relations, where countries keeping their independence, they also have the independence to leave, because the EU is not a union where the members are there by force like it happened for instance in the Soviet Union. The countries in the EU share sovereignty and many of their competences, for instance in terms of trade or common policies and of course citizenship.

I believe the internet has shown us a very important development, namely that globalization is here to stay. Today some people think that globalization is going to disappear because of the reaction against it, and we can see in some parts of the world, including Europe, nationalistic rhetoric against foreigners: an attitude towards foreigners that reflects an old conflict between hospitality and hostility. That event is going on in societies in Europe, and part of it is a reaction against globalization, and this reaction takes place because there is movement.

Does anyone really believe that, unless there is a major catastrophe or a generalized war, that countries like China or India or other major powers that are now part of the global economic direction would pull away from globalization and retreat? Does anyone believe that the progress in science and technology is going to stop?

What is different if we compare this globalization with others in the past? It is that the governments don't control it.

Some people some time ago thought that globalization would equal Americanization because globalization was promoted by the US, and the US being the biggest and most important military power, their culture and financial influence, but today not everyone in the US is in favor of globalization anymore. Part of the US is still leading globalization, companies that are global brands, but there is also more resistance to globalization today.

This confirms that globalization is not made by one country or can't be lead by just one country, but is lead and carried by advancements in science and technology worldwide, and we are going to see more of this in the near future. What is now under preparation in terms of Artificial Intelligence, it's amazing! Many scientific and technological breakthroughs are in preparation.

Globalization is something that provides growth beyond borders and penetrates the national level, and of course some people see this as negative, and in some cases it also has a negative impact. We have now a threat through terrorism which is very difficult to control, there is financial instability, because of the higher level of volatility – we have seen this since the last financial crisis started in 2008. But the political and policy question that we have to answer is, are we going to reject globalization or should we embrace it and shape it with some of our values?

I am clearly in favor of globalization and to shape it with those values. What values? The same one that are the basis of the European Union: human dignity, freedom, human rights, non-discrimination on the basis of gender, religion or ethnicity. These are the principals that are important, because the European Union is not just about trade and markets but about values, and I think it is important that those values exist.

The movement against globalization in my point of view comes from different sources. Partly it is an anxiety of citizens against movements they cannot control, and they also have the impression that their leaders don't control it, which is true. Today we oftentimes think that the governments of Europe and the world have powers that they really don't have, because some of these movements are beyond them.

There is also resistance to more movement of people, more migration, including refugees, this is created in some parts of societies and painted negatively, giving rise to intolerance and even xenophobia, not to mention racism, and this is a serious threat that we have to fight. Also because of the financial crisis - not because of the Euro because it wasn't the Euro that triggered the financial crisis - but because of it there was a need to implement very tuff measures of fiscal consolidation and fiscal prudence, so called austerity policies, and that created very serious concerns in many parts of the population, that in turn generated in many countries in Europe populist movements from the far right, but also from the far left. By populism I mean those who oversimplify complex issues, making appeal to false solutions with false proposals. We have seen this in Greece, we have seen this through the rise of some parties in Spain, at the same time we see that in countries like France and Austria, even Germany, the Netherlands and many others, the rise of far right parties.

I believe another part of the fear against globalization has to do with the advancement of technology. People today are afraid of unemployment, and it's true that the mentioned movements of people will at least in short term cause unemployment, because our jobs are not adapted to the current changes in technology. There is a discussion among economists that the net result will be more or less employment, but immediately we are going to see many jobs disappearing, because new technology makes them not necessary anymore. This is a problem that not only affect young people, those who do not have a job and would like to find one, but also people who have a job and are afraid of losing it.

That is why I think that it's important, when we speak of globalization, to have policies in place for those who get left behind. That is the current discrepancy in between the global elite and the man and woman in the streets that some people try to present as the conflict of our time, while I think that the conflict of our time is how to shape globalization in a proper manner. Certainly it is not against trade, our supply chains today are so much integrated that if you cut trade you are going to make everybody poorer, not only people from any other country, but also the ones from your own. I think we need more trade, and in fact the most successful countries in the world are those who can integrate better in the international supply chains.

