

BRUSSELS FORUM 2009

Discussion

Craig Kennedy - President, GMF

Okay, so we are going to move some things around a little bit before the President of the European Commission joins us for a conversation. Tonight there are Night Owl sessions after the main event. If you come in here it's going to be Energy Security. It should be pretty good. We are going to try a little bit of a new format. Out in the bar area we are going to be doing EU Israel relations. One of those topics that always generates a lot of interest and commentary here.

And then we'll, hold on one second. And after this obviously we'll go down to dinner. I just wanted to say before I introduce the person who is going to really introduce the session, how grateful we are to have you tonight President Barroso. We know how exhausted you must be after taking care of your Ministers for the entire day of various kinds. And it's really wonderful to have you here. It's my pleasure now to turn the podium over to Martin Jager of Daimler.

Martin Jager - Head of Global External Affairs & Public Policy, Daimler AG

Thank you, Craig. Honourable members of Congress and Parliament, Excellencies, ladies and gentlemen, I have the great pleasure and honour to introduce tonight to you the Honourable Jose Manuel Barroso, President of the European Commission. He has kindly agreed to be our discussant at this conversation tonight. And the moderator of the session will be Ulysse Gosset from the French Television.

President Barroso is well known to all of us as a true European with a global minded education, and he speaks in many languages, among them I may proudly add, the German language, this is an excellent thing, and unfortunately rarely found here in Brussels. This academic -- we try to speak English and to [inaudible]. His academic career includes Masters Degrees in Law, European Studies and Political Science from the Universities of Lisbon and Geneva, and further studies at Georgetown University, the International University Institute of Luxemburg and the European University Institute in Florence.

Six times, Jose Manuel Barroso was elected to the Portuguese Parliament. He held various ministerial functions, and was eventually Prime Minister of Portugal before his nomination as President of the European Commission in 2004. There would be much to say about the various political initiatives President Barroso has taken during his European Mandate, but let me emphasize only one, his tireless effort to keep the European Union together in mastering this economical and financial crisis.

Even if much of the measures are and need to be taken at national level, Jose Manuel Barroso provides leadership and lives up to his responsibility as President of the European Commission to be the guardian of the Treaty, and the mediator between sometimes, I have to admit, conflicting national interests.

Like many of his countrymen in history, he is a courageous sailor and navigator. And he will not rest before having sailed the ship out of the storm into safe waters, [Ulysse Gosset] President Barroso the floor is yours.

Ulysse Gosset - Journalist and Anchor, France Television Group

Merci, bonsoir [et tous], thank you very much. Thank you to the President of the European Commission for being here tonight after such a crucial and important meeting with the 27 Heads of State and a crucial meeting because it is the last one before the G20 in London. And the real question for everybody here and around Europe is to know if the Europeans are now altogether with one basic line before the summit. Are you ready for the G20 in London? And what will be your message, what is the plan?

H. E. Jose Manuel Barroso - President, European Commission

First of all good evening everybody, thank you very much for your nice words of introduction. Yes I think it was a great success the Summit today and yesterday. We achieved among the 27 Member States of the European Union a coordinated approach as a contribution to what we hope will be also coordinated approach in the G20 in London.

You remember that this process the G20 started in fact, by European initiative. It was during the French Presidency that President Sarkozy and myself we went to Camp David to propose to President Bush the organisation of the first G20 Summit in Washington. And now we have the second one on 2 April in London. And we achieved a coordination of our positions among the 27. And now the G20 will be shared by Gordon Brown in London.

There was first a meeting some time ago chaired by Angela Merkel in Berlin. And I am very proud to say that we have a common position that we want this common position to be a contribution too, which will be hopefully a common position of the G20, because it's a global crisis it needs to get a global response.

Ulysse Gosset

So what would be the message [of yours]?

H. E. Jose Manuel Barroso

Our message is that we have to act on several angles at the same time. We should avoid this issue of a choice between regulations or stimulation, we need both. We need a stimulus to global demand, but we need also to improve the regulation and the supervision of the financial markets, because there is a real problem of confidence there.

