

## **„Reflections on four years in Germany“**

Rede des britischen Generalkonsuls Dr. Peter Tibber

vor der Deutsch-Britischen Gesellschaft Düsseldorf

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[ - Es gilt das gesprochene Wort - ]

Peter,

Sehr Geehrter Professor Dr Hansen,

Ladies and Gentlemen,

First of all, many thanks for the invitation to speak to you this evening. And many thanks for turning out to listen! My speech here four years ago was pretty much my first in Dusseldorf. This evening's will be my last. I suppose I must have said some things sufficiently interesting four years ago to prompt you to invite me back. I shall do my best this time too, to hold your attention for the next 45 minutes or so.

Four years on, the obvious theme for my speech this evening is what has changed, and what has remained. And the irony is that what has remained is the constant pressure to change. I have seen that in my professional time here in Dusseldorf, and I will talk about some of those changes in a moment. But I know that you are living change in the Deutsche-Britische Gesellschaft too.

We had the opportunity in Dusseldorf only a few weeks ago to reflect that it is 60 years since the DBG was first founded, in a truly visionary drive to overcome the terrible legacy of war and to rebuild the network of personal and cultural contacts and understanding between British and German citizens. Over the years the DBG has made a real and effective contribution to the gradual process of rebuilding trust, friendship, admiration and understanding between our two

peoples, not least through the annual Konigswinter conferences. I well remember during my first overseas posting in Paris, how we envied our colleagues in Germany for the fact that they had this wonderful Konigswinter process which underpinned the reconstruction of the political relationship at cultural, academic and intellectual level; and how we in France needed to create something similar.

Time moves on. The UK-German relationship has evolved beyond recognition (something to which I will return later on). Contacts with peoples are intrinsically far easier, because of modern technology, and cheaper than before. We visit each others country more often, we understand each other better, although not perfectly. The DBG too has to find a new role, and in particular a way to connect with young people, who have not lived the same history and who have many competing bidders for their attention. And money is tight. So I congratulate you, the Dusseldorf DBG, for the brave decision you have taken to strike out alone. I hope you will rethink your mission, as well as your structure (something we shall be glad to contribute to if you would find that helpful) and I wish you every success for the future.

We have gone through a similar process in the UK diplomatic network in Germany. We have had to rethink our role and structure in changing times. When I spoke to you in 2005 there were British consulates not only in Dusseldorf and Munch but also in Frankfurt, Stuttgart and Hamburg. Not so long ago we'd had a consulate in Hannover too. Now we have only 2: here and in Munich. This isn't because Germany is less important to us than in the past. On the contrary, as I

shall describe a bit later on, Germany is an absolutely crucial partner for us on issues not just of top foreign and security policy, in and out of the EU, but also on many aspects of domestic policy too.

But there are new challenges, which require new resources; and the resources have to come from somewhere. When I leave Dusseldorf I shall be going to Pakistan. I am a personal example of a shift of resources from Europe to new destinations in Asia and Africa. Pakistan is a critical player in a number of key foreign and security issues for us: counter-terrorism, nuclear non-proliferation, conflict resolution, and so on. It is one of our largest embassies anywhere in the world.

So, resources move away from Europe, while at the same time our relationships with European countries become more important and more complex (for example in dealing with the issues which loom so large in Pakistan). We therefore have to find new ways of working: better use of modern communications, more visits from capitals, focussed seminars on themes of mutual interest (a recent example was a UK-Germany-Netherlands seminar on integration in the Embassy in Berlin), creating teams from people who live and work in different cities, and more effective working with non-government agencies, of which the DBG might be one example. So we all have to deal with change and adapt to changing circumstances, as the DBG is doing.

## **The EU reform**

But some things don't change. The title of my speech to the DBG four years ago was the British Vision for the Future of the EU. What I talked about then was the importance of focussing the EU on issues that are relevant to ordinary Europeans and of concentrating EU resources on areas that would help build a Europe capable of competing successfully with the US and the emerging economies of Asia. And this was following the French and Dutch referenda defeats when we felt that the EU was spending far too much time focussing in on itself and its constitutional arrangements.

Well, we've got all that behind us now, or at least we sincerely hope so. There is still the Irish referendum to go. The UK ratified the Reform Treaty earlier this year and we are strongly of the view that the EU should not return to issues of internal governance for some time to come.

Instead it should concentrate on, well pretty much what we felt it should be concentrating on four years ago: economic growth, job creation, investment in education and Research and Development to create the kind of economy and workforce that can compete successfully in the modern global world. We need more world class universities and more investment in R&D if we are to compete on quality and innovation rather than cost. I think the historically low participation rates in last weekend's European elections, right across the EU,

show how far we are from creating an EU which really connects with ordinary people.

