

"Austria's Role in an Enlarged European Union"  
Statement by the Federal Minister for Foreign Affairs  
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Japan Institute for International Affairs  
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Ambassador Owada,  
Excellencies,  
Distinguished guests,  
Ladies and Gentlemen,

European unity has come a long way. As early as 1946 – under the impression of the cataclysm of World War II – statesmen like Winston Churchill dreamed of a better Europe. “We must build a kind of United States of Europe”, Churchill said.

Half a century later, we do not have a United States of Europe, but a highly integrated European Union, which is an important political and economic factor in the world, with (supranational) strong institutions, its own currency and a Common Foreign and Security

as well as a European Common Security and Defence Policy. The ultimate objective of ever closer integration among member states is no longer a distant dream.

The European Union is a success story. It has guaranteed peace, security, and stability for its 15 current members. The reach of Europe's peace dividend, however, has gone far beyond.

By the on-going enlargement process, the European Union will soon grow to almost 30 members and 500 million inhabitants, thereby further enhancing Europe's global role.

I am grateful to the Japan Institute for International Affairs for the invitation to discuss the subject of Austria's role in the enlarged Europe. I appreciate your interest in Europe, in Austria and in the issue of how to take our relations to even higher levels.

Let me first say a few words about the situation in the world after the outrageous terrorist attacks in New York and Washington. I shall then explain our position in the European Union enlargement process before taking a peek into the future of the enlarged Union. Finally I hope you will allow me to raise a few questions that should lead us right away into our discussion.

September 11 has changed the world.

Austria – together with her EU partners and many other nations of the world, including Japan – stands in sympathy and solidarity firmly at the side of the American people in the fight against terrorism. We consider these hideous attacks as directed against us all, against the civilised world as we know it.

We have joined the fight adopting a number of measures in the fields of police work, improved recognition and intelligence, judicial measures, and by granting permission to use Austrian air space.

We also support the anti-terror-coalition with foreign policy initiatives.

A few days after the crisis started, I paid an impromptu visit to the Middle East. In talks with the heads of State and the Foreign Ministers of Egypt, Jordan and Syria, as well as with the Foreign Minister of Saudi Arabia and Palestinian President Arafat I could explain the European position and point out the importance for the countries of the Middle East to join the fight against terrorism. I know that Japan shares this view as was also underlined by the trips of former Prime Minister Hashimoto and former Foreign Minister Komura as special envoys to the Middle East only a few weeks ago.

Austria traditionally enjoys a great measure of good-will in the Middle East, which makes us trusted interlocutors.

When Austria held the Chairmanship of the Organization for Security and Cooperation in Europe last year, I regarded not only the Balkans, but also the Caucasus region and Central Asia as priority areas for the efforts of the OSCE in enhancing security and co-operation beyond the more narrowly defined borders of Europe. I am also happy that our joint initiative for a Conference on Central Asia, which was held in Toyko last December, was very successful. It represented a landmark in the history of the OSCE, where Japan enjoys a special status as a “Partner for Cooperation”.

In view of recent events the attention devoted to Central Asia has proven very important and has created a lot of good-will. I shall return to the region in a few days’ time in order to get a first hand impression of the humanitarian situation evolving in the Afghanistan context. I shall also discuss the European positions concerning the fight against terrorism with my counterparts in Central Asia.

I consider it very important to prevent the fight against terrorism from turning into a conflict of civilisations. Following an Austrian tradition of dialogue between Christianity and Islam as well as other religions, Austria – upon my initiative – engages in the “Dialogue of Civilisations” under the leadership of UN Secretary General Kofi Annan.

Let me use this occasion to repeat how delighted I am Secretary General Kofi Annan and the United Nations, of which Vienna is the third Head Quarters, were awarded the Peace Nobel Prize. This

underlines once more the importance of the UN for securing peace in the world.

Having seen the workings of the UN from the inside as well as from the vantage point of Austrian Foreign Minister I have always held the conviction that peace in the world needs a strong UN. I am also a very staunch supporter of a close dialogue between the European Union and the United Nations on the whole spectrum of UN activities and I am particularly appreciative of Japan's very important contribution and support. As a host country for UN headquarters and as an active member we shall continue to work with the UN as closely as possible.