The European Union has always been in favor of a multilateral approach, and if that is not possible at least a plurilateral or a bilateral approach, for instance during my term, we have negotiated very important trade agreements, when we saw that it was not possible to have the Doha Development Round completed. We launched talks with Korea, Singapore, Central America, Japan, the United States, Colombia, Peru, and also with Indonesia.

The EU has been consistent in supporting the movement of regional integration in ASEAN, even though it doesn't make sense to compare ASEAN and Europe in terms of regional integration, because there are not exactly the same features in terms of governance, but the ideas and concepts have many things in common. I had the honor and pleasure as President of the European Commission to receive several delegations, not only of heads of states of ASEAN countries, but also of experts who were coming to the European Union to try to understand how we are dealing with some of those issues of integration, some of them very complex issues, even from a technical point of view.

The proof that we are really committed to global governance came during the financial crisis when the European Union launched the G20 process. It was



President Sarkozy of France and myself, when the rotating EU Presidency was held by France, that we went to see President George W. Bush in Camp David, asking him to organize a global conference where not only the members of G8 took part. Remember at that time there were the G8 meetings with the four biggest countries of Europe: Germany, UK, France and Italy plus the United States, Canada, Japan and Russia, before Russia was invited to leave because of their behavior in the Ukraine. But for us in Europe it was quite obvious that we could not have only G8 or G7, and that is why we proposed to the American President to organize G20, and that is why Indonesia is part of it. Of course it makes no sense in the 21<sup>st</sup> century to discuss the global economy without countries like China, India and Indonesia, and the G20 has established itself as the primary economic forum in the world, and I believe it's going to be and stay important, not only in terms of financial stability, but also in terms of fighting tax evasion or to promote a framework of sustainable growth in the world.

This is our position, the position of a multilateral approach, but also having certainty in the defense of our country. I am a realist, and I was also Prime Minister of my country, and as Prime Minister I wanted to defend the interest of my country, so when someone says: the interest of my country comes first, then I can understand that, but it is important that we don't think that our wants and needs are more than the others. Leadership is not the same as domination, and it is also important to understand that the work should not be seen as a zero-sum game, that if I win you have to lose. We should continue to defend the world on the basis of the win-win principle.

When I see the Asian progress, hundreds of millions of people in Asia that have been lifted out of poverty, then I am happy, not only for these people, but also as a European, because everyone profits and gains from that. It means more trade and growth, more jobs and security.

This is the issue, because there are sincere oppositions, people that have a view of the world where if I gain you have to lose. I certainly believe that in some cases where there is no possible way of consensus, there is a loser. I am not naïve, but I think as a rule for the managing of global issues we should promote common goods, like peace. Peace should never be taken as a given. In Europe we never had a period of 60 years without war before. The only period of time in history where we had no war for 60 years in Western Europe - because unfortunately we saw war in the Baltic and in the Ukraine - was now with European integration. So peace should never be taken for granted, because these common goods are very vulnerable. Another example is the freedom of movement in the seas. Today we think that our ships are entitled to go from one part of the world to another, but are you sure that it will stay like this forever?

If there is not a common approach, we can easily go back to the times in the past when there was no freedom of navigation. The fight against climate change is of course a global responsibility. In the 21<sup>st</sup> century you can't say that your side of the world is sinking, there are no two sides of the world, but it's all of us together.

These common public issues require a common global approach, and so it makes sense that the countries of the world work together with global responsibility and solidarity. This is not an idealistic vision, but a vision of self interest, based on an idealistic, an ethical way of looking at the world, because I am one of those that believe that patriotism is not incompatible with commitment to the global community.

There was this famous British author who said: "My father loved mankind, but hated every individual in concrete." It is easy to love mankind, but to hate ones neighbor.