And to do that we have to change the way Europe spends money. A lot of my speech four years ago was about the need for budget reform. I won't repeat myself here, because I am sure you can all remember the figures I quoted then. But to give you a flavour, we are still spending 40% of the EU budget on Agriculture and only 2% on R&D. As we move towards a new budget round it will be a high UK priority to try to bring some sense, and a focus relevant to Europe in the 21<sup>st</sup> century, to the way we spend our money.

### **Britain and the economic crisis**

One area where the EU has a clear role to play is in responding to the Economic crisis. The first thing to say is that because of the EU we are better able to deal with the crisis than we might otherwise have been. The crisis challenges the EU's core values and institutions. Our beliefs in the long term benefits of free movement of people, money, goods and services are confronted with the short term temptations of protectionism. But the truth is that the single market, enlargement and the creation of the Euro have made Europe more effective, not less. We think that the EU can be part of the solution; it is not the problem.

The crisis has hit different countries, in and out of the EU, in different ways and at different times. It started, you will recall, nearly two years ago now with a collapse of US property prices, a loss of confidence in debt instruments and a drying-up of credit. Because of the UK's strong financial sector we were hit early and hard. It's perhaps worth pointing out at this juncture that the UK financial sector has not disappeared overnight. Of course it has taken a battering, and some big names (people and corporate!) have disappeared from the scene. But the City remains the world's leading financial centre and, for example, last year the UK insurance sector grew by 12%.

There is no doubt that some thought that this was a long delayed case of what is frequently described here with some venom as "Anglo-Saxon" capitalism getting its just deserts. We fully recognise the need for changes to the global financial system, including better regulation. And we recognise a role for Europe here. We have welcomed the de Larosiere report on improving supervision and regulation within Europe. And we have proposed a new, independent European early warning body.

But the extent to which the "Anglo-Saxon" model is dependent on financial services, or indeed any services, and the degree to which it is different from a continental model can be exaggerated. The UK is very strong in a whole range of sectors well beyond financial services: pharmaceuticals, biotechnology, aerospace, high performance engineering and so on. Creative industries contribute more to UK GDP than financial services. We are the 6<sup>th</sup> largest

manufacturing nation in the world: Bigger than France. And although manufacturing accounts for a smaller share of GDP in the UK than it does in Germany (16%, compared with 24%) it is quite clear that, like the UK, Germany is primarily a service economy. Indeed, there is no doubt that the future of European countries lies in a combination of high technology manufacturing, cutting edge Research and Development and high quality services. We are not going to compete successfully with the US and Asia, nor create jobs for our people, in any other way. Hence our focus on the type of Europe I described above.

So this contrast between “anglo-saxon” capitalism and “continental social market” capitalism is a bit overdone. Of course there are differences. But there are also profound misconceptions. While Germany continues to debate the pros and cons of a minimum wage, workers in the UK have enjoyed the benefit of a minimum wage for over 10 years.

Its important to stress the communalities between us because we are all in this crisis together. It may have started as a credit crunch in the US and UK but it has spread to the “real economy” around the globe. And if the drawbacks of over-reliance on the financial sector are now obvious, so too are those of excessive dependence on exports.



So how do we pull through? Above all, we need to communicate and cooperate as a global community; recognising that this is a global crisis which requires a global response. The London summit of the G20 nations held 2 months ago took a number of critically important steps in this direction. In particular it agreed:

An additional \$ 1.1 trillion programme of **support to restore credit, growth and jobs**, mainly provided through the international financial institutions.

Strengthen the financial system by installing a better and more credible **system of surveillance and regulation**. This includes for the first time the regulation and oversight of large hedge funds and credit rating agencies.

**Fund and reform international financial institutions** to overcome the crisis and prevent future ones. \$ 850 billion in resources will be available through the IMF, World Bank and other multilateral development banks.

**Promote global trade and investment** and reject protectionism.

**Build an inclusive green, and sustainable recovery**. Continue to commit to the Millennium Development Goals through making \$ 50 billion available to low income countries.

We need also to recognise that not everything about our economies in the past was wrong. In the UK, our openness to trade and investment was right. As were our competition regime and our flexible product and labour markets, and our research and development policies that have helped innovative firms grow and

prosper. To give you some idea of how important open markets are to us: Foreign Direct Investment accounts for 50% of GDP (it accounts for 2% of Japanese GDP). These fundamental characteristics of the UK economy helped fuel 12 years of unprecedented growth before the crisis hit and we firmly believe they will provide a foundation for the recovery.