The new threats to the world emanating from ruthless terrorist networks and the volatile political situation in the world render European integration and enlargement of the EU even more important. Only co-operation and solidarity can help us overcome modern-day problems.

Enlargement and the simultaneous intensification of the European integration process will help Europe to better cope with the economic challenges of globalisation. Europe will become an even more important partner for the world, including, of course, for Japan.

Let me quote from last year's speech by former Foreign Minister Yohei Kono when he said, "Japan and Europe, as global partners,

are inseparably linked regarding security. Both sides have the will and the capability to engage in mutual assistance in the face of challenges to the security of either side, such as those in Bosnia, Kosovo and East Timor, and as regards the Korean Peninsula Energy Development Organization, known as KEDO".

I appreciate the Japanese initiative of ushering in a decade of Japanese-European co-operation, which will contribute to broadening the avenues of co-operation that we have identified . In the triangle EU –Japan - USA the EU-Japan arm needs strengthening. Let us accomplish this in the decade to come!

I agree that for Europe and Japan co-operation should rest on shared global responsibilities, be it with regard to regional conflicts, issues of globalisation, the environment, social issues, etc. Security has become very interdependent in today's world.

Common analysis and shared opinions on such issues are very important. Even more important is common action. For this reason I support the decision of the EU-Japan summit in Tokyo in July 2000 to elaborate an Action Plan for EU-Japan Co-operation. We need to intensify our cooperation in all areas and address global issues in a joint effort; instability in the Balkans, the Middle East and in Asia all affect the security of both of us.

I received first hand impressions of such a region of great concern for security in Asia, when I visited the Republic of Korea earlier this year. I used this visit in order to support President Kim's Sunshine Policy.

At the same time I appreciate Japan's constructive role in addressing the problems of regions like the Balkans, where Austria has traditionally been very active in trying to help find ways for a more peaceful development.

Let me now turn to the enlargement of the European Union:

In 1989 then Foreign Ministers Nakayama and Mock together visited the location on the Austrian-Hungarian border, where only a few months before the Iron Curtain had been symbolically cut.

When communism in Eastern Europe started to crumble, Austria was among the first to recognise that we had to offer a European perspective to the Eastern part of the continent. A development had started, which brought my country from the periphery of Western Europe to the centre of the continent and strengthened its position in this dynamic and strategic region of Europe.

Austria engaged intensively in these young democracies and emerging market economies. This is especially true for the 16.000 Austrian companies, which have invested in Central and Eastern Europe so far. Austria has thus become one of the three most

important investors in the four EU candidate countries bordering Austria. Tens of thousands of jobs have been created in the region.

Our trade volume with the countries of the region has been growing rapidly , mostly in double digits, in both directions ever since the fall of the Iron Curtain.

Hundreds of international companies, including Japanese, have invested in Austria. Many have made Austria their base for doing business in Central and Eastern Europe.

Having said this, it is no surprise that it was under the Austrian EU presidency in 1998 that membership negotiations started with the countries of Central- and Eastern Europe.

EU enlargement today is my ICHI BAN (number one) priority for Austrian foreign policy.

I pursue this important objective being guided by the principles of fairness and flexibility, safeguarding our own interests as well as taking the interests of the candidates into consideration. Speed is important in the enlargement process but not for the sake of quality. After all, we are talking about a process of historic dimensions, which will profoundly change Europe.

The negotiations are proceeding very well. It is possible, that the first candidates might join in 2004. Some of the negotiation chapters are very tricky, though.

This is particularly the case for certain aspects of the free movement of workers and certain services. Job market balance is the issue. The solution lies in our concept of transition periods. This concept is gaining acceptance on both sides.

Other complicated issues in the negotiation process pertain to nuclear reactor safety, road transport, the environment, and agriculture. Nuclear reactor safety is an area of particular concern to the Austrian public.

