

A Deal is a Deal: A Union of Rules in an Unruly World

**Speech by Mark Rutte, Prime Minister of the Netherlands, European Parliament
Strasbourg, 13 June 2018**

Mr President, ladies and gentlemen,

Thank you, President Tajani, for your kind introduction.

And thank you, members of the European Parliament, for giving me the opportunity to contribute to this series of debates with members of the European Council on the future of Europe.

It's a pleasure and a privilege to be here.

Winston Churchill once said: 'Politics is the ability to foretell what is going to happen tomorrow, next week, next month and next year. And to have the ability afterwards to explain why it didn't happen.'

Churchill was right, we can't predict the future.

Unexpected events will always occur.

But as politicians, it's our job to lead and to chart a course.

It's our job to set goals and make choices that help achieve those goals.

And looking at Europe and the world today, it's clear: the European Union needs to make choices.

Choices about its course and its role in the years to come.

I must say, my personal views on the importance of the EU have evolved over the years.

Yes, there is a transactional, 'bread and butter' element.

Member states all benefit from the Single Market, the monetary union and the free movement of persons.

But it's just as important that the EU ensures security, stability and the rule of law.

The mere fact that we work together, that we're embedded in this Union, makes us stronger, safer and more effective.

More and more, I've come to view the EU in that light.

It's something we in the Netherlands felt in the aftermath of the downing of flight MH17 in 2014, and yet again after the decision to hold Russia accountable for its part in it.

The EU united behind us, jointly calling for Russia to accept responsibility and cooperate with efforts to establish the truth, and achieve justice and accountability.

We are grateful for the support and unity shown by this Union.

Russia's continued denial, its baseless criticism of the investigation and its obstruction of the truth are a stark reminder of how much we depend on all parties uniting to achieve justice for the victims and their loved ones.

And of the importance of upholding an international, rules-based system aimed at fostering peace and justice.

So today I stand before you with a real sense of urgency.

Because recent developments make it very clear that we cannot take our way of life, our way of doing business or our way of conducting international relations for granted.

The multilateral order is being challenged in a way that we haven't seen in decades, and the geopolitical balance of power is shifting.

This global dimension of Europe's future is the first thing I'd like to highlight today.

Because if we want to be able to act, if we want to determine our own future, Europe must stand united.

Now, more than ever.

We must deal with the fact that Russia has chosen to distance itself from its neighbours in the West.

With the ongoing conflict in Syria, and the arc of instability around Europe.

With countries like China and India, which are stepping up their presence on the world stage, projecting great self-confidence and a clear agenda.

And with all the challenges and opportunities this brings for the EU as the world's biggest trading bloc and as a leading force for peace, stability and development.

Even the relationship with our most important ally is no longer self evident.

The US has unilaterally pulled out of the Paris Climate Agreement and the Iran nuclear deal.

And it has imposed import duties on steel and aluminium, triggering a debate we thought was obsolete.

But of course we remain friends and allies.

I personally have always been a strong believer in the transatlantic bond.

And we need to keep working as closely as possible with the US.

But we must also deal with the fact that the rules-based multilateral system is under severe pressure.

Since 1945, that system has greatly benefited Europe and the world.

Indeed, the EU is the most successful example in world history of how multilateralism and the willingness to compromise can bring about unprecedented security, stability and prosperity.

The EU is the ultimate example of the power of international cooperation and free trade.

We know from experience that progress requires give and take.

We know the value of seeking common ground, shared interests and sensible compromise.

So let us broadcast a strong message to the world: that Europe's belief in the power of multilateral cooperation and free trade is as firm as ever.

And that the EU member states stand united in this, however much pressure we face.

I like to compare it to the wagon trains in those John Wayne Westerns that I watched as a boy.

The settlers made a conscious decision to jointly undertake the difficult journey westwards.

Before setting off, they agreed to stick to certain rules.

Rules on conduct, speed of progress and care of the sick.

And when evening fell, or danger threatened, the settlers circled their wagons.

Their unity gave them strength, stability and security.

It's the same with the EU.

Unity is the bedrock of our strength.

Unity defines our ability to act.

Sadly, Brexit will leave a big hole in our circle.

The only positive effect is that it has made the other 27 member states even more aware of the importance of unity and working together.

As a founding member, the Netherlands is committed to ensuring that our circle stays strong.

That the EU remains successful and effective.

That it continues to improve the lives of hundreds of millions of people.

For the Netherlands, EU membership is self-evident.

Because the Single Market has brought greater prosperity for more people than the founders of the EU could ever have imagined.

And thanks to our shared values, more Europeans than ever before enjoy legal certainty and protection.

But I must be frank.