I think the right perspective to look at international relation is to consider that we may love our country and be proud of our identity, but at the same time we are part of mankind, and what matters is not mankind as an abstract concept, but a concrete man, a concrete woman, a concrete child, and that every human being has exact the same dignity. And to promote those values we need leadership, and this is the point today. I think sometimes we see a deficit of leadership, because we see an excess of short terms where we should try to understand that some of those issues are complex and they need more commitment from the leaders of Europe.

That is why the European Union received the Nobel Peace Prize in 2012. I was there as President of the European Commission, receiving the prize on behalf of the European Union, and I was very proud of the European Union, because the Nobel Peace Prize recognized that with all its imperfections the EU is a good example of reconciliation and global governance for the world, that is facing so many challenges. I hope that the European Union will continue on this path, and I hope that global order will not forget those very important principals.

I thank you for your attention.

Question:

What is your view and opinion on the new President of the United States, who is oftentimes seen as the total opposite to his predecessor in terms of his views about inclusiveness in the society, multiculturalism and tolerance? Do you see him as a serious threat to global peace and international relations, and if so, what do you think the EU has got to do in order to neutralize his influence which may harm global peace?

President José Manuel Barroso:

For us in Europe it is always difficult to speak about the United States, because we have a very close alliance. I believe in the importance of good relations between Europe and the US, most of the European countries are members of NATO, and most NATO countries are members of the European Union. In economic terms the European Union and United States relations are still by far the biggest in the world. If you consider trade and investment in volume, it is more important than the relations between Europe and China or US with China or with any other partner. So it's a delicate issue for us.

Having said that, I told you before I am now a free man and can speak my mind, I would not have voted for President Trump, that's not my politics and also not the style of politics I prefer. But I have not yet a complete idea about what's going to happen, and so I prefer to reserve my judgment for the time being.

I think we have to adapt to President Trump, but President Trump also has to adapt to the world and to the office he is holding now, being President of the United States of America. I completely disagree with some of his remarks, but now we have to see what in fact he is going to do. Many analysts tell me that he has a mind for transaction, someone who is ready to make a deal, so let's see if he is now taking these positions to maximize his negotiating position and afterwards will come to a compromise. Or if he goes for radical positions against trade or in terms of migration, and that would of course not be helpful.

From the beginning of European integration the United States supported this process. People tend to forget that after the 2<sup>nd</sup> World War the United States, instead of pecking on a weakened Europe, was the first to promote the European

Unity, they created the Marshal Plan to support Europe and made an appeal for the European integration.

I hope that we will not see an American President who will be the first one who is against European integration, because until now all the American Presidents, Democrats or Republicans, they were strongly in favor of European integration. President Obama delivered recently a very impressive speech in Hannover when he visited Europe.

So we will see, it is too soon now to say what is going happen. But one thing I know, what Europe should do is to grow up. Europe should not be depending on any other power. While keeping our strong commitment and friendship with the United States, I think it is time for Europe, like the kids that emancipate from their father to be adult, to use this occasion while there is uncertainty to establish itself in a more current manner. Economically Europe is a giant, but politically Europe is not where it should be.

Angela Merkel rightly said: We depend on what we will do, and I think that's important. I hope what the European leaders will do, that instead of waiting for what the United States or China or any other power does, they themselves decide, we do this. My vision in politics is not to work against the others, but for ourselves, so we should do our own work, and I think Europe has a lot of things to do independent on who is the President of the United States.

Question:

Referring to the title of your talk "from national to regional and global governance" I would like to start by saying that we don't have an effective global

governance. There were several approaches to reform global institutions like the UN Security Council or the World Bank, but we have never seen these efforts succeed and fail to be of help in a crisis like the one that unfolded in Syria.

Looking at regional governance we see, for example, no order in the Middle East. The Arab League is not part of the solution, but adds to the problem in the region. Also the European Union, which was considered the most successful regional organization, is also facing serious problems, like BREXIT which might be contagious to other countries, France or Netherlands for example if right wing parties win in the coming elections. The new President of the United States has said that NATO, which is the key to EU security arrangements, is obsolete and irrelevant, so the EU will have to find a new approach for their security.

