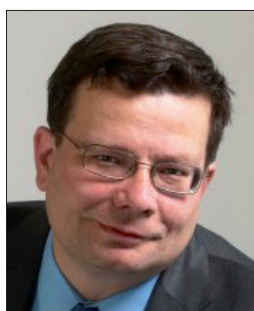


Presidential priorities

INTERVIEW WITH ALEXANDR VONDRA

DEPUTY PRIME MINISTER, THE CZECH REPUBLIC



ALEXANDR VONDRA

Alexandr Vondra is a geography graduate of the Charles University in Prague (1979-84) and has a doctorate in Natural Sciences. Until 1989 his work was largely underground, involving rock bands, publishing and clandestine political activity. He was appointed foreign policy advisor to President Havel (1990-92), First Deputy Minister of Foreign Affairs (1992-97), and Ambassador to the USA (1997-2001). Before becoming Minister of Foreign Affairs in 2006, he gained experience preparing the Prague NATO Summit, as a lecturer and as a business consultant. He took up his present role in January 2007.

Could you describe the principle objectives that you have set for the Czech Republic's Presidency of the EU?

I think that there are two principal objectives. One is to do it in a professional manner. It is the first time in our country's history that we take the role of the Presidency. We are a new member, having entered the community just five years ago, and it will not be easy because, if the new treaty is ratified, we will have to set up new rules, so we must act with professionalism but also with flexibility, deploying the art of improvisation.

Given the Irish June 12th "No" vote on the Lisbon Treaty, it seems that our Presidency will be marked by the search for finding solutions to enable the EU to move forward and leave the institutional troubles behind, and at the end by the elections to the European Parliament, which take place in June 2009, so the EP will not be in session for the second quarter of the year.

On substance, let us see what can be done in this narrow time period. Perhaps the Czech Republic will go down in history as the Presidency where no single legislative act was approved! We do not want more regulation in European life – it is over-regulated already – so maybe that's not a bad ambition.

What specific measures do you plan to introduce to increase EU competitiveness?

I think this is a must for Europe as we are entering an era where the new big challenge is coming from China and India. They are seriously influencing the global market and to keep Europe as a competitive entity is priority number one for all of us. In general our goal should be to find the right balance in that triangle comprising competitiveness, environmental concerns and security concerns.

There must be a balance, especially at a time of such environmental hysteria where all of Europe is focusing on CO2 emissions and new regulations arising from this. It must be done in a way that will not harm the competitiveness of Europe, and while it is great to be the leader of the change in the world, we will succeed only if others follow.

It should be an overriding aim for us and we are proposing various measures. Take the example of bio fuels. Two years ago it was the issue on everyone's agenda and very fashionable, but now we are also analysing the consequences: what is the impact on the price of food, what is the real contribution that bio fuels will make, and what is the real impact on the environment. So our

analytical work should be done in a more careful way, not just driven by some immediate environmental demand.

On the subject of energy, we are looking for a new strategy in energy, a review and assessment for Europe, so we have started a new policy, but we have to be aware of all the consequences because, when talking about competitiveness, one is also talking about prices, and in the area of energy there is no better example of the problems. So if we wish to cut CO2 emissions, we can do this, but at the same time it must be made clear that there is no alternative other than a nuclear revival. Without generating power from nuclear resources we don't have a chance to win.

How would you wish your Presidency to be characterised and remembered? And what are the distinctive features that the Czech Republic can bring to this task?

We are one of the new member countries, so from this standpoint we want to keep the European Union open, not to close it or build walls around it. We still see it as an important challenge to finish the job in the rest of Europe. In the Balkans for example, the Serbian elections went surprisingly well. I think that Tadic and those western oriented politicians are well intentioned, but they need time. We must work now with Serbia and listen to them, but I think that we have a chance to build relationships and they must have a clear European vision of a European option, so we are in favour of starting the process of integrating Serbia into the community soon. We also see a good chance to conclude the process of accession with Croatia next year. We also want to keep the door open for Turkish membership, so in a word, to keep Europe open as a gate and to continue with the process of enlargement and accession building.

At the same time we are probably the most western-located country out of those new members, so we want to reform Europe. We do not see the task in Europe as just a redistribution of wealth or of resources. Europe is not about a subsidy, for moving money from one area to another, but we are convinced that Europe can only succeed if the economies are open internally as well, to enable them to compete. We are also looking to initiate a budget review. I don't know whether the Commission and President Barroso will have the courage to publish the White Paper on the budget review before the elections, but we will be certainly pushing for substantial reforms. So enlargement and the reform are key.