I particularly believe it is critically important that we address the issue of import assets the United States as well, and in Europe. But apart from that it's important to reject all forms of protectionism. That we commit ourselves to conclude [inaudible] trade talks, and that at least to have a standstill and to avoid any kind of protectionist measures, and that we don't forget the developing countries of the world that we keep our commitments regarding the learning development goals. So these are the four areas where I believe we have to act, the economy, through the recovery plan, the financial regulation supervision, the trade and the support to developing countries.

Ulysse Gosset

But, as you know, there are a lot of people who are asking Europe to do more to solve the crisis, to spend more on the stimulus packages. And in fact during the Summit the [Europeans] rejected a new engagement of Europe in terms of financial needs to solve the crisis. So why did Europeans reject the appeal from the Americans to do more? Do you think Europe doesn't more? Or what do you reply to them?

H. E. Jose Manuel Barroso

Europe is doing a lot. It's a huge effort we have never done so much in a coordinated manner as we are doing now. Our estimate is that we are doing, if we consider not only the discretionary fiscal stimulus but also what is the role of the automatic stabilisers, we are around 4% of GDP. And European Central Bank President just informed us now that if we consider the guarantees we are giving to the financial sector its 23%. I repeat 23% of the GDP of Europe is now -- it's otherwise engaged in this effort, so it's a lot.

Ulysse Gosset

But is it enough?

H. E. Jose Manuel Barroso

Let's see. Now what we have to do is to implement the plans. I said to my colleagues in the European Council implementation not gesticulation. We just approved a plan, in December we approved a plan. Of course, that takes some time because there is

afterwards the legislative decision initiative to be taken in each of our Member States. Only now we are starting to see the first results of the plan.

But what we decided, in fact it was already decided also by the Finance Ministers at the G20 meeting, is that we will do everything that is necessary. But it is I think, unwise, it is not prudent before we implement the plan we have to start speaking about new possible additional plans. So let's keep the situation under review. But there was a clear determination to go ahead with this plan.

And honestly I don't see, and sometimes I see the press, but I don't agree the analysis that there is a basic difference between the Americans doing more and we doing less. It's different, the systems are different in the United States and Europe, because of our welfare systems in Europe we, in fact, because the automatic stabilisers have a much greater role, because unemployment subsidies for instance are much higher in Europe than in the United States. So, we can not always compare only the fiscal discretionary stimulus.

Ulysse Gosset

And if you really compare you would say that Europe has spent about \$400b for the Stimulus Package.

H. E. Jose Manuel Barroso

Euros, Euros a little difference.

Ulysse Gosset

[EUR400b], and as much as the US you would say?

H. E. Jose Manuel Barroso

Look, we can not compare in terms of just quantitative elements because of the dimension of the economies and also because of the automatic stabilisers. Just to give you an example, a worker in GM in Detroit and a worker in Saab in Sweden, or here in Belgium. Here in Belgium if someone goes unemployed he gets 60% of his salary, and afterwards 50% of his salary. And in most of our countries there is always some minimum contribution. In the United States, after six months you get zero, zero dollars.

So the rule of the automatic stabilisers in Europe is much bigger. So we can not anticipate. It depends on the duration of the recession. But we have countries in Europe like the Scandinavian countries, where the weight of the State is almost 60%, at least more than 50%. We can not ask those countries to go much higher. So the situation is very different.

What is important is that we are going the same way, hopefully not only in that matter but also in others, namely committing ourselves to avoid any kind of protection, I

think this is very important. If the United States and Europe work together to conclude the [duo] trade talks and also by the way agreeing on some basic principals for financial, sensible financial regulation and supervision.

Ulysse Gosset

You would say that production is the main danger today for the world?

H. E. Jose Manuel Barroso

It is one of the main dangers really. I see many worrying signals of economic nationalism and protectionism. And now we have figures, because one of the worst problems now is that for the first time we have this recession a sharp drop in demand but also a contraction of global trade, a real, not a slowdown, a contraction of global trade in volumes, at the same time that we have a crisis in financial system. What it means, it means that there is also lack of finance for trade. Some countries such as Brazil have less 50% of finance for trade than it did before.

By the way one of the initiatives we approved today, and there has been a lot of preparation also with our American friends, is a program for finance for trade. We are working with IMF, where just this afternoon we spoke with the President of World Bank Bob Zoellick, here already after the Summit, and we are working with our American friends, and with international financial institutions to have some specific initiatives for finance for trade. And by the way Gordon Brown has been very active in putting forward also some very interesting ideas in that matter.

