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**RESPONSE AND RESPONSIBILITY:
THE EUROPEAN PARTNERSHIP FOR AID AND
DEVELOPMENT**

London School of Economics

London, 20 May 2005

Ladies and gentlemen

First of all I would like to thank the London School of Economics for inviting me here today. It is an honour to address this audience in a place which has produced such a variety of alumni; from my predecessor as President of the European Commission, Romano Prodi, to Mick Jagger.

So here I am, President of the European Commission, giving a lecture at the European Institute, in a European Union member state which is about to take over the EU Presidency, and wanting to talk about Africa. This might seem rather odd. Shouldn't I be giving you a long lecture on the European Union's comitology procedure? Or a comparative study of the possible configurations of the blocking minority under the Qualified Majority voting system?

Well, I am afraid I will have to disappoint you. I am a European who wants to focus on Africa. My message to you is that Europeans must focus on, and act in, the wider world. That is the kind of Europe which I, as the President of the

Commission, want. An open Europe. A generous Europe, which spreads its drive and determination for change beyond its borders. A Europe which engages with the world, rather than trying to avoid it. I believe that this is a message which can rally all Europeans, whether in France, Spain or Poland – all across our Continent.

In doing so, we as Europeans can get a clearer perspective on our own problems. Inside Europe we have achieved so much that we sometimes forget what we have; we may complain about our education, our hospitals, our job prospects. But one look at the situation of our equivalents in Africa should put our own worries into perspective.

So let us look at what is happening in Africa. Another famous student of the LSE was Dr Kwame Nkrumah, who became the first president of Ghana. To many Africans Nkrumah symbolised the hope of a dynamic new continent, set free. But the hopes which independence rightly brought have not been matched by the reality of the last 50 years.

The depressing facts are well documented. 25,000 people die of hunger in the world every day. In sub Saharan Africa, nurses and teachers are dying from AIDS faster than they can be trained. 25 million people have died there so far of AIDS, and another 25 million are HIV positive. Life expectancy has collapsed to near-Medieval levels.

What is the response? Firstly I reject the image of Africa as a series of failures. It is an image which does not fit with the dynamic, diverse and vibrant culture of Africa.

Nor does it fit the reality of increasing political choice in Africa; a process which, once started, is hard to stop.

Nor does the image of failure sit well with the strong economic growth of recent years – up to 4.5 per cent on average in 2004.

But there is no denying the challenges, well described in the recent report by the Commission for Africa. Crucially, there is an African response,

coming from within that Continent. It is African leaders who launched the African Union in 2002, to promote democratic principles and sustainable development.

The African Union has launched the New Partnership for Africa's Development, or NEPAD. This is a programme designed by Africans, for Africans to promote growth, reduce poverty and halt Africa's marginalisation.

I met this week the Chairperson of the African Union's Commission – my African opposite number, as it were. This was a conversation between people from two Continental organisations. We agreed what a relief it was to be talking in these terms, without the colonial and post-colonial hang ups.

What about the European response to the challenges?

Firstly, let us be clear about the importance and urgency of the European response. Why should we act? Because it is both part of our values as

Europeans to do so, and because it is in our interests to do so.

Why in our interests? Firstly, look at a map. Africa is on our doorstep; less than 10 miles from mainland Europe.

Secondly, because a resurgent Africa means potentially a geo-strategic partner for Europe, given its wealth in natural resources, and huge markets for European goods and services, as well as more secure supplies of energy and commodities.

Thirdly, a more stable and secure Africa would be a key contribution to destroying safe havens for terrorists. And stability and security would help to reduce large refugee flows both within the continent and to Europe.

Fourthly, and crucially, there is a moral, historical and cultural element to the need for a European response. We should not pretend otherwise. Europe has unique ties to Africa. The histories of the two continents have long been connected,

sometimes with not very happy results. The present day borders of African countries, and the weak infrastructure between countries, are in part colonial legacies.