I firmly believe that a truly strong and unified Europe must embody that famous quote by Goethe: '*In der Beschränkung zeigt sich der Meister.*'

'Mastery is revealed in constraint'.

Or, to put it another way, 'Less is more.'

More and more Europe isn't the answer to the many problems that people face in their daily lives.

For some, 'ever closer union' is still a goal in itself.

Not for me.

'Unity' and 'ever closer union' are not the same.

You don't achieve unity by simply doing more in more areas.

You achieve it by doing things really well in a few important areas.

So I believe we should be working towards a more perfect Union which safeguards our way of life and delivers practical results.

The EU needs to under-promise and over-deliver.

Because focusing on core tasks will promote the Union's effectiveness, strength and identity.

And it will boost unity.

I believe that the future of Europe should essentially be about the original promise of Europe.

The promise of sovereign member states working together to help each other achieve greater prosperity, security and stability.

But we can only deliver on this promise if a deal is a deal.

And if the difficult compromises we have to make apply to everyone – and in full.

Europe isn't a menu you can pick and choose from.

That is – and always has been – the basic premise of our unity.

So let me be very clear: the debate about the future of the EU should not be about more or less Europe.

It should be about where the EU can add value.

Where can cooperation achieve more than member states can achieve in isolation?

And where does it make sense for sovereign member states to make a positive and conscious choice to work together?

Originally, it was **the Single Market and international trade policy**.

Then came **EMU and the euro**.

Then, more recently, we added the **common migration policy, joint control of our external borders and our collective security**.

And of course there's **climate policy** – by definition a cross-border issue.

These are the areas where the EU needs to focus.

Because here Europe can achieve more than the sum of its parts.

The challenge is to ensure that we do confine ourselves to these areas.

And that we actually deliver on them.

A Europe that adds value, sticks to its core tasks and achieves visible results can count on public support.

That is why, once again, we need to under-promise and over-deliver.

So for me, the debate on the EU's future starts with the question: 'Is the EU still doing the right things?'

What new priorities are emerging? And where does the EU need to do things better, or differently?

When it comes to new priorities, climate policy is a case in point.

The current EU target of reducing greenhouse gas emissions by 40 per cent by 2030 predates the Paris Climate Agreement.

But it isn't enough.

Not if we're to play our part in keeping global warming below two degrees.

Let alone aim at one-and-a-half degrees, as we agreed in Paris.

So for a Paris-compatible EU target we need to raise the bar.

I am proposing a 55 per cent reduction in greenhouse gas emissions by 2030.

Not only to meet our obligations, but also because a competitive and forward-looking Europe is by definition a sustainable Europe.

Can it be done?

Absolutely!

As long as we, the member states, Commission and European Parliament, all make it our goal.

And that's what I'm asking you today.

Together with countries like France, the Netherlands wants to lead the way on this new climate ambition.

And to work with you to achieve it.

Exactly as we've done before.

I still have a very clear memory, dating from the Dutch Presidency in 2016, of how we tackled the refugee crisis in record time through a big, concerted effort.

As co-legislator on border control measures, you played a major role.

Let us show once again, in this other, more insidious crisis, that Europe can take responsibility, and that together we can achieve a great deal.

And this brings me to what we need to do better.

It's an important question, because the EU has a tendency to make new agreements before existing agreements have been fully implemented.

We all know the ultimate example: the Single Market.

There's so much more we can achieve in the field of services and the Digital Single Market. According to this Parliament's estimate of the cost of non-Europe, we're missing out on over a trillion euros a year.

So, with respect to the EU's original promise and its future: this is what it's all about.

Here, too, I have something to ask of you.

Especially representatives of the larger member states that are in no hurry to open up the market for services.

I hope you won't hold it against me, as Prime Minister of a country with a smaller domestic market and a long history of international trade, for mentioning the elephant in the room.

We need to team up to unleash the full potential of the Single Market.

Because we can't pass up an extra trillion euros a year.

Another area where we could do better is the eurozone.

We've come a long way, and the EU has shown that it can take action when it has to.

But we're not sufficiently prepared for another crisis.

The basic promise of the euro was that it would bring us all greater prosperity – not a redistribution of prosperity.

That together we would achieve greater affluence.

The pleas now being made to establish a transfer union fly in the face of this promise.

And yes, I know that a currency union needs stabilisation mechanisms at times of crisis.

But if the 19 eurozone countries were to put their own budgets and national debts in order, that would probably be stabilisation enough.

That, too, is simply an existing agreement under the Stability and Growth Pact.

A deal is a deal.

Of course, if – after putting its house in order – a country suffers a financial crisis and there's genuinely no alternative, we should help each other, as good neighbours.

We created the ESM, our collective safety net, precisely for that purpose.