Ulysse Gosset

When do you see the end of the storm? Some people like Jean-Claude Trichet the European Bank President said he might see some light in 2010. Do you and others have seen some light too at that time. Do you agree? Do you think 2010 is a good time to say well we are going to get over and think about the future and not of the storm?

H. E. Jose Manuel Barroso

I hope so, but I don't want to commit myself to precise date. You know the forecasts have been reviewed all the times in a negative trend. Let's concentrate now implementation and let's leave the, let's say, the predictions for the [inaudible].

Ulysse Gosset

We are in the eye of the storm at the moment?

H. E. Jose Manuel Barroso

We are in a very difficult situation and the situation is not yet over. We have seen some improvement namely in the financial sector already. Here in Europe the evolution of, for instance, the spreads it's been positive. This situation is better now.

But, in fact, for instance in terms of unemployment we expect unemployment to go up, to go up. And this is one of my, it may be my first concern now is the rise of unemployment in Europe, and what it will bring also in terms of social concerns.

Ulysse Gosset

Jean-Claude Trichet would be too optimistic?

H. E. Jose Manuel Barroso

Look, I am not going to speak about optimistic or --. You know the founder, one of the founders of one of the Perforateur of our European Union, the European Community Jean Monnet said I am neither optimistic or pessimistic I am determined. So I think we should avoid this issue of being optimistic. What we have is to do the right things with determination. I think we are doing the right things, and we have to be ready if necessary to do more.

Ulysse Gosset

Some other than Americas are saying that Europe is not doing enough, it's the European Unions and they are going to demonstrate in May all over Europe. What do you tell them when they say Europe should do more to help the unemployed, the people who have no jobs, and do you agree with their complaints?

H. E. Jose Manuel Barroso

I really think that it's an artificial debate. What I see between Europe and the United States we are getting closer, much closer in many areas including some agreements on some, let's say, sensible principles for regulation and supervision. We need to have some fiscal stimulus to the economy. So I really -- the trend is to work together, and I don't think that debate, should we concentrate more on this or on that, its helpful indeed I hope.

And this is not just wishful thinking. From the information I have I think we are going to have a very, let's say, convergent position in London. And it's not only the Americans; it's also the Chinese the Russian, the Brazilians, the Indians and many others. And this is one of the [inaudible] things about the G20 is that Europe and the United States have to be together it's -- we don't. American/Europe leadership will not solve this issue. Almost 80% of the wholesale financial market is American or European. So we have to be leading this but, of course, engaging also others.

Ulysse Gosset

Before his election you wrote to the future President of the United States, and to Mr. Obama now you are appealing for new terms of [articulation]. What will you say to the President of the United States when you see him in Prague and in London? What will be your message to him, what will you tell him?

H. E. Jose Manuel Barroso

In fact, I already spoke with President Obama by the phone, and he himself said that he wanted to work with us with the Commission and with Europe on two main issues, energy security and climate change, apart from the other, of course, [EU] matters. But with the Commission this is part of our core business here in Europe. So these I think are two concrete aspects where I hope that in Prague, when we will meet, bilaterally but also with all the Heads of certain Governments of Europe we will address this issue.

But, of course, even before that in London in the G20 there will be hopefully a great deal of convergence and common work on the financial and economic crisis. And between the two there will be, of course, the very important NATO Summit.

Ulysse Gosset

Some have spoken about a US, Europe honeymoon after the election of President Obama. Do you agree? And do you see it going for a long time or there are signs of disagreement? What do you see?

H. E. Jose Manuel Barroso

No, I think it will be hopefully more than a honeymoon, but a stable permanent happy marriage, not just a passion, but a real --. I am a true believe in transatlantic relationships really. I think I've been before President Obama, and I will be with President Obama. I really believe it's critically important. Basically we share the same values. We are for open societies, open economies.

But as open societies need the rule of law open economies also need some rules and principals. And I think there is now a great deal of convergence around some principals, about what can be open economies with the principals of transparency, accountability. And we can work a lot. One thing I am sure without strong European Union American cooperation the world will not be a better one. With our cooperation it can be a better one, but not an exclusive relation. We have to engage this as well.