In light of all this, do you think that the European Union as supranational organization will venture to become the United States of Europe in the future?

President José Manuel Barroso:

You point out many of the problems we have today, but once again I would like to put them in perspective and give a bit more confidence about Europe.

When we say that global and regional governance has failed then it is important to add that they failed not because of the instruments of governance that are in place, but because of national governments. António Guterres, Secretary-General of the United Nations, can't lead and direct the UN alone. When some of the big powers use their veto in the Security Council of the UN, as it happened in the case of Syria, then you can't put the blame on the United Nations, but you have to put

the blame on the countries that are using their veto power and render the council powerless.

The same happens to Europe. Very often people say that Europe is at fault for many issues which often is not the case because they lie with the national governments. It is very common to Europeanize failure and to nationalize success. When something goes well it is an individual or national success, but if it's a failure then it's the fault of the European Union, but they are the ones going to Brussels taking the decision. So the European Union is often the scapegoat of national failures.

During the European crisis all decisions were taken by all members unanimously, but afterwards we saw some governments going back to the capitals and saying the decisions and outcomes were the fault of the European Union.

This makes it difficult for those of us who are involved in making decisions on a global level, and this is a big concern. I am very concerned for example about the rise of nationalism in Europe, the rise of xenophobia, that is happening to some extent due to the sudden influx of migrants, and that was a big issue at the EU referendum in Britain. The vote in Britain, according to all the surveys of public opinion, was basically related to migration, it was not about EU laws and agreements which people in Britain don't know much about, but it was about control of migration – and that is the same kind of debate we have in the United States about the wall at the Mexican border, and it is a debate you also have in this region. It is a very delicate issue, what is our attitude towards others, and that is why we have to have a wise policy of generosity and solidarity, but also of responsibility. There are some limits, and we have to control our external borders, if not the extreme parties are going to lead.

Having said that, I want to tell you very frankly, that I don't trust the rather negative projections about the future of Europe. If for instance the far right party in France would win the elections, then we would have a real problem, but I think it isn't going to happen. I think the European Union has shown resilience, and based on my experience during many years people have been predicting the collapse of the Euro, and this hasn't happened and is in my point of view very unlikely.

I think also we should be more level-headed when dealing with these uncertainties. I recognize the problems, and what you have said was absolutely right about global and regional governance and the European Union, but my honest assessment is that what unites the European Union now is more important than what divides us. Britain to be honest was always an exceptional case within the Union with an exceptional status, they were not member of Euro or Schengen, and now they decide to leave entirely, and of course we respect this decision. However, that will not be the end of European integration, because that started even before Britain joined the EU. The UK and Europe will continue to have close relations, not only for geographical reasons, but certainly Europe will be the first trade partner for the UK.

I am not as pessimistic as some people are, but certainly we should be firm and vigilant, because there are risks today for those of us who won't acknowledge and recognize these realities.

Question:

My name is Vincent Guérend, and I am the Ambassador of the European Union here to Indonesia, and I am very glad to be here with you. I had the honor to be a



member of the Cabinet of the European Commissioner for External Relations during your time as President of the Commission, and in front of everybody I can testify that President Barroso was very attached to Asia and the development of the relationship with Southeast Asia and Indonesia in particular. Under your leadership we also had the EU mission to Aceh, implementing the peace agreement in this province.

My question today with the background you described is, do you think that the European Union is politically, economically and financially ready to take up more of its own security and to become a real global security actor? Today it is not so well known here in Indonesia, but we are a strong security actor in Africa with more than 5000 military and police men under EU flag there, but do you think we have the will to become a security actor globally?

President José Manuel Barroso:

Thank you for your kind remarks.

Many people don't see the European Union as a security actor. This is probably in part due to our relationships with the United States and NATO. When we think of security, then people in Europe think about NATO, but not the EU itself, and probably this is going to change, not against NATO, which I think will remain the most important military alliance in the world.