### **Climate Change**

We need to think also about what we will be recovering to. We have to plan for the long term as well as managing the short term. This means, for example, using financial bail-outs to restructure our economies to make them better adapted for the future. Here one key challenge is tackling climate change.

One of the most important achievements of the UK and German presidencies in 2006 was to put climate change at the centre of EU policy. The EU has set itself very challenging targets for reduction of CO<sub>2</sub> emissions and the switch to greater use of renewable energies. It has committed to cut greenhouse gases by 20% by 2020, rising to 30% if other countries follow suit, and to raise to 20% the share of renewable energies in its overall energy mix. It is also committed to playing a leading role in securing similar commitments from other key players, not least the US and the big Asian economies. The focus now is on the Copenhagen Summit on climate change at the end of this year. This will certainly be the most important international meeting of the year and our aim is to achieve a similar level of ambition at a global scale.

It is striking how clearly the G20 leaders promised that the financial crisis would not be used as a pretext for slowing the work on reducing emissions and developing renewable energies. Both Germany and the UK have committed elements of their support packages specifically to accelerating work on renewable energies.

The transition to a low-carbon economy is not just an environmental issue, although even as that it is the most significant challenge we face. And the latest research seems to be showing that it is an even more urgent problem than we had previously thought. But it is also core to our prosperity and security. The dispute between Russia and the Ukraine at the beginning of the year left Bulgaria and other parts of Europe without gas for 2 weeks during one of the coldest winters in years and underlined all our potential vulnerabilities.

It also makes economic sense. Lord Stern's highly influential review of the economics of global warming has clearly shown that the costs of action now enormously outweigh those of coping with the natural and human catastrophes that will otherwise face us in a few years time. We reckon that UK companies could save themselves some 3.3 billion pounds a year through greater energy efficiency. And in Germany the renewables sector already employs around 250,000 people.

Germany has for long led the way on green issues. But the UK is now catching up. Through the Climate Change Act, the UK has become the first country in the world to adopt a legally binding target to reduce carbon emissions: by 80% by 2050. We are building in the Thames estuary one of the world's largest off-shore wind farms (with involvement from E.ON and Siemens) and, among many leading companies in the renewable sector, we have Smith Electric Vehicles, the world's largest manufacturer of road-going commercial vehicles.

### **Personal impressions**

Four years in Dusseldorf is not only about policy, but also personal experience. I'd like to conclude with one or two more personal observations of things British and German. Germany is not well understood in the UK, or at least not as well as it should be. This was not always the case. In the 19<sup>th</sup> and early 20<sup>th</sup> century in the UK there was wide-spread admiration, certainly among educated classes, for Germanic culture. It was based on the belief in common ethnic and linguistic roots, kinship between the royal families, the pre-eminence of German science, philosophy and history, and a great interest in Bismarck's pioneering social reforms. To the very great distress of the Germanophiles that came to an end with the First and than Second World Wars.

Since then the relationship has been reconstructed. Politically, we are rock-solid partners, working very closely together on a huge range of foreign and domestic issues. Germany is the UK'S second largest commercial partner: thousands of

British business people work regularly with German companies, and vice versa. And British tourists form the largest national group of visitors to e.g. Cologne and Berlin.

I am a child of that time, and part of my motivation for applying for this post in Düsseldorf was to colour in the rather blank paper that Germany for me represented. I wanted to understand much better and to experience at first hand our major European and trading partner. I had my misconceptions of course some formed from sporadic contacts with Germany in the past and some the product of the culture in which I lived. Some of these have been confirmed and others swept away by four years living here.

One issue is the language. As Mark Twain famously remarked “There are ten parts of speech, and they are all troublesome” I studied German for several years at school and never made any progress at all, although at the same time I was able to communicate quite passably in French. As a history student at university I had to study Burkhardt’s incomplete and incoherent notes on cultural history. During my doctoral studies on medieval history, because German medieval historians are so strong, I found myself having to read late 19th century German historians in Gothic script and found them even more incomprehensible than the short-hand notes scratched onto manuscripts by the 12th century students who were the subject of my thesis.

No language is objectively more difficult than any other. But German and I never hit it off. One of my ambitions in coming to Germany was finally to crack the language and through it to access your wonderful culture in the original. I am much better than I was, but when I speak it is still functional rather than elegant. Reading the literature in German is a duty rather than a pleasure. And being allowed a night off, to speak to you in English rather than German, is a real relief.