But basically we share the same values. And I think it is our [in light of] self-interests to work together closer. We have some good things also done in the past for instance during the German Presidency and the leadership of Angela Merkel, we have launched, Angela and myself, and President Bush the Transatlantic Economic Council. This is very important from a concrete point of view in terms of achieving a greater degree of regulatory convergence. This is a good work in progress.

And so we have -- just to give you some figures, the United States since 2000 more than half of its investment abroad is in Europe. 40m people on both sides of the Atlantic are leaving directly from jobs created for the transatlantic relationship. So its not just talk, it's about concrete interests that we have to develop and to deepen this relationship.

Ulysse Gosset

I would like to turn to the audience and see if there are any questions for you. But first could you tell us, do you have the feeling that now in the world there is a big bar game going on between Europe, Asia and the United States? Do you see the big bar game? And what is at stake? If we succeed or not, how do you see it, do you see it as a great bar game in the world now?

H. E. Jose Manuel Barroso

Certainly there is a rearrangement of the global forces yes. And there is a real important fact is the emergence of Asia and powers like China. This is certainly the case. By the way I think Europe can play there a very important role, because we in Europe there is something where we have some experience after the World War II we have created the European Community. And so we have an experience of super-national institutions. The Commission is a super-national institution, super-national and trans-national work, convergence, setting standards.

I mean 27 countries we have now, to now almost 500m people, so we can be a very credible partner of our American friends, but also globally. Not, as I say very often, not to impose but to propose some of rules that are important for the 21st Century on issues like trade and finance, but also on energy security, on the fight against climate change, some of those global issues that need this kind of super-national cooperation.

Ulysse Gosset

Is Europe a super power today would you say or not?

H. E. Jose Manuel Barroso

It is. We are not a classic super power in terms of [Joe] political and defence matters. But Europe is the biggest trade partner in the world. The aggregate economic product is the biggest; it's even bigger than the United States if you consider 27 countries. It's by far the biggest donor of development assistance 60%. So it is indeed a super power from an economic point of view. Politically, we could and should do more honestly. But I think today it's already a very important and relevant power.

Ulysse Gosset

Thank you very much. I see two questions, one here please. Could you introduce yourself?

Q&A Session

Erika Mann - Member, European Parliament

Commissioner Barroso, I have one question. We are going, and you obviously will be -- will returned as Commission President, can you imagine that we could agree on signing the agreement between the United States and Europe on free trade? Obviously we are considering something similar with Canada. We already have a free trade agreement with Mexico. So would this be something you would pursue?

Or would you continue to have the doubts from your past colleagues?

H. E. Jose Manuel Barroso

I am in favour of a global trade deal of the [global] trade talk. And, in fact, we very much hope that our American friends will take some decisions on that as soon as possible. Because we were very close to a global deal at the end of last year in the [modalities] in Geneva - very, very close. So I hope that the new American administration now takes a decision on it as soon as possible because it's critically important.

Having said this, yes, of course the goal should be to have a transatlantic integrated space, and we are working for that. What I have mentioned before, this transatlantic [economy] counts as a contribution to it. But, honestly, I do not think that we should have an alternative to a global trade deal because of the reasons I mentioned before.

Petra Stienen - Deputy Head DWH-NM, Ministry of Foreign Affairs

Good evening. My name is Petra Stienen. I'm from The Netherlands. And I wonder how you, as a European leader, can benefit from the experience Obama showed us - how social media can entice young people to actually participate as citizens in the elections. And I think in my country if young people had been able to vote for the American elections, they would have gone 80%. I fear that on 4 June the turnout will be a bit lower.

So my question for you is how would you use Twitter or a text message - 160 letters - to actually entice people to come and vote for the European Elections?

H. E. Jose Manuel Barroso

I think a lot of leaders in Europe are studying carefully the experience of the American elections and some of the innovations brought by, not only the Obama campaign, but it was a great show of democracy. I think the respect all over the world for the United States was growing during this campaign and, so, I think there is a lot of inspiration to be drawn. So, you are right, for the European Parliament it is there some sources of inspiration, certainly.

Ulysse Gosset

But are you worried that there will be a lot of people not voting for the next election?

H. E. Jose Manuel Barroso

I am worried, yes, of course. But, traditionally, for the European Parliament the elections are not great. There is not a great level of participation. In Europe, the patterns are different as well - it depends. But there is not a very high level of participation. We look, as the Commission, and are informing the citizens about what is at stake, and we are doing. But the decisions have to be made on that matter at national level because, in fact, we see from past experience that the European election has always also a very national content in each of our Member States.