But I think in this regard Mr. Trump is right when he said that the Europeans are not paying sufficiently for their defense. For NATO in fact the European countries are giving a bigger contribution than the United States in financial terms, but it's true that in relations to their GDP the European countries are paying much less than the US. One development that is existing today is that the countries of

Europe are now increasing their investment in defense, some of them dramatically, also because there are new concerns in terms of defense, namely on our eastern border.

I think that the European Union, also because of these factors, is going to appear more in terms of defense, because the EU is a provider of security, for example, the EU was the most important actor against piracy in the Indian ocean. Nobody knows about that. We are not so good in marketing our success as compared with the US who would have made some beautiful movies about their heroes.

But we are never going to be the United States of Europe because we have a different way of doing things, we have 24 official languages, so there is a big diversity in every means. This is something we have in common with Indonesia in coping with this issue, to keep unity in diversity. So don't expect immediate spectacular things from the European Union, but in the medium term I think there will be some changes. The quick answer to your question is yes, I think and I hope that the European Union will play a stronger part in terms of global security.

Question:

When we talk about the current situation in Europe I wonder if the problem is about economic hardship. You haven't really talked about racism and the rise of anti-Muslim sentiments, anti-Semitism or homophobia in Europe, and I wonder if there is any correlation between economic hardship and intolerance? With the big loss of the Democratic Party in the US and the election of Donald Trump or the rise of Marine Le Pen in France, how do you address this? What is the correlation between economic hardship and the rise of intolerance in Europe?

My second question is about the European Central Bank. The monetary policy of the ECB affects 19 states, which are very different from each other, Germany and Estonia for example, and it may be biased towards states that are more at the core than in the periphery of the Union. How do you address this perception about states that have more influence and power in the Euro?

President José Manuel Barroso:

There is definitely a correlation between economic hardship and the rise of more negative political movements. The resistance to migration is due to a large extent of unemployment, but that is not an automatic correlation. We have those problems today in Europe, and also in other parts of the world. The United States I know well, because after leaving the Commission I was Professor at Princeton University, so I followed this development the last two years in the US, and sometimes this is not so much about an objective situation, but a perception, if you think that you lose some of your advantage or even your status, then that would explain that people would cast so-called white votes. For example there was a very important polarization in the recent elections in the US when Donald Trump was elected as President. So yes, there is some kind of correlation between economic hardship and populist or even activist positions, from the right or from the left side of the political spectrum.

The second question about the economic policy of the ECB, I think the Euro is a great construction, and it is very resilient, I think it was not the Euro that created the problems in our countries, that is one of the false news from the international media. The financial crisis was not created by the Euro, but it started in the US with (the bankruptcy of) Lehman Brothers, and afterwards we had two problems, the financial behavior of some banks in Europe that was not right, and also the problem of excessive debt. So it was a financial market crisis and a sovereign debt crisis. Some countries with the Euro did very well while others did very badly, but

look at Iceland, which is not part of the Union and the Euro and was bankrupt, or Latvia, which at the time of the crisis was part of the Union but not of the Euro, and suffered greatly under the financial crisis. So the crisis was not created by the Euro or specific to the Euro. Basically the Euro is a great thing, and it is working, it is the second most important currency in the world. It has up and downs just like all currencies, but I am not concerned about the Euro.

In terms of what the Euro countries have to do now, the so-called more vulnerable countries, is to advance their resources to be more comparative and some of them are doing that. Spain and Ireland, that were both under the so-called austerity programs of the troika, are now doing very well, and there is no country in Europe in recession today. Overall it's a moderate growth of about 1 to 2 %, but 2 % growth for Europe is okay. We are a developed economy, we don't need 5 or more percent of growth.

I am not so pessimistic about Europe, on the contrary, I think that the economy is going to grow at a moderate pace, and what I think is important to look at, as an objective measure, are the technological and educational advancements and science. Today European countries are investing massively in science and research. I am very proud that during my time as the head of the Commission we launched a new program called "Horizon 2020" with more than 80 billion Euros to support and foster research.