Where do you hope to strike the balance between the principal competing demands on EU funds, such as the Common Agricultural Policy, the Structural Funds etc?

We have to continue reforming the Common Agricultural Policy (CAP). I think otherwise Europe does not have a chance, so we must invest more money in knowledge, education and a skills-based economy, so we should continue reducing this relative spending in the agrarian sector, but it is not easy, I can tell you. I am also a senator with a constituency in an agricultural region and I believe that the Czech farmers are able to compete easily with the French if there are no subsidies. However they began to receive payments as a part of the CAP policy in the past few years, and those subsidies, it's like a heroin; you become an addict very soon. You can see the change as they become accustomed to these payments. They have the new John Deeres in their barns and if you continue doing that it's like an addict getting a fix over a long time. The detoxification will take even longer. Therefore the reforms must come sooner rather than later.

In the light of President Sarkozy's surprising call for CAP reform, how close is cohesion between the 'triplet' of France, the Czech Republic and Sweden?

Yes, there is a new rule that the European Presidency has to develop over this so called 18 months programme to guarantee a certain continuity. It is always a compromise because on certain issues we do not have a single view, but Europe is united in diversity and you have different views on certain issues. Agriculture belongs to those different views, so you can't expect a miracle. If the three have to agree on common tactics, it will likely result in a compromise, not a revolution.

What changes in EU/USA relations do you expect from either a new Democrat or Republican administration in Washington?

I think there is a great hope in Europe to have a new start. Maybe there are different views among some Europeans as to who would make the best start to a new era of relations with Europe. If John McCain wins I think we can start relatively smoothly early in 2009. If the Democrats win it will probably take longer, because they are eight years out of the White House and will need time to set up relations. But I come from a country which believes that it's very important to keep transatlantic bonds strong and we are very interested in having good quality transatlantic relations and it is an important part of our strategy.

EU/Russia relations have been under strain in the last few years. Do you see prospects for change with the relatively new administration in Moscow?

I don't know. We are hoping for new and better relations in our dealings with Russia, but it's too soon to judge. I

think that the good thing is that Medvedev does not have a history in the KGB, but in business, so it's certainly a reason for some realistic hope. On the other hand, one wonders, was it the election or selection of the new candidate? So I think we have to wait and see, but most of all to have a serious debate in Europe, because we will hold talks about a common policy towards Russia, and we will start negotiations on a new agreement. But to have a common policy requires some common analysis and common perception of what Russia really is. Sometimes the view is different if you observe Russia from Moscow, compared with the view from Berlin, or London, or Rome. Some approach it as a security challenge; others see an opportunity to achieve a balance of power, so it is not easy to achieve a consensus.

How do you assess Europe's current approach to the subject of energy security?

I will give you an example. The hysteria of CO2 emissions and the new plan to introduce the Emissions Trading Scheme by auction by the beginning by 2013, without any gradual phasing in of the system, has led companies in our country to re-evaluate their plans for power generation. They now intend to exploit gas resources, but to exploit gas means to increase dependence on Russia, so the result of this great European co-operation is that Central and Eastern European countries will be more dependent on Russia than in the past and it did not bring us to paradise then. There are tough decisions ahead of us and we should consider this carefully from all angles.

You called last September for EU reform, highlighting the concept of 'two-way flexibility'. What is this concept and how do you hope to achieve this reform?

This was in the context of the debate in Europe in Parliament about what should be done following the failed Constitutional Treaty. There were two contradictory demands. One was to move ahead with institutional reform, which is basically about the redistribution of power in Europe, but it is not enough to solve the problem of the democratic deficit. The democratic deficit is another problem for Europe, and I am afraid that this new treaty is not helping us. It is also mostly about power management.

We propose this so-called 'two way flexibility' principle, which means not just to bring the competences from the national to the European level, but in certain areas, where it does not work properly, not to be afraid to return certain competences back to the national level, based on the principle of subsidiarity, so the decision making should be done as close to the citizens as possible. This is the only way to retain a positive attitude on the part of the citizens of the continent towards the European project. E

China and India are seriously influencing the global market and to keep Europe as a competitive entity is priority number one for all of us