Language is related to communication. And Germans take a real pleasure in the spoken word. When I was first invited to make speeches in Germany, I came with my English preconceptions of what was required: five or maximum ten minutes of a couple of personal points set off by some sparkling English wit. I gradually realised that I was disappointing a German audience, who looked forward to a serious 30 to 40 minutes disquisition; which is why I am speaking to you at such length this evening. I once congratulated a German speaker on her speech and she said in reply that she had tried to make it witty and entertaining on the English model rather than long and learned on the German (her words not mine).

I think serious German interest in speeches is a reflection of a more active civic society in Germany compared with the UK. The number of civic debating societies in Germany, and the number and range of people who turn out to listen to speakers on all sorts of subjects is really impressive. I have been amazed at the number of people who turn out at all sorts of strange locations, from disused industrial sites to historic castles to shopping centres to hear me and equally (un)distinguished speakers speak, often on a rainy Friday evening. And ever since I

was subjected to a range of highly intelligent and well-informed questions from the Deutsch-Britische Gesellschaft here four years I have learnt never to underestimate a German audience.

Because the Germans can be very direct. German culture seems to allow people to say exactly what they think, and to say it pretty directly, without equivocation. The great advantage of this is that it provides absolutely clarity. The disadvantage is that it can be pretty intimidating. The Brits err in the opposite direction, anxious not to cause offence by openly contradicting someone and cautious about laying out views too strongly in case others disagree. This is partly what lies behind the familiar adage that the Germans are great engineers but lousy marketers, and the English are the reverse, and that is why the Germans and the Brits together do such good business. But there has been more than one occasion in the last four years when I have come out of a shop in Germany having clearly been told by the assistant that I did not want what I had come in for but should have come in for something else.

A big part of the British stereotype about Germany revolves around football. We like to think that we have a special relationship over football akin to the transatlantic special relationship on international issues. It all started of course, with the unresolved debate over whether the ball crossed the line in 1966. Its latest manifestation was the 2006 World Cup, for which we in the British Consulate in Germany, together with the German authorities, worked for months in preparation for the invasion of hordes of British fans. And it was an invasion:

there were more British fans than any others. I saw them take over the historic centre of Frankfurt, and other German towns, plant their flags, park their double-decker busses, and sing and drink without interruption for three days, before they moved on to the next venue. But there was no trouble. The German locals treated the invaders as street theatre, took photos, and joined in. The Brits enjoyed the sun and the beer and (sometimes) the football. It really does seem to have had a lasting impact not just on Germany, in legitimising a form of national pride, but also in transforming the English impression of Germany. The tourist authorities say that British tourism has soured since 2006 and certainly the tone of the British popular press on Germany, a barometer of mood, has changed significantly.

In North-Rhine Westphalia the issue of Anglo-German understanding is better informed than in other parts of Germany, because of the historical links. These came into sharp focus during the celebrations two years ago to mark the 60<sup>th</sup> anniversary of the foundation of the Land by the British. This was the warmest period of my stint as British Consul-General here. A member of the British Royal Family came to take part in the celebrations. Minister-President Rüttgers went to London and was fascinated by the Cabinet papers he saw about the foundation of the Land. Lots of warm things were said about the common history, the personal interactions and the deep ties between UK and this part of Germany.

I have learnt to admire the quality of life in Germany. Düsseldorf has been a good teacher in this respect. Cycling to work along the Rhine, enjoying the



compactness of the city, and the easy access to the countryside beyond, and benefitting from the resources that are pumped into the cultural, social and sporting amenities of the Landeshauptstadt. There is more space in Germany and of course you are far less centralised than in the UK. I have certainly tried to take advantage of all that is on offer. Perhaps the highlight was singing Bach in the 17<sup>th</sup> century Neanderkirche in a church choir conducted by a cantor whose name is Sebastian. There cannot be many more echt German experiences than that. A life in Germany is not without its problems, particularly if you are poor, and/or from an immigrant background, and/or unemployed. But these are not problems confined to Germany and it has been interesting to see how willing and fruitful it has been for British and German experts to work together and share experiences on these themes.

It is in the nature of diplomacy to be forever saying good-bye. I do so this evening after four very enjoyable years in Germany with regret but also with satisfaction in achievements, both personal and professional, and with a sense of excitement at what comes next. On a personal note I do feel I have coloured that blank piece of paper and now have a better sense of what Germany is, how it sees its role, and what German culture in the broadest sense means. I won't allow those colours to fade again.

As I said at the beginning, change, both personal and organisational is the only constant, and our best survival mechanism. Others have said it better than me, and since I am in this house this evening I end by quoting the Master:

„Das Leben gehört dem Lebendigen an, und wer lebt, muß auf Wechsel gefaßt sein“.