Ulysse Gosset

Just before going to the floor again, one question you didn't answer about the European Union's [Les San Dicard]. Some people are calling, not only for a new deal in Europe, but a new social deal. What do you say?

H. E. Jose Manuel Barroso

I'm in favour of more commitment in the social area. That's why, for instance, we have put forward this idea of an employment summit that we'll organise in May. I have received the social partners, not only the trade unions, the Trade Unions Confederation, but the business Europe - it's main employers' association here. And, just yesterday, together with the current presidency of the Council, plus the two new presidencies - the Swedish and the Spanish - so the Prime Minister of Sweden, Prime Minister Reinfeldt and Prime Minister Zapatero and, of course, Prime Minister [Polanack]. We met the social partners and we very much want to agree with them on some common action. I think it's the time for the social partners also to unite and to have a common response with the national governments and European institutions to face this crisis.

Hanns Glatz - Delegate of the Board of Management External Affairs and Public Policy, Daimler AG

As a company, and as person involved since many years in transatlantic dialogues, the discussion and the cooperation at the executive level between the European Union, the Member States and the United States is improving over the years. There are also many contacts between the European Parliament and US Congress, but the type of work is different. The contacts between the legislative powers remain more of a diplomatic exchange.

We have not yet reached the stage where they would really cooperate on specific issues - what you do at executive level. Don't you think it would be useful if also you, and all the political forces, would see that we get also the Congressional and the

Parliamentary side together to work on future projects so that, in the end, we come out with common, or at least comparable, positions?

H. E. Jose Manuel Barroso

Yes, I agree with you. I think more has to be done. By the way, there are very good initiatives going on also on the European Parliament. In the European Parliament there are some members that are very active on transatlantic relations across the different parties. I see some of them here. And it's true that they are different Parliaments but, anyway, I think more should be done.

At the executive level I want to underline this initiative that was, in fact, taken by Angela Merkel and myself, together with President Bush, of setting this Transatlantic Economic Council. It's very concrete. With the previous administration it was at the Whitehouse level. In the European Commission it's, in fact, Vice President Veroinan from the Commission that is responsible for it. And where we need and try to achieve some concrete on some specific areas, I hope that we will go on with this experience. So, yes, we have to have more contacts at executive level, but also putting together in more effective manners our two legislatures.

Robin Niblett - Director, Chatham House

Robin Niblett from Chatham House. I wanted to turn to your first comment about the different approaches to stimulating the economy between Europe and the United States. It strikes me that President Obama is trying to use this crisis, with his stimulus package, to shake the United States out, to transform it, to use this crisis as an opportunity to put America on a different path to growth - infrastructure, investment, energy etc. Europe, however, if you take those automatic stabilisers, this is spending to sit out the crisis, to wait it out, in a way to make sure the crisis doesn't get worse. And I'm worried that there is a very different style, a different culture perhaps, in those two different approaches.

And my question really is to do with protectionism. Is there a risk that the European approach to this, you call it, a stimulus package, but [this] stabilising approach might actually feed some of the protectionist sentiment in the United States? People waiting for America to get strong again so they can export to America. And Europe sits waiting for that eventuality to happen.

H. E. Jose Manuel Barroso

No, I don't agree with that. Look, just today we took very important decisions; maybe you are not yet aware of them. For instance, we have decided to double a facility we have of balance of payment support to countries that are not in the Euro area, from EUR25b to EUR50b. This is concrete spending. We are already using that money now for Hungary and from Latvia. We just received a request from Romania. And we'll probably have to do more in the future. So it was my proposal to double, from EUR25b to EUR50b.

We decided to give a contribution of EUR75b for the IMF, for emergency situations. We have adopted a specific programme of [trains and] peer networks, namely in the field energy interconnection of EUR5m. Namely, it is energy interconnection in electricity, in gas and also for broadband Internet. That was my proposal I made in December of using unspent money from the community budget, instead of going back to the national treasuries to be spending European-wide projects. So we are doing a lot.