European policy towards Africa should not be driven by guilt. But it should be underpinned by shared responsibility between African and European.

For me, there is also a personal element. Africa has been a thread running through my political life, from my anti-colonial protests as a student to my involvement in the Angola and Mozambique peace processes, to my time as Portuguese Prime Minister and now President of the Commission.

An EU visit to Somalia with Douglas Hurd in 1992 illustrated for me of the complexities of Africa's power structures. As we stepped off the plane into the 48° heat, we were greeted by a man who introduced himself as the President. It came as a surprise to me, therefore, when a little later we were introduced to another man who also said he was the President. Douglas displayed his

trademark sang-froid. “*Ah, we just met your colleague*”, he said.

So the European case for action is a strong one. That is why Africa must be a flagship issue for Europe, and for the European Commission. What is our response?

Firstly, I wonder if you, and others, realise how much the EU and its members are doing already. We are the world’s biggest aid donor - responsible for 55 per cent of all overseas development aid. We are the biggest trading partner for developing countries. Half of Africa’s exports go to the EU. The EU’s Everything But Arms initiative gives the poorest countries duty and quota free access to our enormous market of over 450 million people for all their exports except arms.

Europe has been the major driver of the WTO’s Doha Development Agenda from the start, as Commissioner Mandelson told you, here at the LSE, in February. The EU took the lead in proposing the abolition of export subsidies for agricultural products last summer. We now look to

other leading trading nations to join our position. The EU is trying to help developing countries integrate into the world economy; it is the world's biggest provider of trade-related assistance, at around 500 million Pounds per year. It is negotiating the Economic Partnership Agreements. These are not traditional liberalisation agreements, but development tools. They are intended not, as in the caricature of some, to force liberalisation on some of the world's poorest countries. They put trade at the service of development by marrying together "aid for trade" with progressive market opening, at a gradual and appropriate pace.

Europe is increasing its spending on aid. The EU set in 2002 an intermediate target for increasing development aid by 2006, a target that now looks almost certain to be exceeded.

But we can, and must, do more. That is why the Commission adopted a package of proposals last month aimed at speeding up progress towards the Millennium Development Goals.

Our proposals focus firstly on money. We have proposed that Europe spend £14 billion more on aid per year by 2010: put another way, we have proposed a new intermediate target for development aid of 0.56 per cent of gross national income by 2010. That puts Europe on course to reach, by 2015, the UN's 0.7 per cent target. I applaud the four EU Members - Denmark, Luxembourg, the Netherlands and Sweden – who have already reached the 0.7 per cent target, and the other six, including France and the UK, have pledged to reach it *before* the 2015 deadline. This is not gesture politics. It is putting our money where our mouth is.

But it is not easy to find more money, quickly, when budgets are tight. So there is a lively search for innovative ways of financing development, including the proposed International Finance Facility.

There has been recent discussion of a voluntary contribution to development by airline passengers. I personally support this. For example a contribution of 1 euro by each passenger would be

a real collective effort by Europeans to the campaign to tackle poverty, disease and hunger. I can tell you today that the European Commission will come forward in the coming weeks with a paper on this subject.

But we can only ask citizens to make further contributions to solidarity if European governments show that they also use taxpayers' money in this spirit and provide an adequate share of public budgets to development assistance.

That is why I call for the EU to agree on new, ambitious targets for aid at the June European Council. That would enable Europe to go to the G8 meeting in Gleneagles in July and the UN Summit in September with a strong, unified and powerful voice which will help encourage the rest of the richer nations of the world to match our effort.

In particular any extra money that can go to "aid for trade" will put poor, soundly governed countries on a much more positive development path and act as examples of success to their peers.

I very much hope the G8 meeting in Gleneagles, where I will be representing the European Commission, will be able to make a real breakthrough on this.

As well as more aid, we also need better aid. What does that mean? Greater predictability. That would help recipient countries commit to the investments necessary to achieve the UN's Millennium Development Goals. The guarantee of stable aid flows will induce a finance ministry, for example, to recruit teachers and doctors.