We continue – I am confident – to be on a good track, however, for finding acceptable solutions, as we have been able to solve complicated issues in the negotiating process so far.

In continuation of close co-operation with our Central and Eastern European neighbours we have – upon my initiative – set out to create a Regional Partnership with the Czech Republic, Hungary, Poland, the Slovak Republic, and Slovenia, which will intensify relations, prepare ourselves and our partners for their accession and lay the basis for the pursuit of common interests in a second phase, when our partners will have become full members of the Union.

I consider this a very important regional initiative in Central Europe with great potential in all areas of co-operation, particularly for enhanced regional co-operation within the EU.

The enlarged Union will need further reforms to cope with around 12 new members in the near future. The EU therefore finds itself in the middle of a debate on the future of Europe. A number of interesting ideas have already been voiced, some of them very ambitious. I believe, however, that we should continue to focus on the further evolution of existing structures in Europe - which for some time to come - will remain a construction "sui generis", based on its own historical experience.

The reforms will have to strengthen the democratic legitimacy of EU institutions, and to define more pragmatically which decisions should be made on the European level and which on the national or regional level.

We shall have to address more directly the issues that our constituents are particularly interested in, such as social issues, job security, etc.

I am a fervent proponent of including our population in the preparatory process leading up to the next Intergovernmental Conference dealing with the future of Europe. After all, it is for our peoples that we are building this new European house.

Austria is also fully involved in the EU's efforts to create military and civil crisis management facilities. When we talk about the European Security and Defense Policy we at present mean crisis management. Defense proper is not yet on our agenda. Initial operational preparedness for military crisis management should be reached before the end of this year. The crisis in the Balkans and other regions show very vividly how important this concept is - including in its civil dimension.. It has become ever more important since September 11 and its aftermath. Europe has to reckon with a diminished willingness of the US to get involved in military containment of crises in Europe, such as Bosnia, Kosovo, and Macedonia.

Nevertheless it is also evident that NATO and the transatlantic partnership will remain essential for security in Europe.

From today's vantage point the European Union can expect Russia to integrate herself into the ranks of responsible forces in the world and to again become a global player. Austria has always spoken up for Europe to work towards a closer relationship with Russia. Austria has also supported the EU decision for a common EU strategy vis-à-vis Ukraine.

Let me close with a few thoughts on relations with Asia and in particular with Japan:

Austria supports close co-operation of the EU with Asia, such as in the ASEM framework. When I take a look into the future, I should like to see us expand decisively on this relationship.

As I already pointed out, a very special place should be reserved for EU-Japan co-operation in view of our shared values and the already existing framework of regular consultation and cooperation. The reality of the Euro as of January 1st, 2002, will give even greater weight to economic and monetary policy coordination. All the ingredients for a more dynamic relationship between Japan and the European Union are there, but additional efforts will be needed to arrive at a real partnership, which would be commensurate with our declared expectations.

Let me, therefore, at the end of my remarks just simply raise a few questions, which I should like to pose to you and which we may discuss today:

Would you see the enlarged European Union as a partner for Japan or would it, with its economic weight and 500 million people, rather be considered a fierce competitor to Japan?

- Do Japanese decision makers in politics and business sufficiently understand the intricacies of the European decision making process?
- What can Austria, which our Japanese friends rather see as a cultural power, do to improve her position as an economic partner?

- Have our Japanese friends recognized the tremendous business and investment opportunities the enlarged European Union will offer to the world?
- What is the most important message, we Europeans have to understand to become even more trusted partners for our Japanese friends?

I personally think that we have come a long way since the publication of a book some 20 years ago entitled "Japan versus Europe. A History of Misunderstanding" by E. Wilkinson, which closed with the following words:

"Nothing can be achieved until the Japanese define more clearly the role they wish to play on the world stage, and having decided it, make massive efforts to be better understood.

Nothing can be achieved unless the Europeans, in reacting to external pressures, respond positively with a newly awakened desire to learn."

I am looking forward to our discussion. I thank you in advance for your candid answers. I shall in turn do my best to answer your questions.

Thank you for your attention.