

**Bled Strategic Forum, Govor predsednice vlade
“A Changing Europe in a changing world”**

Bled, 2. september 2013

Dear ladies and gentlemen, Dear Presidents, Prime Minister, Distinguished guests, Welcome to the Bled Strategic forum 2013.

This is actually my second key note address at this year's forum. Yesterday I addressed young entrepreneurs, visionaries, and future leaders at the Young Bled Strategic Forum. Although two different speeches, my main message remains the same – we must change together and we must change for the better. Yesterday we talked about youth unemployment as being one of the biggest problems that the European Union, but also the rest of international community is facing today.

This is of course true. Youth are our future and we must do everything that is in our power to help them realize their dreams and ambitions. But we can't successfully tackle the problem of youth unemployment if we don't tackle also other core challenges that the EU and the world are facing today. We live, as is also the title of this year's Forum, in a changing world, where issues, questions and problems are connected and must be addressed together. And this is exactly the aim of this year's forum – to discuss the problems of today's Europe and the world in a comprehensive manner. The old saying that if the butterfly claps its wings in China there will be an earthquake in Slovenia is becoming true. The economic and financial crisis spread across the world so quickly that it left us unprepared and shocked. We thought that something like that can't happen to us. We thought it only happen to others. We must ensure that something like that doesn't happen again. One of the lessons of this crisis, at least for me is, that there are no easy solutions, no quick fixes, but long term processes and long term visions. Example of this we can see everywhere, be it in the political, financial, economic, cultural, regional, bilateral, multilateral or any other context. Responsibility, cooperation, solidarity and – above all – clear vision are the only way forward. Let's take the crisis in Syria or Egypt. I regret the fact that the international community is not able to address the resolution of Syrian conflict. Discussions in the Security Council must lead to decisions and common understanding of the way forward. The atrocities need to stop and case of Syria must be brought before the International Criminal Court. Middle East peace process must become again just that – a process inside of which we find answers for peaceful coexistence of two states – Palestine and Israel. The time is ripe to achieve progress and I hope that current talks will lead to positive results. We need good news from the region. The situation in Egypt can't be viably addressed, if we don't address the problems of youth empowerment. This holds true for the whole South Mediterranean region. In this regard Slovenia puts key emphasis on education and intra-cultural dialogue as one of the means to change societies and bring them closer to sustainable and long term development, which is based on democracy and respect of human rights. Global challenges, like environmental issues, especially the issue of water, which will become one of the biggest questions in the next decade (including in our neighbourhood), should be tackled now, rather than later, when it's going to be late. We shouldn't repeat mistakes from the past, when we closed eyes and convinced ourselves that the problems will soon pass. Among all these challenges, we must not forget that at the core of every democratic and sustainable society fundamentally stand human rights. What we learned from Arab spring and all other revolutions is that the respect for human rights is essential in ensuring conditions for development and stability of any state. Violations of basic human rights and fundamental freedoms will eventually always lead to revolt and uprisings of the ones who suffer and feel repressed.

Ladies and Gentlemen, last but not least, I must say a few words about the biggest challenges that await us closer to home – changing Slovenia, while also changing the EU. The EU wasn't prepared for the crisis. We made compromises in the past, which were weak and didn't complete the structures in a way to ensure protection against sudden economic and financial downfalls. For me, there is no option but one left for the EU – we must build a

stronger, more integrated Europe, which will be able to withstand not just the clapping of butterfly wings, but of much larger animals. Only strong, integrated and competitive EU can face challenges of changing world. Only strong, integrated and competitive EU can be a global player, which shares its responsibility for the stability of the world. Current economic crisis changed the map of Europe. In some cases, borders between the Member States seem to be returning. This is not the way towards stronger, Europe. What we need is what I call "smart integration". This does not necessary entail new regulation. It should include simplification of procedures and reduction of administrative burden. We must do everything in our power so that people would feel equal and proud citizens of Europe and that our companies would have equal conditions for doing business all over the internal market. They should not face constraints for cross border operation. And they should not face different cost of financing their operations. This is why it is so important to build up an efficient banking union where financial sector will not be fragmented due to the national borders. In simple words: we need to create stable environment for economic growth.

We need to do this jointly, also through exchange of best practices, especially in the area of youth employment, sustainable growth or providing better environment for small and medium size enterprises.

But all this cannot be achieved only via enhanced integration at the EU level. We all need structural reforms at the national level. All Member States need to do their homework, not only some. What is also important to understand is that reforms as well as fiscal consolidation are not necessary because of Brussels. Well thought reforms are simply necessary if we want to keep the European social model. We must reform if we want our future and the future of our children to be brighter than the times we are facing now. People also need to be explained the advantages of European integration in order to avoid the raise of radical euro-scepticism. Brussels cannot be blamed for lack of national reform action in the past decade. Of course the EU institutions have their weaknesses, but because of the crisis they are being identified and reformed. And this is the message we need to learn from the crisis: constant but gradual change and evolution is the only way to achieve lasting development and growth. And while EU is dealing with its internal problems and looking for answers on the questions related to its economic and financial crisis as well as its crisis of values, we must not forget that there is an area, a policy in which EU had so far been very successful. This is the enlargement policy. EU had been able to efficiently respond to the end of Cold War, had been able to open its doors and integrate a number of countries, including my own. Promise of enlargement perspective had also been given to Western Balkans and Turkey. Today, Croatia is our latest member. In the discussions that will be held in the next two days, the issue of how to proceed further will be discussed.

Where do we go and which country will follow Croatia's footsteps and when are the questions to which I believe there is no clear answer. But something is quite clear – when the conditions are met the EU must respond. In all of the past cases enlargement proved to be beneficial for the EU. We should keep that in mind, embrace candidate countries and work along with them to ensure that they will become credible and valued new members. At the end, let me just say that this year's Bled Strategic Forum is taking place just a few days before G20 meeting in St. Petersburg, where similar challenges are going to be tackled. I hope that my friend Enrico, will find today's discussions useful and will take some good ideas from here to St. Petersburg.

Thank you very much and I wish all fruitful and pleasant stay in marvellous Bled.