You mention President Obama's ideas of infrastructure - great. But let me tell you very frankly, Europe is more developed in infrastructure than the United States. In high-speed trains we are much more developed. I say that - I have been living for some time in the United States. So there are some areas where we don't need to do exactly the same kind of thing. There are others where the Americans are much more advanced than us [and should learn] - innovation, some top-class universities, research.

But there are other matters where we are, in fact, -- for instance, our to-class trains are much more advanced than the Americans. So if the Americans now do more in infrastructure, great, I think it's good. We cannot spend money for the sake of spending. We have also to look at the long-term sustainability of our public finances, so let's keep this in mind.

And we have received a very complete report from our European Central Bank President. So I think, basically speaking, we are on the same line but, of course, in Europe we have 27 countries. We cannot have a one-size-fits-all approach. The situation of Germany is different from the situation of, let's say, some of the, for instance, countries that are under balance of payment support. This is complexity that we have to understand. And really I will not underestimate -- I think I should not magnify the differences because what I see broadly is more convergence between the approach between the American and Europeans.

Ulysse Gosset

You mentioned the IMF. Some people are calling for a new IMF, a new role from IMF, and some people would like to see emerging a new world central bank. Do you agree with that proposal or are you a little bit cautious? What do you say?

H. E. Jose Manuel Barroso

We are for the re-enforcement of the international financial institutions, including the IMF, yes. But world central - I am against too many centralisations really. We have to be prudent. The idea of re-enforcing the international financial institutions, yes, we fully, very much support. And, in fact, this is part of the proposal that we have agreed today.

Ulysse Gosset

Ok, let's take two questions in a row because we're going to end, please.

Gert Weisskirchen - Member, German Bundestag

Gert Weisskirchen, Member of German Parliament. Mr President, talking about convergencies, before the financial crisis we have had kind of a commonsense and common agreement that a new green deal should be one of the convergencies. Are you now thinking about that we should renew this?

H. E. Jose Manuel Barroso

Yes. That is, indeed, a very good illustration of what I just suggested. I see much more convergence now. If you look at the Obama plan, and if you look at our economic recovery plan, we only speak about smart green growth. It is very much the same doctrine, I would say. What are we suggesting our Member States and, in fact, some of the facilities we have created at the European level is don't make investments in the short term that are contradictory to medium and long-term sustainability and interest. So we have to find the smart investment now.

Part of it is the investment to support the greening of our economy. I will not now like to go in details because it is Brussels jargon, but that is part of our Green Card initiative, what the European Investment Bank is doing for supporting the transition for our automobile industry to a more, let's say, green industry that is more friendly to the environment, and some concrete proposals; those in the energy interconnection that I mentioned earlier.

So, yes, this is indeed one of the areas where I see closer Americans and Europeans, namely, the importance of fighting climate change. And so far the comments made by President Obama were, I believe, in the right direction. And really we need the Americans and the Europeans to go together with that if you want to have the Chinese and others on board.

Barbara Thomas Judge - Chairman, UK Atomic Energy Authority

I'm Barbara Thomas Judge, Chairman of the UK Atomic Energy Authority. And it's really about what you were just saying. You said in the beginning of your comments that energy and climate change were something that Europe could work with America on. And you just talked a bit about climate change. And we know that there are ways that we can deal with [cap-in] trade systems and with dealing with carbon, but what about energy in general?

How would you see the EU and the US working together on a common energy policy because I wonder if actually there is a common energy policy within the EU itself? And, if there is, could you discuss a little bit? And you could you discuss how you would engage the US to have a common policy?

H. E. Jose Manuel Barroso

Yes. We have been developing it, in fact, from some three or four years ago. I'm very happy to say that we have launched this European energy policy and, today, we have taken important decisions on that matter. But of course, once again, we are 27 Member States. You cannot expect us to have a unified, like the United States, position. But we have agreed on very important principles, namely, on the internal market for energy and we will see their progress.

One of the topics in the agenda for the first meeting of President Obama with us in Prague, 5 April, will be precisely energy and climate change. That's where I see great, great possibilities of concrete progress.

Ulysse Gosset

Two more questions here. The two last ones together, please, sir.