And we need greater coherence; coherence between policies, and between donors. The EU's track record has not been the best. But the European Commission is determined to improve it. The EU has an enormous range of policies, from trade to the environment, which can and should work for, rather than against, development. Europe, I would say, must become more than the sum of its parts.

That is why for the first time, the Commission has identified, as part of the April package prepared by

Development Commissioner Louis Michel, commitments which should help accelerate progress towards the Millennium Development Goals, for example on the environment or on trade preferences. In return, developing countries need to adopt the right policies, ensure adequate governance and respect for human rights.

The final theme of the Commission's April package is giving priority to sub-Saharan Africa. '*Without sustained support*', a UN Millennium Project Report concluded in January, '*sub-Saharan Africa is unlikely to meet any of the goals.*'

That is why the European Commission proposes that a greater share of the rise in overall aid should go to sub-Saharan Africa. It proposes to apply all its other ideas on policy coherence and quality of aid to Africa first, as a matter of priority. And it proposes a number of concrete actions in areas identified by Africans themselves as crucial to their development. These include financial support to develop the African Union's capacity, including the €250 million support for African

peacekeeping missions, for example in Darfur; reconnecting Africa's infrastructure to tackle the transport costs – twice as high as in Asia; and measures to support the social sectors such as health and education.

One additional consideration, on the African side of things. In the last few years we have understood better than before that there is no real development without security and that security depends on political stability. Assistance in these fields is of the utmost importance and the European Union will keep providing it. Often carried on through the good offices of the African Union and other regional organisations, conflict prevention, crisis management, peacekeeping, and post-conflict reconstruction are necessary tasks in many parts of sub-Saharan Africa. So are the efforts to stimulate and support good governance - the civilian components of conflict prevention, ranging from women's education to judicial expertise. There again the European Union is well placed to make a difference.

So there is already a European response. And we can, and must, go further. And we must act now. To borrow a slogan from an African election campaign, the hour has come. The international calendar for 2005 is one for Africa, and for development. The UK has made Africa one of the main themes of both its G8 and EU Presidency this year. September will see the United Nations Summit, which will review progress towards the Millennium Development Goals. And in December, there is the crucial Hong Kong Ministerial of the World Trade Organisation.

Action is not and should not be confined to governments. Grassroots movements like the Make Poverty History coalition are also helping to build momentum. I welcome the presence here today of two of the leaders of the campaign, Richard Curtis and Emma Freud. But this is not just about famous names; it is also about the thousands of people who signed the petition I received this morning from the Jesuits. It is about the contribution which you, and I can make.

Let me address my final remarks to two generations sitting here today; mine and that of the students.

What is almost as awful as the facts of hunger, poverty and disease is that my generation has become so used to them. We are in danger of taking for granted the images of dying children; of letting them, to use a very inappropriate phrase, become “a fact of life”.

We must fight this; and I mean “we”; all of us in Africa, in Europe and elsewhere. The fight against poverty, hunger and disease is perhaps the issue for my generation. We must follow the energy and dynamism of the younger generation, who are leading on this issue, ahead of governments and large organisations.

We have the resources. We have the strength of popular feeling, as the huge response to the Tsunami showed. What we need now is political will and organisation to turn this into action.

Many leaders of 200 years ago thought that slavery was an inevitable, if uncomfortable, necessity; a natural part of the order of things. They were wrong. So are those today who just accept poverty, hunger and disease. The challenge for my generation is to take up that fight, and win it. So that the next generations read about these things in the history books; just as we do about slavery.

The momentum is gathering, there are reasons to be optimistic, and I hope that Europe can lead. But there is no reason at all to be complacent.

Perhaps the title of a song from some of the leading campaigners sums up the message; *'Sometimes You Can't Make It On Your Own'*. Not a bad motto for the partnership between Africa and the developed world, particularly Europe. Now we have to prove that together, we can make it.

Thank you.