These are the points we should look at in the future. How can we become more competitive, how can we promote the knowledge of the future so we have jobs to create for our kids and the future generations, that is a challenge not only for Europe, but for every country in the world.

Question:

You previously mentioned that the ideal of governance would not be the zero-sum game, but the problem is that politicians always want to win elections, and that's why populism is in the trend right now and also one of the reasons why Trump won the US elections. So it depends on local needs and fears, and this is what is happening in terms of migration, people want that only local people profit from the economy and to exclude the foreigners or refugees. I think this also goes up to the national, regional and global governance, the EU for example.

Looking also at the criminalization of migration, which is that an illegal stay means a crime right now, but I am not sure if this is already a part of the EU legislation, but if that is the case then this comes from the local governments and politicians and goes up from there and influences the policies on the supranational levels.

President José Manuel Barroso:

As I said, today in Europe there is a movement in many of our countries against migration. It played a big role in the UK during BREXIT and it is not the only country in Europe where this is a big topic now.

Having said that, I think it's the responsibility of the serious politicians to explain what's going on. According to all empirical evidence migration is good, and Britain for example has benefitted enormously from migration. The areas in Britain, where migrants are, are doing averagely better than the ones where there are none, and they also didn't vote for BREXIT, London voted to remain.

Logic tells us that the discussion about migration is a debate made on fear and prejudice, and I am sure that Britain is going to continue to have many migrants, because they need them, especially to have workers for less paid jobs with low qualifications which most English people wouldn't want to do, but also for top jobs, because the UK is a very open country and likes to attract talents. For example, many of the leaders in the financial sectors in Britain are foreigners, even the head of the Central Bank is from Canada. So they are a very open country, but there was a prejudice in the debate about BREXIT, led by some eurosceptics, that was successful in the end.

We need migration in Europe also in demographic terms, because Europe in terms of demography is going down. If we do not have more migrants, we won't have enough people to pay for the social security and pensions of the people that are in work. But of course this is a challenge because life is complex, and we have to explain this. It is easier to say no to foreigners or to everything and to put the blame on others, but what I ask for is responsible politicians and political leaders to explain that. If countries would close their borders now for migration or trade because they're afraid of trade then they would punish themselves. We have an example in Europe for a country who did this, and that's Albania, and it didn't do very well. Or North Korea, you only need to compare it to South Korea, and you can see that the country that is open to the world will do much better. China is growing since it became active in the global area, since Deng Xiaoping opened the country, before that it was extremely poor, precisely because they weren't engaging with the rest of the world.

I continue to think that openness to the world is not a naïve thing, but better for our countries, open societies and open economies, and the responsibility of the political leaders is to explain that against all prejudices and stereotypes.

Question:

Fear is a very powerful force in the world, stigma, prejudice and intolerance drives away peace and hope, so what must governments, leaders and also us, the collective people do, in order to rid policies of fear to make way for hope and for peace?

President José Manuel Barroso:

First of all this is not just up to the governments, but to all of us. Sometimes people ask me how the world is going to be in 20 years, and my answer is: I don't know, it depends on you. You have a more important role than I have, because I am already approaching the last days of my life.

What is very important is that we can analyze trends, in sociological and economic terms, we can make automatic projections, but the future is not a given, but depends on what we do. Some people today say that politics is no longer important, but what counts are the markets, and that is not true. A political mistake has huge consequences. Look at the tragedy in Syria: It's a tragedy, and nobody is able to do anything now, because of the mistakes that have been made. So my answer to you is: Don't ask only the governments what they should do, yourself, people in universities, people from the media, have a very important role, and it is for people that are rational and reasonable to stand up and not give the initiatives to the extremists.

One of the problems we have now, speaking from a European perspective, is that in the European debate the centralist forces lost the initiative. It is the forces on the extreme right and left that have the initiative, and so we have the concept that these extremists make hard politics while the center forces stand for soft

policies. I think it's possible to have a centralist government from either side of the political spectrum and to take initiative and be strong at the same time. The idea that a leader has to be authoritarian to be a strong leader is a complete mistake.