But we need to do things in that order.

Let's not forget, we already have hundreds of billions of euros available in the EU budget to support structural reforms at national level.

I strongly believe that we should use these resources to fulfil the original promise of the euro, a higher level of convergence and competitiveness for all.

Let's use the tools we already have in place.

Let's make sure that the Commission and the Eurogroup work together to achieve this goal.

And of course we must do better on migration.

We must be prepared to tackle the next migration crisis.

We must resist the unchecked influx of migrants and work harder on return.

And we really must take steps now to make the European asylum system fair and effective.

If we fail to take these measures – collectively – we risk losing the advantages that Schengen has brought us.

Mr President, members of the European Parliament,

The debate about the future of Europe, about old and new priorities, is also at the heart of the debate on the next multi-annual budget.

To the Netherlands, it's only logical that the budget should shrink after Brexit.

And within that smaller budget it's only logical that wealthy states should pay more – but not disproportionately so.

The Netherlands is willing to pay its share, but countries with a comparable level of prosperity must make a comparable net contribution per capita.

Member states' financial contributions need to be proportionate and reasonable: that's how we see it.

But figures aside, the Netherlands sees the next budget above all as a chance to show that the EU is serious about reform – by re-assigning funds to tomorrow's priorities.

We can't solve today's problems with yesterday's solutions.

We can't face the twenty-first century with a budget that reflects the realities of decades ago.

At present, agriculture and structural funds swallow up seventy per cent of the budget.

Spending less in these areas will make room for new priorities.

We also need to reform the very substance of these policy areas, to make them fit for the future.

That, too, is only logical.

And it's necessary.

We must show the people of Europe that we practise what we preach.

Because, as the old Dutch saying goes: trust arrives on foot and leaves on horseback.

In many countries, the EU's democratic legitimacy, as well as public trust and support, are under pressure.

For the future of Europe, perhaps our most important task is to regain that trust one step at a time.

Of course, the democratic legitimacy of the EU has various dimensions.

There's the formal, institutional dimension.

And that centres on the fine balance between the members of national parliaments and you.

I'm not giving away any secrets when I say that the Netherlands attaches great importance to the role of national parliaments.

Because that is where we must address the question of what member states can do better themselves, and what should be a matter for the EU.

In other words, how taxpayers' money should be spent.

Here, in the European Parliament, proposals for European laws and rules are discussed, amended and adopted.

Here, implementation is monitored.

And here, plans and proposals by the Council and the Commission for the future of the EU are weighed and discussed.

In this way, national parliaments and the European Parliament together provide the EU's democratic legitimacy.

But there's also a less institutional dimension.

Because legitimacy and realism are extensions of each other.

So the EU needs to listen to what the citizens of the member states want from it.

And especially, what they don't want.

And it has to act on that.

I believe that delivering on the EU's basic promise is crucial if support for the EU and unity are to be preserved.

And of course, there can be no democratic legitimacy without the rule of law.

Let me be crystal clear on that point: ours is a union of laws and values.

Membership of the EU is not a statement of intent.

It means opting unconditionally for freedom of the press, an independent judiciary, legal certainty and all those other democratic achievements that bind us together as a community of values.

It's literally part of the deal.

When you're in, you're in all the way.

This is a pressing issue – also for this Parliament, I'm happy to say.

Because those who say that the rule of law is a purely national matter are wrong.

The people of Europe can flourish only if the rule of law applies in all member states.

If our citizens can trust each other's legal systems.

And if businesses know their investments are safe, and that any disputes will be resolved by an independent judiciary.

That's why it's vital that countries do what they agreed when they signed up as members of the EU.

And that the Commission monitors this rigorously and independently.

Ladies and gentlemen, friends,

One of the founding fathers of the European Union was Johan Beyen, a post-war Dutch Minister of Foreign Affairs.

In his memoirs, published in 1968, he refers to the story of the giraffe that Julius Caesar brought back to Rome from one of his campaigns.

It's said that the Romans weren't sure what to call this strange animal.

Eventually they settled on 'camelopard', because it had a neck like a camel and spots like a leopard.

Beyen wrote: 'Europe is like a giraffe: an animal difficult to define but easy to recognise.'

And fifty years on, that's still a good description.

Because Europe's wealth lies in the diversity of its member states and their regions, their histories, and all their different languages and cultures.

That can't be summed up in a few words.

At the same time, Europe is easy to recognise as a community of values and as a united partnership.

It's a circle of covered wagons that gives strength and protection.

And that's my core message.

We don't have to agree on everything – and we probably won't today – in order to recognise the value of unity in a fast changing world.

That unity, ladies and gentlemen, is the future of Europe.
Our future.

Thank you.