Kenjiro Monji - Ministry of Foreign Affairs, Japan

My name is Monji from the Ministry of Foreign Affairs of Japan. Japan has been trying to strengthen ties with Europe since especially the early '90s and we have done a lot but the progress is not yet quite satisfactory. The reason is that, compared to very strong transatlantic relations and very strong Japanese alliance, Japan/Europe relations is very weak but we share the same value. And now the challenges we face are global, so there should be a lot of scope for cooperation among Japan, US and Europe. How do you see the prospect of furthering Japan/EU relations?

Ulysse Gosset

And let's see the last question here before you answer, please.

Matyas Eorsi - Member, Hungarian Parliament

My name is Matyas Eorsi. I come from Hungary and, partly, the Council of Europe. When my country [acceded] to the European Union, we were told we joined a community of values. And I just remind us because the economic crisis has non-economic consequences as well - the growing radicalism in political life in many of our countries, xenophobia against minority groups and a growing number of human rights violations on the labour market. More people who belong to different minorities are more easily losing their job. So my question is whether the Commission is going to address this issue. It is not economic, but very political, based on values.

H. E. Jose Manuel Barroso

Yes, regarding Japan I agree that we have to do more. You are right - we share the same values and we have to do more. At the political level the relations are good. There are problems, but it's true that we need to have more dynamism. I have received the Japanese Prime Minister. I went to Japan. We have regular summits. But, honestly, also there have been some, let's say, political crisis in Japan that sometimes I felt that there was not enough focus.

On our side as well I think -- to be very open with you I think we have taken for granted this relationship, and I think that's not good. Precisely because there were no problems we have taken that relationship for granted. And it's like a person - sometimes we forget to say to those that we love that we love them! We have to keep and nurture that relationship more. And thank you for your remark, because I think it is important for both of us to understand because of how close we are on the basic issues.

The second issue about human rights, look, in Europe we have the most advanced system of the world in terms of respect for human rights. The most advanced system on a national level and at the European level. We have the European Court of Justice. We have the European Court of Human Rights in Strasbourg. So there are always possibilities. Of course there are violations of human rights all over but, to be frank with you, I have much more concern with what's going on in some other parts of the world where, for instance, journalists are systematically killed and we never know who has done it [inaudible] rights.

Having said this, of course, we have to address all concerns, and we have the right mechanisms. If there is any complaint that we receive about a violation of human rights, we will convey that complaint to the proper authorities - it's not the Commission. The Commission, we are an executive. It's the tribunals. At national level or at European level we have the jurisdictional instances and bodies to analyse all these kind of things.

And the Commission, we have on our policy, it's very clear. We have very active instruments to promote the culture of human rights to have some support. But, once again, it's up to the tribunals, to the courts to enforce the law when it comes to the respect for human rights.

Ulysse Gosset

Thank you. I would like to end this session and this conversation with you by a more personal question; a question that probably everybody has in his mind about yourself and your future. You know that you have been President of the European Commission since 2004 and in June there might be a decision very important for you. What is your personal desire? You have been supported by Angela Merkel, by Gordon Brown, who said you did an excellent job. We don't know yet about Nicolas Sarkozy. What is your ambition? Would you like to stay in the job? Do you like Brussels?

H. E. Jose Manuel Barroso

Look, I love Europe. That's why I was Prime Minister in my country and I accepted this challenge of being President of the Commission. And I'm very, very motivated by this job. It's a very important position; I think it was Chris Patten who said probably the most difficult job in the world. Because it's not easy to have 27 -- this is the first time we have this enlarged Europe. This is the message I want to convey to our American friends.

This is no longer the Europe Union of the six or of the 12 - it's European Union of the 27. This is a unified Europe. It's great! To have together from Poland to Portugal, from the Baltic countries to Greece, from Scandinavia to Romania, it's amazing what's going on. So I really enjoy what I am doing. But that decision has to be taken after the European elections.

It's true that I have a broad support from the different political families. I received the support, not only from my political families, the [EPP], all centre-right, but also from leaders like Gordon Brown, Zapatero and many others from the socialist family, liberal family, and I'm very proud. I see this as a recognition of the work that the Commission has been doing for Europe.

Ulysse Gosset

So the word is five more years for Mr Jose Manuel Barroso?

H. E. Jose Manuel Barroso

The word is let's now focus on fighting against this economic and financial crisis. Let's now focus on the priorities and we'll deal with these political issues after the European elections.

Ulysse Gosset

Well, thank you very much. Thank you all for being here.

[End]