Also political parties are important. Young people aren't also that interested to go into politics anymore. When I was young it was many students' vision to go into politics and to shape one's country and future, but today it seems young people are more interested in NGOs and general business to earn money. I think that is a mistake, because if the best and brightest people don't go to political parties, then the worst will go and be taken into the parties. That's why, for the future of our parties and countries, it's important to pay attention to them.

But if you believe that you have a duty towards your country, then I think you should get involved in politics and to have a public contribution. Today there are so many news channels, social media, everybody is complaining about social media, and I think it's true that it can lead to misconceptions, when people end up talking in their bubbles, but social media can also convey very important tools, so it's a question of political struggle, and we are in a very exciting time for that. I believe we are in a time of uncertainty, and that can be not only bad, but also a good thing, and since I am at a university with many young people I would like to quote Bono from U2 who sang: "Don't worry baby, it's going to be alright, uncertainty can be a guiding light."

Question:

I think it is important to know that in the past year one of the golden rules that have not been helpful for global politics and economy is that silence is golden. It appears that there is a silent majority that has been just looking and observing



and let the world fall into what it is at the moment. So who are these leaders who are supposed to take the initiative? In the end, just as you said, it should be all of us, but in the now, perhaps in the median term, what can be done, and who could be doing these things and perhaps in a smaller context, let's say in Indonesia, how could this country take this leadership role?

President José Manuel Barroso:

I cannot answer this about Indonesia, as I don't know enough about it, but what I can say is how Indonesia is seen from the outside. You are one of the biggest countries in the world, you are the country with the biggest Muslim population in the world, and basically until now Indonesia has been an example of tolerance. I hope that you will stay like that. It is extremely important not only for Indonesia, but for the region and for the world, because you are a leader in the region, and you can be a leader in the world.

I have been speaking about this with different leaders in Indonesia, I know the former President Susilo Bambang Yudhoyono relatively well, but I am not know following the internal politics in Indonesia, so I can't frankly answer this question, but as a friend of your country the thing that I can say here is that I hope that the party politics in a pluralistic society will be able to keep to continue to promote the culture of tolerance and civility.

You also asked about examples. Some politicians say that if they would do the right things, they would lose elections, and this isn't true. I know many cases where difficult decisions have been made, and the politicians and parties who took them got reelected. This happened in Spain or for example in Ireland. They went through a very difficult program, and the parties and people who were in charge stayed there. So it is better to do the things that are right instead of doing

the wrong things to stay in power, because that often won't work either. Look at President Hollande in France who failed to implement changes and now won't even run for reelection. Or look at the example of Angela Merkel, we may or not agree in matters of ideology, but I was so proud when she said "refugees welcome". She was under attack for saying that in Germany, and of course it will cost her some votes, but it was a position of principal. It was a very strong example for all of Europe when Germany reacted like this with its history, and this represents leadership. Leadership means the courage to sometimes go against the majority. The leader has to have the courage to stay on some principals. There are good examples and there are also bad ones, but I have not yet found a reason to give up. I continue to think that there is hope and a positive global evolution.

Today we see a reaction against globalization, but there is a reaction because there is movement. As you know there are repeats in history, like in between the two wars when there was a reflux and a defeat for globalization. But afterwards it came back, and we are now probably in one of those periods when we are going to see some backtracking. TPP is cancelled, from a globalization point of view of course it was negative, but some things are going to happen, because the trade in this region is going to increase, and it is much better to embrace it then to resist it. That is why it is important to think it terms of medium terms and not short terms. Sometimes decisions have a cost in short terms while being beneficial in the medium or long term. That is why I believe that globalization will continue, and instead of closing ourselves in narrow nationalistic and protectionist positions we should embrace globalization and what is great about it, especially of young people having the opportunity to know the world and to benefit also from the scientific and technological advancements.